THE L.A.-WIT

WOMEN IN INTERNATIONAL TRADE
LOS ANGELES

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Editor: Lilia Navarrete

President's Letter

By Caroline Brown

Our summer events were a great success. We toured the LA center Studios where they create popular shows like Alias and movie blockbusters like Legally Blonde. Following the tour we discussed marketing in China. During World Trade Week, we co-hosted a luncheon with FTA attended by several hundred members of the trade community. In addition, we held a Customs Classification Seminar and several Customs Professional Network (CPN) luncheons, which continue to gain momentum. We wrapped up the summer activities with a festive event at the Hollywood Bowl featuring the Peking Acrobats.

As we venture into fall the State faces unprecedented uncertainty with an enormous budget shortfall and the approaching recall election. The shortfall has led to the recent elimination of the trade promotions programs, including the Office of Export Development (OED), the foreign offices, and California Export Finance Office (CEFO), as funds are reverted back to the general fund.

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Upcoming Events

November 7, 2003

Annual Trade Tech

Using Technology to Secure the Supply Chain

8:30A-12:00N

LAX Westin Hotel
5400 W. Century Blvd.

November 19, 2003

Duty Drawback

9:00A-3:00P

LAX Westin Hotel
5400 W. Century Blvd.

December 17, 2003

WITMAS

Brazilian Celebration

6:00P-10:00P

SAMBA Churrascaria
207 N. Harbor Dr.
Redondo Beach, CA

Be sure to make your reservations early!!

For additional information or to register for any of these events, you can…

- *Visit our website, wit-la.org*
- *Call WIT-LA (310) 535-0127*

U.S. TRADE UPDATE

Country	1996	1997	1998	1999	2000	2001	2002
Canada	290,103	319,968	329,859	365,311	409,779	379,692	370,010
Mexico	131,089	157,326	173,402	196,630	247,275	232,634	232,086
Japan	182,794	187,212	179,676	188,330	211,403	183,925	172,878
China	63,505	75,420	85,410	94,899	116,203	121,461	147,320
Federal Rep Germany	62,440	67,580	76,499	82,028	87,961	89,072	89,135
United Kingdom	59,941	69,084	73,896	77,644	84,915	82,083	73,950
Korea, South	49,276	48,219	40,428	54,137	68,138	57,362	58,148
Taiwan	48,368	52,995	51,290	54,335	64,909	51,496	50,530
France	33,101	36,601	41,745	44,586	50,162	50,273	47,256
Malaysia	26,375	28,807	27,957	30,484	36,506	31,698	34,353

- Year to date, the United States has had a **trade deficit** with Canada ($52.7 billion), Mexico ($41.6 billion), Japan ($65.4 billion), China ($112.0 billion), Germany ($36.6 billion), the United Kingdom ($7.6 billion), and France ($10.9 billion).
- Year to date (Jan-Jul), exports were up 3.3 percent from the same period a year ago.
- Year to date (Jan-Jul), imports were up 9.5 from the same period a year ago.
- In 2002, the trade deficit was $418.0 billion, or $34.8 billion per month. In 2001, the trade deficit was $357.8 billion, or $29.8 billion per month.
- Year to date (Jan-Jul), merchandise exports increased 3.2 percent compared with the same period last year. Compared to Jan/Jul 2002, merchandise imports increased 9.9 percent, and the deficit was $547.5 billion compared with $457.1 billion a year ago.]
- On a year to date basis, services exports gained 3.5 percent from a year ago, while service imports rose 7.3 percent. The services trade surplus was $58.1 billion (annual rate) compared with $64.5 billion a year ago. This sector has enjoyed a surplus for 2000, 2001 and 2002.

Source: U.S. Department of Commerce/International Trade Commission September 2003

Deadline for Application of WIT-LA's Marjorie M. Shostak Scholarship Approaching

The WIT-LA scholarship committee has contacted many of the Universities in Los Angeles County to create awareness of our annual scholarship opportunity.

We urge our WIT-LA members to encourage any student, woman or man, pursuing an education in an international field to file the application for the Marjorie M. Shostak Scholarship by October 15, 2003.

Application and guidelines are available on our website at www.wit-la.org.
The award of $1000 will be presented to the scholarship recipient at the Annual WIT-mas Holiday Charity Benefit to be held on *December 17, 2003*.

The Marjorie M. Shostak Scholarship is supported by fund-raising events and contributions from individuals and organizations.

Current Scholarship Circle Members include:

Citizen Watch of America, Nissan North America, Price Transfer, Inc.,
Stein, Shostak, Shostak, & O'Hara, Toyota North America, and Toyota Motor Sales, USA, Inc.

Please join them in supporting WIT-LA's scholarship efforts.

WIT-MAS

At

Remember to make your reservations early for our annual year-end holiday charity benefit at Samba Brazilian Steakhouse in Redondo Beach, CA. It will be a great, fun-filled dinner with Brazilian music, great food and the opportunity to meet our 2003 Marjorie M. Shostak Scholarship Recipient.

Interview with LAX Port Director

Congratulations Ana Hinojosa!

Ana Hinojosa, CBP Port Director for LAX, who had been occupying this position on an interim basis, was just confirmed to her post in Los Angeles. We had the privilege of hearing from Ms. Hinojosa at our Port Address earlier this year and we are looking forward to a continued outstanding relationship with CBP and as our informational bridge for our community.

Recently, I had the opportunity to interview her and ask her a few questions. Among the issues that we discussed are the status of TSA, the status of C-TPAT, as well as an update of CBP in general. Regarding TSA, Ms. Hinojosa informed me that the cargo security program is in synch with what was planned. C-TPAT membership is in its final process and CBP is working to staff-up for the certification.

Ms. Hinojosa also commented on Homeland Security's, "*One Face at the Border"* approach, which merged four government agencies into what is now CBP. These agencies include Customs, Immigration, Agriculture and Border Patrol. There are now approximately 1015 employees in this consolidated agency who are being cross trained for a unified primary approach. She also stated that the review process will be more integrated and streamlined.

In general, there will be greater involvement as far as industry groups is concerned. Ms. Hinojosa also stated that there has been increased attention placed on required training and encourages the trade community to learn all it can and that CBP will provide training and outreach to facilitate understanding of new procedures. This will include account manifest for air cargo and streamlined procedures. The overall process will benefit the community at large and there will be a greater ability to scrutinize incoming cargo. She also stated that electronic cargo will be released faster.

Several other changes she discussed included the implementation of the new requirement of machine readable passports that will take place October 1, 2003. In addition, the TWOV, Transit Without Visa Program, has been suspended as of July 2003. There is also a new program called, "U.S. Visit," which will be implemented as of January 1, 2004, where certain classes of passengers would need to register upon entering and exiting the United States.

And finally, she said to look out for the new dark blue uniforms that CBP agents will be wearing as of October 1, 2003.

A special thanks to Ana Hinojosa, I greatly appreciate her taking the time to give us an update. We congratulate her once again and wish her a wonderful tenure here in Los Angeles.

----------*Lilia C. Navarrete, Editor, The L.A. WIT*

What is the Status of ACE?

The Automated Commercial Environment (ACE), is the first major project of U.S. Customs and Border Protection (CBP) Modernization Program. Customs Modernization began in 2001, with the Automated Commercial Environment (ACE) and the International Trade Data System (ITDS) programs focusing on cargo import and export operations. ACE and ITDS formed one system providing a "single screen" for global business community to interact with Customs and all government agencies on import/export requirements.

The ACE Secure Data Portal, the foundation of ACE, is currently in the pilot test phase. It is expected to be officially adopted by CBP later this fall. The first 41 importers are participating voluntarily in the pilot test contributing to the CBP mission of "protecting America's borders while facilitating legitimate trade."

The ACE Secure Data Portal provides a single, centralized online access point to connect CBP, the trade community, and eventually additional participating government agencies with trade and law and border enforcement responsibilities. Through the portal, ACE is designed to eventually provide unprecedented integration of data and communication abilities between government agencies.

Once the portal is officially adopted this fall, CBP will begin incrementally expanding access to additional ACE participants. New importer accounts, up to 1100 accounts will be added, and brokers and carriers will be accepted when account payment and cargo processing features become available next year. Over the next four years, access to ACE will be expanded throughout CBP. New ACE functionality will be delivered in seven distinct software releases and implementation of functionality will proceed port by port in phases.

Here are a few of the top questions presented to the Customs and Border Protection Modernization Office (CBPMO) regarding ACE:

- **Q**. *Will there be a single sign-on system for ACE with a single user ID and password that will give the user access to all the authorized databases?*

- **A**. Yes, unlike the Automated Commercial System (ACS), ACE will have one log-on screen for users to input their ID and password. The ACE will link people, data, and tools through one shared electronic system by providing a single screen for CBP to interact with the trade community. Over time, it will link several systems, including: Border Release Advanced Screening and Selectivity (BRASS); Free and Secure Trade (FAST); Customs Automated Forms Entry System (CAFES); Pre-Arrival Processing System (PAPS); and others.

ACE Update (Continued from page 8)

- **Q.** *What features of ACE are currently available?*

- **A.** The ACE currently offers new Security and Commercial Account Management features that allow CBP employees and the first 41 importer participants to interact on-line and collaborate like never before. New features include: account profiles; a Significant Activity Log (SAL) that tracks all significant trade communication; an on-line account action plan to replace the paper compliance tracking and improvement plans; and several reporting features, including "Quick Views," which summarizes account data and Importer of Record activity. The ACE Secure Data Portal also provides on-line access to reference data such as the Harmonized Tariff Schedule (HTS).

We will continue to update our membership on the progress of ACE as it becomes available. Also, plan to attend our Annual Trade Tech on November 7, which will include a discussion on ACE by a representative from the Bureau of Customs and Border Protection.

Update of CSI PORTS

CSI, the *Container Security Initiative*, consists of four core elements:

1. Establish security criteria for identifying high-risk containers based on advance information.
2. Pre-screen containers at the earliest possible point.
3. Use technology to quickly pre-screen high-risk containers.
4. Develop secure and "smart" containers.

The Container Security Initiative **(CSI)** is now operational at Rotterdam, LeHavre, Bremerhaven, Hamburg, and Antwerp in Europe; Singapore and Yokohama in Asia; and Vancouver, Montreal, and Halifax in Canada.

The first phase will include 20 foreign ports, which ship approximately two thirds of the volume of containers to the U.S. In Phase II, ports such as Göteborg, Sweden and ports in Asia will soon include the two major ports of Kelang and Tanjung Pelepas, Malaysia. Recently, the governments of Sri Lanka and South Africa also joined CSI.

Visit the WIT-LA web site at www.wit-la.org:

- *Check on upcoming events*
- *Obtain access to the OWIT Job Bank (members can e-mail witla@verizon.net to obtain an ID and password)*
- *Membership information*
- *View current and past issues of The L.A.-WIT.*

WIT-LA Continues to Grow

Scholarship Circle Members

Citizen Watch Company of America
Price Transfer, Inc.
Toyota Motor Sales USA, Inc.
Nissan North America
Stein, Shostak, Shostak & O'Hara
Toyota North America

Welcome To Our New Members!

KSI Corp.
Rosa Durio
Lisa Nelson
Asa Kapostins

Seminis Vegetable Seeds,Inc.
Martin Camacho
Janet Fordyce
Kevin Lane

CITD/El Camino
Susette Horspool

Marketone Corp.
Susan Sinclair

Grace Brandon Hollis
Aisha Shelton Adam

Point A to B
Karen Cooper-Martin

Comerica Bank
June Aramaki

Veronika Zasimczuk

Resources For Cultural Tips

If you are doing business with a client of a culture different than yours, be informed of cultural nuances before you meet. Here are some web site addresses as well as a few books that are great resources for cultural tips.

- **Xenophobe's Guides** published by Ravette Publishing, Ltd.
- **Culture shock!** published by Culture Shock! Publishing or look it up online at http://www.cultureshockconsulting.com/books.html
- **"Kiss, Bow, or Shake Hands. How to Do Business in 60 Countries,"** by Terri Morrison, Wayne A. Conaway and George A. Borden and published by Adams Media Corp.
- **ExecutivePlanet.com**

Would you like to advertise in WIT-LA's newsletter? Space is limited, so take advantage of the increased readership and reserve your space now !

Contact Monika Wegener at wit.la@verizon.net for further information.

Send us your news!

If you have changed jobs, moved, received a promotion or would like to share other noteworthy developments with the WIT community, please contact:

Lilia Navarrete, editor of The L.A. WIT (626.796.2070)