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Whirlpool Corporation Pleased With Positive U.S. ITC Vote in Washing Machine Case

ITC Finds Samsung and LG Actions Injured American Manufacturers

BENTON HARBOR, Mich., Oct. 5, 2017 /PRNewswire/ -- The U.S. International Trade Commission (ITC) voted unanimously that a surge of large residential washer imports from Samsung and LG have seriously injured American manufacturers and workers. The vote was part of a section 201 safeguard petition Whirlpool Corp. filed earlier this year to stop Samsung and LG from repeated country hopping to evade U.S. trade laws.



"The ITC vote is an important win for American manufacturers and American workers," said Jeff M. Fettig, chairman of Whirlpool Corp. "For the third time since 2013, the ITC has found that Samsung and LG engaged in unlawful conduct by violating U.S. trade laws. This vote sets the stage for the administration to put in place an effective remedy to create a level playing field for American workers and manufacturers. This type of corrective action will create U.S. manufacturing jobs."

The ITC will vote on a remedy in November before making an official recommendation to the president in December. The safeguard petition applies to finished large residential washing machines as well as major parts, including the washer cabinet, assembled washer tubs and assembled washer baskets. This scope ensures Samsung and LG are not able to circumvent the eventual remedy by establishing what are known as "screwdriver operations," a facility that assembles major parts delivered to it from overseas for final assembly, rather than a full product manufacturing plant in the United States.

Case Timeline:

October 19: Remedy hearing — ITC hearing on proposed remedies to address serious injury to the U.S. washer industry from Samsung and LG's increased washer import volumes.

November 21: Remedy vote — The ITC votes to determine what relief to recommend to the president to address the serious injury that Samsung and LG's increased washer import volumes have caused the U.S. washer industry.

December 4: Remedy recommendation — ITC transmits its written remedy recommendation to the president. Such relief may include a tariff, quantitative restrictions, or a combination of tariff and quota (i.e., tariff-rate quota, or TRQ).

The president will then have approximately two months to consider ITC's recommendations and to fashion a remedy that he deems most appropriate.

Background on the Safeguard Petition:

A safeguard petition is the only effective means available to the U.S. Government to address Samsung and LG's pattern of cheating through country hopping. The U.S. Government previously applied country-specific antidumping remedies to Samsung and LG for washers made in South Korea, Mexico and China. In contrast, this safeguard remedy addresses imports from Samsung and LG—wherever they are made outside the United States—that cause serious injury to U.S. washer manufacturers. Whirlpool Corp. filed the petition to ensure fair competition and to enable U.S. manufacturers to continue creating jobs, investing in new facilities and funding research that drives innovation to benefit consumers.

Samsung and LG's Pattern of Country Hopping to Avoid U.S. Trade Remedies:

- 1 In 2013, the U.S. Government found that Samsung and LG were unlawfully dumping South Korean and Mexican

washers into the United States.

- | The two companies responded by moving washer production to China to continue their illegal dumping behavior.
- | In late 2015, Whirlpool Corp. filed a new petition to address the Samsung and LG production now coming from China. In reaction, Samsung and LG immediately began stockpiling product into the United States and moving their production again—this time to factories in Vietnam and Thailand.
- | Earlier this year, the U.S. Government issued a new antidumping order against Samsung and LG in China. But the two companies already had made great strides in their second end run around U.S. trade laws and have continued their assault on American manufacturers and workers.
- | On May 31, Whirlpool Corp.—led by 2,464 of its more than 3,000 Clyde, Ohio, manufacturing employees—filed a safeguard petition with the U.S. ITC to end this pattern of serial country-hopping to circumvent these trade orders. More than 50 Clyde employees made the trip to Washington to attend the ITC safeguard hearing on Sept. 7.

About Whirlpool Corporation

Whirlpool Corporation (NYSE: WHR) is the number one major appliance manufacturer in the world, with approximately \$21 billion in annual sales, 93,000 employees and 70 manufacturing and technology research centers in 2016. The company markets *Whirlpool*, *KitchenAid*, *Maytag*, *Consul*, *Brastemp*, *Amana*, *Bauknecht*, *Jenn-Air*, *Indesit* and other major brand names in nearly every country throughout the world. Additional information about the company can be found at WhirlpoolCorp.com, or find us on Twitter at @WhirlpoolCorp.

Whirlpool Corp. Additional Information

Certain statements in this press release relating to the safeguard petition and the expected timing for resolution and benefits to the company constitute "forward-looking statements" within the meaning of the federal securities laws. These statements reflect management's current expectations regarding future events and speak only as of the date of this press release. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance and will not necessarily be accurate indications of whether or not, or the times at or by which, events will occur. Actual performance may differ materially from that expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things, the risk that the timing for resolution of these matters may be significantly delayed, that our petition may not be successful, and that we may not realize expected benefits following resolution of our petition. In addition to these risks, reference should also be made to the factors discussed under "Risk Factors" in Whirlpool Corporation's periodic filings with the Securities and Exchange Commission. Although the forward-looking statements contained in this press release are based upon what are believed to be reasonable assumptions, investors cannot be assured that actual results will be consistent with these forward-looking statements, and the differences may be material. These forward-looking statements are made as of the date of this press release and, except as expressly required by applicable law, Whirlpool Corporation assumes no obligation to update or revise them to reflect new events or circumstances.

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