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CBP Gives 'Local Discretion' for ISF Enforcement, Allows for Three Warnings Before Damages, Say FAQs

CBP will allow "for local discretion at the port level" in a revised enforcement strategy for Importer Security Filing (ISF), according to a [FAQ](#) posted online by the Long Island Import Export Association. The discretion is based on local "infrastructure and staffing resources (i.e., holding freight vs. issuing liquidated damage claims)," said the FAQ. The agency recently issued a guidance regarding ISF enforcement that "resets the 12-month Headquarters review period," said CBP. CBP revealed earlier this year it planned to deploy an "enhanced" strategy for ISF enforcement.

The revised strategy is meant to shift the focus to the most serious and repeatedly problematic offenders, said Craig Clark, who manages the ISF program at CBP. The new enforcement stance, which allows for three warnings to an importer before the port will pursue liquidated damages, is a result of an agency review of the damage claims produced since CBP began an increased enforcement of ISF last year, said Clark in an interview. The new strategy is scheduled to last until May 13 next year, though could be extended if deemed necessary, he said.

California Product Ban and Labeling Bills Advance

Two bills that could result in new product safety and labeling regulations [recently advanced](#) in the California legislature. A Bill that would require labeling on added-sugar beverages (SB 1000) was approved by California Senate committees on May 23. The California Assembly passed another bill on the same day that would ban the sale of consumer products that contain microplastic beads in the state (AB 1699).

India Moves Toward AD Duties on US Solar Cells

The Indian Ministry of Commerce on May 22 [recommended](#) imposing antidumping duties on U.S. solar cells of up to 48 cents per watt. The Indian agency also advised imposition of duties on solar cells from Malaysia, China and Taiwan. The recommendation will now proceed to interagency review, including by the Indian Finance Ministry.

FTC Adopts Changes to Fur Labeling Rules

The Federal Trade Commission is adopting changes to its fur labeling regulations that it says will provide more flexibility, better conform to textile labeling rules, and clarify continuing guaranty requirements. The [final rule](#) adopts two separate proposed rules issued by the commission in September 2012 and June 2013. Most of the proposed changes, including revisions to the fur labeling animal Name Guide, looser restrictions on label content, and a provision on guaranties in electronic format, were adopted wholesale by the FTC. But in a change from its proposed rule, the FTC will not require annual renewal of continuing guaranties. The final rule takes effect Nov. 19.

CBP Lacks Authority to Extend Liquidation of GSP Claims, Agency Tells Filers

Importers and brokers should not file requests to stop liquidation of claims potentially eligible for a renewed Generalized System of Preferences trade program, which expired last year, said CBP in a [CSMS message](#). The National Customs Brokers & Forwarders Association of America recently advised filers to consider filing protests against liquidation to maintain rights to GSP benefits. But CBP lacks the ability to put off liquidation further to wait for the possible renewal of the trade program, it said. Previous renewals of the GSP program allowed CBP to process retroactive refunds regardless of liquidation status, though it remains unclear if that would be the case even if GSP were renewed, the agency said.

Industry Presses Congress on GSP Travel Goods

Lawmakers should pass the GSP Update for Production Diversification and Trade Enforcement (Update) Act in order to incorporate travel goods into the Generalized System of Preferences (GSP) program, said more than a dozen industry officials in a [recent letter](#), to House Ways and Means Committee leadership. Sens. Mark Begich, D-Alaska, and Roy Blunt, R-Mo., introduced the legislation in December 2013, while House members introduced a companion bill months prior. The Update Act would slash 15-20 percent tariffs on luggage, backpacks and handbags, which were previously considered import sensitive.

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New Security Seal Standards Took Effect in May

New International Organization for Standardization (ISO) specifications for security seals went into effect May 15, according to a [CBP notice](#). ISO published the new standard, ISO 17712:2013, last year. C-TPAT criteria requires that "all seals must meet or exceed the current ISO 17712 standards for high security seals," though C-TPAT members "may continue to use the remaining ISO 17712:2010 high security seals they have in stock and then look to purchase ISO 17712:2013 high security seals in the future," the agency said. CBP told C-TPAT participants to be careful when buying the seals and that they should get independent written certification from the supplier to make sure the seals meet the required standard.

NCBFAA Says Current FDA Sanitary Transportation Proposal Would Cover Customs Brokers

The Food and Drug Administration's proposed rule on sanitary transportation could impose responsibilities on entities that lack the knowledge of food safety to successfully perform them, said the National Customs Brokers & Forwarders Association of America in [comments to the agency](#) dated May 22. The proposal's definition of "shipper" is so broad that it could even cover customs brokers in some circumstances. The problem is that the broker does not have the knowledge to identify sanitary transportation requirements or cleaning procedures, and is nowhere near the container in order to inspect or load it. "For this rule to be effective, the definition of shipper must describe a party in the supply chain who has the knowledge, authority, or physical presence to perform these responsibilities," said the NCBFAA.

Rhino Horn Smuggler Gets 70 Months in Prison

A man who smuggled some \$4.5 million worth of rhino horn and elephant ivory from China to the U.S. was sentenced to 70 months in prison, said the Justice Department in a [press release](#). The sentence is "one of the longest sentences to be imposed in the United States for a wildlife smuggling offense," it said. Zhifei Li, the owner of Overseas Treasure Finding in Shandong, China, previously pleaded guilty to a slew of smuggling charges. "Li was the ringleader of a criminal enterprise that spanned the globe and profited from an illegal trade that is pushing endangered animals toward extinction," said Sam Hirsch, Acting Assistant Attorney General for the Environment and Natural Resources Division. "As this case clearly demonstrates, rhino trafficking is increasingly organized, well financed, and a threat to the rule of law."

CPSC Postpones Changes to Certificates of Compliance to Gather More Industry Input

The Consumer Product Safety Commission will hold off on adopting controversial changes to its Part 1110 regulations on certificates of compliance while it gathers more industry input, voting unanimously to amend its fiscal year 2014 operating plan at a meeting held May 6. CPSC now plans to reopen the comment period on its proposed rule on Part 1110 and hold a public workshop, said Chairman Robert Adler. The commission also made other changes to its operating plan at the meeting, after finding itself left with more revenue than anticipated due to slow hiring processes and additional funding from Congress. Some of the additional funding will be spent on new import screening equipment, it said.

CBP Begins to Allow for Online Trademark Renewals

Trademark and copyright holders that have filed intellectual property information with CBP can renew their recordation online through the revised Intellectual Property Rights e-Recordation application, [said CBP](#). Effective May 8, some 32,000 rights-holders can use the [new application](#) to renew with CBP without paper filings, the agency said. "The revised application also can be used by trademark and copyright owners to update ownership information, request extensions of time for submitting renewals and to check on the status of pending applications," it said.

Commerce Sets Preliminary Rates on AD Reviews on Service Valves, Steel Threaded Rod

The Commerce Department issued the [preliminary results](#) of its antidumping duty administrative review on frontseating service valves from China. It set a preliminary rate of 0.98% for Zhejiang Sanhua Co., Ltd. Commerce recently revoked this AD duty order for entries on or after April 28, so the agency will in the final results only set final assessments of AD duties on service valves entered in 2012-13, and will not set cash deposit rates for future entries. The final results are currently due in September.

Commerce also set [preliminary rates](#) in its administrative review on steel threaded rod from China (A-570-932). It preliminarily assigned IFI & Morgan and RMB Fasteners an AD rate of 51.54%, and assigned a rate of 206% for companies that haven't demonstrated independence from state control (the "China-wide entity"). When Commerce issues its final results in September, it will set new cash deposit rates and importer assessment rates for entries between September 2012 and March 2013.

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