



Five Indicted for Smuggling Chinese Extrusions into the U.S.; AEC Assisted in the case.

On June 21, AEC received an extraordinary press release for the U.S. Department of Justice. DOJ announced in a [press release](#) that five individuals and three companies in the U.S. territory of Puerto Rico have been indicted by a Federal Grand Jury of three counts of smuggling and money laundering in an illicit attempt to evade duties on imported aluminum extrusions from China. The conspirators, who are explicitly identified in the press release, are charged with evasion of nearly \$27 million in unpaid tariffs. They face penalties of millions of dollars in fines and up to 20 years in federal prison, if convicted.

The alleged scheme is not unlike those that have been reported to AEC from other parts of the U.S. and Canada. Here, extrusions were purchased from China and repackaged and transshipped into the U.S. from Malaysia to “make it appear as though the aluminum originated in Malaysia and ... to avoid payment of the antidumping and countervailing duties (ADD/CVD).” U.S. Attorney Rosa Emilia Rodriguez-Velez said, “These individuals are charged with defrauding the United States government of tens of millions of dollars in lawfully imposed duties. We will continue to investigate and prosecute those who engage in corrupt acts which directly affect fair market competition in imported goods.”

Information obtained by AEC and transmitted to the Customs and Border Protection agency in Washington DC was instrumental in helping break this case. AEC continues to advise members to alert your customers to the extreme dangers of trying to circumvent these tariffs. If you have knowledge or suspicion of any such circumvention, please contact Rand Baldwin, AEC President at rbaldwin@tso.net or (847) 416-7225. Or go online to the [“e-allegations” reporting system](#) maintained by the U.S. government. Reports are strictly confidential.

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