e2open®

Customs Warehouse Management
Reduced Landed Costs Through Duty Optimization

Reducing customs duties can significantly raise margins, but it requires in-depth knowledge of the most current regulations for duty deferral and reclaim programs and strict tracking of complex inventory moves. Importers often outsource these tasks or simply make duty payments without confidence they are accurate. E2open®'s Customs Warehouse Management application empowers importers to minimize costs and reduces the burden of inventory management by automating the complicated steps in the programs.

When products are imported into a country for storage, distribution or manufacturing, companies often lose millions of dollars each year by paying unnecessary duties and taxes — even if those fees are later recovered upon export. Once the capital is tied-up, the chance to put it to work elsewhere is lost — opportunity costs that can be as high as 10 percent. Programs exist to help importers defer or reclaim their duty payments. Yet, companies often miss these opportunities because the programs are challenging to administer manually and outsourcing this responsibility can quickly outweigh the potential savings.

Part of e2open's Global Trade Management suite of intelligent applications, e2open Customs Warehouse Management enables companies to leverage duty savings programs without relying on costly brokers. The application automates administrative tasks and creates an audit trail to adhere to stringent compliance and reporting requirements of various programs. Business leaders leverage deep automation capabilities to participate in foreign-trade zone (FTZ) and duty drawback programs in various countries, as well as the Customs Warehousing program in the European Union (EU), utilizing a unified digital platform. As a result, companies improve margins and reduce the cost of goods sold (COGS).

Key Features

- Registers and reconciles inventory as required by customs authorities
- Maintains inventory visibility with receipt reports and customs stock sheet
- Optional integration with WMSs to record key inventory movements
- Creates and maintains documentation for a reliable audit trail to adhere to program requirements
- Automates the completion and filing of required reports and forms
- Integrates with e2open's Global Knowledge® application to ensure continuous regulatory compliance

Key Benefits

- Improves cash flow and lowers the cost of goods sold
- Reduces brokerage fees by enabling self-filing, with multi-country support
- Automates all required tasks for most duty optimization programs globally
- Reduces compliance risk from inaccuracies by correctly processing all receipts, adjustments and shipments
- Decreases labor hours by simplifying the goods admission and withdrawal process

Easy, Efficient Administration of Duty Deferral and Reclaim Programs

This application simplifies complex reporting requirements and maintains complete audit trails for full compliance, mitigating common program barriers so companies can realize the benefits.

Automated Inventory Management for Customs Warehousing

Duty reduction programs, including FTZs and customs warehousing special procedures, usually have stringent inventory documentation requirements. By seamlessly integrating with internal warehouse management systems (WMSs), this application records fundamental inventory movements such as receipts, goods issues and adjustments, automatically reconciling against program requirements. With such high levels of visibility and control, organizations gain process efficiencies and move goods with more agility.

Identification and Recovery of Excess Duty Payments

The U.S. Duty Drawback program enables companies to reclaim excess duty payments for up to five years after import. Yet, many companies rely on expensive consultants to help manage the program, undermining the savings. By automating the required administrative processes and inventory tracking, businesses can easily and automatically identify and submit claims for current and past transactions that are eligible for refunded duty payments.

Reporting to Meet Program Requirements

The U.S. and EU require duty optimization program participants to adhere to strict reporting rules. For example, U.S. FTZ users must file weekly reports estimating the volume of goods they will move from the zone for consumption. Duty Drawback users must file claims with granular-level duty and fee calculations to determine the amount to be reclaimed. This application enables users to access a comprehensive set of analytical and reporting tools that aggregate, calculate and generate the necessary data to report. Businesses can generate and submit a wide range of reports and official forms for self-filing or pass them to a broker for filing.

Seamless Reuse of Import and Export Data

By also utilizing e2open's Customs Filing application for self-filing with authorities around the world, companies achieve a faster time to market and improve their inventory agility to respond to disruptions and uncertainty. The capabilities of these combined applications accelerate movements into and out of bonded warehouses or FTZs — and create a reliable audit trail — by reusing compliance verified data when submitting the required forms.

Access to the World's Most Comprehensive Trade Content

E2open Customs Warehouse Management is driven by e2open's Global Knowledge application, providing the most comprehensive body of trade rules and regulations in the world. With the robust information, product, partner and transactional data are validated to further safeguard compliance as goods are moved and stored around the world. E2open Global Knowledge includes all import, export, duty drawback and customs warehousing validation rules. It is kept up-to-date daily by hundreds of e2open global trade experts spread all over the world.

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End-to-End Supply Chain Management Platform

Once an organization implements any e2open platform application, it is easy to add more capabilities in the future for better visibility, coordination and control over the end-to-end supply chain. The e2open platform creates a digital representation of the internal — and optionally external — network, connects internal enterprise resource planning (ERP) and financial systems using SAP® and Oracle® certified adapters for timely data feeds, and normalizes and cleanses the data to make it decision-grade. Using machine learning-enabled algorithms and supply chain management applications, the platform processes the data and provides bi-directional, closed-loop communications back to ERP systems for execution. This facilitates the evolution of supply chain processes towards true convergence of end-to-end planning and execution.

Grow margins and improve cash flows by using duty minimizing programs with minimal manual steps or broker costs. Holistic management of customs warehousing, FTZ and duty drawback operations lowers import costs, enhances inventory control and improves supply chain velocity.

About e2open

At e2open, we're creating a more connected, intelligent supply chain. It starts with sensing and responding to real-time demand, supply and delivery constraints. Bringing together data from customers, distribution channels, suppliers, contract manufacturers and logistics partners, our collaborative and agile supply chain platform enables companies to use data in real time, with artificial intelligence and machine learning to drive smarter decisions. All this complex information is delivered in a single view that encompasses your demand, supply and logistics ecosystems. E2open is changing everything. Visit www.e2open.com.

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