WHITE HOUSE

Chinese-owned power tool company based in Wisconsin targeted by Trump administration for tariff evasion

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Trump administration likely eyeing tariff evasion criminal charges for Milwaukee Tool. (AP Photo/Evan Vucci)

IPR2026-00233 Klein Tools v. Milwaukee Klein Tools Ex-1034 Page 1

EXCLUSIVE — U.S. Customs and Border Protection issued an enforcement action against Milwaukee Tool, a Wisconsin-based manufacturing company, last year, which persons familiar with the matter say could foreshadow criminal charges against the company or its employees for tariff evasion.

Representatives for Milwaukee Tool, however, dispute that CBP investigated the company, saying they are not aware of any pending enforcement action from the Trump administration.

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"These allegations against Milwaukee Tool are unfounded and false. Milwaukee Tool fully complies with all U.S. customs and trade laws," a Milwaukee Tool spokesperson told the *Washington Examiner*.

IPR2026-00233 Klein Tools v. Milwaukee Klein Tools Ex-1034 Page 2

Milwaukee Tool is headquartered in Milwaukee but is a subsidiary of Hong Kong-based Techtronic Industries, which acquired it in 2005 for more than $600 million. TTI has similarly acquired a number of other previously American-owned hardware manufacturers, including Dirt Devil, Imperial Blades, Hoover, and Oreck.

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Customs and Border Protection launched a federal investigation into Milwaukee Tool in December of 2024 after the Trade Alliance to Promote Prosperity filed a complaint alleging that the company was transshipping products manufactured in China to the United States through Taiwan and Vietnam, according to exchanges between CBP and TAPP reviewed by the *Washington Examiner*.

The investigation resulted in an unnamed enforcement action in November of 2025, according to the messages.

"U.S. Customs and Border Protection conducted a thorough investigation of the allegation that merchandise was imported into the United States in violation of the customs and trade laws of the United States. The investigation is now closed and resulted in an enforcement action," CBP wrote in a November 8, 2025 message, reviewed by the *Washington*

IPR2026-00233 Klein Tools v. Milwaukee Klein Tools Ex-1034 Page 3

Examiner. “CBP takes all trade violation allegations seriously and is committed to protecting United States industries and businesses from unfair trade practices.”

The Trade Alliance to Promote Prosperity’s allegations stemmed specifically from a case study published by Tariff Integrity and TAPP that found that 91% of Milwaukee Tool shipments were not subject to Section 301 tariffs, which specifically target Chinese exports of technologies, intellectual properties, and industrial goods to the United States, despite the company’s expansive manufacturing footprint in China.

Seven percent of Milwaukee Tools’ exports to the U.S. also came from Taiwan, despite having no manufacturing presence there. Furthermore, Milwaukee Tools’ Vietnamese export volume to the U.S. was almost twice that of its Chinese export volume, despite China being the company’s largest manufacturing footprint.

In its statement to the *Washington Examiner,* CBP noted that “the Trade Secrets Act, the Privacy Act, and other CBP regulations and related statutes prevent us from sharing specific information regarding this case,” and declined to “disclose what specific enforcement actions were taken.”

“Thank you for helping us to protect the U.S. economy,” the message ends.

IPR2026-00233 Klein Tools v. Milwaukee Klein Tools Ex-1034 Page 4

"We applaud the CBP's work and thank the officials involved for their swift and decisive action," Trade Alliance to Promote Prosperity Executive Director Kent Kaiser told the *Washington Examiner* of CBP's enforcement action.

Department of Homeland Security officials tell the *Washington Examiner* that, based on the withholding of information, it is likely that the Trump administration is pursuing a broader, cross-department investigation into Milwaukee Tool in the hopes of bringing criminal charges before a grand jury.

"If there's nothing out in public, I would be leaning that it's headed in that direction, probably, because there's definitely going to be fines involved for violations of all the paperwork, everything to do with State Department and Commerce and what you're supposed to be filing, but there could actually be a potential criminal action in this case," one source, granted anonymity to discuss department operations, explained. "If the DOJ is on it, then that investigation takes no less than a year before they decide to bring it to a grand jury to move on it."

The Trump administration announced in August that the Justice Department and DHS would launch a cross-agency "Trade Fraud Task Force" to specifically target tariff evasion cases.

"The President's America First Trade Policy supports American manufacturing by ending unfair trade practices," Assistant Attorney General Brett Shumate of the Justice Department's Civil Division said at the time. "The Civil Division will coordinate with law enforcement partners to bring to justice any parties attempting to harm American workers through evasion of tariffs and other duties."

CBP, DOJ, and White House officials all declined to comment on whether a wider federal investigation into Milwaukee Tool had been launched.

Milwaukee Tool had previously received scrutiny after one of its suppliers was accused of forced labor to produce work gloves produced in Xinjiang, China, a region known for its abuses of Uyghur Muslims.

Rep. Chris Smith (R-NJ), the co-chairman of the Congressional Executive Commission on China, said a in 2023 Capitol Hill hearing that the commission had sent letter to Milwaukee Tool, "regarding allegations that the company had purchased gloves from a supplier that was utilizing forced prison labor to make those gloves."

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"Milwaukee Tool took action to investigate its supply chain, and I met with them last week. They discovered multiple examples of counterfeit gloves originating in the PRC bearing their brand name," he added. "The upshot is that Milwaukee Tool has cut ties with the glove manufacturer in question, and they are moving that operation outside of China altogether."

Anna Giaritelli contributed to this report

Editor's note: *This piece was updated after publication to include comment and additional information provided by Milwaukee Tool*

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IPR2026-00233 Klein Tools v. Milwaukee Klein Tools Ex-1034 Page 7