

10 TIPS

STEP-BY-STEP SOLUTIONS

by Deborah Catalano Ruriani



Clearing Customs Quickly and Efficiently

Efficient customs clearance requires technical knowledge and respect for procedure, as well as an ability to understand the game, speak the language, and build good relationships throughout the supply chain.

1 Focus on what you can control. When you ship globally, you can't control every link in the chain. So designate one person in-house to create your company's customs compliance procedures. Write them down and communicate them well. It's a big job, but failing to account for even small details can lead to delays and extra costs.

2 Make someone accessible 24/7. Crossing borders may mean crossing time zones, and problems don't always occur during office hours. Who at your company is ready 24/7 to deal with problems as they happen? A fast response can save you days.

3 Learn the lingo. FAST, PAPS, PIP—you almost need a PhD from MIT to understand government agency programs. Being patient and learning which programs suit your company and industry can go a long way toward speeding shipments and communicating clearly with transport providers.

4 Cross-training is crucial. What happens when your "customs expert" comes down with the flu? Cross-train your staff so someone who knows your system and speaks the language is always available.

5 Use IT. You can clear customs by filling out a form, but it's not suggested. Technology provides measurable competitive advantages, not to mention lower costs.

6 Don't cheat the system. Never try to save time or money by pulling a fast one on any customs or government agency. The penalties and scrutiny can punish your company for years. It's not worth it.

7 Pay on time. Nothing slows down an expedited shipment at the border like a past due notice from your customs broker. Customs brokers make a living managing your money, and have your freight as collateral. They can bring that shipment to an instant stop at the border. It's like running into a goal post with your head down.

8 Work with the best. Thickening global borders drive transportation companies to constantly monitor

changes in customs policies and procedures. How do they demonstrate that knowledge and commitment? Are they able to help you understand how to clear freight efficiently? Do they use third parties to manage the clearance process? Do they respond to your questions with a blank stare or informed reply? It's your freight, reputation, and compliance record on the line. Don't get caught in the middle.

9 Savings begin after the deal is done. The more closely you work with your transportation company or customs brokers, the more cost you can drive out of the system.

10 Customs compliance may require personnel, training, and IT investments. Be ready to explain the ROI to your managers. Companies invest in manufacturing techniques and equipment to reduce costs, only to have those gains wiped out by customs penalties and delays. Cash flow can be crimped and production lines slowed because shipments are held up. These are the real costs of poorly managed customs procedures. ■

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