



**BDG INTERNATIONAL, INC**

September 2009

## INTERNATIONAL TRADE NEWSLETTER

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## Compliance & Documentation – Training Seminar



**Export Compliance & Documentation - NEW!!**

**Start Date:** 10/01/2009 08:00 AM

**End Date:** 10/01/2009 12:00 PM

**Registration Deadline:** 09/30/2009

**Contact:**

**Name:** *Marlene Gauthier*

**Phone:** 920-498-6971

**Toll Free:** 800-422-NWTC ext. 6971

**Email:** [marlene.gauthier@nwtc.edu](mailto:marlene.gauthier@nwtc.edu)

*Details:*

**Topics:**

- \* Fundamentals of export
- \* Overview of export terms
- \* Shipper's export declaration-Automated Export System (AES)
- \* Bureau of Industry and Security
- \* Office of Foreign Asset Control
- \* International Traffic Arms Regulations
- \* Documents of Foreign Customs Clearance
- \* Commercial export documents

**Continuing education:**

4 units of continuing education hours will be awarded upon completion.

**Open Seats:** 10

**Cancellation policy:**

Cancellations received two full business days before the seminar date will receive a full refund. Companies canceling with less than a

two-day notice will be responsible for the full fee. In the event of a "no show", payment for services is still required.

NWTC reserves the right to cancel any seminars due to insufficient enrollments or if conditions beyond our control prevail. If NWTC cancels any seminar, participants will receive a full refund.

**Location:**

2740 W Mason St  
PO Box 19042  
Green Bay, WI 54307

**Room number:** Center for Business & Industry Building, CB225

**Description:**

Presenter: Lisa Victoria Waller

Are you constantly rushing documents to support your export shipment? If you are increasingly worried about accuracy in documentation, correct procedures, and the growing compliance issues related to exportation, this half-day seminar can help. Whether you are currently selling internationally and exporting product already or may be interested in learning more about international selling and exporting, participants in this seminar can increase their knowledge of international exportation.

**Session Cost:** \$110.00

**Cost includes:** materials and refreshments.(out-of-state higher)

**Multi-person discount:** \$100 for each additional person from the same company

To receive this multi-person discount, please call Marlene Gauthier at 920-498-6971.

### New Air Export Warehouse Address.

Effective September 28, 2009

BDG International, Inc.  
c/o R.M Transportation, Inc.  
3720 River Road Suite 100  
Franklin Park, IL 60131

### Israel implements mandatory compliance on ISPM15 standard wood regulations.

ISRAEL: Compliance with ISPM 15 standard for fumigation of wood packaging materials began June 23<sup>rd</sup>, 2009

### Transpacific Ocean Rates Rise 10% in June

Increase reflects across-the-board efforts by all container lines to raise rates The average spot rate jumped 10.3 percent this week for shipping a 40-foot container from Hong Kong to Los Angeles, according to Drewry Shipping Consultants weekly survey of spot market prices paid by freight forwarders and non-vessel-operating common carriers. The average rate, which excludes terminal handling charges in Hong Kong, hit \$1,486 this week, up \$140 per FEU from \$1,346 in the week ended Sept. 13. The rate was still down by 28.5 percent from the average rate of \$2,078 per FEU in the same week last year.

### Air Cargo Security Becomes Permanent

Pilot program to get its wings in 60 days A pilot program for screening all air freight that moves in the holds of passenger aircraft will become a permanent part of supply chain security, the Transportation Security Administration announced Tuesday. The Certified Cargo Screening Program has been in test mode since February, but it will become mandatory 60 days after the interim final rule is published in the Federal Register, TSA said. It was published Sept. 16: <http://edocket.access.gpo.gov/2009/E9-21794.htm>. Under CCSP, the federal agency certifies aircraft operators to screen cargo at remote locations and deliver it securely to the airport. In 2007, Congress ordered TSA to screen 50 percent of all cargo by February 2009 and reach the 100 percent level by August 2010. TSA credited the CCSP pilot with helping carriers meet the 50 percent level.

### BDG Team News

We are excited to announce that we have added a new member of our team. Ms. Fariha Massud, CHB, Esq. Fariha. As a licensed broker and attorney Fariha brings in-depth knowledge on Customs Compliance to BDG. Her

role will be to consolidate all compliance related functions for clients and BDG under her supervision. Fariha is working closely with Lisa V. Waller, CHB VP. to complete the transition into the new position. Ms. Fariha Massud can be contacted at 847-760-0042 or [fariham@bdginternational.com](mailto:fariham@bdginternational.com)

### Foreign Principal Party in Interest Routed Export Transaction Power of Attorney (POA)

The Foreign Trade Regulations of the U.S. Census Bureau 15 CFR 30.3 (e) (2) state the shipper is responsible to obtain authorization from the FPPI when completing an AES transaction for a routed shipment.

A routed shipment is a shipment where the buyer in a foreign country controls the transportation. The Incoterm is an E or F term, thus the shipper is giving control to select the transportation carrier and forwarder.

In a case where the shipment is routed. The consignee / buyer in the foreign country is considered the FPPI (Foreign Principle Party of Interest). The FPPI on a routed shipment is responsible for the transportation as per the Incoterm and the AES declaration. This rule is unknown to many shippers who allow their cargo to be routed. The agent of the FPPI actually should complete the AES.

The designated agent of the FPPI, then will require the main elements of the Shipper's Export Declaration to complete the AES on behalf of the FPPI. The routed forwarder then receives the Letter of Authorization or Power of Attorney from the FPPI and not the shipper.

In order for the shipper or its designated agent to process their own AES transmission they (the Shipper) must receive authorization from the FPPI. Then once the Shipper has the authorization from the FPPI, the Shipper can complete the AES themselves or hire an agent. If the Shipper hires an agent, the Shipper, then, needs to provide a Letter of Authorization or Power of Attorney to its designated agent.

The shipper is required to provide accurate data via the commercial invoice or EEI (Electronic Export Invoice) for the AES to be completed. The EEI was previously known as the Shipper's Letter of Instruction.

- 1 – Shipper IRS #
- 2 – Related or Non Related (Greater than 10% ownership of the FPPI)
- 3 – Ultimate Destination (May be provided by the FPPI if the destination is different than is known by the shipper)
- 4 – Routed or Un Routed
- 5 – Hazardous or Non-Hazardous
- 6 – State of Origin
- 7 – Goods Domestic or Foreign Origin
- 8 – Schedule B Number
- 9 – Unit or Net Weight
- 10 – Value
- 11 – ECCN Number
- 12 – Export License Information (May be provided by the FPPI if the if a license requirement is known to be different.)

### Project Photo of the Month.



Origin: Seraozinho Brazil via Santos Port to Galveston TX  
Final Destination IL  
1 piece  
103,000 lbs total gross weight  
116" l x 116"w x 111"h