

Testimony of William Morgan
Chinese drywall victim
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Before the
Committee on Commerce, Trade and Consumer Protection
Of the
U.S. Congressional Committee on Energy and Commerce

Hearing on
"Foreign Manufacturers Legal Accountability Act"
Rayburn House office building room 2322

June 16, 2010
10:00 AM

Chairman Rush, and members of the subcommittee, thank you for allowing me the opportunity to share my experience with you this morning.

My name is Bill Morgan. I am a retired police officer having served the city of Newport News for 24 years. My wife Debra is a teacher. She and I have been married for 27 years and have two daughters and our first grandchild was born a couple of weeks ago.

My wife and I bought our dream home in July 2006. Our home was beautiful--on corner lot with a big yard in Williamsburg Virginia. Both Debra and I fell in love with it as the perfect home for our family. We paid a little under \$400,000 for the home.

After my wife experienced multiple episodes of nosebleeds and headaches, and after our house had a series of failures with the air-conditioning and electrical systems, we discovered that our home had been built with defective drywall imported from China. We learned that this drywall contains high amounts of sulfur, and that corrosive sulfur gases were circulating in our home corroding electrical and mechanical equipment.

My house was built with almost 200 sheets, 4' x 12', of this Chinese drywall. After a hearing in front of Judge Eldon Fallon in New Orleans earlier this year, he found that the electrical and mechanical systems in my home had been completely destroyed and needed to be replaced. The only solution to this extensive damage is to strip my house back down to the studs, and rebuild it. I can't afford that. The corrosive gases have also damaged my computers and televisions and other electronic and electrical devices.

We were scared for our family's health, and concerned about the risk of fire. We moved out of the house in June of 2009. Since having to abandon our dream home, I have been unable to pay both the rent on the place where living now and my mortgage. I've lost my home in foreclosure, and I had to file for personal bankruptcy.

The company that manufactured the drywall in my home is called Taishan (pronounced "tie-shan".) This company is located outside of Beijing in China. Although this Chinese company sent enough drywall into Norfolk Virginia to build several hundred homes, it has refused to take responsibility for its defective product. In the Complaint that was filed on my behalf, it was necessary to have a lawsuit translated into Mandarin, with special process servers flying to China utilizing a time-consuming and expensive playbook.

The "Foreign Manufacturers Legal Accountability Act" would streamline this process, and give victims of defective foreign products a more speedy and equitable procedure to have their claims addressed. My lawyers have advised me that they've spent well in excess of \$150,000 serving foreign drywall manufactures for victims like myself, and that future service costs are expected to double that number. Even after these expensive translations, it is not unusual for the foreign authorities to sit on the lawsuits for six months before serving them on the defendant manufacturer. The average American cannot afford this expensive, time-consuming and frustrating procedure.

Foreign manufacturers should not be allowed to sell products which destroy homes and make people sick with impunity. Unless these companies are required to make themselves amenable to being sued in a US court, they should not be allowed to sell their products here. US businesses are required to abide by our laws and foreign businesses that profit off US consumers should do so as well. I look forward to answering any questions you may have about my experience, and thank you again for allowing me the opportunity to testify this morning.