

The Pike Law Firm, P.C.
Customs and International Trade



VIEW FROM THE PIKE



"Customs Law" Now Available



Many thanks to those of you who have asked about ordering a copy of my new textbook entitled "Customs Law" (which was co-authored with Larry Friedman). After undergoing the usual layers of editorial review, the book has finally been published and is available [here](#). The publisher offers a 10% discount off the list price of \$95.00 for internet orders.

Juarez Competitiva Event Draws Large Audience



In October, I had the privilege of attending and speaking at the *Juarez Competitiva* foreign trade conference in Juarez, Mexico. This multi-day event drew hundreds of attendees (including local school children, who were there on field trips experiencing a *Mini-Aduanas* (Mini-Customs) review as if they were bringing goods into Mexico and had been stopped for a customs exam!). Mikhail Gorbachev, the former leader of the former Soviet Union, delivered the keynote address. My panel addressed the topic of "NAFTA: Success or Failure After 17 Years?" My co-panelists were Lourdes Moreno of Baker Tilly, and Murdoch Martyn of Canada. The views from all three panelists concurred that, while NAFTA has undoubtedly been a success in creating economic growth in North America over the years, the former system of multilateral trade agreement negotiation among the world's major trading nations has been a victim of NAFTA's success. Now countries are forging their own "bilateral" deals (especially Mexico) with all of their own major trading partners. (Thus, the outlook for any further progress on the "Doha Round" of multilateral trade negotiations appears bleak.) This "go-it-alone" approach has resulted in additional layers of global corporate trade

compliance, because each bilateral trade agreement has its own sets of rules and procedures (which Lourdes likened to a "spaghetti bowl!") that must be followed. On the plus side, most global trade agreements have adopted NAFTA's "tariff shift/regional value content" approach to qualifying goods for preferential tariffs, thus easing somewhat the compliance burden. See more photos of the event [here](#).

U.S. Customs Issues "1625 Notice" and Request for Comments



As expected, U.S. Customs and Border Protection ("CBP") recently issued its "1625 Notice" (in reference to the applicable statute: 19 U.S.C. § 1625) covering transfer pricing's role in customs valuation. In the notice, CBP is proposing a new policy through the mechanism of revoking a previous ruling and issuing a "replacement" one that will allow post-importation price adjustments made pursuant to a "formula" to form part of the "transaction value" of the imported goods – and thus be subject to duty refunds (for price decreases) and payments (for price increases). Global tax and trade executives and their advisors have been widely supportive of this initiative, although reservations concerning certain details of the new policy have also been expressed. To view the notice, click [here](#) and read pp. 15-35. Comments are due to CBP by Friday, Jan. 27, 2012.

Please don't hesitate to [contact me](#) if you need further information about the topics above, or on any other customs and trade-related matter. Until the next newsletter, may your businesses continue to thrive!

A handwritten signature in black ink that reads "Damon Pike".