

At Risk for a Customs Exam?

by Robert Stein - Monday, August 26, 2013

One of the big changes at U.S. Customs in the last five years is that they now rely on the Automated Targeting System (ATS) to screen inbound shipments. Data is fed to the system through various channels, including AMS, ISF, Customs entry, law enforcement, and other sources that Customs refuses to reveal. The system assigns each inbound shipment a risk score. The higher the risk score, the greater the chances that there will be an exam. When the score is high enough, the Customs officer is not allowed to override it and must examine the cargo.

What causes a higher risk score?

While Customs is reluctant to reveal all factors influencing risk scores, we do know a few.

1. **Participation in C-TPAT or other government security programs.** Involvement in these programs reduces risk scores dramatically.
2. **Foreign importer.** Customs raises the risk scores of non-resident importers.
3. **Importer of Record's History.** This is known to have a strong influence on the risk score.
4. **Commodity.** Certain commodities have much higher risk scores.
5. **Description of goods.** Improperly described goods can generate high risk scores.
6. **Counterfeit goods.** If descriptions match goods that are frequently counterfeited, the risk score is very high.
7. **Intellectual Property Rights.** Goods that may contain logos (apparel, footwear, etc.) are higher risk due to copyrights.
8. **Shipper.** Most foreign shippers and shippers with history of problems, such as marking issues or counterfeiting, will have a high risk score.
9. **Forwarder/broker.** Every forwarder and Customs broker has an associated risk score that has an impact on each shipment's total risk score.

Exam Terminology

In the event that your shipment is pulled for a Customs exam, there are a few key terms that you'll want to know.

VACIS exam. A Vehicle & Cargo Inspection System or VACIS exam is a gamma ray exam (referred to by some as an "x-ray exam") where containers don't have to be opened.

NII exam. Like a VACIS exam, a Non-Intrusive Inspection or NII exam is a gamma ray exam (referred to by some as an "x-ray exam") where containers don't have to be opened.

Intensive exam. This is an exam where the shipment is physically examined (as opposed to VACIS or NII exams).

Stratified compliance exam. This is a very annoying and expensive exam where the Customs officers must examine the goods and count every carton to ensure an exact match to the commercial documents.

Contraband Enforcement Team (CET). This team is responsible for finding contraband in imported shipments, such as narcotics and prohibited items (puffer fish, Cuban cigars, true Persian rugs, and items unapproved for the U.S. market by the FDA/other agencies). The Contraband Team usually won't announce their involvement until after they've examined the cargo.

Merchandise Enforcement Team (MET). This team is responsible for enforcing intellectual property rights and verifying that goods are properly marked and manufactured for the U.S. market.

Robert Stein is Vice President, Customs & Trade Compliance for Mohawk Global Logistics.



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