7 Reasons Why Organizations Need a Global Classification Platform

It's more than just an item master. It's definitely more than just a spreadsheet. A Global Classification platform includes various and multiple forms of classification data, stores required documents, provides up-to-date trade content, and provides a centralized, web-based solution that all trading partners can access. Having trouble selling the need for a Global Classification platform internally? Below are 7 great reasons why any organization needs, and can benefit from, a Global Classification platform.

1. **Centralize product databases**. Consolidating all product classification databases into a central, shared repository, you eliminate the all too common practice of using spreadsheets to manage a company's multi-national parts list. As a result, the centrally controlled classification database reduces errors, increases internal and external communication, strengthens compliance, and improves the timeliness of the information shared with external trading partners.

2. **Increase visibility**. Managing all classification data in one location provides visibility into when additions, changes, or deletions to the classification data repository are made.

3. **Improve compliance across the supply chain**. Providing on-demand availability to the classification database via the web ensures that every trading partner has access to and uses the same classification data at every stage in the supply chain.

4. **Minimize risks and/or delays in the supply chain**. Having the correct classification data in an easily accessible platform reduces the chance of shipments being delayed in Customs resulting in demurrage and other late fees.

5. **Share classification data to maximum compliance in other trade areas**. Involving members from various areas within the organization — from the shop floor to shipping department to accounting — provides better classification data. By collecting input, facilitated by an online tool, you ensure that all product data used for classification determinations is thorough and timely.

6. **Demonstrate reasonable care**. Complying with government regulations, such as the Modernization Act for US importers, is required by all importers and exporters. This means organizations must show they demonstrated reasonable care when deploying a solution focused on managing and maintaining accurate classification data.

7. **Manage trade preference programs applicability**. Utilizing a Global Classification platform, organizations eliminate the possibility of missing duty savings opportunities caused by not flagging the products in the classification database and sharing that

information with Customs Brokers that these products are eligible for Free Trade Agreements.

Tips provided by Clay Perry, SVP of Global Markets, of Integration Point, Inc. Contact Clay Perry and Integration Point at Sales@IntegrationPoint.com or 704-576-3678. For more information on Integration Point, please visit www.IntegrationPoint.com.