

Jo-Carroll FTZ #271



Services available through IITC

Consolidation

International Freight Forwarding

Customs House Brokerage

Pier and Airport Trucking

**Public Warehousing and Fulfillment
Services**

Order Processing

Contract Labor and Manufacturing

Logistics Management

Bonded Warehousing

Duty Refund & Compliance Programs

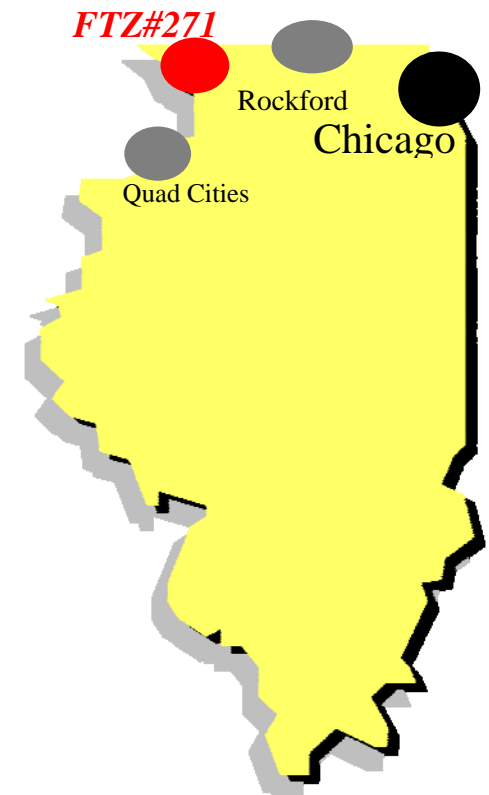
FTZ Cost/Benefit Analysis

FTZ Sub-zone Applications

**Illinois
International
Trade Centers**

Operator

FTZ # 271



IITC

3177 McIntyre Road
Savanna, Illinois 61074-8613
815-273-2311

IITC.Savanna@gmail.com

Or

TradeStrat@hvc.rr.com

**Accessing the World
from Northwest
Illinois**

Phone: 815-273-2311

Illinois International Trade Centers

Operator of

Jo-Carroll Foreign Trade Zone #271

Foreign Trade Zone Benefits

Foreign Trade Zone status is a sophisticated business tool that enables internationally oriented companies to source, manufacture, and distribute their products cost-effectively. The US Zone program was created by an act of Congress in 1934, and today is a multi-billion-dollar industry providing privileged environments to over three thousand individual US companies engaged in the global marketplace.

Two ways to achieve zone status

Utilizing an existing general purpose Foreign Trade Zone There are more than two hundred and seventy one general purpose FTZs located at ports and airports of arrival throughout the USA. IITC provides consulting and management services to enable you to evaluate and operate effectively in any of those Zone environments. Within those Foreign Trade Zones, IITC can provide sophisticated, turn-key services necessary to cost effectively move your product from manufacturing point to the worldwide market place.

Applying for Sub-zone status for their own facilities Sub-zone status is available to any company whose operations cannot be readily or economically accommodated in a proximate general-purpose zone. Applicants must be able to demonstrate to the US Department of Commerce that it is in the public interest to allow zone status for their proposed activities. There are about three hundred and forty Foreign Trade Sub-zones operating in the United States.

There are five general benefits derived from operating in Zone status:

- 1. Deferral of duty and taxes until closer to the point of sale.**
- 2. Reduction/elimination of duty and taxes through product manipulation and manufacture.**
- 3. Reduction/elimination of duty and taxes through re-exportation.**
- 4. Enhanced control and risk management of international business issues and regulatory environments.**
- 5. New business opportunities.**

IITC is willing to meet with any client to discuss these opportunities in greater detail and to undertake a free preliminary cost/benefit analysis that will establish the order of magnitude of the benefits a user will achieve in Zone status and the likely costs to secure Zone status. As well as the cost associated with operating in compliance with Customs and Commerce regulations. To that end we are able to supply to your company a confidential Foreign Trade Zone Questionnaire. If you can supply the answers to the questions, we can provide an estimate of the value of Zone program access to your company.

Formula on duty deferral

It might surprise you!!!!

The value of this deferral (time value of money) is a function of the volume of imports, the duty rate, the length of time product remains in zone status (inventory turns) and the prevailing cost of money. By taking the dollar value of imports, multiplying that by the average duty rate on imported product, dividing that number by the average inventory turns per year and multiplying that sum by your cost of money (prevailing interest rate) you will determine the continuous annual savings from duty deferral derived from operating in zone status.