

# Rapidly-Growing North Country Business Helps Importers/Exporters

*U.S. Customs laws governing the import and export of goods are complicated and lengthy; businesses exist to help other businesses successfully wade through the details.*

By Laurie Marr

**O**ther than having to wait in line and show specific identification, for most us, crossing the international border isn't such a big deal. But if you're a business transporting goods across the border – any international border – there are a myriad regulations and guidelines that have to be followed to a “T” to avoid legal troubles, delays, fines and possible confiscation of your goods.

Bay Brokerage, Inc. is one of the businesses that exist solely to make those trips across the border go smoothly for other businesses. Headquartered in offices on Wellesley Island, most of the staff's desks are anchored by the weight of a huge book with hundreds of tissue-thin pages that contains – in very tiny print – 64,000 classifications of U.S. tariffs. The pages contain descriptions of commodities and exacting calculations of how much duty a cross-border transporter must pay on thousands and thousands of types of goods. The duty required can be a percentage of the value of an item, a specific amount per “measure” or a combination of the two, explains Bay Brokerage Vice President Kathi Wozniak, who's been doing this for so long she rattles off many by

heart.

This is just one example of the kinds of things that U.S. Customs brokers have to know.

As is usually the case when dealing with business legalities, it's the details that can quickly and easily get you into trouble. Besides knowing all the tariffs in that huge book, Bay Brokerage staffers make it their business to know what

can get you into trouble in terms of cross border trade, and how to avoid it. For example, Wozniak explains that there are “quota levels” on some import items and an importer must keep careful track of how much of a certain item – like pimentos! – they are bringing into the U.S. Wozniak helps them understand and track how many pimentos they've imported in a certain time frame so as



*Dan Tubolino (in truck), transportation manager; Kathi Wozniak, vice president; and Ken Carmon, president, run Bay Brokerage, which offers U.S. Customs brokerage, trucking, warehousing and consulting services from its headquarters on Wellesley Island.*

to not surpass the permitted amount.

And, despite the thousands of items listed in the tariff book, sometimes an importer will come up with something that's not listed, usually some type of a knick-knack, says Bay Brokerage President Ken Carmon. In those cases Bay Brokerage has been involved in securing rulings from U.S. Customs for its clients as to how the item will henceforth be described in that giant book and what the duty will be.

Despite the brokers' best efforts, however, Carmon and Wozniak say that U.S. Customs can reject items for import for any reason it wants to. While they can't promise to get a Customs' decision reversed, because of her many years in the business, Wozniak has good contacts within U.S. Customs and knows who to call for guidance or answers.

Bay Brokerage offers Customs brokerage, trucking, warehousing and consulting services. U.S. Customs and Border Protection law requires that a broker be hired for any commercial shipments. Carmon says his company can move an entire factory's worth of goods, or a single do-dad weighing five ounces and get it safely and legally across the border.

Carmon and Wozniak are both customs brokers licensed by the U.S. Department of Homeland Security. The company also has a national permit that allows it to process the import of goods wherever they land in the U.S., which can be any one of 82 ports of entry.

While it is headquartered on Wellesley Island, the company also has offices in Detroit, Buffalo, Texas, Champlain and Watertown. Because timing is so important in terms of exporting and importing paperwork, Bay Brokerage has staff on duty 24 hours a day, seven

days a week and all its offices are interconnected.

Established only three years ago, Bay Brokerage has grown quickly, primarily due to increasing demand for the kinds of services its offers, particularly electronic services.

Carmon and Dan Tubolino, transportation manager and part owner of the company, started working together in 1971 in the duty-free business. Wozniak has been in the brokerage business for 14 years; Carmon has been in the brokerage business for 36 years.

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As far back as the 1980s, Carmon and Wozniak say they were "dabbling" in electronics, helping companies set up various electronic systems using data they already had to help streamline the import and export of their goods. This "dabbling" put them far ahead of the game when the United States tightened security in 2004 and began requiring brokers to file just about everything electronically. Now, among other things, the law requires the filing of "e" manifests and one-two hour advance *electronic* notice of any shipments coming across the border, Carmon explains.

Because Carmon and Wozniak had so much previous experience in electronic filings and "paperwork," their business became quickly sought-after in the import/export world. They now count multi-national and Fortune 500 companies among their clients.

Bay Brokerage also works with the trade community on understand-

ing governmental policy and regulations, Carmon says. The company offers classroom training and assists other companies involved in international trade with compliance improvement programs. In addition, Bay Brokerage is a member of Customs Trade Partnership Against Terrorism (C-TPAT), a program that helps secure the supply chain, Carmon explains. Bay Brokerage offers training several times a month all over the country; after the training program companies can apply for C-TPAT status. Having C-TPAT status is like having a

seal of pre-approval on your company's security measures; the status can help speed the import/export paperwork and filing process.

In its training programs the subjects covered by Bay Brokerage include container security, container inspection, physical access controls, personnel security, security

training and threat awareness, and information technology security. Carmon says currently only a small percentage of businesses involved in international trade have C-TPAT status, "but there is a lot of interest" and they hope those numbers will increase because the certification is win/win situation for importers, exporters, brokers and U.S. Customs.

In addition to customs brokering, Bay Brokerage also has a trucking division. Four trucks – licensed carriers in both the United States and Canada - pick up and deliver shipments, many to the Syracuse airport for next-day air shipment.

With the rapid growth Bay Brokerage is experiencing just after three years in business, Carmon says they will soon have a "bigger presence" in their current Wellesley Island location and the company is eyeing opening offices at other ports in the west and south. **ab**