



# Front Page Article

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..... continuing the tradition of personal service!

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## A Note From Norman!

*Norman Marchetti*  
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Summer is almost here! The weather is warming up - it makes you feel like you want to get out and enjoy life. But, everyone you talk to is feeling the pressure of rising gas prices and increasing costs.

At FPA, we are trying to keep costs in check. We are working on Electronic Invoicing to counter the rising postal and messenger service increase. As you know, our Newsletter is now electronic. These are small steps, but a good place to start.

If you're interested in "saving a tree" and receiving your FPA invoices electronically, please contact your FPA Customer Service Representative and he/she will make the arrangements.



## As Stan Sees It!

*Stan Wawrzonek*  
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Due to the state of the deteriorating economy, it's been a most challenging year. We're all challenged to carefully manage our businesses with more limited resources and increasing operating costs.

FPA may be able to assist you in reducing your cost of doing business. Let us quote any of the following: Marine Cargo All-Risk Door-to-Door Insurance, local and intrastate trucking, international air and sea transportation rates and service options, and pick 'n pack/distribution services, to see if savings can be realized.

Contact your FPA Service Representative to discuss further.

Stay well!



### Front Page Article

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ACE Approved Broker  
National Remote Location Filing

Members of:  
US Assn. of Importers of Textile & Apparel  
National Customs Brokers & Forwarders Association  
Long Island Import & Export Association  
Global Business Association  
NEXCO



**DUTY**



**REFUNDS!**

Now's the time to start thinking about ways to save money and increase revenue. Why not look into FPA's Duty Drawback Program? Let us submit your Drawback Entries and assist you in recovering monies you may have overlooked! It's a fairly simple process for you; just provide us with the information needed, and then sit back and watch the refunds roll in!

## U.S. Customs & Border Protection

### Holidays

Monday, May 26th.....Memorial Day  
Friday, July 4th.....Independence Day

### Quarterly Meetings

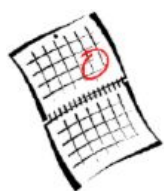
Thursday, July 17th.....JFK  
Thursday, October 23rd.....JFK

**Out and About!**

On Tuesday, Jan. 15<sup>th</sup>, President Norman Marchetti and CEO Stan Wawrzonek met with Bill Maloof, CFO of **GMA Accessories/Capelli-NY**....On Wednesday, Jan. 16<sup>th</sup>, Norman, Stan and Vice President Mark Rosen had a lunch meeting with Lois Davis....On Thursday, Jan. 17<sup>th</sup>, Mark and Norman met with John LaForte of **International Warehousing**....On Tuesday, Jan. 22<sup>nd</sup>, Norman, Stan, Controller Roger Kohlbecker and Vice President Sherrie Stevenson met with Calvin Beers, John Allison, Rebecca Westly and Brendan Clohisey of **Innovative Stone Distribution/Innovative Marble & Tile**....On Thursday, Jan. 24<sup>th</sup>, Mark attended the JFK Customs Quarterly Meeting....On Friday, Jan. 25<sup>th</sup>, Mark and Stan had a lunch meeting with Jan te Lintelo, CFO of **Van Cleef & Arpels**....On Wednesday, January 30<sup>th</sup>, Stan and Sales Manager Bernie Goldberg made several New York City sales visits. They met with Sandy Chen of **Spa Products**; Beyhan, Feray, Serkan, Larisa, Lora and Nergis of **MTS Logistics**; Ira Glasser of **In Gear Swimwear**; Apun Gauba of **Pali Imports**....On Wednesday, Feb. 6<sup>th</sup>, FPA's JFK office and LA office (by teleconference) met with Chenique Baly and Tim DeGeorge of **C & B Consulting**....On that same day, Bernie attended the B. Baruch Seminar at the NYC Chamber of Commerce....On Monday, Feb. 11<sup>th</sup>, Mark and Norman had a lunch meeting with John LaForte of **International Warehousing**....On Tuesday, Feb. 12<sup>th</sup>, Sherrie Stevenson and Norman met with Joe Costanzo of **UEX Logistics**....On Thursday, Feb. 14<sup>th</sup>, Leah Manzano and Frank Saffioti of **Liz Claiborne** visited with Stan, Mark, Sherrie Stevenson, and Senior Customer Service Representatives Renato Pascual and Annette Jannotta....On Tuesday, Feb. 26<sup>th</sup>, Renato and Mark met at **Expeditors International** with Marty Kelly of **FIFO**....On that same day, Mark had lunch with Jennifer Jordano of **Michael Kors**....On Wednesday, Feb. 27<sup>th</sup>, Stan and Betty and Roy Chen of Jif Logistics attended a Nexco networking conference for Pan Asian.... On Thursday, Feb. 28<sup>th</sup>, Darlene Collova, and Marta Batista of **Liz Claiborne**, and Jessie Lam of **Liz Claiborne, HK** visited FPA's JFK office and met with Mark, Norman, Stan, Sherrie and Renato....On Friday, Feb. 29<sup>th</sup>, Norman, Stan, Sherrie, Roger Kohlbecker and Senior Customer Service Representative Toni Smith met with Jon Ross, Jon Sacks, Arty Balkits, Harris Meth and Elizabeth Denton of **E&B "EB Brands" Giftware**....On Tuesday, March 4<sup>th</sup>, Mark and Norman met with Lisa Morgan of **Nassau Candy**....On Tuesday, March 11<sup>th</sup>, Toni and Norman met with Daisy Wong and Weining of **Rainforest**....On Thursday, March 13<sup>th</sup>, Joseph Marchetti of **J Trucking** and Mark met with Orlando Medina of **Loomstate/Rogan**....On Friday, March 14<sup>th</sup>, Roger, Stan, Norman and Sherrie met with Calvin Beers, Brendan Clohisey, Debbie Sininsky and John Allison of **Innovative**



**Stone**....On Tuesday, March 18<sup>th</sup>, Bernie and Roy Chen met with Sandy Chen of **Spa Products**....On Wednesday, March 19<sup>th</sup>, Mark and Norman met with Sam Gumins and Robert Grinnell of **Luxo**....On Thursday, March 20<sup>th</sup>, Joseph Marchetti, Mark and Norman met with Anna Ascoli of **Concept One**....On Friday, March 21<sup>st</sup>, Roger, Sherrie and Norman met with Calvin Beers, John Allison, Debbie Sininsky and Marianne Solinas of **Innovative Stone**....On Wednesday, March 26<sup>th</sup>, Mark, Norman and Senior Customer Service Representative Bonnie Pascarelli had a lunch meeting with Barbara Souffront, Milagros Vivanco, and Jill Hertrich of **Phillips Van Heusen**....On Friday, March 28<sup>th</sup>, Stan, Norman and Sherrie visited Kathie Gilberti and Damon Briggs at **Mitchell & Ness, Philadelphia**....On Tuesday, April 8<sup>th</sup>, Mark, Norman and Stan had dinner with Frank Kelly of **Frank Kelly & Associates**....On Thursday, April 10<sup>th</sup>, Mark and Jim Penson, Vice President of FPA's LAX Office, met with Joe Drogalis of **J & K Apparel**, Kenny Singh of **Japna, Inc.**, and Colin Tanenbaum of **Coletane Industries**....On Tuesday, April 15<sup>th</sup>, Mark met with Orlando Medina of **Loomstate/Rogan**....On Wednesday, April 16<sup>th</sup>, Bernie and Mark met with Angelica Salazar and Vincent Romano of **Rochem International**....On Thursday, April 17<sup>th</sup>, Mark attended the JFK Customs Quarterly Meeting....On Monday, April 28<sup>th</sup>, Mark and Norman had dinner with Darlene Collova of **Liz Claiborne**....On Friday, May 2<sup>nd</sup>, Mark and Victor Chin of **Van Cleef & Arpels** had a meeting with Fish and Wildlife....On Tuesday, May 6<sup>th</sup>, Stan attended the L.I. Import/Export Association Annual Golf Outing with Jim Young, Vice President, **HSBC Bank** and Ron Kopel, CPA of **Perlman & Kopel**....On Friday, May 9<sup>th</sup>, Mark and Stan visited with Thierry Prissert, President and Eva Bianca of **Riviera Sun Vilebrequin**....On Monday, May 12<sup>th</sup>, Mark and John LaForte of **International Warehousing** had a follow-up meeting with Eva Bianca of **Riviera Sun Vilebrequin**....On Wednesday, May 14<sup>th</sup>, Norman, Stan and Senior Customer Service Representative Matthew Ferraro met with Simon Kaye, Marc Selter and Jeff Lavender of **Jaguar Freight**....On that same day, Howard Jurofsky of **Avalon Risk Management** visited with FPA Staff....On Thursday, May 15<sup>th</sup>, Stan attended the annual stockholder meeting at **Liz Claiborne**, chaired by Bill McComb, CEO. He chatted with Elaine Goodell, VP and Chief Accounting Officer and Mike Scarpa, COO. He also met Tim Gunn, Chief Creative Officer. Bill McComb provided insights into Liz's strategy and noted that sales for Q1 increased and new lines are targetted for 2008....On that same day, Roger and Stan had a lunch meeting with Jerry Recco, CFO of **Castle Hill Apparel** (who recently acquired **"Just In Time Fashions"**), and then they met with Arthur Levine, the new controller of **Bob Mackie Studio (La Rose)** and **Marc Bouwer Pink**, and chatted with Bob Rosen, President of both....On Wednesday, May 21<sup>st</sup>, Stan and Albert Wei, President of **Vizion Logistics**, met with Bill Maloof, CFO of **GMA Accessories/Capelli-NY** and John Wells....On Thursday, June 12<sup>th</sup>, Jim Penson had dinner with a dear friend, Ed Iovino, and his family.



**What's News!**

\* Owners of registered trademarks and copyrights may record their rights with CBP. CBP's policy is to focus its enforcement efforts on recorded trademarks, trade names and copyrights. For more information, please contact your FPA Customer Service Representative.

THE CUSTOMS OVERVIEW\*\*

\* In January, CBP issued a new Informed Compliance Publication dealing with the classification of coated and water resistant apparel. The publication is available on CBP's website under "Legal".

THE CUSTOMS OVERVIEW\*\*

\* Scott Quesenberry (Special Textile Negotiator, USTR) and Matt Priest (D.A.S. for Textile & Apparel (DOC)) spoke at the PRIMESOURCE FORUM in Hong Kong recently and stated that the US Administration has determined to let the current China safeguard quotas lapse and not renew or rely on any product specific safeguard authority at the end of 2008. Mr. Quesenberry stated they would rely only on alternative WTO-sanctioned remedies such as anti-dumping and countervailing duty cases to deter anticipated surges (and injury) to the domestic industry. A monitoring program has not been discussed, but was not ruled out. - NCBFAA MONDAY MORNING BRIEFING OF 4/14/2008

\* FIRST SALE - UPDATE: There have been a couple of developments, but nothing of real substance, in the first sale controversy created by the proposal by Customs and Border Protection to abandon the first sale rule. USA-ITA will file comments. Draft comments will be circulated to the Customs Committee and other interested members during the last week of March. If you would like to receive a copy of the draft comments please contact John Pellegrini at jpellegrini@mcgwirewoods.com.

THE CUSTOMS OVERVIEW\*\*

\* QUOTA CHARGE STATEMENTS: TBT 08-002 states that CBP does not require presentation at the time of entry. However, it must be available upon request.

THE CUSTOMS OVERVIEW\*\*

\* Fending off numerous anti-China and other extraneous amendments, the Senate Leadership succeeded in securing final approval of legislation to overhaul the Consumer Product Safety Commission. A conference will now be held between the House and Senate to reach agreement on a common text, since the Senate version differs from the CPSC reform bill approved by the House late last year. USA-ITA

\* Due to apparent incidences of counterfeit SWP stamps on wood packing, CBP agriculture inspectors will be increasing their scrutiny of wood packing materials. - NCBFAA MONDAY MORNING BRIEFING OF 5/12/08

\* After completing a six-month review of Vietnam apparel import data, the US Department of Commerce (DOC) says there is no reason to self-initiate an anti-dumping case against Vietnam, triggering a call from importers to drop the monitoring program. JAMES A. MORRISSEY, WASHINGTON CORRESPONDENT

\*\*THE CUSTOMS OVERVIEW is a newsletter of Customs legal, administrative and other developments affecting importers of textiles and wearing apparel prepared as a service for USA-ITA members and other interested parties. Matters reported on or summarized herein should not be construed as legal advice on specific situations

### Compliance Corner

by Bill Sullivan,

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#### GSP'S UNCERTAIN FATE

From: NCBFAA, March 31<sup>st</sup> 2008 Briefing

The uncertainty over GSP renewal is not new. The trade has been through it many times before. What is new, however, is the growing sense that this time, GSP, as we know it may be nearing an end. With December 31 expiration ahead, US importers are keeping a watchful eye.

The first hurdle is the so-called "pay-go" requirements, which were resurrected by the Democrats and require the \$1 billion in duties lifted by GSP to be offset by commensurate spending cuts or tax increases. In today's legislative and budgetary climate, however, this is a significant impediment. If it can be overcome, it will mean a renewal of shorter duration.

Added to the budgetary obstacle are serious policy concerns that complicate renewal. Some in Congress believe GSP has lost its purpose. With the developed economies of Brazil and India dominating the program, critics contend that GSP needs to be significantly revamped, with a greater focus on poorer countries. There may not be time in this Congress to sort out these substantive policy issues.

So, a popular, mostly non-controversial program may very well be allowed to lapse at the end of the year. Renewal - if it eventually occurs - may be under an entirely new set of rules.



#### PRIORITY TRADE ISSUES

The priority mission of Customs and Border Protection (CBP) is to prevent terrorists and terrorist weapons from entering the United States while facilitating the flow of legitimate trade and travel. To support this mission, CBP has focused on Priority Trade Issues (PTI). Priority Trade Issues are identified as high risk areas where CBP strategically concentrates limited resources as part of a layered approach to risk management. These PTI are issues that cause significant revenue loss, economic risk to U.S. industry or represent health and safety concerns to citizens.

#### **Agriculture**

Agriculture as a PTI is to manage the potential risk of an intentional (terrorist) contamination of an agricultural product that may cause harm to the American public or adverse damage to the nation's economy.

#### **PRIORITY TRADE ISSUES (continued)**

#### **Antidumping/Countervailing Duties**

Antidumping/Countervailing Duties (AD/CVD) as a PTI is to ensure that a concerted, systematic approach to facilitate legitimate trade, detect and deter circumvention of the AD/CVD law and to timely liquidate transactions with correct determinations regarding final duties owed.

#### **Import Safety**

Import Safety as a PTI is to ensure that unsafe products do not enter the commerce of the United States.

#### **Intellectual Property Rights (IPR)**

CBP protects businesses and consumers every day by combating the trade in counterfeit and pirated goods through an aggressive IPR enforcement program.

#### **Penalties**

Penalties as a PTI is to ensure the effectiveness of the trade fraud penalty process by emphasizing national direction, uniformity, swift action, applying trade compliance alternatives to traditional commercial fraud penalties, and by focusing trade fraud resources on PTI.

#### **Revenue**

Revenue as a PTI is to ensure a proactive approach in determining areas that pose a material risk in our revenue process and ensuring that our internal operations and controls are designed to mitigate the risks at the point in the entry process where risk occurs.

#### **Textiles**

Textiles as PTI, is to ensure compliance with laws and regulations governing the high risk nature of imports of textile and apparel products.

Complete overview of all these Priority Trade Issues can be viewed and downloaded at the below website:

[www.cbp.gov/xp/cgov/trade/priority\\_trade/](http://www.cbp.gov/xp/cgov/trade/priority_trade/)

### Controller's Corner

Roger Kohlbecker, LCB  
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**Check-by-Fax Remittance Program saves you the cost of courier or postal fees. ACH electronic payments can reduce your domestic wire transfer costs significantly.**

**Please contact me to discuss further.**

### **FYI: Sherrie's Edit**

by Sherrie Stevenson  
Vice President  
sherries@fpajfk.com

Oy! Never before have I strained so much to check the prices of fuel gas pumps! It seems like within hours, prices are inching higher and higher. You know what it costs to fill up your car, let alone an 18 wheeler. My God, how does an independent hauler survive from day to day? But what really got me was when I was reading a shipping article and it expanded on the reality of what it costs to fuel a large modern container vessel on a 14 day voyage, single round trip: \$3.3 million!! Wow, someone's making a ton of money but it's sure not us, the average working class American trying to make a decent living.



Maybe I should have followed my dreams and become a professional singer, but who knows - maybe I will someday if ever they have a "Senior American Idol" (LOL).



### **BEST PORTS!**

Source: [www.polb.com](http://www.polb.com)

The Port of Long Beach once again has been named the best seaport in North America by Cargonews Asia at the newspaper's 2008 Asian Freight and Supply Chain Awards held recently in Singapore.



It's the fourth consecutive year and the 12<sup>th</sup> time in the past 13 years that the Port of Long Beach has been recognized as the best on the continent, despite strong competition from notables such as the Port of Los Angeles and the Port of New York/New Jersey.

Other best seaports around the world named in the 2008 awards include the Port of Singapore in Asia, the Port of Rotterdam in Europe and the Port of Jebel Ali, Dubai, in the Middle East.

**Should You Consider Making a Prior Disclosure?**

**By: Dan Curry, Esq.**  
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The prior disclosure law provides reduced penalties to parties who advise Customs of noncompliance with import laws before Customs discovers and notifies the party of the possible noncompliance. Valid prior disclosures can save a company time and money, and in some cases, reduce a monetary penalty to zero.

Title 19 U.S.C. § 1592 permits Customs to assess monetary penalties against parties for errors in their entry documents such as valuation mistakes, merchandise misdescription, antidumping/countervailing duty order evasion, improper country of origin declarations or markings, or improper claims for preference under a free trade agreement or other duty preference program.

A party must make a prior disclosure of a violation before or without knowledge of a formal Custom investigation. If the importations involve open Customs entries and no fraud is involved, then the penalty is zero. If the entries are closed or finalized and no fraud is involved, the penalty is the interest on the loss of duties. If a fraudulent violation is disclosed, the penalty is reduced.

An importer may obtain benefits for disclosing violations not covered by a Customs investigation. Suppose, for example, Customs has commenced an investigation of a company's 2005 imports involving undeclared royalties paid to a supplier. If the company makes a prior disclosure of merchandise misdescription involving the same shipments, then the company may obtain disclosure benefits since the Customs investigation only related to the royalty violations. Additionally, Customs recommends that an importer use the time period before an audit begins to conduct a self-assessment of its importations to determine if a prior disclosure submission is warranted.

Importantly, a prior disclosure submission that gives Customs reason to believe a criminal violation has occurred could possibly expose an importer to criminal prosecution, particularly in the case of fraudulent violations. Customs is legally obligated to refer a possible criminal violation to the U.S. Attorney's office. Generally speaking, a validly disclosed, non-fraudulent violation rarely is prosecuted, according to Customs.

**Source: ABC's of Prior Disclosure, CBP Informed Compliance Manual.**

**U.S. Box Traffic Expected to be Below 2007 Levels: Port Tracker**

*Shipping Gazette - Daily Shipping News 2008/05/09*

Container traffic at major US retail ports is expected to remain at or below last year's levels owing to the nation's economic slowdown.



The prediction was made by the monthly Port Tracker report released by the National Retail Federation and Global Insight. "Import container traffic is forecast to continue to be quite weak through September due to the underlying weakness in consumer demand in the US economy," said federation vice president Jonathan Gold.

"Retailers are watching consumers' shopping patterns very carefully this year, and the volume of imports reflects what merchants expect they can sell in their stores. These numbers show a cautious approach to inventory management for this fall."

The report noted that while record high fuel prices continue to cause increasing pain for port truckers, port operations are expected to continue to remain steady with soft port traffic demand. "The covered ports are operating without congestion from harbour to gate with adequate capacity even as volumes are increasing," said Global Insight economist Paul Bingham.

US Ports surveyed handled 1.16 million TEU in March, down 4.8 per cent from February 2008 and represented the lowest monthly volume since the 1.11 million TEU imported in February 2006. The number was down 8.5 per cent from March 2007, a Global Insight statement said.

April was estimated at 1.28 million TEU, down 3.2 per cent from a year ago, and May is forecast at 1.31 million TEU, down 4.8 per cent. June is forecast at 1.35 million TEU, down 7 per cent, and July at 1.41 million TEU, down 2 per cent.

The US ports covered are Los Angeles/Long Beach, Oakland, Seattle, Tacoma, New York/New Jersey, Hampton Roads, Charleston, Savannah and Houston.



**Textiles Remain a Priority Enforcement Area for Customs**

*by Arthur W. Bodek, Esq.*

Earlier this year, CBP (Customs) designated the textile and apparel industry as a "priority trade area" for fiscal year 2008.

Noting that textile imports account for 42% of all duties collected (and remain subject to quotas from China), CBP has identified various manners of alleged evasion including: illegal transshipment, misdescription of garments, misdescription of fiber content, etc.

An area warranting special attention is the use of Free Trade Agreements. CBP has been scrutinizing duty-free claims under Agreements such as the CAFTA (which is scheduled to undergo significant revisions in the coming weeks).

In light of the increased number of recent seizures, supplemental duty bills, and penalties issued by CBP, importers are strongly recommended to review their import programs to ensure compliance with applicable legal requirements

*Arthur W. Bodek, partner with the Customs and International Trade law firm of Grunfeld Desiderio Lebowitz Silverman & Klestadt, can be reached at [abodek@gdlsk.com](mailto:abodek@gdlsk.com) or 212-973-7704.*

**WE OWE IT TO YOU!**

**FPA  
 is  
 Celebrating our  
 15<sup>th</sup> YEAR IN  
 BUSINESS!**

**We thank you  
 for your support,  
 and we look forward  
 to working with you  
 for many years to come!**