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The ePacket subsidy granted to China is damaging every aspect of American eCommerce.

1. Businesses are put at an unfair disadvantage, especially since the USPS discontinued the commercial base rate. We have a difficult enough time competing without paying more to ship next door than the Chinese pay to ship half a world away. We have received nothing in return for this and certainly not anything that would help boost exports to the Chinese market.
2. Customers are subjected to fraud through unequal returns. The Chinese are permitted to “accidentally” send wrong, damaged, defective, and harmful items because they know that it will cost more to return them than would be refunded. It works like the rebate scam that relies on customers’ forgetfulness, except in this case the customers are victims of willful fraud.
3. Manufacturers are deprived of sales by a flood of cheap counterfeits. Legitimate businesses going through legitimate channels cannot compete with subsidized counterfeits delivered practically for free. Retailers only have the option to reduce orders or go out of business, neither of which has a positive impact on the manufacturers dependent upon them.
4. Entirely domestic commerce is also damaged for multiple reasons. The USPS has continually raised domestic shipping prices to subsidize its losses on the ePacket program. Every dollar taken from businesses and customers to subsidize FOREIGN entities (that do not pay US taxes or employ US citizens) is a dollar that cannot be spent on domestic commerce (which IS taxed and DOES employ US citizens). Moreover, many markets are rendered non-competitive due to the dominance of these subsidized foreign entities, stunting the formation and growth of US-based businesses that otherwise may have made a positive impact on their respective fields.