

THE FOREIGN TRADE ZONE ADVANTAGE



FTZ #181 OPERATIONS

A GLOBAL ECONOMY

Today's global market demands that companies effectively reach their customers faster and more efficiently than ever before. Additionally, increased tariffs and threats of trade wars place greater burdens on businesses that trade internationally. Still, many companies throughout the world are often unaware of or outright ignore the competitive and cost advantages available through utilizing a Foreign Trade Zone (FTZ).

Located within FTZ #181, ASW is strategically positioned to quickly access over 40% of the US population and more than 50% of Canada's. An alliance with ASW offers foreign and US companies alike, a unique opportunity to defer or reduce, duty, taxes, and tariffs on goods. (Product imported into an FTZ and re-exported overseas without entering the US market are not subject to duties or taxes.)

Companies already operating within an FTZ along the East or West Coast can also greatly benefit. Goods can be transferred from the current FTZ to ASW's facilities duty free. This allows companies to reduce high coastal storage costs and move closer to their customers.

DEMANDS GLOBAL SOLUTIONS

Key Benefits Associated with ASW's FTZ Program



Duty Deferral:

Imported and domestic goods are not subject to customs duties or federal excise tax while stored within an FTZ facility. Duty is only applied once the goods enter into U.S. Customs territory.



Duty Exemption:

There are no duties or quota charges on reexports*. Merchandise can be transported between FTZs or exported from the U.S. duty free. In addition, damaged products or scrap materials may be returned or destroyed without duty penalty.

*Excludes exports to Canada and Mexico under NAFTA



Foreign Trade **Zone #181** Operations



Duty Reduction (Inverted Tariff Relief):

Goods finished in an FTZ that have a US Harmonized Tariff rate lower than the rates on foreign inputs may be eligible to enter U.S. Customs territory at the lower rate. No duty will be applied to labor, overhead, or profits derived from zone production operations.



Merchandise Processing Fee (MPF) Reduction:

MPF is only paid on goods entering U.S. Customs territory. Zone users can file one entry for all goods shipped from an FTZ in a consecutive 7-day period.* Fewer entry filings can reduce brokerage fees.

*excluding merchandise subject to live entry



SUPPLY CHAIN SOLUTIONS FOR A GLOBAL ECONOMY





Streamlined Logistics:

Upon U.S. Customs approval, imports can be directly delivered into the FTZ. FTZ users can ask for permission to break and affix Customs seals. One single entry can be filed for one week's worth of entries and exports.



Reduced Insurance Premium:

Inventory within an FTZ is subject to strict security measures established and closely regulated by U.S. Customs. Many insurance companies are willing to offer lower premiums on goods stored within FTZ facilities.



Quota Exemption:

Generally, imports that are subject to quota can remain in the FTZ once the quota has been reached, potentially resulting in discounted inputs.



The ASW Global Commitment

Our goal is to enhance our customers' competitiveness.

In 1983, ASW was founded to satisfy the needs of Northeast Ohio's rapidly growing polymer industry. Customers quickly noticed improvement in their bottom line through an increase in efficiency and a dramatic decrease in overhead. Soon they began requesting ASW to handle larger and larger portions of their operations.

Guided by the principles of complete dedication, ASW continued to add services and facilities until finally becoming the company it is today—a complete Supply Chain Services solutions provider.

The ASW Global family of companies is fully committed to our customers in a way unmatched by any other 3PL provider. We closely follow the trends and new technologies available to each industry in a relentless effort to find ways to give customers the edge over their competition.

Contact ASW to find out if an FTZ can be financially beneficial to your company.



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