



**DECORATIVE
HARDWOODS**
Association

Decorative Hardwoods Association®

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Phone: (703) 435-2900

To: Commerce Department
Office of the U.S. Trade Representative

Re: Tariff and Trade Issues Affecting Canada and Russia

Date: January 29, 2025

The Decorative Hardwoods Association (DHA)¹ would like to thank you for your continued support and robust defense of U.S. manufacturing. DHA strongly supports efforts to strengthen and grow U.S. manufacturing and prevent further damage from the unfair trade practices of China and its Asian allies. In addition, DHA supports tariffs on Russian wood products and recommends that action also be taken with respect to wood products manufactured from Russian wood and imported from third countries, as these goods continue to finance the Russian war effort. However, Canada remains a vital party of the U.S. supply chain, as U.S. manufacturers of hardwood plywood, veneer and engineered wood floors for decades have been integrated with our Canadian business partners. Thus, we ask that hardwood plywood, veneer and engineered wood flooring manufactured in Canada be exempted from any potential tariffs on imports from Canada.

DHA represents manufacturers of hardwood plywood, veneer and engineered wood floors in the United States and Canada. Our industry has faced severe challenges from illegal imports from China and Vietnam, as well as other Asian countries, over the last decade. The Section 301 duties imposed on imports from China during President Trump's first term have been an important step in addressing unfairly traded imports of hardwood plywood and veneer from China. In addition, our hardwood plywood and engineered wood floor members have successfully pursued antidumping and countervailing duty cases against Chinese manufacturers. Hardwood plywood manufacturers have also succeeded in circumvention litigation against Vietnam. Each of these actions have been critical to creating a level playing field in the U.S. market. However, U.S. producers continue to face pressure from unfairly traded imports that threaten their businesses. Thus, our industry is looking forward to working with the Trump Administration in its second term to combat these imports through robust trade enforcement. Such actions are necessary to further strengthen U.S. manufacturing of these products, which are essential for a healthy workforce particularly in rural areas of the United States.

In addition to Asia, DHA supports increased tariffs on wood products from Russia. In 2024, the United States imported over \$62 million of birch plywood from Russia. However, these direct imports from Russia pale in comparison to the nearly \$200 million of birch plywood imported from Vietnam and the nearly \$160 million imported from Indonesia. These imports come in at low or no tariff rates despite the fact that they are made with Russian-origin birch. All plywood made with Russian-origin wood and wood inputs, whether imported directly from Russia or from a third country after further processing, helps support the Russian war effort. Accordingly, DHA recommends that the administration consider banning or increasing tariffs on Russian wood products and products from third countries made with Russian wood.

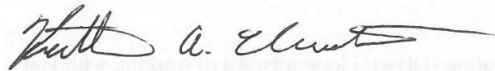
¹ The Decorative Hardwoods Association represents over 75 North American manufactures of hardwood plywood, hardwood veneer, engineered wood floors and their suppliers and distributors.

Finally, unlike Asia and Russia, U.S. hardwood plywood, veneer and engineered wood flooring manufacturers are heavily integrated with our partners in Canada. A unique and vital relationship has developed over the last century between U.S. manufacturers and our Canadian partners. This is particularly true with respect to hardwood splicing, an integral step in the production process where individual pieces of veneer are joined into larger sheets for use in hardwood plywood and engineered wood floors. Our industry is so integrated that it is often the case that hardwood trees harvested and sliced into veneer strips in the United States are exported to Canada for splicing into larger sheets by our partners in Canada then reimported by U.S. hardwood plywood, engineered wood floors and furniture manufactures for finishing and sale. Thus, DHA and our members are concerned that any tariffs on Canadian manufactures who are our customers and important part of our supply chain would harm the competitiveness of our US manufacturers. In fact, tariffs on these Canadian suppliers would make imports of veneer and finished products from Vietnam, Indonesia and other Asian countries that do not face such tariffs more competitive. Therefore, we are concerned also that it is our Asian competitors—and not U.S. manufacturers—that would benefit from tariffs on Canadian decorative hardwood products.

Furthermore, the U.S. government should encourage Canada to strengthen their trade laws particularly with respect to China. Similar to U.S. hardwood plywood manufacturers, hardwood plywood manufacturers in Canada filed a trade case against Chinese producers. However, the trade laws and policy in Canada are weaker and Canadian producers lost their case. Thus, in addition to encouraging Canada to strengthen their trade laws, the U.S. government should be vigilant against circumvention through Canada of Chinese and other Asian manufactured hardwood plywood, veneer and engineered wood floors.

Thank you again for your strong support of U.S. manufacturing. The DHA looks forward to working with the Trump Administration on growing U.S. manufacturing of decorative hardwood products and trust that you will consider exempting hardwood plywood, veneer and engineered wood floors manufactured in Canada from any tariffs.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith A. Christman". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Keith A. Christman
President
Decorative Hardwoods Association

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