



Protecting your Company Information: Scarborough can help!

Barbara Cookson

Pricing/Inside Sales, Kansas City

The U.S. Freedom of Information Act (FOIA) is a law ensuring public access to U.S. government records. This includes information maintained by U.S. Customs and Border Protection. That means AMS Manifest Data Information for every import shipment entering the United States is available for public access.

The AMS Bill of Lading information consists of the following:

- Consignee Name & Address
- Shipper Name & Address
- Notify Party Name & Address
- Bill of Lading Number
- Vessel/Carrier Information
- District/Port of Unlading
- Estimated Arrival Date
- Foreign Port of Lading
- Manifest Quantity, Units, Piece Count & Weight
- Container & Seal Number
- Description of Goods & Estimated Value

You can **protect** your company information by requesting confidentiality from the U.S. Government. This will ensure your sensitive company information is not disclosed to the public for a period of two years. Scarborough International can assist our clients with this request. Please contact your customer service representative if you would like more information or email insidesales@scarbrough-intl.com.

A New Strategy for the Industry

Patricia Gray

Imports, Chicago

Paperless environments are the new phenomenon in today's modern business. The federal government will enhance their ability to maintain and organize trade information through the use of a new strategy putting an end to most if not all paper processes. Paperwork for an estimated 10 billion shipping containers is processed by US Customs every year. In effort to achieve a better trade environment and security as well as keep up with the evolving industry Customs and Border Protection has published a new trade strategy. The CBP Trade Strategy is a forty-four page document developed to outline the priority areas of the trade industry that are vital to facilitating proper trade, national security, and trade law enforcement. This strategy is set to be effective for the Fiscal Year 2009-2013.

Goal 1: Facilitate Legitimate Trade into the United States and Ensure Compliance. The maintenance of risk profiles,

improvement on targeting compliant imports, the leveraging of partnerships to promote compliance / facilitation, and the conducting of appropriate post entry verifications are all discussed in this section of the strategy. Goal one also focuses on improving the speed at which legitimate goods are cleared into United States commerce.

Goal 2: Enforce United States Trade Laws and Collect Accurate Revenue. Increasing deterrent factors of effective enforcement up to a point of exploring methods beyond penalty is addressed in this portion of the strategy. Also mentions ensuring the lawful collection of revenue and developing policies that enable the agency to enforce effective compliance.

Goal 3: Advance National and Economic Security, was put in place to protect consumers and the economy. This area of the strategy assesses risk factors for importers, points out the import life cycle, and addresses inspections / combating unfair trade practices. A coordination and awareness increase between CBP and



other government agencies is a part of this goal as well.

Last there is goal 4: Intensify Modernization of CBP's Trade Processes. CBP plans to modernize the organizations processes and technology use. Investing in the staff by evaluating skills and educating personnel is discussed in goal 4. The development of a communications program, building of mechanisms to support performance management, and confidence of quality info being available will also be focuses of goal 4. The remainder of the CBP Trade Strategy describes performance measures, program evaluations, and benefits of the plan. The benefits are:

- (1) Greater Enforcement and Enhanced Facilitation
- (2) Enriched Partnerships; and
- (3) Modernized Organization, Processes, & Technology.

The Auto Industry vs. the World Trade Industry

*Brandi Miller
Imports, Chicago*

Congress is working on negotiating a deal to provide around \$15 billion to prevent the US Automotive industry from collapsing. This effects not only the US economy, but the *global* automotive industry as well.

It is not unknown that Detroit's General Motors is experiencing the current volatile auto market. General Motors has announced that they will be extending holiday down time and may be closing some plants due to an auto market that has slumped to a 25-year low. Auto sales are down 15 percent and GM sales are off 20 percent for the first nine months of the year. GM, as well as Ford and Chrysler, are awaiting the bailout loan plan. The "big three" make up about 76 percent of US vehicle production.

The automotive industry has always been an important engine for the US economy. It greatly contributes to employment--and unemployment for that matter. In 2002, the US was the largest producer and consumer of motor vehicles. Total production for that year reached \$12.2 million. The industry is citing a large loss of employment as one reason for the bailout plan.

The US industry also operates in a global marketplace. There have been many mergers between giant multinational automakers. One merger includes the Chrysler Daimler-Benz merger, which was initiated to strengthen its position in the US market. Mergers such as GM's acquisition of Saab, Ford's acquisition of Jaguar and Volvo are two additional examples. Moreover, Suzuki is part of a joint-venture with GM in Canada. The US automotive trade relies mostly on its own market and the Canadian market.

Actually, Canada is the largest market for US vehicle exports, due to the US-Canadian Automotive Products Trade Agreement established in 1965. The companies that have now merged and become alliances continue to look into emerging global markets and even further industry consolidation.

Japanese and European automotive markets rely significantly on foreign exports. The European Union's automotive industry has a combined output that exceeds the US and Japan. The EU auto industry, like other markets in the global trade industry, has experienced significant restructuring and consolidation. The Japanese market has also experienced

restructuring which is a result of less domestic demand. Other than Suzuki and Daihatsu, Japan's automakers all have manufacturing plants in the US. Therefore, the Japanese have responded to the economic conditions by closing plants and offering equity ownership to foreign automakers to receive financial help. Ford has equity in Mazda, and GM has equity in Suzuki and Subaru.

On the contrary, there is one industry that continues to grow--the Chinese automotive industry. By 2010, it may be one of the largest markets. Government Officials have initiated policies to encourage development of China's domestic automotive manufacturing. Although growing, China still lacks the ability to conduct the research and development relying on foreign partners.

We hope the the economic bailout by Washington will provide some relief and stimulation for the "Big Three" and importers associated.

For more information, please visit:
www.dailyherald.com/story/?id=252724

<http://www.loc.gov/rr/business/BERA/issue2/news.html>

China Exports Fall, U.S. Trade Deficit Grows

*Charles Brooks
Imports, St. Louis*

The United States trade deficit for October reached \$57.2 billion, imports from China reached a new high and the value of oil imports rebounded more rapidly than expected. China's government announced that exports fell for the first time in seven years. Both U.S. imports and exports fell

for the third consecutive month as a result of the global economic crisis. U.S. imports of oil increased by 70.9 million barrels in October, as the price of imported crude dropped by \$15.56 per barrel to \$92.02. The total cost of U.S. oil imports in October increased because of the higher volume. Imports of foreign autos and auto parts fell in October to the



lowest levels since 2003. imports of Consumer goods increased slightly in October after dropping in Septment as retailers re-stock their shelves for the holiday season.

Introducing New LCL Lanes !!!

Kyle Morris

Director of Inbound Cargo

Scarborough is proud to introduce its **NEW** lanes into *Memphis, Nashville, and Indianapolis*, via direct to Midwest Warehouses in Kansas City, St. Louis, and Chicago.

The rates are great! Rates range from **\$85-\$125 CBM/MT** depending on port of origin, plus destination fees.

This is a great way to take advantage of the market and decrease your transit time.

Some benefits include...

Increased transit time: Usually 10-14 days faster than conventional LCL via L.A. consolidators

Better Visibility: Track and trace programs and daily updates

Reduced Risk: Since the cargo isn't stripped in L.A., fewer hands touch the freight resulting in less chance for damage and pilferage.

Single point of Contact: Scarborough Customer Service is "Simply the Best!"

Reduced Expense: Fewer costly exams at port

Price: Competitive prices, which allow you to experience our value-added services, shorter transit time and better predictability.

Origin Ports include:

- Shanghai, China
- Ningbo, China
- Shenzhen, China
- Xiamen, China
- Hong Kong, HK
- Kaohsiung, Taiwan
- Keelung, Taiwan
- Hamburg, Germany
- Bremerhaven, Germany

If you would like a specific quote or rates, please email

LCL@scarbrough-intl.com
or call 816-584-2400

Chinese Government Raises Export Rebates

Patrick Colligan

Imports Manager, Chicago

In an effort to stimulate exports, the Chinese Government has increased tax rebates to exporters on 3,770 items, including labor-intensive, mechanical and electrical products. The rebates took effect on 12/1/08. These rebates are an addition to several plans implemented by the Chinese government to stimulate the Chinese economy. Not only do China's exports have an affect on the rest of the world, but the exports are a major driving force for the Chinese economy.

Furthermore, export duties on steel, chemical, and grain products have



been abolished. Incentives such as these will allow Chinese exporters' products to remain extremely competitive abroad.

China's economic growth is expected to be between 7-9 percent next year. This amount of economic growth would be great for most nations. However, it will also put pressure on the Chinese labor market due to the millions of workers seeking jobs.

These efforts by the Chinese government are consistent with other nations trying to recharge their economies. The efforts, in turn, are completely contrary to policy passed by the Chinese government in 2007 when rebates were lowered.

Information gathered from: *The Journal of Commerce, The Shipping Digest, and The China Daily*

For related articles and more information on Chinese exports rebate increases, please visit the following links:

[The New York Times](#)
[The Ministry of Commerce](#)
[The China Daily](#)

Importer Security Filing "10+2" Training and More!

Scarborough International, Ltd. is partnering up with International Trade Law's Simon, Gluck and Kane, as well as CFS Trade Consultants, Inc. to bring you training in *St. Louis* at a very low cost.

This training offers you the overview required to understand compliance issues in our industry. Understand NAFTA rules of origin, classification, and value. Most importantly, you will learn more on the Importer Security Filing "10+2" & C-TPAT.

The training is \$125 for the first registrant, and all additional registrants are just \$75. The training is from 8:00am-12:30pm on Wednesday, January 21, 2009. For more information, please email rsvp@scarbrough-intl.com.

Scarborough wishes you Happy Holidays and a Happy New Year!

www.scarbrough-intl.com