



## Chinese Anti-Dumping Duty Decision Represents Monumental Shift in Glass Sourcing and Supply Chain

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## MAY 4, 2020 — Over the last two decades, we have seen a significant decline in US glass capacity as China has become more competitive in the space.

Recently, Glass International reported a preliminary determination on the antidumping duty investigation the US Department of Commerce had launched into Chinese imports of glass containers. The report "found that Chinese producers

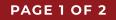
of glass containers dumped glass containers in the United States and assigned antidumping duty rates as high as 255.68%."

At Dempsey International, we are proudly America first and are proudly Veteran Owned and Veteran Operated. We are all about American manufacturing first and bringing production home. The US Department of Commerce's preliminary decision is being celebrated by US container glass manufacturers, as the decision may lead to much needed long-term opportunities for investment here in North America.

If the Department of Commerce's decision is a finding of fact, other producers outside of China like Taiwan, India and Mexico may need to be investigated as have been historically competitive with price levels out of China on similar products. Further, multiple other business segments, also supplied from China, will need to be looked at very closely as well, such as sprayers, pumps, and closures, to name a few.

As the effects of this decision begin to play out, we are thrilled to see an outdated and failing US infrastructure begin to recover as investment returns back home to the United States.

https://www.glass-international.com/news/us-container-glass-manufacturers-applaud-chinese-antidumping-duty-decision



However, the monumental shift of this decision in terms of sourcing and supply chain will put many small businesses, particularly in the United States food industry, at risk. As the cost of glass rises in response to the Department of Commerce's decision, small family-owned businesses that rely on offshore supply may not be able to sustain themselves with the increase in price they will see—if they're even able to find domestic supply at all.

In short, this finding could be a great long-term opportunity for American manufacturing investment, bringing production back home, but will negatively impact small businesses' ability to remain competitive as they navigate a restricted supply chain.

When the finding of fact is looked at in the microeconomic sense the decision appears justified, but when one looks at the macroeconomics, one can only think that the decision appears a highly politicized one.

For help navigating the glass markets, or to work on securing glass supply, contact the Dempsey International Packaging team by emailing info@dempseyinternational.com.

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George is a leading expert on Asian and Latin American Packaging Supply Chain dynamics. His expertise spans 25 years of supply chain and business development in foreign markets, including multiple board level positions. He is a graduate of Northern Illinois School of Business and holds multiple degrees including an Executive MBA.