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U.S. CABINET DISTRIBUTORS LAUNCH COALITION TO FIGHT TRADE CASE ON READY-TO-ASSEMBLE CABINET IMPORTS

Washington, DC: U.S. distributors, dealers, contractors, installers and importers of ready-to-assemble (RTA) cabinets joined together today to launch the American Coalition of Cabinet Distributors (ACCD). The group is dedicated to fighting a trade case filed with the U.S. International Trade Commission (ITC) and U.S. Department of Commerce by made-to-order cabinet companies against imports of RTA cabinets from China.

“The made-to-order cabinet manufacturers that filed this trade case are seeking to wipe out the RTA market segment by taking advantage of anti-China trade sentiment,” said Coalition member Randy Goldstein, Chief Executive Officer of Kitchen Cabinet Distributors in Raleigh, NC. “For weeks, we have seen these petitioners spread lies about the RTA segment of the industry, a segment that actually complements U.S. production and enhances the overall cabinet market. Small- and medium-sized businesses throughout the United States that rely on RTA imports have formed this coalition to fight back against the false narrative peddled by the petitioners. We will make sure that policymakers, elected officials and the public understand the facts of this case and the damage that duties would have on businesses such as remodelers and builders across the country, as well as on American homeowners.”

The anti-dumping and countervailing duty petition, which was filed on March 6, 2019 by the American Kitchen Cabinet Alliance (AKCA), seeks substantial duties on imports of RTA cabinets from China. Imposition of the proposed duties could effectively eliminate the RTA option from the U.S. marketplace. The survival of the hundreds of American businesses in the RTA industry is now at risk because of this trade case. Equally at risk is the financial security of the tens of thousands of Americans who are directly employed by these companies and the many more who are indirectly supported by the RTA industry's supply chain.

“The imported RTA sector makes up a small portion of the U.S. cabinet market,” said Coalition member Missy O’Daniel, President of Web-Don Inc. in Charlotte, NC. “Domestic producers dominate the market. Our success has done nothing to impede the growth of the larger U.S. kitchen cabinet industry, which continues to prosper today. In fact, made-to-order cabinet producers have steadily increased their prices and shipment volumes over the past several years—hardly a sign of industry malaise.”

The Coalition is encouraged by the ITC’s May 1 preliminary views on the issue of injury. Although the ITC decided to proceed with the investigation, it found that imports have not had a negative impact on the U.S. cabinet industry’s prices. This finding supports the ACCD’s position that any difficulty some members of the U.S. made-to-order cabinet industry are experiencing is tied to home-grown factors, including intra-industry competition, consolidation and failure to adapt to evolving market needs. Given
that import duties would have a significant, harmful impact on workers and businesses across the United States and would hurt American consumers who benefit from access to the broadest array of cabinet choices possible, the Coalition urges the ITC to continue to subject the petitioners’ self-serving assertions to the most careful scrutiny.

“Our customers come to us for speed, service, reliability and quality,” said Coalition member Chris Graff, Executive Vice President of JSI Cabinetry in Fall River, MA. “We provide exceptional quality in a narrow product assortment enabling delivery in days. The flexibility to order RTA makes for easy, fast and damage-free delivery from our facility to the kitchen, whether it’s for a single-family home, apartment or multi-unit complex. This timeline contrasts with made-to-order manufacturers that can take one or even two months or more to deliver an order. Some consumers and construction industry clients simply can’t wait that long for their kitchen cabinets.”

“The Coalition looks forward to presenting the facts of this case and showing the ITC that these petitioning companies have not been injured by imports of RTA cabinets from China,” said Coalition legal counsel Matthew Nicely, a partner at Hughes Hubbard & Reed. “The source of any difficulty these companies face is right here in the United States, among their fellow U.S. competitors. We’re not going to allow anti-China trade fever to stand in the way of a sober appraisal of marketplace realities. We are counting on the ITC to recognize this petition for what it is and issue a negative injury determination during the final investigation that will commence later this year.”

For additional information on the Coalition, visit www.americancabinetdistributors.org.

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