

Petitioner: "You can't basically tell them what to do"

**Verbatim Excerpt from the
Official Preliminary Hearing Transcript, Pages 82-83
U.S. International Trade Commission (ITC)
November 12, 2010 – Washington, DC**

THE UNITED STATES INTERNATIONAL TRADE COMMISSION

In the Matter of:)
) Investigation Nos.:
MULTILAYERED WOOD FLOORING) 701-TA-476 and
FROM CHINA) 731-TA-1179 (Preliminary)

Friday,
November 12, 2010

Room No. 101
U.S. International Trade Commission
500 E Street, S.W.
Washington, D.C.

APPEARANCES: **[IN THIS EXCERPT ONLY]**

On behalf of the International Trade Commission:

Staff:

JAMES FETZER, Economist

On behalf of the Coalition for American Hardwood Parity:

DONALD R. FINKELL, JR., Chief Executive Officer, Shaw Hardwood
DAN NATKIN, Director-Wood Business, Mannington Mills, Inc.

MR. FETZER: Do your customers typically -- do you know if your customers typically rely on multiple suppliers or insist on having multiple suppliers, or do they tend to focus on maybe getting one supplier in the marketplace? Sometimes we find that, you know, customers like to have multiple suppliers just in case there is a supply interpretation, to diversify their supply. So I was wondering if that's prevalent in this industry.

MR. NATKIN: I would say that it's prevalent. Most of our customers have multiple suppliers, although they may prefer one or two or three, but they have multiple. If you walk into the average retail store, maybe six or seven years ago you may have seen just hardwood brands, three or four, including ours. Now you walk in, and you're inundated, particularly with imported hardwood, where you'll find 30 brands or 20 brands.

MR. FETZER: Mr. Finkell.

MR. FINKELL: I agree with that. I mean, 20 years ago, it was more likely that you had a customer that only carried your brand, or only carried your, like, engineered wood floor, like Anderson made exclusively engineered flooring. And then somebody like Robbins would make exclusively a solid wood floor. And then we would see that as being complementary, and they would, you know, carry both of those products. As companies got bigger, and some of the smaller players went out, and companies get into all kinds of flooring, you would think it would be the opposite, that you would have one brand with a distributor because they didn't need the others. But we were actually seeing the opposite. They have also gotten bigger, so you can't basically tell them what to do, like maybe in the past you had more influence.