



Top 10 Tips Ensuring Compliance When Importing into the USA

To wrap up the core compliance guidance, here are the top ten tips British exporters should follow to ensure smooth, compliant importation into the United States. These tips distill much of what we've discussed and include real-life examples to highlight their importance:

1. Classify Products Accurately (Know Your HTS Codes). Always determine the correct U.S. Harmonized Tariff Schedule code for each product you export. Classification drives the duty rate and applicable rules. Don't "guess" or use a convenient but wrong code. Misclassification can lead to major penalties – for example, Ford Motor Company paid \$365 million in penalties after CBP caught it deliberately misclassifying vans to get a lower duty rate. Use CBP's rulings database or seek a binding ruling if unsure. Maintain a list of your products with their HTS codes and review it whenever you modify the product line. Proper classification not only avoids penalties but also ensures you don't overpay duties (you might discover a lower-duty classification that legitimately fits your item).

2. Declare the True Value and All Necessary Additions. Never understate the invoice price or omit required additions (like assists, royalties, commissions) when declaring customs value. The transaction value (price paid or payable) is the default basis – be truthful and keep documentation of the sale. Undervaluation is considered customs fraud. In one case, a U.S. importer who undervalued vehicles had to pay \$430,000 and was caught via a whistleblower. More dramatically, importers can face False Claims Act liability for systemic undervaluation. On the flip side, make sure you're not paying duty on non-dutiable charges (like international freight is typically not dutiable if separately noted). Work with your broker to structure invoices clearly (e.g., show freight separately, show any buying commissions separately). If you realize you made valuation errors, do a prior disclosure (see above) to clean the slate.

3. Ensure Correct Country of Origin Marking. U.S. law requires that every imported item be marked with its country of origin (in English, in a conspicuous place). Make sure your products are labeled "Made in UK" or "Made in Scotland, UK" (for example) as appropriate. If your product includes components from multiple countries, ensure you understand the origin rule (usually the last substantial transformation). Mis-marking or false "Made in ____" labels are taken seriously. At best, CBP will require you to mark the goods properly before release; at worst, they can seize the goods and fine you. In 2023, a company settled a case for a significant penalty due to country-of-origin marking violations under allegations of circumventing tariffs. Also, pay attention to special origin rules: for example, goods from certain territories (Hong Kong, etc.) have specific marking rules. Pro tip: If your product is a "kit" or set from multiple origins, consult how to mark it (there are nuanced rules). And remember, "Made in Britain" is a great selling point – just make sure it's accurate!

4. Comply with All Product-Specific Labeling and Safety Standards. Beyond origin labels, many products have specific U.S. labeling requirements. For instance, apparel and textiles must have permanent labels showing fabric content (e.g. “60% Cotton, 40% Polyester”), care instructions, and the importer/distributor identity . Cosmetics must have ingredient lists, net contents, and manufacturer info on the packaging (per FDA regulations). Electrical products may need UL safety marks. Children’s products have stringent rules (CPSC requires certificates of conformity to safety standards). Research the U.S. regulations for your product category. A real-life pitfall: A foreign cosmetics shipment could be refused by the FDA at the port if the ingredients include a substance banned in the U.S. or if labeling isn’t in English. Similarly, a batch of wool scarves could be held if they lack fiber content labels or if the wool hasn’t been treated for pests (yes, there are rules for wool – it must be fumigated or certified to be pest-free). To avoid issues, ensure your product development and packaging teams integrate U.S. requirements early on. Case in point: A UK apparel company had shipments delayed because their care labels used European washing symbols without English text. While not a hard legal requirement to have text, U.S. consumers and some retailers expect it; minor issues like that can slow acceptance. So it’s about legal compliance and market customs.

5. Keep Thorough Documentation and Records. Maintain organized records of your exports and the corresponding import entries (if you’re the importer or can get them from your buyer). U.S. law requires importers to keep records for at least 5 years. These include invoices, packing lists, bills of lading, certificates of origin, letters of credit, etc. Good recordkeeping is part of “reasonable care” . It also empowers you to respond to CBP inquiries quickly. For example, CBP’s Center of Excellence for Apparel might send a questionnaire asking how you determine the value of assists (like design work) – you’ll want to have those calculations on file. In a more everyday scenario, if CBP randomly examines your shipment, they might ask for product literature to verify classification; having that at the ready (even giving your broker a spec sheet in advance) speeds the process. A tip: provide your U.S. importer or broker with any certifications that could help (for instance, if your leather is from bovine animals and not endangered species, a statement to that effect can preempt questions from Fish & Wildlife). Also, if you’re claiming a special tariff treatment (perhaps in future if a UK-U.S. trade program arises), you’d need proof of origin like supplier declarations – keep those meticulously.

6. Leverage Free Trade Agreements and Duty Savings Legally. While the UK doesn’t have a direct FTA with the U.S. yet, always check if your product can benefit from any trade programs. For example, if you manufacture in multiple locations, ensure you understand rules of origin to see if any portion qualifies under an FTA or duty exemption. Also be aware of temporary programs – sometimes the U.S. enacts temporary duty reductions (for example, Miscellaneous Tariff Bills that suspend tariffs on certain products not made in the U.S.). It’s worth consulting resources or a trade attorney to see if your product falls under any special duty-free provisions. If none apply, consider the tariff engineering approach mentioned earlier: small changes that don’t affect your product’s function but place it in a lower tariff bracket (fully legal if done right). Example: A footwear exporter realized that adding a small percentage of rubber to their shoe’s sole classified it under a cheaper duty rate than an all-leather sole. They adjusted the design slightly – saving 5% in duties and marketing it as improved grip. Be creative but compliant. Any potential strategy should be vetted via a CBP ruling or legal advice to ensure it’s acceptable.

7. Protect Your Intellectual Property and Watch for Infringements. Before exporting, verify that your brand names, logos, or any unique product designs are protected and do not infringe U.S. IP. Register trademarks with USPTO early – it can take a year or more, and U.S. retailers/distributors feel more confident in brands with protected names. Record those trademarks with CBP to empower customs to seize fakes . On the flip side, avoid including any unlicensed copyrighted content (art, characters) or trademarked logos that aren’t yours. CBP is very active in seizing counterfeit or pirated goods – in FY2022, CBP made nearly

27,000 seizures of IPR-infringing goods, which would've been worth almost \$3 billion had they been genuine. You don't want your goods in that pile by mistake. Also, consider U.S. brand protection beyond customs: monitor online marketplaces for knock-offs of your products; many have programs to take down infringing listings. By protecting your IP, you also increase your product's perceived value in the U.S. market (important for luxury/fashion goods especially).

8. Work with a Knowledgeable Customs Broker (and Communicate Well). As emphasized, a good customs broker can be your compliance guardian and logistics facilitator in one. Choose one with experience in your industry and ensure they are properly briefed on your products. Provide brokers with product catalogs or component breakdowns so they can classify correctly. Remember that even with a broker, you are ultimately responsible for the import's accuracy. Therefore, review the work: ask for copies of the entry summary or a report of how things were declared. Catching an error early is much easier than fixing it after the fact. Establish a schedule to audit your broker's entries periodically – maybe quarterly, have them send you a spreadsheet of HTS codes, values, duties for your shipments, so you can spot anomalies. This collaborative approach keeps everyone on their toes and compliant. Brokers also appreciate proactive clients – it makes their job easier when the client is organized (e.g., providing documents timely). To illustrate: A British luxury apparel brand entering the U.S. hired a broker and also consulted a trade compliance firm to double-check everything. They found that the broker, while competent, had misclassified a new type of accessory (a decorated belt) under a general code; the consultant suggested a different code with a slightly higher duty but correct. The brand had the broker submit a post-entry correction to CBP to fix the classification and pay the difference. By catching this, they avoided potential penalties and showed good faith. The lesson: trust your broker, but verify.

9. Stay Updated on U.S. Trade Policy Changes and Import Regulations. The trade world is not static. Tariffs can change (as we saw with the 2025 tariffs), new laws can be passed (e.g., the Uyghur Forced Labor Prevention Act (UFLPA) in 2022, which affects sourcing), and agency regulations can update (e.g., the FDA's new requirements under the Modernization of Cosmetics Regulation Act of 2022, which by 2025 requires cosmetics firms to register facilities and report product ingredients). Make it a habit to follow trade news or subscribe to official updates. CBP's website has a Trade News Snapshot and important notices. The NCBFAA releases member bulletins on issues like the 2025 tariff actions. USTR and Department of Commerce releases will tell you if any trade agreements or retaliations are brewing. For example, if the U.S. decides to impose quotas or new restrictions on textile imports, you'd want to know immediately. Also watch for changes in de minimis rules (there's talk in Congress about lowering the \$800 threshold especially for China-origin goods – which could affect e-commerce). By staying informed, you can adapt your strategy – whether it's adjusting pricing to account for tariffs or changing suppliers due to new forced-labor bans. Ignorance of a new rule won't excuse non-compliance, so awareness is part of your compliance duty.

10. Plan Logistics and Compliance Together – Don't Rush Shipments Without Clearance. Time pressure is often the enemy of compliance. Plan your production and shipping schedule with enough cushion for any required approvals (like obtaining a CBP ruling, getting an export license if needed, etc.). Rushing at the last minute increases the chance of mistakes (wrong paperwork, missed labels, etc.). Also, ensure you have contingency plans. For instance, budget for the possibility of a random exam (CBP might X-ray or physically inspect a shipment, which can incur warehouse fees and delays for a few days). If you're prepared for it, it won't derail your business. Similarly, consider cargo insurance – CBP isn't liable for any damage during inspection, so insurance can cover losses if something happens in transit or exam. Another aspect of planning is choosing the right port of entry. Sometimes splitting shipments can reduce risk – e.g., sending sensitive goods through a port with specialized exam teams can actually expedite clearance (such as using ports with Centers of Excellence and Expertise knowledge). If a shipment is detained or refused, have a plan (can you reroute it? destroy defective goods and send replacements?). Being organized and

expecting the unexpected means even if a compliance issue arises, you handle it without panic.

These top 10 tips, if followed, will put you in an excellent position to succeed. Many seasoned importers have learned these lessons through hard knocks – you’re getting them upfront. To give a positive example: A UK company exporting specialty foods followed the tips – they verified FDA requirements, labeled everything properly (ingredients/nutrition), registered with FDA, hired a good customs broker, and even visited the port of entry to meet CBP agricultural inspectors to understand their concerns. The result? Their shipments consistently clear without a hitch, even when other companies’ goods get stopped. Compliance became a competitive advantage – U.S. retailers noted how smoothly the UK company’s products arrived and were more eager to do business, knowing there’d be no customs drama.

In summary, be proactive, be precise, and be honest. The U.S. import system might seem formidable, but it rewards those who approach it professionally. Equip yourself with knowledge (guides like this, CBP resources) and good partners (brokers, legal counsel). Then you can focus on growing your market, rather than fighting fires at the border.

For tailored support, contact the Made in Britain Trade Centre

www.tradewithbritain.com

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