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Made in China

By

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There have been recent media reports proclaiming that American consumers must be wary of anything made in China. Whether the products are toothpaste or tires or toys, the media craze is focused on making the words “Made in China” something very negative and something to be avoided. Wake up! We live in a world different from 50, even 25, years ago. No, I am not talking about the Bush Administration’s “War on Terror” and the competitive disadvantages we place on ourselves by virtue of it. I am referring to the globalization of international trade.

If you are reading this article on a computer screen, most likely the screen or some of its components were made in, or assembled in, China. The same is true for the car in which you drove to work, the air conditioning unit that cools your home, the stereo with which you hear music, and everything else from your stapler to your coffee mug. It is unprecedented in world history how one country can so quickly become an economic powerhouse. Globalization of international trade will absolutely continue. That is why you can get your latte at Starbucks in Beijing while staying at a Marriott hotel and being driven around in a Ford car while reading the street signs that are in English.

As a customs and international trade attorney, and former attorney for the U.S. Customs Service, I am accustomed to thinking about where something is made. Even when going out to dinner with friends and business associates, I turn over the plate at my table to see where it was made (preferably before the food is served). Often, doing so will start an interesting conversation.

United States law, enforced by U.S. Customs, requires virtually every product entering the United States to state clearly in English where it was made. Failing to do so may result in the seizure of the products by U.S. Customs officers. Falsifying the proper country of origin in any declaration to U.S. Customs will not only result in the seizure of the merchandise, but may result in substantial fines against the importer.

U.S. Customs is the primary border enforcement agency of the United States. It has the legal authority to detain and examine every person and product attempting to enter the United States. Other agencies, such as the U.S. Food and Drug Administration (FDA), have more limited authority. U.S. Customs, the U.S.

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Department of Agriculture (USDA), and the FDA do an excellent job of attempting to stop illegal or dangerous products from entering the United States. When a food, drug, cosmetic, or dietary supplement is considered a problem, the FDA issues an "Import Alert" which means that a certain product from a certain supplier in a certain country may no longer enter the United States, or it could be as broad as prohibiting the entry of a certain product from anywhere into the United States. Every day, additional items are added to the Import Alerts. To see the list, look for the "Import Alerts" section of the FDA website. Every day, FDA and Customs officers examine merchandise and require that it be re-exported or destroyed.

The FDA and Customs officials examine products of every kind from all over the world. Now that China is our largest international supplier, it is understandable that it is also the largest violator of our health and safety laws. Today, about \$70 billion in food goods are imported into the United States annually – nearly double the value imported from just 10 years ago. Today, over 80 percent of the seafood Americans eat is imported, and much of our seafood and other food products come from China. China is proportionally no better or worse than any other country regarding problematic food imports. China had to come a lot further in the last 25 years than most countries. 25 years ago they had, essentially, no laws. Now they have had to learn to deal with their laws as well as myriad international regulations. It is only in the last few years that they joined the WTO. With well over a billion people in far reaching corners of the country, there is no doubt that it takes time to get the word out, and no doubt that mistakes will be made as they navigate a steep learning curve. However, imports from our neighbors in Canada and Mexico also include products that are illegal or dangerous to Americans, and are stopped at the border by FDA or Customs officials. Moreover, just because something is made in the United States does not somehow make it impervious to being harmful to consumers. See the "Recall Alert" section of the U.S. Consumer Product Safety Commission website for some examples. Yet, the media frenzy seems to be focused only when Chinese products have a problem, and that is wrong.

In summary, I hope you notice and appreciate that we live in the age of globalization. It is irreversible. Even though the Chinese civilization has been around for about 5,000 years, only very recently have they become such a dynamo in international trade with the United States. China is undergoing a massive restructuring to a capitalistic economy, and changing its consumer protection and intellectual property laws to catch up with the United States. Anyone who has visited China will find that self evident. That trend will not change, and neither will globalization. The officers of U.S. Customs and the FDA are vigilantly protecting us from imported AND domestically made products. Everyone and every company and country makes mistakes, and sometimes that causes harm to persons, but I believe that avoiding anything "Made in China" is likewise a mistake and ultimately self-defeating.