

# Thousands of companies sue US over China tariffs

Analysts say number of lawsuits underlines pain caused by Trump's trade war with Beijing

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**More than 3,500 companies have filed lawsuits against the US government over its tariffs on China in recent weeks, demonstrating the extent of unhappiness among businesses over Donald Trump's trade wars.**

**Coca-Cola, Disney and Ford are among the many large multinational corporations to launch legal proceedings, while US-based Abbott Laboratories, a leading manufacturer of coronavirus tests, has also filed a complaint. Lawyers say the companies, which include household brand names alongside small US manufacturers, have created an unprecedented caseload over a short period of time after lodging their complaints with the New York-based International Trade Court.**

**"I am completely blown away by the number of cases being filed," said Nasim Fussell, a lawyer with Holland & Knight who was the top trade counsel for the Republican-controlled senate finance committee until last month. "I just think the sheer number is very descriptive of the pain that this has caused," said Ms Fussell, referring to the administration's tariffs on Chinese imports. "Because I think one thing I've learned over the last few years . . . was that companies were really, really careful about challenging anything for fear of public shaming, either on Twitter or in a statement or whatever it is."**

**Tariffs on imports from China have increased costs for companies that import parts, materials or products into the US, by forcing them to pay extra duties. The wave of cases comes as the timeframe under which companies can appeal against two of the four tranches**

of the US administration's tariffs on Chinese imports under Section 301 laws, announced and implemented in late September 2018, expires.

While the companies have filed separate complaints and are represented by various law firms, many of the filings echo the arguments made by the lead complainant, vinyl tile manufacturer HMTX Industries. The company argues that while the US government was entitled to apply tariffs on Chinese imports up to 12 months after producing its report outlining what it said were intellectual property rights violations by the Chinese government, **two of the later rounds of tariffs fell outside of this time limit.**

If the US companies win their case, the US administration will be forced to repay tariffs collected. While tariff revenue does not make up a large portion of the US government's budget, it would still need to write some "pretty big cheques", said Todd Tucker, a fellow at the Roosevelt Institute specialising in international trade law.

**However, Mr Tucker said US trade law gave the executive branch "a lot of discretion" over any elements of trade that affected national security, allowing it to alter its tariff regime in response to retaliation from other countries.** "The government is going to maintain this is basically the same set of underlying issues and grievances with China, and we just had to change our strategy in response to what they did," Mr Tucker said.

The International Trade Court will now have to decide how to proceed with the cases. The US government has requested that it hold all cases and select a single test case, or small number of cases, to hear. HMTX Industries has argued that it should be the test case as the first company to file the complaint.