



## Bamboo-mat importer has no way to seek tariff exclusion

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When your best-selling product is made of bamboo, China is a logical place to get it.

Unfortunately for Anji Mountain, a Maryland Heights company, President Donald Trump is waging a trade war with China and doesn't seem to care how many American businesses get hurt along the way.

Anji Mountain gets about half its revenue from a bamboo floor mat, designed for use under a rolling office chair, that is an example of American ingenuity. It was invented and patented by Darryl Gold, who founded Anji Mountain in 2003 to sell home and office products made from sustainable materials. The mat is sold through Office Depot, Staples and other retailers.

Gold retired a couple of years ago and sold the business to his son, Jeff Gold, and son-in-law, David Moons. The company employs 11 people, and its prospects looked good until last month.

That's when Trump imposed tariffs on \$200 billion worth of Chinese products, including the bamboo mats. The tariffs are 10 percent now and go to 25 percent in January.

"This is obviously very challenging for us," says Moons, the company's president. "We're trying to build aggressive growth plans around other products, but potentially having to walk away from something that is the lifeblood of the company is very sobering and very uncomfortable."

In previous rounds of tariffs, the government established a process for importers to ask for an exclusion. With the latest round, the third in an escalating battle with China, it offered no such path for relief.

Moons says both Missouri senators, Democrat Claire McCaskill and Republican Roy Blunt, support his efforts to get some sort of hearing. McCaskill sent a letter last week urging U.S. Trade Representative Robert Lighthizer to give companies "a fair and transparent exclusion process to present their argument."

Moons' argument is simple: The bamboo in his floor mats is native to China, and the Chinese factory he's been working with for a decade is the only place in the world that knows how to make them.

In their own letter to Lighthizer, Moons and Jeff Gold say a 25 percent price increase would cause "an immediate and disastrous decline in sales," while absorbing the tariff without a price increase would eliminate Anji Mountain's profit margin and "make the product untenable."

"If implemented, this 25 percent increased duty would have a substantial and adverse effect on Anji Mountain's business and employees," their letter says.

Daniel Ikenson, a trade policy expert at the Cato Institute, can think of a couple of reasons why the Trump administration didn't offer an exception process for this round of tariffs. Its targets are mostly consumer goods, not industrial inputs, and Ikenson says officials view the 10 percent tariff as "a cost that businesses should be able to absorb."

It's unclear whether an exception process will be created before the tariff goes to 25 percent in January.

Lighthizer also may be trying to send a signal that he's serious about inflicting pain on China, even if U.S. firms are hurt. "I am coming to the growing conclusion that the administration's objective is to discourage American businesses from importing from China or setting up business there at all," Ikenson said.

For Anji Mountain, pulling back from China might mean killing its most successful product. Before he's forced to make such a decision, Moons would at least like to make the case for an exemption.

As it stands now, though, his bamboo mats look like just another piece of collateral damage in the trade war.