

# The J-REPORT

Information and News from the World of Compliance and Logistics

John S.  
James Co.

Connecting you to the world [www.johnsjames.com](http://www.johnsjames.com)



## DUTY DRAWBACK Are YOU Eligible?

### OFFICE LOCATIONS

ATLANTA, GA  
404-762-5556

CHARLESTON, SC  
843-554-6400

CHARLOTTE, NC  
704-357-6901

JACKSONVILLE, FL  
904-356-9646

KNOXVILLE, TN  
865-544-0530

SAVANNAH, GA  
912-232-0211

Drawback is a refund of customs duties, internal revenue tax & certain fees lawfully collected at importation that can be claimed by importers, manufacturers and exporters. Here are the some very basic types of drawback:

#### MANUFACTURING Drawback:

- \*Articles used in manufacture or production
- \*Articles exported/destroyed within 5 years of import
- \*Claim filed within 3 years after exportation or destruction
- \*If manufacturing period exceeds one month, CBP must approve for drawback eligibility.

#### UNUSED MERCHANDISE Drawback:

- \*Merchandise is exported or destroyed under CBP supervision
- \*Before the close of the 3 year period beginning on the date of importation
- \*Articles not used within the U.S. before such exportation or destruction
- \*Articles must be in the possession of the party claiming duty drawback
- \*The performing of any operation or combination of operations not amounting to a manufacture or production (testing, cleaning, repacking, inspecting, sorting, relabeling, etc.)

#### METHODS USED

**Direct Identification**—Imported merchandise used to manufacture or produce an article either exported or destroyed. The merchandise must be directly identifiable by serial number, import entry number and by an approved accounting method such as LIFO or FIFO, etc.

**Substitution**—Substituted merchandise (domestic-made product) must be of the same kind & quality as the imported designated merchandise or drawback product.

**DID YOU KNOW?...** An importer is eligible for drawback if they receive merchandise not conforming to sample or specifications or it is shipped without the importers consent. The merchandise must be returned to CBP custody within three years after its release.

**AND...** Drawback is allowed on imported packaging material or packaging material produced in the U.S. which is used to package or repackage articles or merchandise which is to be exported—even if the contents inside the packaging are not drawback eligible. **HOWEVER...** the destruction of packing material does not qualify for drawback.

Questions about Drawback? Email [Rick.Jones@johnsjames.com](mailto:Rick.Jones@johnsjames.com) for more information



- *It is estimated that only between 10%-20% of all eligible claimants actually file for drawback.*
- *Your company may be entitled to 99% duty refund.*

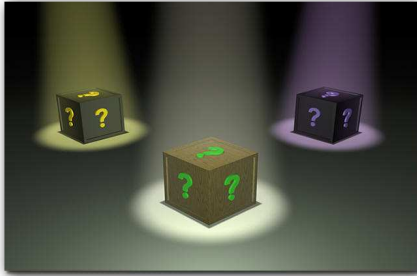
What would you do with this added revenue?

## John S. James Co. PRIDE in Shipping...*Literally!*

We would like to introduce you to a two-year old Lion named, *BOMANI*. John S. James Co. had the honor of transporting him from the Racine Zoo in Wisconsin to Mexico City, Mexico. The lion was transported via Air in a specially built cage that was secured in the front of the aircraft cargo bin where it could be monitored by crew. This move was part of the Lion Species Survival Plan program (SSP), a cooperative population management and conservation program for selected species in zoos and aquariums in North America. The SSP is under the guise of The Association of Zoos and Aquariums and manages the breeding of a species to maintain a healthy and self-sustaining population that is genetically diverse.



### IT'S TRIVIA TIME!!!!

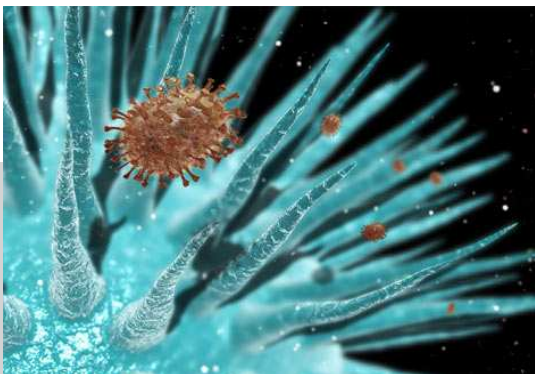


When were Customs Brokers first required to obtain a license to transact Customs Business? Send your answer to: [trivia@johnsjames.com](mailto:trivia@johnsjames.com)

**All those who answer correctly will be entered into a drawing to win one free customs entry or freight forwarding fee!**

*JSJ Employees and family members not eligible to enter. Winner will be notified via email and announced in the next edition of the J-Report*

## Flu Season Are You Prepared?



*The Flu Virus*

Seasonal flu, also called influenza, is a contagious respiratory illness caused by influenza viruses. It can cause mild to severe illness and at times can lead to death. The best way to prevent seasonal flu is by getting a seasonal flu vaccination each year.

Every year in the United States, on average:

- \* 5% to 20% of the population get the flu
- \* More than 200,000 people are hospitalized from seasonal flu complications including 20,000 children.
- \* About 36,000 people die from seasonal flu.

While the 2009 H1N1 influenza virus (sometimes called "swine flu") has been the focus of attention since the spring, it is important that we do not forget the risks posed by seasonal influenza viruses.

The John S. James Co. has instated our 2009 Pandemic Flu preparatory guidelines to safeguard our employees during this above-normal anticipated flu season to ensure that business continues as usual. The very best approach is a proactive one. All commonly touched surfaces such as handles, light switches, countertops, and doorknobs are cleaned as frequently as possible using appropriate disinfectants. Employee workstations are cleaned daily with special attention to phone receivers, keyboards, mouses and common office utensils such as staplers, rulers, scissors, etc.

**For information on flu prevention, symptoms and preventative steps, please visit <http://cdc.gov/features/flu/>**

## CHARLESTON, SC HAZMAT SEMINAR

The Charleston Customs Brokers and Freight Forwarders Association will host our very own Pat Fosberry who will provide Hazmat materials training, testing and certification.

**When:** Friday, Oct 23rd, 2009  
9:00a to 5:00p

**Where:** Radisson Hotel  
Charleston Airport  
5991 Rivers Ave  
N. Charleston, SC

If you are interested in attending, please contact Rick Jones at:  
Ph# 843-554-6400 Ext 111

-or-

[rick.jones@johnsjames.com](mailto:rick.jones@johnsjames.com)

**Cost:** \$190.00

At the end of this seminar the participants...

*Will be able to verify that their customer's HazMat documents are accurate.*

*Will be able to establish a Policy & Procedure Manual for their company.*

*Will know when to offer advice to customers and when NOT to.*

*Will know the difference between actual regulations & company policies.*

*Will know what columns to use on the HazMat Table & Dangerous Goods List.*

*Will be able to confidently prepare any Shipping Paper.*

*Will be able to sleep better knowing their documents are accurate!*



*This seminar is specifically targeted to Custom Brokers, Forwarders, and all others responsible for preparing Shipping Papers. Pat Fosberry has 25 years experience in the industry and has been responsible for establishing and maintaining his company's HazMat Policy & Procedures, Training and Record keeping for 15 years. This seminar will focus on true day-to-day operations - recognizing potential HazMat documentation errors, how to address any problems, and complete mastery of preparing Shipping Papers. This seminar will NOT focus on packing, handling, marking or any physical handling of HazMat goods.*

## John S. James Co. Employee Anniversaries

**We would like to acknowledge the contributions of the following JSJ employees, wishing them a happy anniversary in October!**

|                |        |                  |       |
|----------------|--------|------------------|-------|
| Rick Jones     | 28 yrs | Renee Mercado    | 3 yrs |
| Martha Fischer | 19 yrs | Alison Conway    | 2 yrs |
| Marc Lewis     | 11 yrs | Jeanne Sanderson | 2 yrs |
| Beverly Vogler | 4 yrs  |                  |       |

