

CASE STUDY

HOUSEHOLD GOODS. NAFTA QUALIFICATION.

Livingston helps appliance manufacturer qualify their extensive range of home appliances for NAFTA.

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In an environment where margins are increasingly slim, maximizing duty savings through the use of NAFTA had becoming increasingly important for this appliance manufacturer.

Overwhelming NAFTA processes

Appliances are not just simple steel boxes anymore, but rather complex units with parts ranging from chemicals, electronic boards, glass, stainless steel, motors and more. In order to qualify those appliances under the North American Free Trade Agreement (NAFTA) and take advantage of the benefits that come with it, manufacturers must be able to prove that the finished goods have been properly classified.

NAFTA can also impact the manufacturing process and sourcing decisions as companies look to acquire parts from qualified countries of origin.

Qualifying goods for NAFTA

Determining whether or not manufactured goods qualify for NAFTA is no small task; Livingston's consulting experts met face to face with the client to dig right into their project. With the guidance and arduous work effort by the Livingston team of experts, the products were found to qualify and Livingston provided a full audit trail for the client, should Customs want to take a closer look at their claims.

In addition, a video was produced by Livingston's expert team demonstrating how the washers and dryers are built, carefully documenting which parts were used throughout the process. The video was presented to the CBP as proof of component origin as a further step to ensure compliance.



Enjoying the benefits of NAFTA

The work Livingston completed has allowed the client to take advantage of NAFTA benefits, saving an estimated \$2 million in Merchandising Processing Fees and \$2 million in duty annually.

Livingston continues to work with the client team to ensure that, as new models are introduced, NAFTA-qualified components are sourced and that, should manufacturing processes change, they're able to maintain continuous certification and their NAFTA eligibility.

Contact Livingston

Have questions or need help with NAFTA qualifications? We're here to help. Email us at:

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or give us a call at **1-800-837-1063**