

March 10, 2025

## **Subject: US 20% Tariff Increase from China Imported Goods:**

Dear Valued Customer,

The US Government announced plans to enforce the previously communicated tariff increase of an additional 10% tariff on China imported goods effective February 4, 2025.

https://www.whitehouse.gov/presidential-actions/2025/02/imposing-duties-to-address-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china/

<u>Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China – The White House</u>

Specifically, in "Sec. 2. (a) **All articles that are products of the PRC**, as defined by the *Federal Register* notice described in section 2(d) of this order (the *Federal Register* notice), shall be, consistent with law, subject to an **additional 20 percent ad valorem rate of duty**.

With the implementation of these tariff increases Danby will be forced to implement an additional tariff price increase to reflect the additional 20% tariff. Danby Products Inc. has several product categories outlined below that have been impacted by the 20% duty increase.

Compact Refrigerators under 6.5 cu ft.	Microwaves
Midsize Refrigerators 6.5 cu ft. and up	Wine & Beverage Coolers
Window Air Conditioners	Chest & Upright Freezers
Portable Air Conditioners (with & without	Laundry Machines
heat pump)	
Dehumidifiers	

Direct Container orders from China that **are on vessels and in-transit as of February 1**<sup>st</sup> **are not subject to this increased 20% tariff**. Any new direct container orders shipping after February 1<sup>st</sup>, 2025, will include this higher 20% tariff and hence the required tariff price increase.

All domestic orders that are not shipped by April 30th, 2025, will be adjusted to reflect the revised price schedule. If an agreement between the United States government and China is reached and the additional 20% duty is not implemented, Danby will adjust pricing accordingly.











We recognize the situation is fluid and pricing can fluctuate up and down as result. Danby Products Inc. appreciates the continued support and partnership of our customers.

Sincerely,

Andrew Raymond **President, Danby Appliances**araymond@danby.com





