

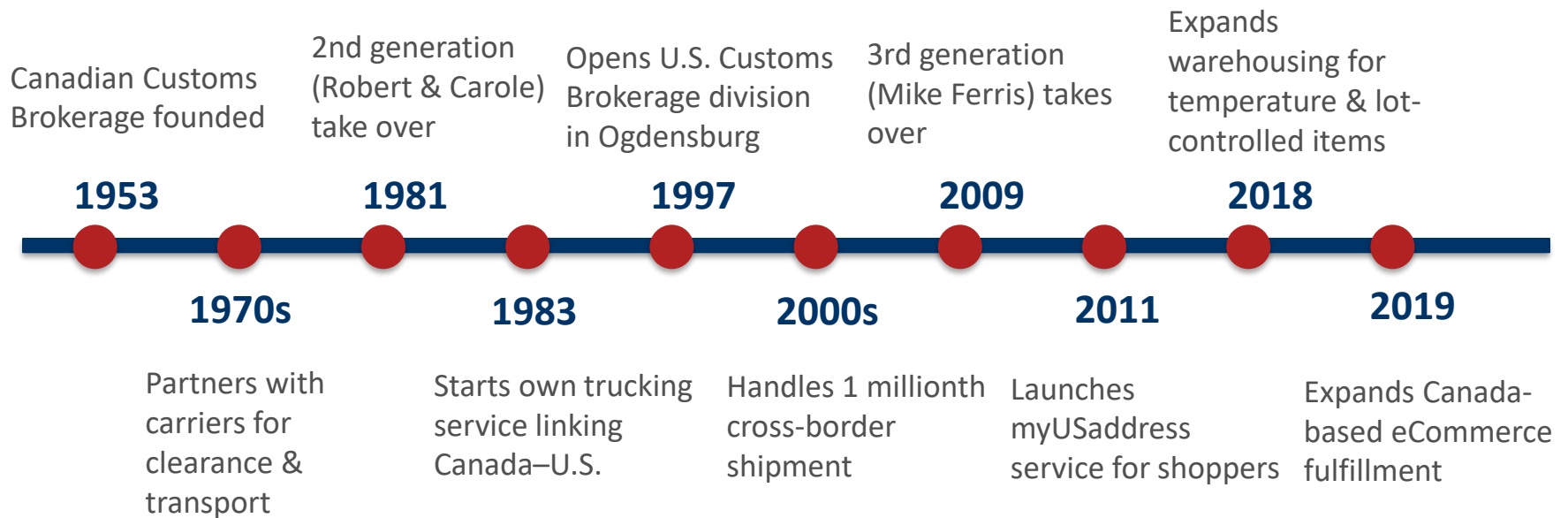
Navigating the New U.S.–Canada Customs Environment

Jesse Mitchell, CCS – Director of Business Development



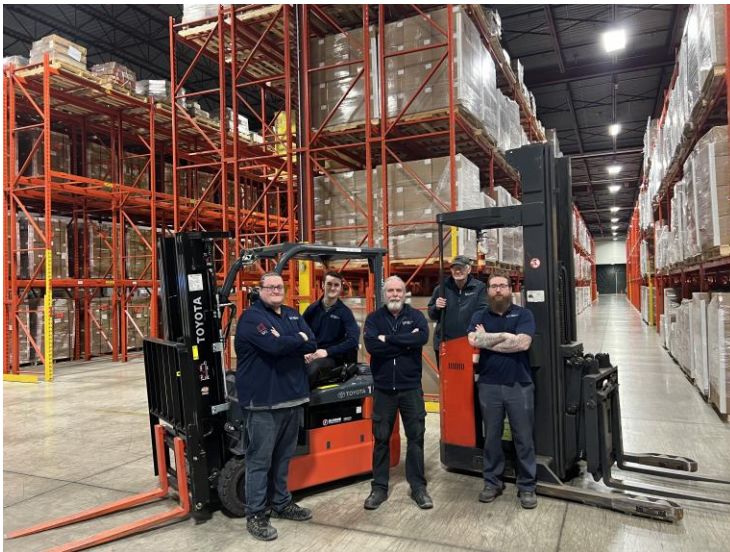
SFI EASY 
INTERNATIONAL
LOGISTICS

SFI Company Timeline — 70+ Years of Cross-Border Innovation



SFI Overview

- Third-generation family business
- 150,000 sq. ft. warehousing across Canada & U.S.
- Cross-border shipping • Brokerage • 3PL Fulfillment



Customs Brokerage – What We Do

- Prepare and submit import/export documentation
- Classify goods and ensure compliance
- Calculate and remit duties, tariffs, and taxes
- Coordinate smooth cross-border release




The Changing Trade Landscape

 Reuters

Trump says China tariffs will come down from 145%

US President Donald Trump said on Thursday he expects there to be substantive negotiations between the United States and China on trade this weekend.



 The Hill

Trump: Tariffs on Chinese goods set at 55 percent, US to get rare earth minerals in deal

Trump: Tariffs on Chinese goods set at 55 percent, US to get rare earth minerals in deal ... President Trump said Wednesday his administration...



 Reuters

Ahead of China-US talks, Trump says 80% tariff 'seems right'

US President Donald Trump said on Friday an 80% tariff on Chinese goods "seems right," suggesting for the first time a specific alternative to the 145% levies...



HS Codes – The Foundation of Customs

- HS Code determine duty/tariff/tax rates
- Used by all customs authorities worldwide
- Importer is responsible for accuracy

What is an HS Code?

TEC^{EX}

Let's take a look at a standard smartphone.

Chapter Number
Electrical machinery

8 5

Subheading Number
Smartphone

1 3

1 7 .

Heading Number
Telephone set

0 0 0 0

Additional Digits
Define the duty rates and statistical classifications. These are country specific.

USMCA – North America’s Trade Framework

UNITED STATES-MEXICO-CANADA FREE TRADE AGREEMENT (USMCA) CERTIFICATION OF ORIGIN

Supplier Code:

Request ID:

Blanket Period: (MMDD/YYYY)
From: 07/01/2020
To: 12/31/2020

Single Shipment:
Invoice Number:

Certifier's Name and Address:

Exporter's Name and Address:

Telephone:
E-Mail Address:
Tax Identification Number:

Telephone:
E-Mail Address:
Tax Identification Number:

Producer's Name and Address:

Importer's Name and Address:

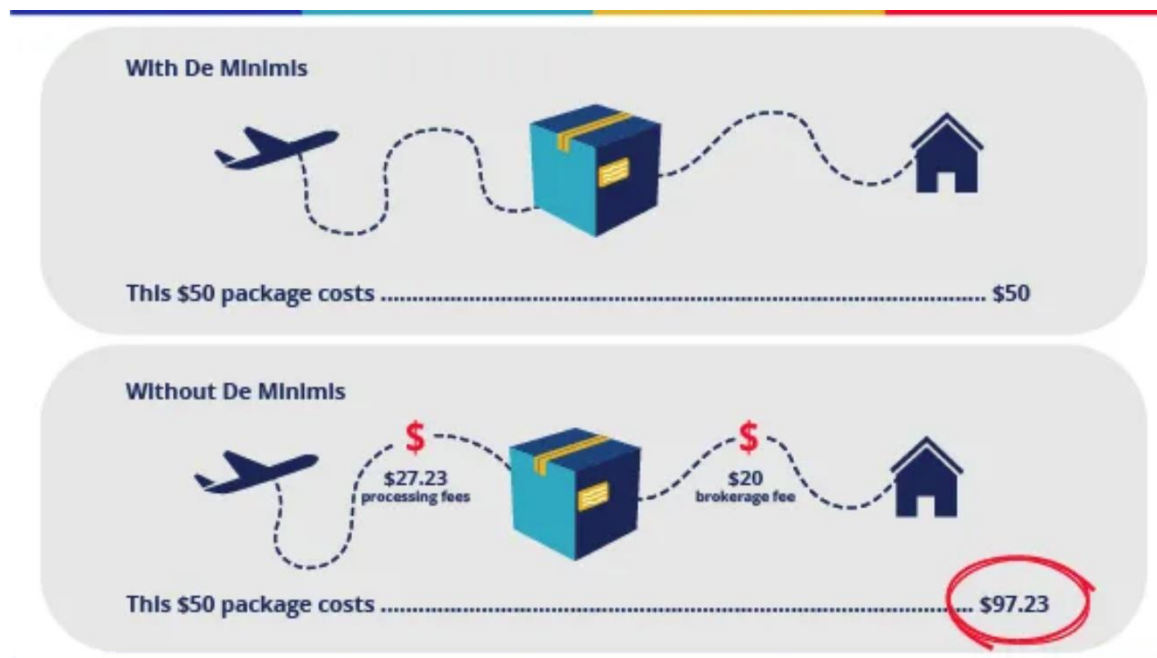
Telephone:
E-Mail Address:
Tax Identification Number:

Telephone:
E-Mail Address:
Tax Identification Number:

Part Number	Description of Good(s)	Tariff Number	Origin Criterion	Certification Indicator	Qualification Method	Country of Origin	Accumulation Value (USD)	Labor Value Content Requirement
See Attached								

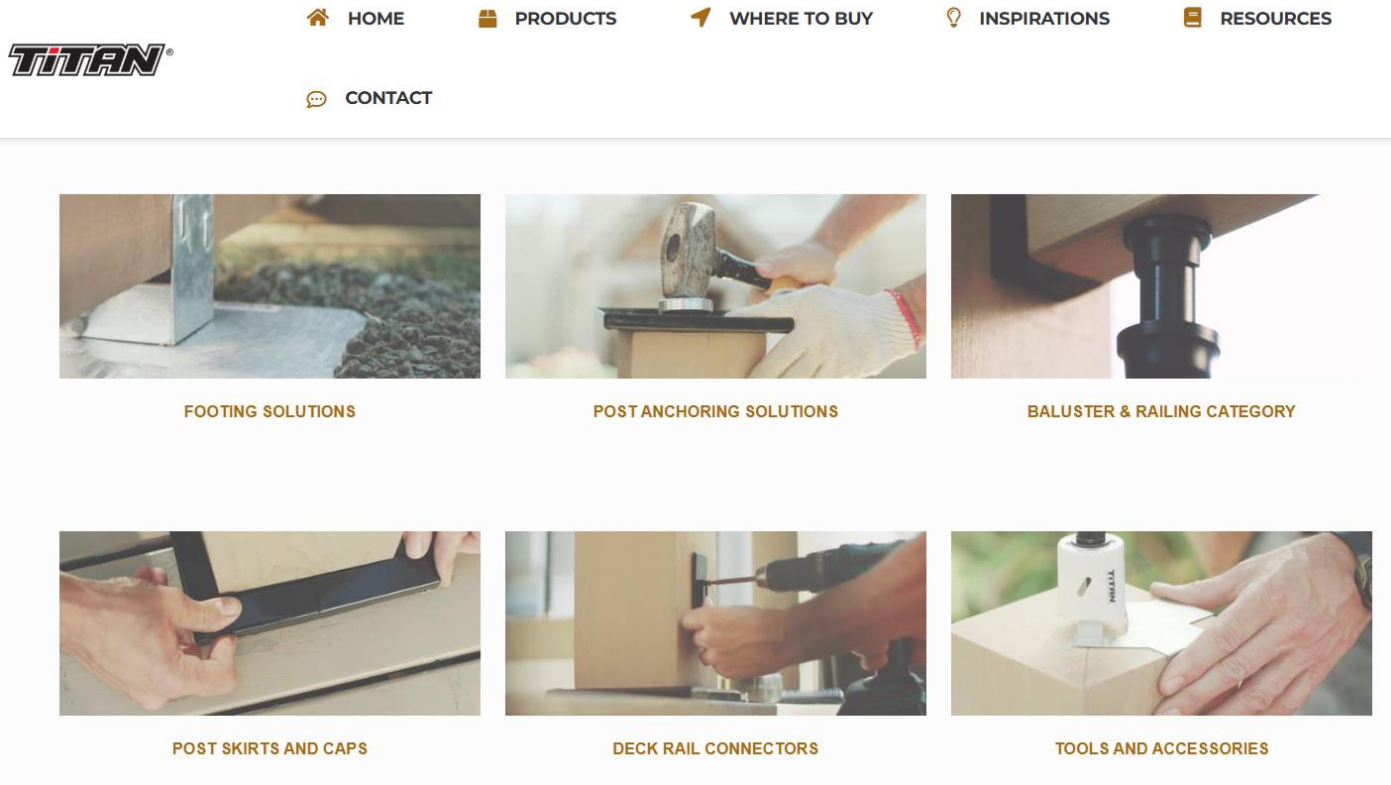
The End of De Minimis! Major Impact on E-Commerce

Every shipment now needs a formal customs entry into the US



#1 – Duty Wash Program

- Import to U.S. → return to Canada → US duty paid at factory cost
- Ship back to U.S. duty-paid — avoid double tariffs
- Keep fulfillment in Canada



#2 - USMCA-Compliant Goods & E-Commerce Fulfillment

1. Ship to SFI Prescott
2. SFI clears customs
3. SFI trucks to Ogdensburg, NY
4. SFI hands off packages to FedEx / UPS / USPS
5. Avoid UPS / Fedex delays when shipping directly from Canada



NBC News

<https://www.nbcnews.com/business/business-news>

UPS is 'disposing of' U.S.-bound packages over customs ...

Oct 9, 2025 – This week, the company told NBC News that it is clearing **more** than 90% of the packages it handles through customs on the first day.



USA Today

<https://www.usatoday.com/story/money/2025/10/18>

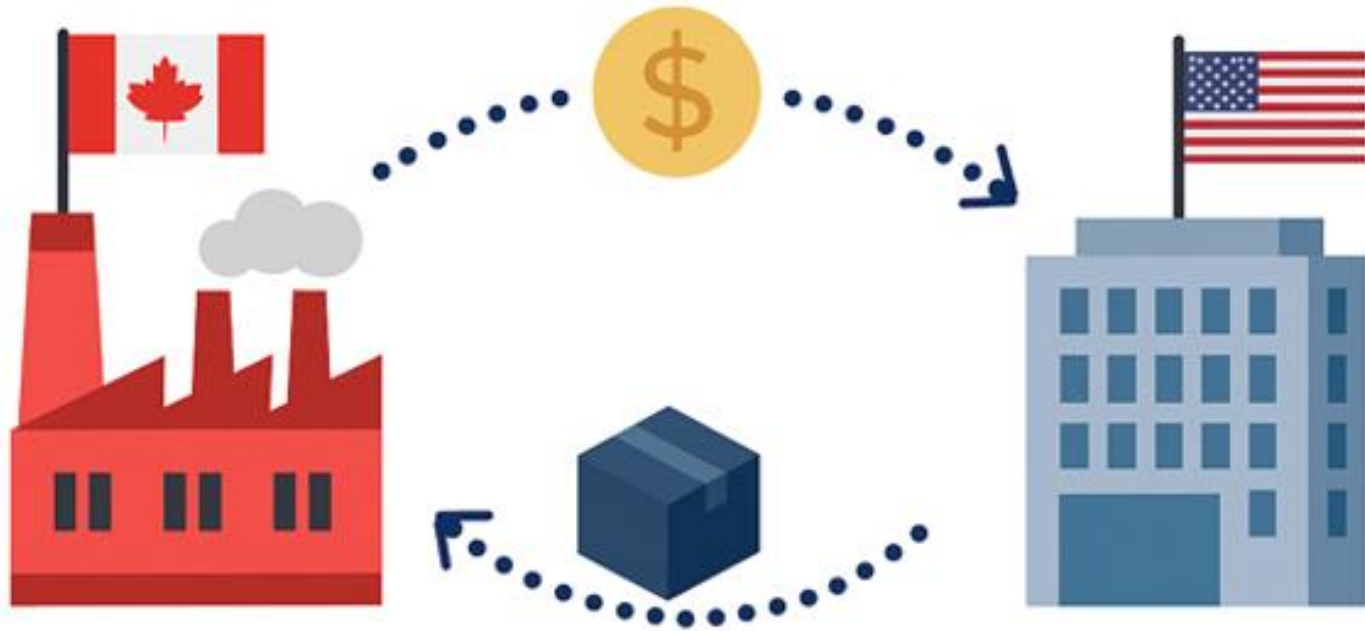
UPS destroying some packages due to tariff, customs ...

Oct 18, 2025 – **UPS and other shippers are having to gather additional customs information** to clear some international shipments. They don't always succeed.

#3 Canadian warehousing moving Southbound



#4 - Incorporating a U.S. Entity + Transfer Pricing Canadian



- Create U.S. division to sell domestically
- Pay duty on intercompany price (factory cost)
- Keep fulfillment & workforce in Canada

Canadian Businesses Are Resilient

Adapting. Innovating. Competing.

