



supply Who's pulling your chain?

Think about it. Is your global trade management (GTM) software provider pulling your chain with empty promises?

North Carolina companies need a GTM software provider they can count on. Based in Charlotte, N.C., Integration Point has regional expertise, global influence, and years of experience implementing Software-as-a-Service (SaaS) solutions to streamline day-to-day processes of global trade compliance.

ARE YOU LOOKING FOR A GTM SOFTWARE PROVIDER THAT DELIVERS?

At Integration Point, we believe in excellence for every client. That's why we offer a GTM solution to guide companies through the complexities of importing, exporting, and duty deferral programs, while creating a platform on which your entire supply chain can communicate. In turn, you can dive into new markets, offer lower prices to customers, and cut the waste from your supply chain.

ARE YOU LOOKING FOR A TEAM YOU CAN TRUST?

With offices across every major continent, the Integration Point team works 24/7 to support your trade operations and maintain a complete database of global trade regulations that are up-to-date and validated from the source. In the last six years, seventeen Integration Point team members were also named "Practitioner Pros to Know" by Supply and Demand Chain Executive.

When you choose Integration Point as the solution for all your trade needs, our team becomes yours.

ARE YOU LOOKING FOR AN ALL-IN-ONE, INTEGRATED SOLUTION?

Integration Point provides the only solution entirely on one cloud-based platform. Real time integration with back-end systems ensures a "closed loop" import/export process and eliminates silos of data. By going beyond the firewall, we offer all the advantages of SaaS without compromising data security.

Credited as a top logistics IT provider by Inbound Logistics since 2009, Integration Point is an industry-tested and customer-approved platform for all your trade needs.

INTERESTED IN A REAL-WORLD EXAMPLE?

For just one client, Integration Point handles more than 3.5 million export shipments and 5 million export documents per year in over 100 countries. The Integration Point data validations are so accurate that 99.7% of the client transactions are auto-processed with no manual edits.

If you're tired of GTM software providers pulling your chain, contact Integration Point today for a comprehensive suite of GTM solutions backed by years of experience and honest communication.

The Integration Point difference

Investing in a GTM platform is easy when you pick the right partner. With Integration Point, companies of all sizes can:

- Analyze sourcing decisions to lower total landed cost
- Increase efficiency by automating all aspects of global trade compliance
- Support strategic decision making by improving visibility into all trade compliance activities
- Operate globally with regulatory data for 200+ countries, including 180+ tariff schedules and 375+ trade agreements
- Directly connect with government agencies around the globe
- Manage the complete import/export process
- Share information with all supply chain partners to maintain a secure and compliant supply chain



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Expanding your international trade? Ask these 7 essential questions

by Angela Chamberlain
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If you manage international shipments, global trade may seem like a never-ending maze of import/export regulations and duty deferral programs. For every product in every country, the rules and regulations are different. As an exporter, you must answer these seven essential questions for each product you ship — which is easy in theory but difficult in practice. For example, in a single motorcycle shipment, the answers to these questions vary greatly depending on your country of import or export.



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1. WHAT ARE YOU EXPORTING? Classifications, otherwise known as HS numbers, can range in length from 7-12 digits and are different past the 6-digit for each country. These HS classifications are also updated frequently. In fact, Integration Point updated 2.5 million HS numbers in 2014 alone. Fifty countries updated over 50 times throughout that year, with the European Union totaling 495 combined updates in 2014. In the case of our motorcycle, there are 13 unique classifications in the U.S. depending on the cylinder capacity, while there are another 8 and 20 classifications in Canada and Mexico, respectively. The importance of a correct classification cannot be underestimated. Classification accuracy ensures that you are not over- or underpaying on your duties and taxes.

2. WHO WILL RECEIVE YOUR ITEM, AND WHERE? The U.S. alone has over 300,000 names of people, groups and entities that you are not allowed to engage in business with around the world. Five thousand of those entities are found in Mexico or Canada. If you shipped your motorcycle to any of these 5,000 Mexican or Canadian entities, you could face serious penalties, amounting to millions, and even loss of export privileges. Take for example Bank of America, N.A., which violated the Office of Foreign Assets Control (OFAC) when it processed approximately 116 transactions for three Specially Designated Narcotics Traffickers back in 2014. The

settlement amounted to more than \$16 million.

3. WHAT WILL YOUR ITEM BE USED FOR? In addition to knowing who wants the product, find out why. With an End Use Certificate, you can assure authorities of the product's intended use and provide proof of "reasonable care." As best practice, always store these certificates electronically for an audit trail. To continue our example, if you learn that the motorcycle is intended for military purposes, there will be additional screening requirements for that shipment. The motorcycle would be controlled by the Department of State under the International Traffic in Arms Regulations (ITAR) and will be included on the United States Munitions List (USML) with a Category Number.

4. WHAT DOCUMENTS ARE NEEDED TO EXPORT? Neglecting to obtain necessary documents can cause shipment delays or even refusal of entry. Exporters should know the required documents in not only the domestic country for cargo release but also the foreign country for import. In the case of the motorcycle, an export from the U.S. might require these types of documents, in addition to documenting the import into the respective country:

A. Transportation: Dangerous Goods Certificate, Shipper's Letter of Instruction,

Air Waybill, and Air Cargo Manifest

B. Financial: Insurance Certificate and Letter of Credit

C. Customs: Certificate of Origin, Inspection Certificate, Destination Control Statement, and Consular Invoice

5. WHAT ARE THE CONTROLS ON YOUR PRODUCT?

There are millions of import and export controls around the world, typically varying between countries. Consider the motorcycle shipment. Depending on any navigational or electronic technology that is part of the motorcycle, you might have to comply with the U.S. Export Administration Regulations (EAR). In that case, you will need to determine if your product is classified under an Export Control Classification Number (ECCN) on the Commerce Control List (CCL) and then follow the EAR licensing rules. In addition to the more obvious regulations, you may be required to file vehicle and engine specific data to environmental protection agencies.

6. WHAT ARE THE COSTS TO IMPORT INTO A SPECIFIC COUNTRY?

Duty rate is probably the first cost you consider, and it can fluctuate based on your supply chain decisions. For our motorcycle, import into the U.S. can range from 0% to 2.4% in duties, based on your classification and any applicable preferential programs. In Mexico, if you satisfy the additional regulations for NAFTA, you could eliminate the main 15% main duty rate completely. However, duty rate is just one piece of your total landed cost. For instance, Canada has provincial taxes such as GST/PST/HST taxes. In any particular province, your import tax could be as low as 5% or as high as 15%.

7. WHAT ARE THE MARKING AND LABELING REQUIREMENTS FOR YOUR COUNTRY?

Beyond classifying and proving due diligence, there are a host of marking and labeling requirements by country. In the U.S., your motorcycle would require English labeling that includes the following: the percentage of U.S. parts, the name of every country contributing more than 15% of the

motorcycle's content, the country of origin for both the engine and transmission, and more. On the other hand, Canada requires bilingual labeling in English and French, the Code of "MC" to indicate Motorcycle, a 13mm diameter drawing depicting the national safety mark, and the month and year during which manufacturing was completed.

As an exporter, all of this can seem daunting. You may wonder where you even begin. Luckily, there are tools that can significantly streamline and simplify this process for you. Whether you are classifying products for multiple countries, calculating your landed cost, or eliminating duties with preferential programs — the right technology and the right global trade management software provider can help you dive into new markets without feeling overwhelmed.

Your most important international trading partner

At BB&T, we help companies of all sizes capitalize on the opportunities – and address the challenges – of international trade. Every day, our trade experts work with clients to deliver tailored, sophisticated solutions to manage commercial and country risk, make and collect international payments, and enhance negotiating positions with overseas customers and suppliers. Our goal is to build a long-term partnership that helps your company profit around the globe. Contact Olga Topping today at 336-605-1583 to discuss your international needs.



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