



WINGS, WAVES & WHEELS

Customs Clearance International, Inc.

Around the Corner or Around the World, We keep your merchandise moving

www.cciusa.net

Summer, 2011

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Customs Clearance is a full service logistics company with offices in Los Angeles, San Francisco, New York and Houston. Please visit us at www.cciusa.net for a complete list of our services and office contact details.

Los Angeles

19300 S. Hamilton Ave., Suite 190
Gardena, CA 90248
Tel (310) 322-3228
Fax (310) 322-2388

San Francisco

400 Oyster Port Blvd. #133
South San Francisco, CA 94080
Tel (650) 952-3803
Fax (650) 952-0430

New York

182-25 150th Avenue
Springfield Gardens, NY 11413
Tel (718) 995-0486
Fax (718) 995-0489

Houston

521 N. Sam Houston Pkwy E, # 210
Houston, Texas 77060
Ph# 281-445-9779
Fax# 281-847-1563

Household Goods/ Personal Effects

Summertime has arrived! The first week of June was really hot in the Houston office when the air conditioning was out for five days, luckily it was only 100 degrees outside!

It seems that most of the industry is starting to provide better and more timely ISF information. This is very important to provide the data to us prior to the origin sailing date to alleviate any chance of a DNL, do not load, unnecessary exam or potential penalty from Customs.

In the course of the year I am often asked about shipping prescription medications in household goods shipments. I highly recommend that the importer hand carry their prescription medications. Many drugs approved overseas are not allowed in the United States.

Also it should be noted that OFAC-Office of foreign asset control now requires a letter of approval to be issued for importation of Iran origin carpets/rugs in household goods shipments. We recommend that the importer apply prior to shipping the carpets/rugs. Please contact our office for instructions on where to apply for the approval letter.

Please remind coordinators to provide us with pre-advice instructions as soon as they are aware of a shipment. This allows us to begin tracing the shipment and making sure all documenta-

tion is in order in advance of the arrival and allowing for pre-filing of the entry for prompt delivery.

We want to thank all of our loyal customers and look forward to seeing many of you in person at the IAM Convention in Denver.

— By; *David Sudduth*

Presidents Minute

As we head into summer we find the activity of many of our clients on the increase. To date 2011 has been a stable year slightly ahead of 2010. We continue to receive many new account referrals from current clients, which we are really thankful for. This is a testimony to the hard work by all of our personnel.

Please keep in mind that we can offer you door-to-door air and ocean services for all of your shipments. This one stop service will save your company time and money. Please call on us for your next shipment for a quote.

Thank you for your continued support.

— By; *Bill Wratschko*



Transportation Corner

An interesting second quarter.

Ocean Freight- The over capacity of space has made it more difficult for carriers to increase rates. The rate increases have been followed by other carriers reducing rates creating a tug of war through the month of June. It will be interesting to see if we have a true peak season in 2011.

Trucking- domestic trucking rates remain competitive but fuel surcharges of 15% to 31% are still the norm.

Los Angeles office relocation

The Los Angeles office of Customs Clearance will be relocating to larger facilities on June 29, 2011. The new office will be centrally located between the Los Angeles Airport and Long Beach Customs facility. The new office will be located at 19300 S. Hamilton Ave., Suite#190, Gardena, Ca. 90248. The phone and fax numbers will remain the same.

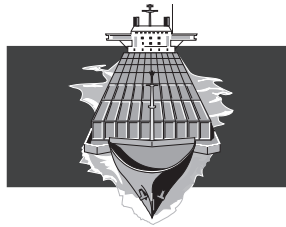
Pier Pass Charges to Increase

Effective July 4, 2011 the PierPass fee will increase to \$60 per 20 ft container (previously \$50) and \$120 per 40 ft container (previously \$100). This fee also known as the TMF-Traffic Mitigation Fee was established in 2005 to allow terminals to remain open during evening, off-peak hours and reduce truck traffic on local roadways. This fee only applies to containers arriving at the Ports of Los Angeles and Long Beach. Several other large ports around the country are considering similar programs to reduce traffic congestion.

2012 HS Reform

The World Customs Organization-WCO is set for reforms of the Harmonized System on January 1, 2012 . The changes will be many with an anticipated 1266 changes or about 8% of the total tariff numbers. This will affect 53 different Harmonized System chapters.

What does all of this mean? Importers may have new tariff numbers/duty rates for their products. More specific details will be available regarding the changes in late November.



ISF Updates

Customs continues to add specific error codes to the ISF filing procedure for different types of entries in an effort to better gain statistics on the reasons for ISF rejections. From my phone calls with Customs they are indicating they have a 90% compliance rate for timely and accurate filing. The ten percent balance that is not in compliance will become compliant when penalties are issued. The statute for Customs to issue penalties is 6 years after the violation.

We continue to issue importers/clients written notices of late or incomplete ISF data which they are required to sign and acknowledge the violation. The importer in the USA is the responsible party for penalties and enforcement action by Customs. Importers should make their suppliers aware of the requirement to file the ISF data prior to loading on all ocean shipments.

