CLIENT ADVISORY

September 15, 2020

Lawsuit Filed Against Section 301 China Tariffs List 3

Dear Valued U.S. Import Customer,

On September 10, 2020, the Office of the United States Trade Representative (USTR) received a complaint filed by HMTX Industries LLC, along with Halstead New England Corporation and Metroflor Corporation, alleging that USTR had violated the Trade Act of 1974 when it had enforced List 3 of the Section 301 tariffs.

Specifically, the compliant alleges that USTR instituted List 3 tariffs beyond the 12-month time limit as required by the governing statutes of the Trade Act. List 3 went into effect on September 24, 2018, over a year after USTR had initiated the underlying Section 301 investigation on August 17, 2017. The compliant also claimed that USTR "failed to offer any evidence for any asserted "increased burden" from China's intellectual property policies and practices that were subject of USTR's Section 301 investigation" and failed to provide adequate opportunities for comment and to provide analysis of the increased burden of the unfair trade practices on U.S. commerce.

The compliant is petitioning to declare USTR's actions as contrary to the Trade Action of 1974, to vacate the List 3 rulemaking and to refund with interest any duties paid. This compliant may also impact List 4A of the Section 301 tariffs as well. There has been no comment from the USTR.

Importers impacted by List 3 and List 4A may try to file their own independent claim to preserve their right to refunds under this lawsuit. These claims must be filed by Friday, September 18, 2020. Due to the urgent nature, please reach out to your trade attorney to file a claim.

Thank you for being our Valued Customer. If you have any questions, please do not hesitate to contact your C.H. Robinson commercial representative for further information.

Sincerely, C.H. Robinson

Our information is compiled from a number of sources that to the best of our knowledge are accurate and correct. It is always the intent of our company to present accurate information. C.H. Robinson accepts no liability or responsibility for the information published herein.

