



October 25-28, 2016 McCormick Place Chicago, IL

FAQ - Shipping to U.S. Tradeshows

Q: Should I ship to the U.S. via air freight or ocean freight?

A: Shipping via ocean freight is generally less expensive than shipping via airfreight. However, the transit time is much longer. Shipments from most foreign points of origin outside North America require 30-45 days of transit time via ocean freight. Foreign shipments to the U.S. via air freight require 1-7 days of transit time. Some shipments, such as large machinery, can only be sent via ocean freight.

Q: How long does it take to clear U.S. Customs and Border Protection?

A: Currently it takes from 1-3 business days to clear air freight shipments and 3-5 days to clear ocean freight shipments through U.S. Customs and Border Protection. If the shipments are chosen for intensive exam, the goods must be transported to an examination station and an additional 5-10 days will be added to the clearance time.

Q: What is a Trade Fair Entry?

A: Applies to tradeshows certified under the Trade Fair Act of 1959. A trade fair entry allows shipments to be entered into the U.S. on a temporary basis without penalty if the goods are not re-exported. In lieu of duty, Rogers Worldwide will post a bond on the exhibitor's behalf. Goods may only remain in the U.S. as temporary imports for ninety days from the commencement date of the show. However, this is often ample time for the exhibitors and their buyers to work out payment and delivery arrangements.

In the absence of the duty exempt status, exhibitors have only three other options. They may import goods on a temporary basis (without the use of a trade fair entry), however, the ability to change this entry to a permanent entry is at the discretion of local Customs authorities and is often accompanied by a penalty in addition to the duty. Some Customs ports do not allow this change in status under any circumstances. Another option for the exhibitors is permanent entry and the payment of duties immediately upon importation. The duty is not refundable even if the goods are re-exported. A third option would be use of an ATA Carnet, which requires mandatory re-exportation to the country of origin.

Some items are excluded from use of the trade fair entry such as explosives, fireworks and other materials, which might be dangerous, injurious or unhealthy. Exhibitors with low value items may find it less expensive to pay duties and file a consumption entry instead of a trade fair entry. The trade fair entry may also be inappropriate for other items such as livestock, foodstuffs, plants or beverages.

Q: What happens if I miss the deadline for arrival in the U.S.?

A: Adhering to the posted deadlines for arrival (as given in the shipping instructions) is extremely important. Deadlines often take into consideration congestion in the ports and other situations that are being temporarily experienced. Goods arriving after the deadline date may incur additional costs for overtime clearances, special delivery or shipment directly to show site and run the risk of not arriving to the exhibition on time.

Q: What documents are required to clear shipments through U.S. Customs and Border Protection?

A: Include five (5) copies of a proforma invoice/packing list in **ENGLISH**. The invoices must show the name and address of the shipper, the name of the show, the name of the exhibitor, the correct booth or stand number, identifying marks, quantity and description for each item, <u>harmonized tariff number</u> of each item, weights/dimensions of each package, the country of origin and the F.O.B. value of each item in U.S. dollars.

Q: How should goods be packed for international transport?

A: Pack giveaway items in cardboard boxes sturdy enough to withstand a high degree of handling. If boxes are exposed to weather, pack contents using waterproof lining. Items that are imported for temporary import and likely to be re-exported, should be crated using a waterproof lining and attached to a skid or pallet for easy lifting. Use wing nuts instead of nails to facilitate recrating. Make sure that all boxes are individually labeled and, if appropriate, ensure that any special instructions ("this side up," "fragile," "hazardous materials") are indelibly marked on the outside of the crates.

Q: How has 9/11 changed international exhibition logistics?

A: International exhibition logistics has changed in a number of ways over the past few years. Most prominently are the **post 9/11 regulations** that have increased the degree of difficulty and decreased the speed with which shipments can be cleared through Customs and Border Protection. One of the most significant changes involves restrictions on foreign shippers. In compliance with TSA (Transportation Security Administration) regulations, all foreign exhibitor cargo coming out of US events is considered "unknown shipper" cargo. Unknown shipper cargo is limited to transport on cargo-only aircraft or ocean freighters.

To address these changes, Rogers has added licensed customhouse brokers to the staff as well as additional personnel knowledgeable of the bio-terrorism and Homeland Security regulations and operational procedures.

Q: How do the U.S. regulations regarding Wood Packaging Materials (WPM) affect shipments to the U.S.?

A: All Wood packaging material (including wood used for dunnage, i.e. pallets or lumber) MUST be with fumigated or treated if entering the U.S. after September 15, 2005. All WPM must have an insignia marked on each crate/pallet evidencing proper fumigation. Fumigation certificates only will not be accepted. Plywood and any wood product less than 6mm in thickness are exempt as are imports from Canada. Once a wood product is fumigated and properly marked, it never needs to be treated again. Any freight not complying will immediately be sent back to its origin and the forwarder and/or exhibitor will be assessed a fine.

For further details about this regulation, please visit the U.S. Department of Agriculture/APHIS website: http://www.aphis.usda.gov/ppq/wpm/import.html.

Q: How will the CBP's ISF (Importer Security Filing) requirement or 10+2 Initiative affect the importation of international exhibition shipments to U.S. shows?

A: Customs has initiated an "Importer Security Filing and Additional Carrier Requirements" rule, also known as the 10+2 Initiative to require that importers provide ten data elements (see below) and the carrier provide two data elements; vessel stow plan and container status message before clearance in the U.S. The information is required before or immediately after (within 24 hours) the shipment's departure via ocean freight from the port of exportation.

Ten data elements are required from importer:

- 1. Manufacturer (or seller) name and address
- 2. Seller name and address
- 3. Buyer name and address
- 4. Ship-to name and address
- 5. Container stuffing location
- 6. Consolidator (stuffer) name/address
- 7. Importer identification number
- 8. Consignee identification number

Country of origin U.S. harmonized tariff number

There are a number of implications for international exhibitors. Some of the information being requested is new. Even if exhibitors imported the same merchandise for the exhibition last year, new requirements are now in place. The 10+2 requirements make it extremely difficult to clear shipments that arrive past the shipping deadline dates unless the importer of record is notified in advance. Beginning in January of 2010, penalties will be assessed to importers that do not comply with the ISF (Importer Security Filing) or 10+2 regulations.

First time exhibitors and those that have not established buyer networks in the U.S. are at a disadvantage because they have no official importer of record to designate unless their customs broker will act in this capacity (as Rogers Worldwide does). The importer is liable for all duties (secured by a surety bond) and compliance with all statutory and regulatory requirements resulting from importation of the goods for the show. It is necessary for these companies to designate a U.S. representative or a licensed customs broker for this purpose.

Rogers Worldwide, in its capacity as the importer, represents the interests of the exhibitor and takes responsibility for meeting all customs requirements.

Q: How does the Lacey Act affect international show importations?

A: In the *Food, Conservation and Energy Act of 2008*, amendments to the hundred-year-old Lacey Act became law, making it unlawful to import, export, transport or possess any goods in violation of plant protection laws of the U.S., Indian Tribes or any foreign country. In order to enforce the law, importers are required to document the scientific name of the plant (genus and species), quantity of the plant and name of the country from which the plant was harvested. Under the amended Lacey Act, "plant" is defined as "any wild member of the plant kingdom including roots, seeds, parts or product thereof, and including trees from either natural or planted forest stands."

While there are some exemptions to the reporting requirements such as packaging (when included with the product), "common cultivars and common food crops," scientific specimens for lab testing and plants that are to remain planted or to be planted or replanted, nearly every category of product (85 of the 97 chapters of the U.S. Harmonized Tariff Schedule) is affected. This includes anything containing a plant product from a wood button on a sweater to pharmaceuticals, cars, textiles, food products, furniture and paper. It also includes products that are accompanied by instruction manuals (including electronics and appliances) or that have paper or fabric hangtags or content labels.

Imported display properties are subject to compliance and it is possible that last minute shipments from unknown or unverifiable suppliers will be unable to clear customs. Violations of the Lacey Act provisions can result in civil and/or criminal penalties for importers such as fines and imprisonment as well as forfeiture of the merchandise. Legal experts have estimated potential fines from \$20,000 to \$250,000 and prison terms from one to five years per violation.

As a licensed customs broker, Rogers Worldwide facilitates exhibitor compliance with regulations and streamlines clearance procedures.

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