

August 2009

CPSC issues policy statement on CPSIA label requirements

Late last month, the Consumer Product Safety Commission issued a statement of policy on the interpretation and enforcement of section 103(a) of the Consumer Product Safety Improvement Act regarding label requirements for children's products. The full statement can be found at:

<http://www.cpsc.gov/about/cpsia/sect103policy.pdf>

The requirements are effective August 14, 2009. They also published an FAQ section at:

<http://www.cpsc.gov/about/cpsia/sect103.html#103q8>

Children's articles are defined as a "consumer product designed or intended primarily for children 12 years of age or younger." Please remember that the penalties for violations substantially increase August 14, as well.

Bill presented in House that increases HMF 346 percent

H.R. 2355, the Making Opportunities via Efficient and More Effective National Transportation (Movement) Act of 2009, has recently been introduced in the House of Representatives. The bill would raise funding for infrastructure projects related to the transportation of goods. The proposed bill includes two possible changes to the Harbor Maintenance Fee (HMF), also known as Harbor Maintenance Tax. HMF would increase from 0.125 percent to 0.4375 percent of the value of the commercial cargo entering seaports. Additionally, HMF would be expanded to include all US land ports and seaports that collect taxes. A new HMF of 0.3125 percent would be collected on goods that enter the US via a foreign port, such as shipments arriving in Montreal or Vancouver and then entering the US through a land border. However, to stay inline with NAFTA, the HMF would not apply to goods that originate in Canada and Mexico. Only 70 percent of the fees collected would be used for infrastructure improvement processes. Please note that there is no limit on HMF. We urge you to contact your Congressional delegation to express your opinion on this bill.

Duty-free entry of festive articles (from our friends at Grunfeld Desiderio)

A lawsuit has been brought in the Court of International Trade to challenge the exclusion to the duty-free status of festive articles for those that have functionality, such as tableware, kitchenware, toilet articles, carpets and other textile floor coverings, apparel, bed linen, table linen, toilet linen, kitchen linen, etc. While CIT dismissed the case, it will most likely be appealed. If you have imported such articles, paid duty, and the associated entry has not liquidated, we urge you to contact us about suspending liquidation pending outcome of the appeal.

Court decision emphasizes importers' obligation to support trade preference claims (from our friends at Sandler Travis)

The Court of International Trade recently denied an importer's claims for duty-free entry of apparel from Swaziland under the African Growth and Opportunity Act because the importer was unable to definitely establish that the goods were produced in that country. This decision highlights the necessity of requiring your suppliers to maintain accurate production records and regularly reviewing those records to ensure that they substantiate claims made under free trade agreements or preference programs.

Georgia faring better than national average in CSCMP's Annual Logistics Report

The recently released 20th Annual Council of Supply Chain Management Professionals State of Logistics Report, "Riding out the Recession", reveals how the logistics industry has been hit hard by the recession. This comes as no surprise; however, there are bright spots for Georgia as compared to the national statistics. According to the CSCMP Report, traffic through the nation's ports contracted by 2.6 % in 2008. The Port of Savannah was one of only three ports to post gains in TEU's (twenty foot equivalent units), while all of the other Top Ten ports lost traffic. The State of Logistics report shows the Port of Savannah grew its TEU volume by 3.65%, the largest increase of all Top Ten ports.

Please contact us with any questions.

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