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Volume 2, Issue 2

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This month heralded a flurry of activity in the trade world. Since the last issue of the Trade News Snapshot, we released the Fiscal Year 2019 Trade and Travel Report and celebrated a successful pilot in the use of blockchain technology. I travelled to Malawi and South Africa to discuss forced labor initiatives as well as the general trade mission. As spring approaches, we are continuing preparation for implementation of the United States Mexico Canada Agreement following legislative passage in all three countries.

-Brenda Smith, Executive Assistant Commissioner, Office of Trade

## CBP Tackles E-Commerce and an Evolving Trade Landscape

In recent years, the United States has witnessed the rapid growth of e-commerce, revolutionizing the way goods are bought and sold around the world. Unfortunately, this growth has also opened the door for counterfeiters to expand their businesses from street-corners and flea markets to e-commerce marketplaces. That move directly harms the American economy by eroding the competitiveness of U.S. manufacturers and workers and impacting American innovation

This illicit trade also has the potential to quickly become a threat to our national security if counterfeit goods are introduced into government and other critical infrastructure supply chains, or if they are used to generate revenue for transnational criminal organizations. To tackle these issues, DHS – with substantial input from CBP – recently published a [new report titled "Combating Trafficking in Counterfeit and Pirated Goods"](#) in response to last April's Executive Memorandum of the same name.

The report recommends 10 best practices for e-commerce platforms and third-party marketplace consideration and makes 11 recommendations for immediate U.S. Government (USG) action. CBP will take the lead on executing the majority of USG recommendations through increased enforcement, sub-regulatory changes, and notice and comment rulemaking or requested statutory amendments as necessary.

On the heels of this report, the Administration also issued the [Executive Order — Ensuring Safe & Lawful E-Commerce for U.S. Consumers, Businesses, Government Supply Chains, and Intellectual Property Rights](#). The executive order enhances CBP's role in identifying illicit supply chains and encouraging private sector stakeholders to know the customers and shippers seeking to import goods into the United States. Furthermore, it works to ensure that CBP can prohibit suspended and debarred entities from importing merchandise into the United States and encourages express operators, carriers, hub facilities, international posts, customs brokers, and other stakeholders to be vigilant and avoid these importations.

E-commerce is a trend that shows no signs of tapering, and innovations in this arena will continue to improve the experience for the customer. The government's challenge is to match the pace of that innovation with flexible and strategic enforcement that removes the illicit from the legitimate flow of goods. By revamping our enforcement protocols, we can better prevent, disrupt, and interdict those harmful goods coming into our country. With the private sector's engagement, we hope to develop a partnership that seeks to put the bad actors out of business for good. Success in these endeavors begins with this report, the most comprehensive approach to the problem to date. We look forward to the work to come.

## New on @CBPTradeGov

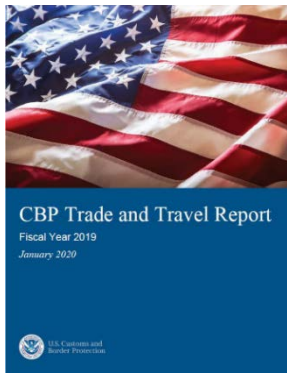
- 🐦 2/14: Check out the latest issue of [@CBP's Frontline Magazine](#) to learn more about how [#CBP](#) trade specialists worked with industry to protect the U.S. economy.
- 🐦 2/19: [#CBPTrade](#) is excited to announce [@USDA](#) Under Secretary for Marketing and Regulatory Programming Greg Ibach will be the Trade Symposium Luncheon Keynote Speaker on 3/10. [@DHS\\_Wolf](#) will speak on 3/11. [Learn more. #TS2020](#)
- 🐦 3/3: Check out [@CNBC](#)'s coverage on counterfeit goods and learn more about how [@CBP](#) is working to prevent counterfeits from entering U.S. markets. [#CBPTrade #TradeMatters](#)  
WATCH: <http://bit.ly/3csN5RH>

## CBP Trade in the News

- ◆ [\\$123M in fake Super Bowl merch seized by CBP, DHS, ICE ahead of big game](#) – Fox News – 2/1
- ◆ [Customs and Border Protection processed \\$2.7T in imports last year](#) – Homeland Preparedness News – 2/3
- ◆ [Counterfeit dolls valued at \\$70,000 seized at border](#) – International Falls Journal – 2/18

The Trade News Snapshot is a monthly newsletter from the Office of Trade highlighting important programs, information, and updates for our trade partners and the public.

CBP Publication No. 1061-0320



## Fiscal Year 2019 Trade and Travel Report Released

On January 30, CBP released its annual [Trade and Travel Report](#) for fiscal year 2019, telling the story of the agency's remarkable accomplishments despite major challenges faced this past year. In fiscal year 2019, CBP continued to facilitate record levels of trade including the arrival of \$2.7 trillion in imports, represented by 35.5 million entries and more than 28.7 million cargo containers. CBP also collected nearly \$80 billion in duties, approximately 73 percent more than fiscal year 2018. Of the \$80 billion collected, \$19 billion of imported goods were subject to anti-dumping and countervailing duties. All collected monies were remitted to the U.S. Treasury.

As the second largest source of revenue in the federal government, CBP is committed to its dual role of trade facilitation and revenue protection. Our trade operations are focused on creating a level playing field for American businesses, protecting consumers, and reducing trading costs. CBP maintains this central focus while enforcing nearly 500 U.S. trade laws and regulations on behalf of 49 different partner government agencies.

Much of the increase in duty collections in fiscal year 2019 resulted from the ongoing assessment and collection of duties on steel, aluminum, washing machines, washing machine parts, solar panels, and other goods from China. These duties, as well as certain quotas on steel and aluminum imports, were ordered by President Trump during fiscal year 2018, pursuant to Sections 201 and 301 of the *Trade Act of 1974* and Section 232 of the *Trade Expansion Act of 1962*.

CBP played a key role in administering these additional duties and quotas in fiscal year 2019 and worked closely with representatives from the Department of Commerce and the United States Trade Representative, among others, to provide technical guidance on the implementation and ongoing administration of the new remedies. As a result, CBP assessed nearly \$716 million in Section 201 duties, more than \$1.1 billion in Section 232 aluminum duties, and nearly \$4 billion in Section 232 steel duties in fiscal year 2019. For Section 301 goods from China, CBP assessed more than \$29 billion in duties during fiscal year 2019. Up-to-date duty assessments are available at <https://www.cbp.gov/newsroom/stats/trade> and are updated weekly.

Read the full text of the report [here](#).

## Protecting the Mid-Century Modern Furniture Industry

A recent [article](#) in CBP's [Frontline Magazine](#) highlights the agency's efforts to work with small businesses to combat intellectual property violations and counterfeit products that threaten American jobs and artisanship in the furniture manufacturing industry. The article details U.S. furniture manufacturer Knoll, Inc.'s nearly decade-long fight to protect the company's domestically manufactured, iconic mid-century modern furniture collections.

In December 2014, Knoll reached out to CBP. "We shared some of the intelligence that we had gathered from our enforcement efforts over the years regarding companies that were knocking off Knoll products and importing them into the U.S.," the company explained.

Lisa Fong, an international trade specialist with CBP's Los Angeles National Threats Analysis Center, worked with Knoll to conduct trainings for CBP law enforcement officers to help them recognize the company brand.

The partnership led to significant revenue protection for Knoll and other American manufacturing companies experiencing similar issues. [Read the full article here](#).

## New Blockchain Proof of Concept

CBP has taken a valuable step forward with its newest blockchain proof of concept (POC) – a program to evaluate the viability of a new technology – by enhancing the ability for CBP and the trade community to rapidly and cost-effectively enforce intellectual property rights (IPR) rules. Aiming to enhance the process of exchanging data with IPR holders and other trade partners during the IPR examination and seizure process, the POC successfully:

- Demonstrated increased efficiency in the evaluation of imported products based on licensed intellectual property (IP);
- Showcased emerging global standards in blockchain technology, identity verification, and entity relationship security;
- Facilitated real-time messaging between CBP and trade participants; and
- Enabled users to perform blockchain to blockchain communications without the use of standard Application Program Interfaces (API), an entirely new blockchain capability.

The IPR POC live fire test included participants from both CBP and the trade community. Upon completion of the test, each participant provided an evaluation of the POC.

These evaluations produced beneficial information which can be read in full [here](#).

## Latest Trade Federal Register Notices

- ◆ 85 FR 8389 - [Import Restrictions Imposed on Archaeological and Ethnological Material From Ecuador](#)
- ◆ 85 FR 10180 - [Agency Information Collection Activities: Lien Notice](#)
- ◆ 85 FR 7204 - [Import Restrictions Imposed on Archaeological Material From Jordan](#)

## New Cargo System Messaging Service Updates

- ◆ [CSMS #41721636 - Update to U.S. Fish and Wildlife Service ACE Implementation Guide \(IG\)](#)
- ◆ [CSMS #41720311 - Update to ACE Document Image System \(DIS\) Implementation Guide](#)
- ◆ [CSMS #41707397 - The ACE CATAIR Entry Summary Status Notification UC Document has been Updated](#)