

High-end Jewelry -Duty Drawback | A CASE STUDY

CHALLENGE

This OHL customer is one of the largest diamond mining groups in the world, producing and marketing by value over 40% of the world's gem diamonds. Goods are crafted in France, Italy, U.K. and Switzerland and the customer maintains a worldwide network of owned stores and franchises so goods regularly travel around the globe. The customer was interested in U.S. Customs duty drawback services to recoup the high duties associated with multiple international product moves through customs.

APPROACH

OHL met with the customer and developed duty drawback standard operating procedures and compliance manuals prior to filing any duty drawback entries. OHL provides the customer with freight management services for its U.S. imports so detailed knowledge of the customer's products as well as access to specific documents required for such entries was already available. Duty drawback is handled under Summary Export Procedures in which OHL files the entries on a monthly basis, instead of on every shipment. OHL set up the customer with Accelerated Payment with U.S. Customs allowing the customer to receive their duty refund within 60 days and a Waiver of Prior Notice allows the customer to export goods out of the U.S. without presenting to Customs for examination.

VALUE

Recovering more than 90% of its Customs duties, the customer now averages several thousand dollars per duty drawback entry. The Accelerated Payment with U.S. Customs allows the customer to receive their duty refund within 60 days instead of an average 500+ days waiting period and the Waiver of Prior Notice saves the customer additional time and money from not having to process their product through U.S. Customs.

RETURN ON INVESTMENT

In addition to the hundreds of thousands of dollars recovered by the customer from duty drawback, OHL saves the customer hundreds of days in receiving their money. The compliant procedures set up for the customer and OHL's consistent top compliance rating with U.S. Customs clearances allows the customer to focus on making high-end jewelry instead of worrying about logistics.