

## Classification Services

### CLASSIFICATION

One of the most prevalent, and challenging, compliance issues for traders is the correct tariff classification of imported products in order to avoid the increased duties, penalties and possible denial of admission that can result from incorrect classification. Most customs authorities place the responsibility for accurate tariff classifications on the importer and require that importers use "reasonable care" in determining the tariff classification of imported goods.

In 2007, an additional element of challenge will be added to this task as national authorities implement the sweeping changes to the HS tariff system agreed to in the World Customs Organization. On January 1, changes at the 6-digit international, as well as at the national levels, will be implemented, greatly affecting many chapters. In particular, many classifications in chapters 84, 85 and 90 will be affected. Not all national authorities will implement these changes at the same time, and none is expected to provide extensive lead-time. Importers will need to be prepared to update their classification databases quickly in order to avoid delays, penalties and increased duties. Tradewin® can help meet this challenge.

### TRADEWIN®

Expeditors Tradewin®, LLC (Tradewin®), a wholly-owned subsidiary of Expeditors International of Washington, Inc., provides creative and effective solutions in compliance, logistics, and trade data management. Our dedicated classification staff includes licensed customs brokers with expertise in the classification of products in the automotive, apparel, retail, pharmaceutical, chemical, electronics, and many other industries.

### HS 2007 PREPARATION

Using the data output by Expeditors HS 2007 analysis tool, Tradewin® is able to classify products at the 6-digit level now, prior to the publishing of the individual national tariffs. As the various national tariffs are published, Tradewin will then be able to quickly apply the full tariff classification and provide visibility to any changes to special trade program eligibility.

Working with your company's product experts, Tradewin® will determine the function, form and composition of your products and, using tariff classification principles, will determine the proper HS code under the newly-published 2007 tariff schedules.

### TRADEFLOW® COMPLIANCE MANAGEMENT SOFTWARE

Tradewin recommends that importers maintain visibility to, and control of, their product compliance information via an automated system. Tradeflow's Product Management Centre facilitates access control, allows information to be shared with Trade Partners, includes field-level change history tracking, allows document image uploading, and provides users with integrated access to tariffs for over 120 countries. Tradewin customers have the option of subscribing to Tradeflow to store the classification work, collaborate with Tradewin classifiers and use the system to streamline entry processing. A web-view or data extract can be made available to Customs brokers.



# TRADEWIN®