



Chicago Customs Brokers
& Forwarders Association

SPRING 2018

NEWSletter

We are dedicated to insuring that The Chicago Customs Brokers and Forwarders Association maintains a high level of professionalism, provides educational seminars for our members to the best of our ability and furthers the relationships we have developed with Customs and Border Protection, and the outside agencies locally and on a national level.



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FROM THE PRESIDENT'S DESK

Jane Sorensen

Warm Spring Greetings to All Members,

After such a long winter, we finally had a sneak preview of Spring, got all excited to plant flowers and play golf – then, what happened?! More snow in April?! At long last, it looks like we'll be back to warm temperatures and beloved outdoor activities soon! ☺

First and foremost, our CCBFA Board members join me in saying a BIG THANK YOU to all the Sponsors of our wonderful Golden Jubilee Celebration Holiday Party on December 14, 2017. What a lovely affair it was to celebrate 50 Years of CCBFA! We would not be able to put on the Best Party in the Industry without YOU, our cherished members! I sincerely hope you all enjoyed the evening and look forward to joining us again this year!

Since December, our Board of Directors has been busy. Each year in January, we hold a long and productive Saturday meeting to kick off initiatives with our newly elected Board members. This year, we welcomed two new members, Joseph Branch of Good Ship International, and Cynthia Wheelock of Vantec Hitachi. Both are new Voting Directors. Cindy also graciously accepted the role of Secretary of the Association while seasoned CCBFA Board member, Lisa stepped up to the role of Treasurer. We wish to again thank Sal Fragale of Baxter Healthcare for his three two-year terms in office as Treasurer! Thanks to all for their time in volunteering and to their member companies for their support!

I am excited to share with you that this week that a few of our CCBFA Board members and I are representing Chicago at the NCBFAA Annual Conference, held this year in California. The theme this year is "Excellence in an Age of Evolution". Today we attended NCBFAA's Board of Directors meeting and received updates 1 from their Customs Committee, Transportation Committee and a number of others.



Joe Branch was one of the Conference's "First-Timer" Attendees, among a total attendee list of 467 members. This week's learning sessions will include topics such as:

- Export Regulatory updates
- Updates on Sanctions and Embargoes
- Enforcement under TFTEA
- Broker Internal Audits
- C-TPAT Program Changes
- ACAS – Are Your Overseas Offices & Agents Ready?
- E-Commerce – Challenges faced by CBP and Brokers
- What To Do About Unwarranted Demurrage and Detention Demands
- Proactive Approaches to Minimizing Your Risk
- How to help on Capitol Hill

We will be excited to share further updates following the conference. We also normally update Customs in Chicago at our next quarterly meeting!

If you are not yet a member of NCBFAA, I encourage it. NCBFAA is the "Voice of the Industry" and strongly supports our industry; together we leverage our collective knowledge and contacts to cooperate with CBP, the many PGA's, help formulate trade policy and move the industry forward. Please feel free to check www.ncbfaa.org for further details!

While we participate actively in NCBFAA as our national association, most of our activities are focused on the Port of Chicago and the immediately-surrounding area. One of our important initiatives is our continued meetings with CBP in Rosemont, with whom our Customs Committee and I meet quarterly. At this month's meeting, it was great to have the leadership

Sincerely,

Jane Sorensen

CCBFA, President

calamityord@comcast.net

(630) 450-3524

CUSTOMS COMMITTEE AGENDA



CBP ATTENDEES

Hans Leiterman - Assistant Port Director
Isaac Thomas - Chief CBP Officer Cargo
Mark Grzeszkowiak - Chief CBP Ag Specialist
Melvin Dennis - Supervisory CBP Officer Exam
Sue Nyenhuis - Supervisory CBP Officer Cargo
Linda Golf - Assistant Center Director, Partnership
Theresa Gilbert - Acting Entry Chief
Diann Rodriguez - Asst. Center Director, Base Metals CEE
Ramona Olson - Machinery Center

CCBFA ATTENDEES

Lisa Hennessy - Avalon Risk Management
Len Lesiak - Mitsui Soko
Carl Berenz -MSE
Lara Austrins - Clark Hill
Lori Boyer - Expeditors International
Jane Sorensen - RAM International
Darrin Burt - Channel Distribution Corp

To submit any topics you would like to see discussed at our meetings, please email Committee Chair, Jane Sorensen at calamityord@comcast.net.

AGENDA ITEMS

PORT

1. Continue monitoring of Non-AMS Facility Cargo Release Policy, PL 15-05 and CBP's issuance on 8/31/15. Some concerns we have in the trade include:
 - Upon obtaining AMS status, CFS facilities do not receive PGA message status messages. Responsibility of the entry filer to notify the CFS of PGA status if the shipment has a hold (For both AMS & Non-AMS facilities)
 - Are there any motivating elements for small non-AMS facilities to automate, since estimated automation costs are around \$5000 per year plus set-up costs and following automation, CFS facilities will still not have visibility to PGA status updates?
- Continue monitoring PGA status messages when a manifest query is done
- Screen shots are still being accepted.

CCBFA

2. Update CBP on collaborative efforts of CCBFA with PGAs: FDA, FWS, EPA, CDC, TTB, USDA are presently schedule to present at our Education Seminar scheduled for the Third Thursday of each month, as follows:
 - EPA March 15, 2018
 - FWS March 29, 2018
 - EPA April 2018
 - CDC May 2018
 - TTB June 2018
 - USDA/APHIS July 2018
 - TBA, August 9th – Cindy D



3. Thanks to Diann Rodriguez for presenting at Base Metals CEE Seminar. Please come back and let's go into further details on aluminum and steel! Or how about another monthly seminar on Mill Certs?

ENTRY CHIEF MARY LOU BELFIORE

4. Broker Management matters at Port level fall under Base Metals CEE. Base Metal CEE in Chicago handles broker management issues for Ports of Chicago, Cleveland and New Orleans.

We noted a duplication in Pipeline numbers, example:

18-02 - CEE Base Metals Annual User Fee 1/24/18

18-02 - Updated Port of Chicago Directory 3/20/18

Will there be any suffixes applied or what is the numbering plan going forward?

PORT

5. Section 321 entry process – We presented a copy of CBP JFK's Pipeline 18-010-JFK on the subject. CBP Louisville also issued a pipeline on the topic. CBP informed us that CBP HQ will be holding a meeting in New York next week to discuss and review the process. We may anticipate a CSMS shortly thereafter with guidance on the process.

Officer Nyenhuis confirmed that Section 321s can be emailed to the AMS Chicago address.

May we have an update?

Any update on programming a Section 321 entry in ACE?

ENTRY CHIEF MARY LOU BELFIORE

6. Are ACS and ACE completely compatible? For example, TIB closures showing in ACS but not visible in ACE requiring engagement of broker's ABI representative to resolve and manual closure in broker's system.

ASSISTANT CENTER DIRECTOR DIANN RODRIGUEZ WILL DISCUSS THE NEXT THREE TOPICS

7. Update to Reject Policy
8. Section 232
9. Upcoming AISI seminar in May 2018

ENTRY CHIEF MARY LOU BELFIORE

10. Update to Triennials

Additional Notes

Next Meeting with CBP - schedule for Wednesday, April 25, 2018, 2:00 p.m.

Conference Room 225 Confirmed

TRANSPORTATION COMMITTEE



EDITORIAL - By Lisa Waller, Transportation Committee Chair

This article is strictly an editorial opinion and does not necessarily reflect the position of CCBFA. But let's start the discussion to find a true solution to our Rail Ramp Challenges!

When will we find relief with the inland freight issues at the Rail Ramps in Chicago?

Now in full swing of the electronic logging device ELD mandate, we have all experienced a slowdown of service. My question is, "What is the real issue?" Is it that the truckers have to follow the rules? We have all heard various positions held truckers. But what else? There must be more to the story on our backed up rails in the Chicago area.

First question I had: Are our rail ramps open 24/7? Come to find out, yes they are. Next question: Why not pick up after hours? Now the answer becomes complicated. The following answer is from discussion with a few Chicago-based truckers on the issues at the rails. This is what I understand to be the issue.

In order to simplify this discussion, I selected one ramp as an example. However, this ramp is not alone. There are challenges for each ramp.

Let's take the CN, as our example:

- 1. ACCESS DURING TRAIN ARRIVAL TIME:** If the train is coming in or out of the CN ramp, the trucks are blocked from entering or leaving the ramp.
 - If you did not have waiting time before, now it starts. The trucks begin to back up.
- 2. TRAINS BEING WORKED:** The train arrives, traffic is blocked and as the train is worked, containers are off-loaded. Evidently there are

around 20 lifts used to lift the containers off and onto the trains as well as onto the trucks. During the time that the train has arrived, the 20 lifts are split. Eighteen lifts are used to work the train and two remain to load or unload trucks that are currently inside the ramp.

- Thus the truckers go from a good pace of loading and unloading to nearly a stand still. Two lifts is not enough to process the current trucks in the ramp.

- 3. LIFTS WORKING THE STACKS:** At times when the trucks are coming into the ramp, there is a slowdown because the lifts are working the stacks, rearranging containers and planning for loading. So the trucks are not being loaded swiftly.
- 4. FIFO:** The rail is to use a FIFO inventory method and it does not seem to work that way.
- 5. PLAN THE TRAINS TO COME IN DIFFERENTLY:** It seems that trains are coming in during unplanned times due to delays up the line that are not having to do with Chicago.
 - * There goes working around the arrival times. You can do your best to arrive at time the rail is not there, but the rail has not been dependable to plan around.
- 6. LABOR:** Due to the trains coming in during unplanned times, and shifting from loading and unloading trains to loading and unloading trucks, it does not seem that there is the right mix of labor at the right times.
 - More waiting time by the trucks.

- 7. TRAINS:** Trains take priority over trucks.
 - This results in more waiting time, which makes sense since waiting time for the train could be very costly as well. But it does not take away from the fact that we have lines 1-2 miles long.
- 8. BACK TO MY ORIGINAL QUESTION:** What about working off hours? Trucks are lining up at 3 am. At this point the rail is servicing trucks. While they are open, they are not fully staffed so the process is much slower. Also during this time the stacks are being worked and trucks are not always the priority.
 - Waiting starts at 3am. This is the beginning of the waiting. Can be up to 3-5 hours on a good day.
- 9. WHAT ABOUT SATURDAY AND SUNDAY?:** Containers arrive on Friday evening and normally the trucker does not have access to the pick-up number until Monday morning.
 - Also with the trucking rules, the truckers need 34 hours of continual break time.
 - This is time wasted, where trucks could be picking up. And the rail is looking at the truckers wondering why they are not taking advantage of the time.
 - There is a trucker shortage during the weekend time due to the regulation.
- 10. VOLUME:** It seems the volume of containers has increased. I do not have the statistic, but we can get this and see if it is true.
 - Rail lines are overwhelmed and do not seem to be able to handle the increased volume.
- 11. OCEAN LINES** have left the deliveries up to the importers / forwarder / brokers: This is not a new trend. It has slowly gone this way since the chassis regulations, deep freeze and now we have the new ELD regulations. Many of the ocean lines that were still offering a door service have given it up and claimed force majeure. This caused some more confusion, but forwarders put a lot of work into figuring this out, including lots of phone calls and possible storage paid at the rail.
- 12. EQUIPMENT AVAILABILITY:** Picking up chassis at one location and picking up the container at the other.
 - Meantime, waiting and storage time is ticking away.

While the ELD brought the challenges to the forefront, it is my opinion that the truckers have been bandaging a problem that has been there for a long time.

What are some solutions?

- 1. TRUCKER LABOR:** Yes: Hire more truckers that can work at all different hours. There are many requirements to be a trucker. Not everyone can qualify. Put out the word to those you know that are looking for a career change, starting a career etc. Most community colleges have good training programs. We have been short on truckers for a long time; the last statistic I heard was that we are down 55,000 truckers. Why? Truckers are aging out, the physical fitness that has to be passed, and many more requirements have depleted our trucker population.





2. EQUIPMENT: Have more equipment: More chassis and more trucks. This come down to investing and manufacturing. Time will tell, and it depends on the economy.

3. RAILS: What can the rails do? What is possible? How does it all work?

- We can't point the finger at the truckers and not look at the rails. What type of investment is going on at the rails to solve their problems? I do not know the answers and I was not able to speak with anyone at the rails. In my opinion, it think we have to look at Private Public Partnership (PPP).
- Analyze the incoming / outgoing traffic
- Find all the inefficiencies of the process. develop solutions
- Invest in technology / equipment that can speed up any inefficient processes.
- Create ramps / tunnels / bridges, whatever it takes to keep the traffic going. If they could bore a 4200 feet tunnel under the Bay of Biscayne, we can do this!

4. RAIL SERVICE: From what I understand, the labor at the rails is managed by a third party. The ocean lines contract with the rail, and the rail contracts with a labor company. Are the contracts allowing for growth and change? The ocean lines are hands off since they sign only with the rail. More labor is clearly needed. If not, we are literally paying truckers to sit and wait, when the ocean lines, rail lines and labor contracts are moving along business as usual. In this case, everyone's hands are tied. Something has to budge. What type of incentives are there? At this point the truckers wait and wait and it is not the responsibility of anyone for any turnaround time. We all need to work together to find a solution, as this situation does affect everyone!

Where do we go from here?

Time always seems to work out some of the issues. If we want to keep Chicago as the

best port in the nation, we can't stand by and wait for time to happen. This is a call to action!

- Ask questions to your truckers, ocean lines, and the rail lines. Learn about the situation.
- To report your findings to the CCBFA, please feel free to email: lisavictoria1@aol.com. I volunteer as CCBFA's head of the Transportation Committee.
- Volunteer with the Transportation Committee. Once we have enough volunteers, we will announce a committee meeting.
- Let's organize our issues (AIRPORT ISSUES included).
- Align with the IACAC, International Air Cargo Association of Chicago.
- Let's take it to the State of Illinois and start to ask for action.

Please feel free to contact me to express your viewpoint and help us gain action in Illinois!

I am also on the Illinois Chamber of Commerce Board and will go a Board meeting in Springfield, IL. While I have been active on the Federal level and normally turned a blind eye to Springfield, it is about time we have to bring up these issues. Each year there is money allocated to infrastructure development in Illinois. Already billions of dollars have been spent on the airport and the rail ramps. We can't stop here. If we want to solve these problems, we have to find out answers from all sides.

Thank you in advance for your help!

Sincerely,

Lisa Victoria Waller

CCBFA, Treasurer

Chair, Transportation Committee



— *save the date* —

ANNUAL
GOLF
OUTING



THURSDAY, JULY 12, 2018

— *details coming soon* —

CALENDAR OF EVENTS



MAY

17

CCBFA Presents Centers for Disease Control and Prevention

2:00 - 4:00 PM

JUNE

21

CCBFA and TTF Presents TTB and ACE PGA

2:00 - 4:00 PM

JULY

12

CCBFA Annual Golf Outing

6:00 AM - 4:00 PM

JULY

19

CCBFA Presents USDA AMS/APHIS/FSIS Joint Seminar

2:00 - 4:00 PM

Visit our website to register.

www.ccbfa.org

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