



## July 16, 2021 Volume 2, Nr. 28

Yesterday the Union Pacific Railroad announced that beginning at 11:59 PM Sunday night, they were [embargoing for one week all eastbound ocean containers from the ports of Tacoma, Oakland, Los Angeles, and Long Beach to Chicago](#) to try and clear the backlog at the company's Global IV ramp operation in suburban Joliet, Illinois. 53' intermodal trailers will continue to move during this time. This will likely lead to an even further uptick in transloads and eastbound truckload shipments for the coming weeks.

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### Number of the Day:

# 3.732

Cass Freight Index for domestic U.S. freight expenditures in June, up 11% from May and 27.9% compared to June 2019.



**FIRMs Code: W517**

## Government Actions and Trade

### **Executive Order on Promoting Competition in the American Economy**

A fair, open, and competitive marketplace has long been a cornerstone of the American economy, while excessive market concentration threatens basic economic liberties, democratic accountability, and the welfare of workers, farmers, small businesses, startups, and consumers.

### **Russia Warns Britain: Sail Near Crimea Again and Your Sailors Will Get Hurt**

The warning, issued by Mikhail Popov, deputy secretary of Russia's Security Council, follows an incident last month when British warship HMS Defender

exercised what London said were internationally recognized freedom of navigation rules in Ukrainian territorial waters near Crimea.

### **China Moves to Spur Lending as Inflation Fears Ease**

China said Friday that it would release more liquidity into the financial system as inflation worries showed signs of ebbing, replaced by concerns that the recovery is slowing more quickly than expected.

### **USTR Joins Other Federal Agencies in Issuing Updated Xinjiang Supply Chain Business Advisory**

The advisory calls urgent attention to U.S. businesses' supply chain risks and identifies serious investing and sourcing considerations for businesses and individuals with exposure to entities engaged in forced labor and other human rights abuses linked to Xinjiang.

### **Biden Team Weighs Digital Trade Deal to Counter China in Asia**

White House officials are discussing proposals for a digital trade agreement covering Indo-Pacific economies as the administration seeks ways to check China's influence in the region, according to people familiar with the plans.

### **Commerce Limits AFA Use for Country of Origin Reliability Concerns Concurrent With CAFC Opinion**

The Commerce Department will only partially apply adverse facts available for sales a diamond sawblade exporter made to its U.S. affiliate, which used a first-in-first-out methodology to keep track of its country of origin data when calculating the exporter's antidumping rate, it said in remand results filed by the agency July 13.

### **Global Tax Deal Heads Down Perilous Path in Congress**

The Group of 20 major economies backed the plan this weekend in Venice, Italy, following the earlier endorsement from a broader 130-country group. The plan, aimed at limiting corporate tax avoidance, would revamp longstanding international rules and is crucial to President Biden's plans to raise corporate taxes.

### **Full Ratification of Free Trade Deal with China is Now Expected Early Next Year**

The two countries signed the FTA in October 2020 after a year of talks. China already has an agreement with the Association of Southeast Asian Nations, of which Cambodia is a member.

### **Yellen Looks to Revive U.S.-EU Ties in Facing Down China, Russia**

Treasury Secretary Janet Yellen made a new push in Brussels to repair U.S. ties with the European Union, urging members of the bloc to help confront China and Russia.

### **Strong U.S. Recovery Aids Growth in Canada, Mexico**

Businesses and consumers are buying more products from Canada and Mexico, and Americans flush with savings are going back to traveling and sending more money across the southern border, helping to bolster two countries whose economies were hit hard by Covid-19 infections and lockdowns.

# TRADE AND TRANSPORT ATTORNEYS



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## FTA NEWS



**FTA**  
Foreign Trade Association

**Location:**  
Zoom Webinar  
**Date:**  
Thursday, August 5, 2021  
Friday, August 6, 2021

**Program:**  
9:00 AM - 12:00 PM PDT  
**Credits:**  
6 CES Credits

**Cost:**  
\$150 Early Registration  
\$200 Late Registration

**Foreign Trade Association Presents:**  
**Customs Compliance For Import Personnel**

**2-Day Virtual Course**  
**Compliance Summer Camp for Import Personnel**

This is a 2-day course intended to cover the subjects and information needed by importer employees responsible for Customs and import compliance. These include internal controls, customs broker selection and monitoring, bonds, powers of attorney, managing HTS classifications and audits, post entry claims and compliance issues. The class also covers participation in Customs initiatives, including Trusted Trader and ACE Portal.

**Topics to be Covered:**

- Establishing & utilizing internal controls
- Customs broker selection, powers of attorney & broker monitoring
- Types of entries, customs bonds, paying duty & handling liquidations
- Determining and declaring a Customs value for a company's transactions
- Classifying imported articles, saving and utilizing classification information
- Qualifying for the Customs Trusted Trader program
- Centers of Excellence & Expertise
- ACE Portal benefits
- Qualifying (or not) for duty free exemptions and free trade agreements
- Using TIBs, bonded warehouses, Foreign Trade Zones & drawback
- Dumping and Countervailing duties, 232 and 301 duties
- Dealing with import restrictions and other agency requirements
- Post entry actions - amendments, protests, claims, tenders and disclosures
- Record keeping requirements and complying with the rules
- Responding to Customs requests and actions
- Dealing with liquidated damages, penalties & audits



**Instructor:** Bruce Leeds, Attorney, Braumiller Law Group  
Bruce has decades of experience in international trade law and has successfully served his clients in diverse capacities, from classification and due diligence, to IAR compliance and drawback. He has significant expertise with importing and exporting high tech products.

**REGISTER HERE**

Cancellations must be received in writing by 5 pm Friday, July 7, 2021 to receive a refund or to avoid being charged. Payment for this event is not deductible as a contribution or gift under federal law, but is most likely deductible as an ordinary and necessary business expense.



## 2-Day Virtual Course - Customs Compliance for Import Personnel

This is a 2-day course intended to cover the subjects and information needed by importer employees responsible for Customs and import compliance.

### Pricing:

**\$150 - Early Bird Registration**

**\$200 - Late Registration**

**REGISTER HERE**

## FTA's Fall 2021 Customs Broker License Exam Course

This comprehensive course to prepare for the upcoming Customs Broker License Exam provides detailed review in areas such as:

- Customs Broker Regulations
- Entry Requirements
- Valuation of Imports
- Harmonized Tariff Classification
- Free Trade Agreements and Other Duty-Free Exemptions
- Fines and Penalties
- Various other topics typically covered on the exam
- Exam-Taking Techniques



**FTA**  
Foreign Trade Association

**FOREIGN TRADE ASSOCIATION PRESENTS**  
**Customs Brokers License Examination Course**

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- Entry Requirements
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- Free Trade Agreements and Other Duty-Free Exemptions
- Fines and Penalties
- Various other topics typically covered on the exam
- Exam-Taking Techniques

In addition to being well-prepared for the exam, the course will also assist in developing a better understanding of critical areas of Customs Compliance even for people not planning on taking the brokers exam. The knowledge you receive will assist in enhancing skills for career advancement. If you already possess a broker's license, this is an excellent review course. Certified Customs Specialists completing the course will receive 20 CCS credits from the NCBFAA.

The course is recommended for individuals with some experience in customs brokerage or import operations. If in doubt about your level of experience, please call the instructor, Erik Smithweiss, at 213-624-1970.

**INSTRUCTORS:**  
**Erik Smithweiss & Tony Piscitelli**

**Erik Smithweiss** is a partner with Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt. Erik has over 20 years experience in the field of customs law and procedure and has taught customs broker exam preparation courses for over ten years.

**Tony Piscitelli** is the owner of TP CBP Importing Compliance, which offers consulting and training services. Tony was a Compliance Specialist with Expeditors International for 11 years as well as a 32-year career with U.S. Customs and Border Protection in NY and Los Angeles. Tony has taught customs broker exam preparation courses for over 6 years.

**Course Material**  
CBP has yet to announce the next exam date in October 2021. Reference materials and an amended flyer will be issued when CBP publishes the exam notice listing the required HTS and 19 CFR, which the students will be required to purchase.

**11 WEEK EXAM PREP COURSE**  
Monday evenings 6:00 PM - 9:00 PM  
Starts: Jul. 19, 2021  
Ends: Sep. 27, 2021  
\*No class on Monday, Sep. 6, 2021. Class will take place on Tuesday, Sep. 7, 2021.

**Credits:**  
20 CCS provided by NCBFAA

**Cost:**  
Member Price \$445  
Non Member Price: \$550  
Partner Price: \$580

**Note:** Note: Course materials are not included in the registration fee.

**Location:** Virtual classes will be held for now.



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**Pricing:**

**Member: \$445.00**

**Partner: \$500.00**

**Non-Member: \$550.00**

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HERE**



## Environmental

### **A 'Wobble' in the Moon's Orbit Could Result in Record Flooding**

The entire US coastline is in for a one-two punch from the lunar cycle and climate change.

### **Coffee Prices Soar After Bad Harvests and Insatiable Demand**

Global coffee prices are climbing and threatening to drive up costs at the breakfast table as the world's biggest coffee producer, Brazil, faces one of its worst droughts in almost a century.

### **China Sees Shipping as a Potential Target for National Carbon Market**

The move comes against the backdrop of China's pledge to decarbonize its economy and the pressing need at the international level for slashing vessel emissions.

### **Electric Delivery Vehicles: When, Where, How They're Charged Has Big Impact on Greenhouse Gas Emissions**

Though EVs represent a small fraction of delivery vehicles today, the number is growing. In 2019, Amazon announced plans to obtain 100,000 electric delivery vehicles. UPS has ordered 10,000 of them and FedEx plans to be fully electric by 2040.

### **China Polluting South China Sea with Human Poop, Report Claims**

Raw sewage being dumped by more than 200 Chinese fishing vessels is destroying coral reefs and depriving fish of oxygen around the contested



Spratly Island, according to a report by U.S. satellite imagery analysis firm, Simularity.

### **Heat Wave Hit Northwest Businesses From Christmas Trees and Doughnuts to Fish**

As a heat wave bore down on the Pacific Northwest two weeks ago, Bob Turik and his team of scientists hauled 350,000 Chinook salmon by truck to get them into cooler waters they needed to survive.

### **LA Beaches Close After 17m Gallons of Untreated Sewage Discharged Into Bay**

An “unusual amount of debris” – including construction waste and grease, among other refuse – entered the plant through its sewer lines, said Elena Stern, a senior public information director for the city’s department of public works.

### **Looking for a Greener, Smoother Way to Travel? Behold, the Blimp 2.0**

OceanSky Cruises AB, a Swedish aviation company, plans to be flying 16 guests and seven crew members from Norway to the Arctic and back in a luxury aircraft buoyed by helium sometime between 2024 and 2025.

### **Blend of Bio-oil and Heavy Fuel Oil Produces Promising Results as Regulations Stiffen**

Maritime shipping vessels, which transport more than 80% of the world’s shipped goods, must meet set reductions in particulates, sulfur and carbon dioxide emissions over the next three decades.



### **Got a story idea?**

The FTA wants to hear from you! Is there a topic or industry that we're not covering that you'd like to see more of? Drop us an email by clicking the button below with your suggestions.

**EMAIL YOUR STORY  
IDEA**



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### FTA New Member Thank You!

The FTA would like to acknowledge our new members each week in our newsletter. We sincerely appreciate their support and participation. Your FTA leadership continues to focus on delivering value during this time of social distancing and know that as we move back to in-person events that the opportunities will only continue to expand.

Taylor Cole, Belkin

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New York | Portland | San Francisco | Seattle

## **Port of Los Angeles Finishes Fiscal Year at 10.9 Million TEUs, a New Western Hemisphere Record**

Over the past 12 months, the Port of Los Angeles surpassed eight monthly records, had its two highest-performing quarters, and had its top four individual months in the port's history.

## **Levi's Diverts Freight to East Coast Amid 'Challenge in Long Beach'**

It is not the first time Levi's has talked about shifting cargo volumes due to supply chain disruptions. The brand reduced its manufacturing operations in China from 16% in 2017 to less than 2% in 2019 in an attempt to shield its supply chain from trade wars.

## **More Panama Canal Transits Highlight Rebounding Global Trade**

The canal expects to receive 429 million tons of cargo and collect \$3.3 billion in revenue for fiscal year 2021, which ends on September 30. That compares to 475 million tons and \$3.4 billion in 2020.

## **Top US Ship Regulator Pledges to Keep Pressure on Carriers**

President Joe Biden's targeting of shipping lines in a crackdown on uncompetitive industries should be welcome news to American companies paying record-high rates for ocean freight, a market that a growing number of importers complain is dominated by just a few big players.

## **Port Extends Public Comment Period on Revised Draft Environmental Impact Report For Southern California International Gateway (SCIG) Project**

SCIG is a proposed BNSF intermodal rail yard facility that would be located on an existing industrial site within four miles of the ports of Los Angeles and Long Beach, with direct access to the Alameda Rail Corridor.

## **Suez Canal Compensation No Impact on Ever Given Owner**

Ever Given was impounded at a lake in the Suez Canal for three months, after it blocked traffic in the shipping lane for six days in March. Last week, the giant container ship set sail again after Shoei Kisen, the ship's owner, signed a compensation deal with Egyptian officials.

## **Port of Long Beach Maintains Steady Cargo Flow in June**

Dockworkers and terminal operators moved 724,297 twenty-foot equivalent units in June, up 20.3% from the same month last year. Imports rose 18.8% to 357,101 TEUs, while exports saw a relatively flat decrease of 0.5% to 116,947 TEUs. Empty containers moved through the Port jumped 36% to 250,249 TEUs.

## **Piracy Against Merchant Vessels Falls to Lowest Level Since 1994**

IMB registered 68 pirate attacks and armed robberies against the global merchant fleet in the first six months of the year against 98 incidents in the same period last year.



**KNOWLEDGE...  
EXPERIENCE...  
DEDICATION...**

## Video of the Week

### Olympic-sized logistics effort

As the Tokyo Games get ready to start in a week, even spectator-less there has been a tremendous amount of work to ensure that venues were built, teams and equipment completed their travel, and when it's all done, return shipping logistics back to their home countries. For people in this line of work we already know that the answer to, "How much work is all this?", is approximately '**a lot**', but it's still mind-boggling when it's all laid out in front of you.



## Logistics and Trade

### Inflation Threat May Be Boosted by Changes in Globalization, Demographics and E-Commerce

For the past few decades, the Federal Reserve has succeeded in keeping



inflation low—perhaps too low. It had an assist: Shifts in the global economy, including globalization, demographics and the rise of e-commerce, helped keep prices in check.

### **Blue Diamond Almonds Market Update – July 9, 2021**

Again, in June, California almond industry shipments hit the higher end of expectations, reaching 220.4 million lbs., up 45.1 million lbs. and 25% from last year. YTD shipments are 2,669 millions lbs. With one month remaining in the fiscal year, shipments have already surpassed last year's record and will exceed 2.8 billion lbs. by year-end.

### **Higher Inflation Is Here to Stay for Years, Economists Forecast**

Americans should brace themselves for several years of higher inflation than they've seen in decades, according to economists who expect the robust post-pandemic economic recovery to fuel brisk price increases for a while.

### **Chip Shortage's Latest Toll: A Shortage of Work Trucks**

The pullback in commercial-fleet sales has left businesses and municipalities competing over scarce supply, often exceeding their budgets to buy vehicles that may not be the best fit for the job. Some fleet operators and dealers say factory orders for pickup trucks and cargo vans have been sitting unfilled for months.

### **Ever Given Departs Port Said, Set to Reach Rotterdam 110 Days Later than Originally Scheduled**

The ship, operated by Evergreen and part of the Ocean Alliance, should take nine days to complete its voyage to Rotterdam and then it will continue onwards to other European destinations such as Felixstowe. The ship is carrying around 18,300 containers, which ought to have reached their destination more than three months ago.

### **Shipping Delays and Higher Rates Get Small Businesses Jammed Up**

An average of 30 container ships a day have been stuck outside the Ports of Los Angeles and Long Beach just waiting to deliver their goods. The backlog is part of a global supply-chain mess spurred by the pandemic that means consumers could see delivery delays for weeks.

### **Return Scams Jump as Fraudsters Exploit E-commerce Boom**

Retailers say they are seeing a sharp increase in a type of return fraud in which consumers claim they never received their online orders even though they did.

### **How Fleet Management Is Evolving in 2021**

Fleet management is continually evolving, but it's likely to see more change this year than it typically would. Amid the widespread disruptions of the COVID-19 pandemic, virtually every sector has needed to adapt, and many will continue shifting to prevent future disruption. Fleet management is no exception.

**July 20 - PAEI Hot Topics To Start Off Your Trade Compliance Summer! - 11:00 AM - 12:30 PM PT** - Join us for this webinar that will recap recent trade compliance topics of interest to get your summer sizzling! - Register [here](#)

**July 20-22 – CBP Virtual Trade Week** - U.S. Customs and Border Protection (CBP) will host its second Virtual Trade Week. Join CBP Executives and industry experts as they provide updates on CBP trade priorities and policies – Register [here](#)

**July 22 - L.A. Area Chamber & LACBFFA Present - The Path Ahead: Protecting Intellectual Property Rights - 10:00 AM - 11:30 AM PT** - a webinar aimed to discuss IP rights enforcement as a crucial component of protecting the global competitiveness of our region's companies - Register [here](#)

**July 25-28 2021 - ICPA Summer Conference - Walt Disney World Swan & Dolphin Resort** - Join other international trade compliance professionals for the 2021 ICPA Annual Conference in Orlando, FL - Register [here](#)

**July 26-27 2021 - Global Trade Education Conference (G TEC) - 9:00 AM - 5:00 PM PT** - The NCBFAA Educational Institute invites you to its 7th Annual Global Trade Educational Conference (G·TEC). This two-day event in Baltimore, MD will give customs brokers, freight forwarders, NVOCCs, OTI, service providers, importers, exporters and all global logistics professionals an opportunity to update themselves on industry developments - Register [here](#)

**July 29 - WITLA - International Trade Updates and Business Opportunities in the U.S. with Southeast Asia - 10:00 AM - 11:30 AM PT** - Trade representatives from Consulates General and Trade Offices in Los Angeles and San Francisco will join us to provide a summary update on international trade relations with the U.S. and present their perspectives for opportunities for U.S. businesses - Register [here](#)

**Aug 4 - LACBFFA HTS Classification Workshop 2021 - 10: 00 Am - 12:00 PM PT** - Learn or review how to use the USHTS as a tool for classification and duty estimation. We will cover the General Rules of Interpretation, General notes, Chapter notes and headings - Register [here](#)

**Aug 5- 6 - 2 Day Virtual Course - Customs Compliance For Import Personnel - 9:00 AM - 12: 00 PM PT** - This is a 2-day course intended to cover the subjects and information needed by importer employees responsible for Customs and import compliance - Register [here](#)

**Aug 10 - ACE Reports for Export - 10:00 AM - 11:30 AM PT** - We will look at ACE Reports and show how you can use them to monitor your AES filing and export compliance activities - Register [here](#)

**Aug 11-12- BIS Encryption Controls Virtual Seminar - 9:00 AM - 12:00 PM PT** - The Encryption Controls Virtual Seminar is an in-depth seminar that will focus on the unique provisions related to encryption under the Export Administration Regulations (EAR) - Register [here](#)

**September 12-15 ICPA Fall Conference and Valuation Seminar** -Hilton DFW Lakes Executive Conference Center, Grapevine, TX - Register [here](#)

**September 14 - PAEI Webinar: Overview of International Trade & Export Control Developments in Asia Pacific Region -6:00 PM - 7:30 PM PT** - Join us for this interactive “webinar” with our industry experts on an overview of international trade and export control developments in the Asia Pacific region and implications for global supply chains - Register [here](#)

**September 19-21 NCBFAA Government Affairs Conference - 8:00 AM - 5:00 PM PT** - Grand Hyatt, Washington, D.C. - Register [here](#)

**October 14-17 – WESSCON 2021 – 9:00 AM – 5:00 PM PT**- WESSCON offers one of the best opportunity to meet people in the global logistics industry – Register [here](#)

**December 31 - Webinar -LACBFFA APHIS CORE Webinar (Recording + Presentation Materials) - 9:00 AM - 5:00 PM PT** - This workshop provides an overview on how to prepare for the mandatory APHIS Core filing date on 03/15/2021. Available resources and how to obtain admissibility guidance from USDA. Disclaimer tips and APHIS Core message set filing review - Register [here](#)