Request for Fair Tariff Enforcement

On Chinese E-Commerce Platforms

The Honorable ________________________

I hope this letter finds you well.

Recently, we felt both a great burden and a glimmer of hope regarding the two tariff policies imposed by President Trump on China. However, in the end, we were deeply disappointed. Specifically, while the imposition of an additional 10% tariff on all general goods exported from China placed a significant financial burden on us, we had some hope in the fact that the loophole in the De Minimis (small-value import duty exemption) policy—previously exploited by TEMU, SHEIN, ALIEXPRESS, and others to dominate the U.S. market—was finally being closed, ensuring that these platforms would also be subject to tariffs. However, we were greatly disheartened to learn that, due to the USPS system not being ready to implement these tariffs, TEMU and others will continue to import products into the U.S. duty-free for the time being.

As you are well aware, Chinese e-commerce companies such as TEMU, SHEIN, and ALIEXPRESS have severely disrupted the foundation of the U.S. economy, threatening not only local retailers and wholesalers who have supported the economy for decades but also major retail giants like WALMART and TARGET. TEMU, in particular, has been supplying products via the internet at less than half the price of fair-market consumer prices, effectively dismantling the traditional distribution system. As a result, local retailers, the grassroots of the economy, as well as wholesalers who import and supply products to these retailers, are now struggling to survive.

Wholesalers, in particular, bear the burden of high tariffs when importing products legally, while TEMU continues to circumvent these duties through De Minimis, selling at unreasonable prices and rapidly eroding the domestic U.S. market. In this situation, the newly imposed 10% tariff has further increased the financial burden on American businesses like ours, while TEMU remains effectively exempt from this tariff, widening the competitive disparity.

If an American company imports $100,000 worth of human hair products from China, it must pay a 10% tariff, amounting to $10,000. For synthetic hair products, the existing 7.5% tariff, combined with the new 10% tariff, brings the total to 17.5%. For shampoos and other beauty products, the original 25% tariff has been increased to 35%. Meanwhile, Chinese e-commerce companies continue to export products to the U.S. duty-free, dumping goods onto the market, pushing American wholesalers and retailers to the brink of collapse.

We are already losing customers to TEMU due to their absurdly low dumping prices, and now, with the additional 10% tariff, American companies like ours are suffering double and triple the losses. If this situation continues unchecked, small and medium-sized enterprises that form the backbone of the U.S. economy will be forced into bankruptcy, leading to the following significant consequences for the U.S. economy.

First, an increase in the unemployment rate due to the collapse of domestic wholesale and retail businesses.

Hundreds of thousands of wholesale and retail businesses operate in industries threatened by Chinese internet platforms like TEMU—including apparel, footwear, wigs, household goods, shampoos, and other beauty products. These businesses employ millions of workers. Retailers typically employ at least two to three people per store, while wholesalers employ anywhere from 30 to over 100 people per company. The cumulative employment impact is in the tens of millions. If these businesses collapse, a proportional number of jobs will be lost, dealing a severe blow to the U.S. economy. Traditional industries generate significantly more employment opportunities than Big Tech, but if companies in these sectors continue to go under due to TEMU's aggressive expansion, unemployment will inevitably rise, creating a major crisis in the labor market.

Second, a decline in tax revenue and the outflow of U.S. national wealth due to company bankruptcies.

Wholesalers like us have been paying corporate taxes, state taxes, and other levies for over 20 to 30 years while also making charitable contributions to our communities. Retailers pay business income taxes and play a crucial role in local economies. Additionally, employees of wholesalers and retailers contribute to government revenues through personal income taxes. However, if these businesses collapse due to TEMU, the resulting loss in tax revenue will put the U.S. economy at great risk.

Meanwhile, TEMU not only benefits from duty exemptions but also does not pay any taxes in the U.S., allowing it to extract massive profits without contributing to the American economy. This effectively means that U.S. national wealth is being funneled into China, and the U.S. government is allowing it to happen.

If wholesalers and retailers—who contribute significantly to the U.S. economy through corporate and income taxes—are driven to bankruptcy by TEMU, the resulting tax revenue loss will be astronomical. This is not a temporary issue but one that could permanently alter the economic structure of the United States, leading to a long-term crisis.

Third, the collapse of the traditional U.S. distribution market and increasing dependency on Chinese companies, threatening the foundation of the U.S. economy.

If wholesalers and retailers continue to go bankrupt, the U.S. distribution system will gradually shift towards being dominated by Chinese e-commerce companies like TEMU. Even major retailers like WALMART and TARGET will not be immune to these effects. Ultimately, the U.S. market will become dependent on Chinese internet companies, raising concerns about the erosion of economic independence.

Congress has a historic opportunity to safeguard American businesses and restore fairness to our trade policies. Allowing foreign sellers to evade tariffs while imposing high import duties on U.S. businesses is not only unjust but economically devastating. We implore you to take action before more American companies are forced to shut down.

The only fair-trade policy is one that imposes the same tariffs on TEMU and other Chinese e-commerce companies as it does on American businesses. Only through such equitable tariff enforcement can the U.S. government protect companies like ours—and, ultimately, the U.S. economy.

Thank you for your time and attention to this urgent matter. We welcome the opportunity to discuss this issue further and provide additional insights. Please feel free to contact us at your convenience.

Name: ____

Date: ____

Sign: ____