

# The Solution for Trade War

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**STEMOD**

# The Situation

LED manufacturers' export business to North America and other emerging markets has been considerably influenced by the trade war and currency depreciation. With the next wave of tariffs going into effect on September 24, tariffs of 10 percent will be imposed on Chinese products, with more than 30 categories of LED lighting-related products included. Accounting for around 70% of China's LED lighting exports, the \$8 billion worth of products will face even higher tariffs of **25%** by January 1st, 2019.

Table: LED Products in Proposed Tariff List Under Section 301 Action

HTSUS Subheading	Product Description	HTSUS Subheading	Product Description
8539.10	Sealed beam lamp units	9405.40	Electric lamps and lighting fixtures nesoi
8539.21	Tungsten halogen electrical filament lamps	9405.50	Non-electrical lamps and lighting fixtures nesoi
8539.31	Fluorescent, hot cathode discharge lamps	9405.60	Illuminated signs, illuminated name plates and the like
8539.32	Mercury or sodium vapor discharge lamps or metal halide discharge lamps	9405.91	Parts of lamps, lighting fittings, illuminated signs & the like, of glass nesoi
8539.39	Other electrical discharge lamps	9405.92	Parts of lamps, lighting fixtures, illuminated signs & the like, of plastics
8539.49	Ultraviolet or infrared lamps	9405.99	Parts of lamps, lighting fixtures, illuminated signs & the like, of other materials
9405.10	Chandeliers and other electric ceiling or wall lighting fittings	8512.20	Electrical lighting equipment and visual signalling equipment of a kind used for motor vehicles or cycles other than bicycles
9405.20	Electric table, desk, bedside or floor-standing lamps	8513.90	Parts of flashlights or other portable electric lamps
9405.30	Lighting sets of a kind used for Christmas trees		

Source: LEDinside, Sep., 2018

Source : [https://www.ledinside.com/intelligence/2018/9/escalating\\_trade\\_war\\_may\\_aggravate\\_oversupply\\_situation\\_in\\_led\\_industry\\_says\\_ledinside](https://www.ledinside.com/intelligence/2018/9/escalating_trade_war_may_aggravate_oversupply_situation_in_led_industry_says_ledinside)

# The Solution



Global Production : Taiwan ; China ; South Africa

Flexible Production : SCM for Customer Demand

Key components Inventory : >50000pcs Led Driver Stock



## STEMOD in Taiwan

1. Production Line for Project-Based
2. QC for Final Product
3. SCM
4. Key Component Development



## STEMOD in China

1. Production Line
2. SCM
3. QC for SKD
4. QC for Final Product
5. Tooling Development
6. Engineering



## STEMOD in South Africa

1. Production Line for Consumer-Based
2. SCM
3. QC for Final Product

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# The Promise

We keep the value like before

**STEMOD**

 **HKDTC** 香港貿發局

## **Hong Kong International Lighting Fair**

**Booth** 5B-A22

**Date** 2018/10/27-10/30

**Address** Hong Kong Convention & Exhibition Centre

We are looking forward to seeing you !

