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Drywall problems may just be beginning

By [Aaron Kessler](#)

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In the spring of 2006, the cargo ship Great Immensity headed toward Florida's west coast. Its destination? The Port of Tampa.

In its hold? More than 16 million pounds of Chinese drywall manufactured by Knauf Tianjin -- enough to potentially make more than 1,700 homes.

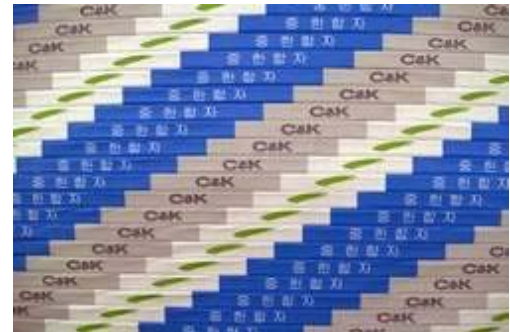
The Great Immensity's shipment was one of hundreds that have arrived on American shores since January 2006, a Herald-Tribune analysis of shipping data shows.

All told, at least 550 million pounds of Chinese drywall have come into the United States since 2006. With that quantity, some experts say, you could construct 60,000 average-size homes.

Builders who used the material, like Miami-based Lennar Corp., acknowledge that the gases being emitted from some of the Chinese drywall are the cause of the corrosion eating away at the guts of homes. The gases have blackened metal components such as coils and wiring. Homeowners have reported televisions, computers and other electronics failing, and even silver jewelry turning black.

But Lennar, other builders and at least one of the manufacturers point to scientific tests they commissioned showing that the amount of sulfur compounds being emitted is below the amount that federal guidelines say could endanger human health.

"What we aimed to do is figure out whether the air inside those homes was a health concern, and we found there was none," said Robert P. DeMott, managing principal



STAFF PHOTOS / THOMAS BENDER

Port Manatee Forestry Terminal manager Capt. Rasmus Okland says the drywall at his company's warehouse has never emitted a foul odor.

of Environ International Corp., which conducted the investigation for Lennar.

Residents, some with small children and some who have moved from their homes, remain unconvinced. Many have told the Herald-Tribune of similar health problems, including chronic respiratory ailments, sinus and eye pain, headaches and nosebleeds. In many of those cases, the symptoms diminished when residents moved out.

Dan Tibbetts, one of 23 affected homeowners on Montauk Point Crossing in Manatee County's Heritage Harbour neighborhood, said he has no doubt that he, his wife and even his dog got sick because of the material. Since moving out in December, their health has begun to improve.

"It's still lingering a little bit with my sinuses, but overall we're doing much better now; the dog is getting back to normal, too," Tibbetts said Friday.

To date, Florida health officials have logged more than 50 complaints. Lennar has confirmed 80 of its homes in Sarasota, Manatee, Lee and Collier counties have the Chinese product and another 40 may have it. Two more homes have been identified in Miami-Dade. Taylor Morrison Homes also used Chinese drywall in the Greenbrook neighborhood of Lakewood Ranch and in Crystal Lakes in Palmetto.

List could grow

Given how much of the material came to the U.S. at the tail end of the housing boom, the list could lengthen.

The Herald-Tribune's analysis was done using a shipping database obtained from the Port Import Export Reporting Service, or PIERS, the primary source of U.S. waterborne import-export trade data. The company maintains individual records taken directly from ships' manifests.

The analysis covered shipments entering the country beginning in January 2006. More Chinese drywall is also believed to have been imported during 2004 and 2005, but full records for those years have not yet been obtained.

The shipments were unloaded at more than two dozen ports throughout the United States -- seven in Florida -- and carried cargo exported by more than 100 companies.

Nearly 60 percent of the drywall -- also known as wallboard, gypsum board or plasterboard -- came in through Florida ports. Miami was the largest, with more than 100 million pounds of Chinese drywall unloaded, followed by Port Everglades with at least 80 million pounds and Tampa with at least 50 million.

Other destinations included Port Manatee in northern Manatee County, Pensacola, Port Canaveral and Jacksonville.

While Florida has so far been the primary focus of public officials and builders, the shipping records show more than a dozen other states got the Chinese product, from New York to Texas to California.

The Herald-Tribune found at least 60 million pounds of Chinese drywall came into New Orleans in 2006 and another 27 million into Pascagoula, Miss., two areas with post-Hurricane Katrina rebuilding. To date, no reports of Chinese drywall from the area have been received by state or federal health authorities.

Most of the New Orleans shipments were from Chinese subsidiaries of the German-based company Knauf, which has been identified as one of the problematic producers.

Knauf Tianjin

Knauf's operation in Tianjin, Knauf Plasterboard Tianjin Ltd., has been of particular concern. The company's drywall has been found to be defective throughout Southwest Florida.

It was sued last week in a class-action complaint filed in Sarasota County circuit court.

Knauf Tianjin officials have acknowledged they received complaints from builders and contractors about the smell of their product in 2006, and that a 2008 investigation showed copper corrosion was potentially connected to sulfur gases coming from the material. But like Lennar, the company claims the sulfur compounds are not hazardous to humans.

From January to September 2006, five separate ships unloaded 52 million pounds of Chinese-made Knauf drywall in New Orleans, three-quarters from Knauf Tianjin. Shipments to Florida also were extensive, both directly and through exporter Rothchilt International. At least 37 million pounds of Knauf drywall was shipped directly from three sites in China to Florida through Tampa and Port Canaveral.

Knauf Tianjin sent an additional amount -- which company officials would only describe as "most" of its drywall -- into Miami through Rothchilt.

The first Knauf shipment into Florida -- 11 million pounds -- arrived at Port Canaveral in March 2006 aboard the "Afra" from a Knauf subsidiary in Guangdong, China.

Knauf Tianjin maintains that each of the Knauf subsidiaries in China is a separate operation and should not be thought of as part of the same company.

"They are separate corporations that operate separate facilities in completely different locations in China," said Melisa Chantres, a spokeswoman for Knauf Tianjin.

But shipping records show what appears to be coordination between Knauf's Chinese subsidiaries: sharing the same vessel to transport their product to the U.S. In April 2006, the "Yong An Cheng" took three shipments from Knauf's Wuhu, China, operation and a fourth from Guangdong to the U.S. All were imported by USG Corp., one of the largest manufacturers of domestic drywall in the U.S. market.

Sorting good from bad

Another Chinese drywall manufacturer that is known to be causing problems for homeowners in Florida is Taian Taishan Plasterboard, based in Taian, China.

In 2007, after the boom was over and most Chinese drywall manufacturers stopped shipping to the U.S., records show Taishan continued sending sizable quantities, primarily to New York and Port Everglades. In summer 2007, three shipments entered Port Everglades, totaling 3 million pounds.

Taishan's largest market overall, and by far its most active, was New York. From 2006 to 2007, ships bearing Taishan drywall docked at least two dozen times at ports there, unloading more than 4.5 million pounds of the material.

Experts caution that not all Chinese manufacturers produced defective materials.

"Just because it says 'China' does not mean it's definitely bad," said Michael Foreman, head of Sarasota construction consulting firm Foreman & Associates, which is investigating the issue. "It's like anything else, there are bad manufacturers we've identified and many more to come. But there are also good manufacturers of board that just happen to be in China. Sorting the good from the bad is what we're all trying to do right now."

Part of the challenge is that some Chinese drywall found in affected homes has been "generic," or not marked properly with its manufacturer, making tracing its origins difficult.

At Port Manatee, Capt. Rasmus Okland said he thinks he knows where there is some good Chinese board: in his company's warehouse. And it is for sale.

"I remember when things were booming, some of the stuff that came through was just garbage," said Okland, terminal manager for the Port Manatee Forestry Terminal. "But this board is very good quality. We're very comfortable it has no problems. After more than two years having it here, it's never smelled bad."

More than 100,000 sheets of 12-by-4 standard drywall manufactured by C&K Gypsum came into Port Manatee in September 2006, but the shipment was abruptly abandoned on the docks by the importer. Records show the drywall originated in Shandong, China, and was imported by York Building Supply, an affiliate of Georgia-based A1 Construction.

"I remember the ship came in over a weekend," Okland said. "When we talked to them on Friday all was good, but on Monday they didn't answer the phone. Then a week later we got a letter saying they were declaring bankruptcy and directing us to a lawyer's office."

As the bankruptcy case wove through the courts in 2007, the trustee for York eventually allowed Okland to sell off the drywall to help cover the losses his company was incurring to store the material. Okland said several companies told him outright that they knew of problems with Chinese board and turned him down.

"It was well known in the industry by that time, so there was already a stigma associated with any board from China, no matter who made it," he said.

Several drywall contractors were so sure he would not sell the material, they offered to take it for free. Eventually, though, two companies began buying it. Today, about 39,000 sheets remain -- stacked high in more than two dozen rows of large pallets.

Okland did not identify the buyers, but said they have experienced no problems. "They're quite confident in its quality; we're all comfortable there's no concern," he said.

After speaking with Okland, the Herald-Tribune learned that Foreman, the construction consultant, was recently given permission to test a piece of the Port Manatee board. Foreman said an extensive chemical analysis would take several weeks, but that early tests for odors have been promising.

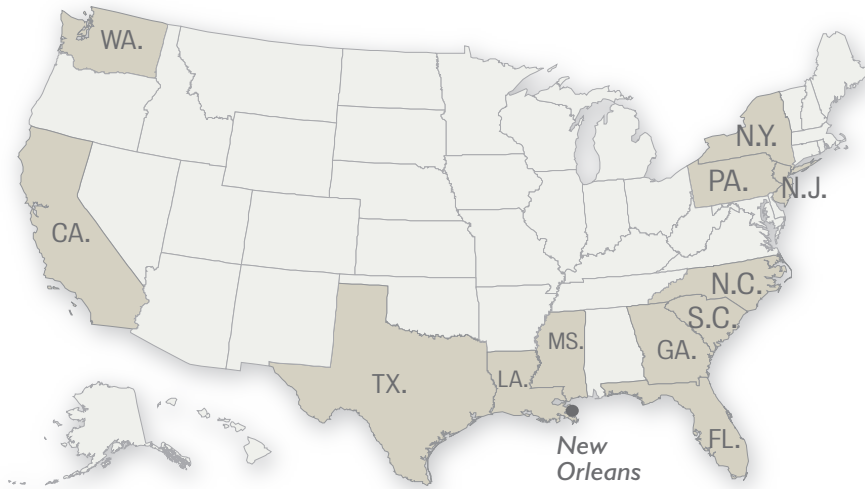
"So far it looks like it may be good, but we'll have to see what the analysis results show," he said.

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Drywall shipments from China

Since 2006, more than 550 million pounds of drywall were imported from China into the United States, enough to make tens of thousands of houses. Sixty percent of Chinese drywall came into Florida, through seven ports, including Port Manatee.

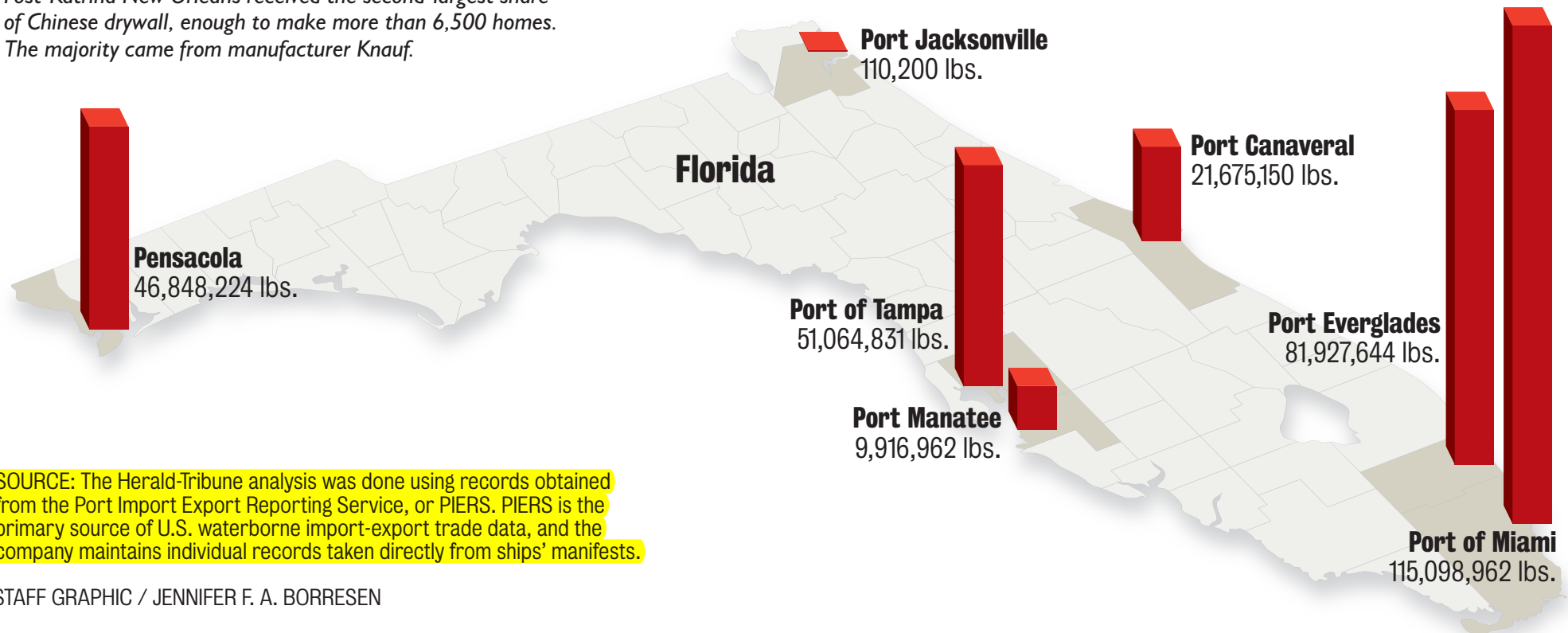
States importing at least 1 million pounds of drywall from China since Jan. 1, 2006.



Drywall experts say a standard 12-foot by 4-foot drywall board weighs about 90 pounds on average. A typical 2,000-square-foot home uses about 100 such boards. By that estimation, enough Chinese drywall entered the U.S. since 2006 to potentially make more than 61,000 homes, and more than 36,000 in Florida alone.

	Number of pounds	Est. number drywall boards	Est. number of homes
FL	326,641,973 lbs.	3,630,000	36,000
LA	60,153,501 lbs.	668,000	7,000
CA	51,934,137 lbs.	577,000	6,000
MS	27,261,276 lbs.	303,000	3,000
TX	19,908,997 lbs.	221,000	2,000
SC	18,797,475 lbs.	209,000	2,000
NC	18,050,760 lbs.	201,000	2,000
NY	15,864,470 lbs.	176,000	1,800
GA	6,050,370 lbs.	67,000	670
WA	2,437,491 lbs.	27,000	270
PA	2,173,144 lbs.	24,000	240
NJ	1,520,760 lbs.	17,000	170

Post-Katrina New Orleans received the second-largest share of Chinese drywall, enough to make more than 6,500 homes. The majority came from manufacturer Knauf.



SOURCE: The Herald-Tribune analysis was done using records obtained from the Port Import Export Reporting Service, or PIERS. PIERS is the primary source of U.S. waterborne import-export trade data, and the company maintains individual records taken directly from ships' manifests.