

Think Twice Before You "Click"

Who doesn't like the convenience of ordering online? The comfort of your couch, one click, and wait for the delivery. Just how much do we love this simplicity? E-commerce sales in the United States have exploded from \$260.4 billion in 2013 to \$1.12 trillion in 2023. That is a 330% increase in ten years. Unfortunately, e-commerce has an ugly side, costing Americans, and Coloradoans in particular, their jobs.

How is this costing American jobs? Imagine you need to print an important document, but your printer is out of ink. You turn to your favorite e-commerce site and have new ink delivered the next day.

But did you purchase ink made with Chinese slave labor, banned from importation into the United States?

In June of 2023, the U.S. Dept. of Homeland Security banned printer toner and ink cartridges manufactured by Ninestar Corporation. Ninestar is listed as one of the top 500 companies in China and a blatant violator of the Uyghur Forced Labor Prevention Act (UFLPA). The UFLPA, created in 2021, prohibits goods from being imported into the United States, produced in Xinjiang, or by entities identified as having facilities in this region of China.

The Homeland Security ban was a boom for U.S. ink cartridge manufacturers, including **Image Projections West**, here in Colorado. But the reshoring opportunity was short-lived. Today, ink cartridges made with slave labor can be ordered and delivered directly to your home from the comfort of your couch. And this illegal ink is jeopardizing jobs in our community.

Despite the U.S. ban, Ninestar's e-commerce platform and other Chinese sites, such as <u>G&Gimage</u>, continue to sell and ship their products. Through multiple Ninestar subsidiaries, banned ink can even be purchased unknowingly through <u>Amazon</u>.

China is using E-Commerce to do more than ship illegal ink. Shein and Temu, two Chinese discount e-commerce companies, are taking advantage of the "de minimis" loophole to ship billions of packages into the U.S. directly from China, avoiding tariffs and inspections. The "de minimis" loophole was designed to allow American tourists to bring home souvenirs valued at under \$800, duty-free and bypassing customs.

Temu, a Chinese E-commerce giant PDD Holding unit, uses this loophole to import products directly into your home. A particular focus has been cut-&-sew products, again threatening American jobs and entrepreneurial start-ups in Colorado. The U.S. clothing sector has also raised the concern that many of these products are produced using slave labor.

Last month, the White House used an administrative action to close this loophole for items subject to tariffs under Sections 201 or 301 of the Trade Act of 1974 or Section 232 of the Trade Expansion Act of 1962. However, Congress still needs to take action to address this loophole permanently. The American consumer can take action without Congress.

Think twice about your next E-commerce purchase. Do you know where it is made and who makes it? Take the time to find and purchase American-made products and, if possible, "Made-In-Colorado" products. You may save your neighbor's job, or your neighbor could save yours.

Did I mention that Chinese shipping companies emit approximately 44 million tons of carbon dioxide annually when delivering international shipments? That is a story for another day.

President

Colorado Advanced

Manufacturing Association