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QUARTZ MANUFACTURING ALLIANCE OF AMERICA FILED GLOBAL SAFEGUARD PETITION TO ADDRESS SURGE OF IMPORTS AND CONTINUED VIOLATIONS OF EXISTING U.S. TRADE LAWS

Washington, D.C. – September 18, 2025: The Quartz Manufacturing Alliance of America (QMAA) announced today that on Monday, September 15, it filed a safeguard petition under Sections 201–202 of the Trade Act of 1974, requesting that the U.S. government swiftly investigate a surge of imports and effectively address ongoing violations of existing U.S. trade laws. The safeguard petition is necessary because of persistent "country-hopping" and other illegal evasion tactics designed to avoid paying legally required tariffs and hijack the U.S. market for stone countertops. The petition requests that the U.S. International Trade Commission (ITC) investigate whether quartz surface products (QSP), which include slabs as well as fabricated off-shore tops, are being imported in such increased quantities that they are a substantial cause of serious injury to the U.S. industry.

This is not the first time action has been required to combat unfair trading in the QSP industry. In 2019, the U.S. government imposed AD/CVD duties of more than 500% on imports of quartz surface products from China to offset illegal dumping and heavy subsidization. Antidumping and countervailing duties (AD/CVD) previously imposed on China for violating U.S. trade law have not been enough to stop the flood of illegal and unfair imports into the U.S. quartz market. Indian imports of this product category have now surpassed the highest volumes from China prior to the 2019 AD/CVD duties. Meanwhile, imports continue to exploit the U.S. market through transshipment and other tactics that violate existing U.S. trade law. The U.S. government has repeatedly found Chinese quartz being transshipped through multiple Pacific Rim countries. In addition, fabricated offshore quartz entering the U.S. has risen dramatically, threatening the future of American stone fabricators. The excellent work of these skilled craftsmen and women transform stone slabs into custom countertops for construction projects in homes and businesses across the U.S. In 2024 alone, over 40 million square feet of fabricated offshore stone product entered the U.S. market—much of it likely transshipped to evade duties. Even more was almost certainly imported through evasive tactics such as misclassification of Harmonized Tariff Schedule (HTS) codes, which could also be considered a fraudulent practice under the False Claims Act. This volume represents an estimated 1,000,000 to 1,500,000 slabs of quartz stone fabricated offshore and shipped into the U.S. yearly, a shocking 3,000-4,000 slabs of fabricated offshore stone being imported into the United States every single day.

Chinese producers and importers began relocating production facilities before those duties took effect, and continue that still today, sending equipment and technology often violating Intellectual Property (IP) to other countries in order to continue selling QSP to the U.S. at below-market prices violating existing U.S. trade law. The U.S. government subsequently issued additional AD/CVD orders against imports from India and Turkey. The relocation of Chinese production facilities, technology, and quartz slabs to multiple Pacific Rim countries enables low-priced products to continuously flood the U.S. market.

Under U.S. trade law, importers must declare, among other things, the country of origin, the value of goods, whether goods are subject to duties, and the amount owed. Submitting false information to U.S. Customs and Border Protection (CBP) is illegal and rightfully carries severe penalties.

Since 2019, the U.S. government has repeatedly found AD/CVD evasion in the QSP sector, including false reporting of country of origin and product classification under the HTS. Chinese-origin QSP have been transshipped through Malaysia, Vietnam, and Thailand, where they were illegally mislabeled. Others have been misclassified, for example, as "crushed glass" or marble or have used other tactics to avoid duties.

The stakes for trade evasion are high. Last month, following a whistleblower lawsuit, the Department of Justice (DOJ) announced that a Texas-based countertop supplier agreed to pay \$12.4 million to resolve allegations that they knowingly evaded AD/CVD duties on QSP imported from China by misclassifying slabs as marble or crystallized glass. As part of the resolution, the whistleblower will receive approximately \$2,170,875 of the settlement proceeds.

https://www.justice.gov/opa/pr/allied-stone-inc-and-company-official-agree-pay-124m-settle-false-claims-act-allegations

The DOJ's action follows numerous CBP findings of evasion involving QSP imports. In fact, more than 10% of all anti-evasion cases across all industries under the Enforce and Protect Act (EAPA) involve Quartz Surface Product imports. For more information about CBP, EAPA, and the e-Allegation program, visit https://www.cbp.gov/trade/eapa

"The U.S. marketplace for stone products exploded as a result of U.S. manufacturers efforts to develop quartz surfacing markets. In addition to trade violations, importers mislabel stone mixes to undermine trade remedies and falsify country-of-origin labeling," said Luke Meisner of Schagrin Associates, representing QMAA. "If not for the surge of imports and this widespread unlawful behavior, the domestic industry would not need to request this relief from the U.S. government."

"This safeguard petition is necessary due to persistent and unlawful violation of existing U.S. trade law," said Marty Davis, CEO of Cambria Company. "Foreign producers and importers are hijacking the American consumer market for quartz surfacing, threatening American jobs, and unfairly undercutting U.S. quartz slab manufacturing factories and the highly valued American stone fabrication shops. These illegal imports exploit the most robust building products industry in the world, the United States, undermining the very principles of free enterprise and fair competition."

"This safeguard petition will ensure the effective enforcement of existing U.S. trade laws that are essential to supporting free and fair competition in the United States and protecting U.S. manufacturing workers from having their jobs stolen by injurious imports," said Dave Patton, General Counsel at Mohawk Industries, Inc., the parent company of Dal-Tile. "The Safeguard Act was instituted over 50 years ago to address this type of dramatic import surge."

"As a new domestic producer of quartz slabs, we strongly support the QMAA's safeguard petition because it addresses a crisis that individual enforcement actions can no longer contain. The thousands of foreign producers and importers flooding the U.S. market with mislabeled and illegally transshipped products are jeopardizing every legitimate American manufacturer. Our recent investments in U.S. production designed to create jobs, build resilient supply chains, and strengthen the domestic stone industry are directly at risk. It is imperative that the U.S. government act decisively to stop the blatant and ongoing mislabeling of country of origin and product type. Without swift enforcement, fair competition will be impossible, and the future of American quartz manufacturing will be irreparably harmed," said Rafael Guidoni of Guidoni USA.

Stone importers know that the majority of the spread between low-priced imports and domestic products goes into the pockets of sophisticated importers and distributors who help orchestrate these evasive schemes. The low import price rarely benefits U.S. fabricators' operating margins, in fact often tightening their margins, nor are materially lower prices realized by the consumer. The QMAA expects homeowners will not face significant price increases as these countertop goods return to being traded legally and on a level playing field, having eliminated this unfair competition.

The petition is now before the U.S. government for its review to investigate the surge in imports, eliminate unfair competition, and secure free and fair trade, ensuring all American workers have the opportunity to compete on a level playing field while exhibiting their great skills in the vital American workforce.

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Additional information and interview opportunities are available upon request.

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