



1400 Glenn Curtiss St. Carson, CA. 90746. PH: 310-900-1974.

Date: October 20, 2014

Attn: Tracey Denning, Regulations and Rulings
Office of International Trade
90 K St NE 10th Fl.
Washington, DC. 20229-1177
202-325-0265

RE: Title Importer ID Input Record
OMB Number: 1651-0064
Form Number: CBP Form 5106

Good morning.

In reference to the Federal Register notice dated Oct. 9, 2014, a quick comment must be noted:

- Online comments should be available for this proposed change to the Importer ID Input Record. This change is dramatic and has high impacts to the Trade – and limiting comments to those provided via “snail mail” will limit the pool of respondents unnecessarily.

Before the comments on certain portions of the proposed form 5106 are addressed, we will first address the items that CBP is asking for.

A: Whether the collection of information is necessary for the proper performance of the agency, including whether the information shall have practical utility.

- We would suggest in our reply that the answer is a qualified “no”. Our qualifications extend to the following:

Part 3B : NAICS code. We do not see this as valuable or pertinent to CBP’s mission. In many cases an importer may have multiple lines of business, with different markets and strategies organized around divisions that would not be captured via this collection. We would suggest this be removed or – at the least- made optional given its known limitations. How would it apply for foreign corporations?

Part 3C: the DUNS number. Most customers do not know their DUNS. And the DUNS is not easily accessible or available to new importers. The proposed rule would require a number that only reflects data reported by creditors – and that data may not be truly reflective. More pertinent (and again should be optional) would be the credit reporting number. And that has as much utility as a DUNS number to



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CBP and to the trade. Which is to say, not much. A Moody's or S&P score would be, it seems, better.

Part 3F: While this is seemingly helpful, it seems odd that legally separate entities may be reported on one 5106 record. Would the broker be held accountable for incorrect information provided by the Importer? If so, we are absolutely opposed to providing this, as we would have no way of knowing this information. If not, specific language should be placed in the regulations stating that brokers would not be held accountable for the quality or quantity of this information as provided by the "new" importer.

Part 3G: Brokers are generally not upset about this provision. However, it should be tied directly to the "bona fides" of the importer. Banks are required to engage in strict vetting processes for new business accounts – and while all well and good, if we are providing the banking information it should then suffice to remove the data collection requirements that are shown in sections 3H, 3I, and 3J, as it is truly duplicative of efforts already undertaken by the financial institution. In addition this imposes an undue impediment to the trade to obtain this information. CBP should recognize that if we are asked to collect and provide the banking information, then the next logical step should be put in place- making mandatory the collection of duty via ACH and PMS for companies (sole proprietors and individuals excepted). This validates the bona fides and ensures all safeguards are put in place to protect the revenue. CBP is thus assured that the business entity exists, has been properly vetted by the financial institution (in other words, why should brokers engage in dual work?), and that duties are paid truly by the party doing the importing – and not paid by the broker and then invoiced to the client. That removes a step in the duty collection process with Customs and also removes a major issue that brokers have faced – that is, taking on duty collection responsibilities –and puts it solely in the hands of the parties involved. The surety, the importer, and CBP. The broker merely provides the conduit for the duty collection, and not the "means". It's time this change be made. We would work with importers to provide this information if brokers were to gain the opportunity to require ACH duty collection for all importers – especially for those importers who seek the benefits of holding a continuous bond.

Part 3H and 3I: Again, assuming that the items in 3G stand, this information (which is not readily available on many US States' Business entity searches) should be struck until all US States agree to provide this information on their search screens. Brokers already review these sites to ensure the company in question is legally incorporated in the State shown on the POA – and we already are refusing to establish new importers within ABI unless we do this validation and ensure their legal bona fides at this time. But providing the certificate/Articles of Incorporation (locator ID and reference number) is overkill and an unnecessary obstruction of commerce. (some States do not provide updated Articles or Certificates via the Web- you have to order them and wait – sometimes for days and weeks (California is especially egregious in this regard). If freight is on hand, it will go into G.O. and perhaps impact the business' ability to attend a trade show, exhibition, or other such requirement.



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- Generic comment- this proposed change does not seem to address foreign corporations. Will these same requirements apply? How can brokers expect to comply with certain requirements when they are so US-centric? For example- the DUNS number is not available for foreign entities; nor is the NAICS code (it's not an American firm- why should they be so classified)?

Part 3J: The business structure/company officers. The amount of data requested here is an unnecessary burden. Firstly, most officers of a company do not have importing knowledge – they only know that their firm does importing. We can foresee many companies refusing to complete this as it attests that the officers so listed have importing knowledge. Only to the extent that they would be responsible to ensure compliance matters would this ever be an issue for CBP. We would suggest caution before CBP requires this data. Secondly, asking for passport and social security information of the officers in question is also a burden that (while seemingly a small matter) would create undue angst and delays. There remain many citizens of the USA who do not hold passports (true!). If this provision must persist, we would suggest removing the passport requirement and focus (for US firms only) on the name, title, and social security number of 'one' officer of the company only – not on requiring 3.

Finally- CBP's system should automatically do the validations of EIN and SSN numbers and addresses for American-based entities. This is information that is collected already and should be available via interagency agreements. Privacy should hardly be an issue given that CBP is seeking to hold the Trade to account for the accuracy of data that is already in its (the governments') possession.

We thank you for requesting our input, and do hope that it is taken into account prior to issuance of the final rule.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Neumann". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Mark Neumann, Director of Customs
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