Ten Mistakes U.S. Businesses Make When Shipping to Canada
Ten Mistakes U.S. Businesses Make When Shipping to Canada

Introduction

When one Pennsylvania-based manufacturer of musical instruments decided to expand to the Canadian market, it had high hopes that its high-quality products would find a warm welcome within Canada’s vibrant music community. And they did, as orders quickly started flowing in from Canadian music stores and individual customers. But things quickly went awry when shipments encountered significant issues upon arrival at the border. U.S. customs officials questioned if wood used in the instruments was eligible for export, and Canadian import policies meant the manufacturer’s Canadian customers would face unexpected charges at time of delivery for significant taxes and fees.

This manufacturer’s experience is a good example of the type of misfortune U.S. businesses can face when they attempt to conquer the Canadian market. This instrument manufacturer was, in fact, in good company.

Some of America’s largest, most distinguished retailers have also had trouble navigating a smooth Canadian entry. Fashion retailer J. Crew apologized to its customers after widespread complaints that its Canadian stores and website were charging significantly higher prices than in the United States for identical merchandise. Web-based footwear retailer Zappos.com had to pull out of the Canadian market entirely, due to distribution agreements with U.S. suppliers that limited inventory selection for Canadian consumers. The company also cited “general uncertainty and unpredictability of delivering orders to our Canadian customers, given customs and other logistics constraints,” in announcing its decision via its Canadian website.

And of course a major example of a Canadian expansion stumble was Target’s 2014 announcement that it was closing every one of its 133 stores. Although many reasons have been cited for the retailer’s Canadian failure, inadequate inventory levels, pricing disparities between U.S. and Canadian stores, and a general lack of awareness of the Canadian market top the list.

As these examples clearly illustrate, selling to Canada—either via ecommerce or by establishing a physical presence—can be fraught with perils for a business that fails to do its homework and understand precisely what is involved in transporting goods into Canada. From customs compliance to shipping mishaps to misreading consumer preferences, many U.S. businesses have had their Canadian-expansion plans stymied by some very avoidable mistakes.

The following discussion will highlight some of the most common “mistakes” made by U.S. businesses when shipping to Canada. While each mistake may impact success in the Canadian market, some can be especially costly and harmful. But, each is solvable—avoidable even—especially with the right logistics partner on board to offer guidance and even prevent the mistakes from happening in the first place!
Mistake #1: Failure to Understand the Canadian Market

In the aftermath of Target’s failed effort to put down stakes in Canada, many analysts cited the retailer’s poor understanding of its Canadian customers, and its apparent failure to do its homework to learn about the nuances of the Canadian market. “It didn’t quite appreciate Canadian shoppers are significantly different from U.S. consumers,” said one analyst cited in a Marketwatch report. “There’s a misconception among Americans that Canadians are just like Americans.”

This “Canada as the 51st State” perception has been the downfall of many U.S. businesses attempting to expand to Canada. As businesses quickly learn, Canada is a very unique country, and its 35 million residents have distinct preferences from their U.S. counterparts. A few considerations a U.S. business should keep in mind include:

- **Canada is officially a bi-lingual country.** Recognizing both English and French as its primary languages. Roughly 22 percent of Canadians list French as their preferred language, while 30 percent consider themselves conversant in the language. In Quebec, where French is considered “the population’s first language,” French is spoken by nearly 80 percent of residents.

- **Canada follows the metric system.** Businesses used to measuring in inches and yards will need to reconfigure internal systems to accommodate Canada’s official use of the metric system. Metric measurements must be applied in all labeling and other shipment documentation.

- **Canadians have their own currency** and expect transactions in Canadian dollars. The official currency of Canada is the Canadian dollar—nicknamed the loonie. U.S. businesses have been on the receiving end of significant criticism for attempting to interact with Canadian consumers without being able to offer merchandise in Canadian dollars, or the capability to accept Canadian currency as a form of payment, or to make necessary conversions.

- **Canadians care more about loyalty and everyday low pricing than coupons and promotions.** This was a lesson that Target learned. As MarketWatch reported, the company quickly learned that Canadian consumers “are not as ‘mad for coupons’ as U.S. consumers are.” Instead, “Canadians care about ‘do I trust you to deliver everyday pricing for me?’”

- **80 percent of Canadians live within 100 miles of the U.S. border.** And 80 percent live in urban areas, and are fairly easy to reach. But consideration must be given to those potential consumers who live in Canada’s more remote regions.

“There’s a misconception among Americans that Canadians are just like Americans.”

Source: Amy Koo, Kantar Retail analyst, as reported by MarketWatch, January 15, 2015.
Mistake #2: Underestimating the U.S./Canada Customs Clearance Process

Canada is a logical place for U.S. businesses to start when entering the export market. The two countries have so much in common, and businesses benefit from favorable trade incentives including the North American Free Trade Agreement (NAFTA) which eliminated duty on all “domestically-produced” shipments. In fact, roughly $1.8 billion worth of goods cross the U.S./Canadian border every day.

The perception then, for many U.S. businesses is that clearing goods across the border must be a relatively simple and painless process. “How hard can it be?” seems to be a common sentiment.

Unfortunately, too many U.S. businesses have learned the hard way that, in fact, the border clearance process is not to be underestimated. Businesses must comply with a number of U.S. export regulations, and multiple Canadian requirements. While the Canada Border Services Agency (CBSA) has overall authority over the importation of goods into Canada, more than ten government agencies exert control over some aspect of the process, depending on the contents of a shipment. These agencies are referred to as “other government departments”—or “OGDs,” and cover a broad range of products ranging from apparel to bedding to agricultural products to computer software.

In addition to any OGD requirements, every shipment must pay necessary taxes and comply with a broad range of mandates including:

- **Business Number.** Any business importing or exporting goods to Canada must register with the Canada Revenue Agency and be issued a business number that must be used on all paperwork, which is used to track all customs-related documentation and payments.

- **Cargo control document (CCD).** Canada Border Services Agency (CBSA) requires that a cargo control document accompany each shipment. The CCD is also referred to as a manifest, and includes an itemized list of the contents included in a shipment.

- **Commercial Invoice or Canada Customs Invoice.** A commercial invoice is the primary document a buyer/importer uses to pay a vendor/exporter, and generally includes information including: description of the goods, direct shipment date, tariff treatment, country of origin, tariff classification, value for duty, appropriate duty or tax rates and calculation of duties owed.

- **Canada Customs Coding Form—B3:** CBSA requires Form B3 as a way to account for goods, regardless of their value, for commercial use in Canada. This document captures a wide range of information about each shipment including country of origin, tariff treatment, mode of transport and tax liabilities.

- **NAFTA Certificate of Origin.** Shipments eligible for preferential treatment as outlined by the North American Free Trade Agreement must be accompanied by a Certificate of Origin. This document includes detailed information about the contents of a shipment, including the origination of each component part. The Certificate or Origin is not required for non-NAFTA shipments, or for shipments valued at less than US $1,000.

- **Import Permits.** As mentioned above, CBSA assists other government departments (OGDs) in administering entry requirements for products that fall within their areas of control. Many goods subject to OGD requirements necessitate special permits, licenses, certificates or other paperwork. Special examination by customs officers may also be required for certain goods. The U.S. Commercial Service advises that securing the necessary permits can be time consuming, and that attending to potential OGD requirements should be “one of the first steps taken” in initiating the export process.

**Labeling and Packaging Requirements**

- Products entering Canada must comply with numerous marketing and labeling requirements that are mandated both at the federal level and by the provinces. The Consumer Packaging and
Ten Mistakes U.S. Businesses Make When Shipping to Canada

Labeling Act, for example, mandates that products be labeled in English and French, with weights and measurements displayed in metrics. In addition, an imported product must display the name of a Canadian importer, and the Canada Revenue Agency requires a country of origin marking on specific goods.

- At the provincial level, care must be taken to ensure compliance with any and all specific requirements. The province of Quebec, where French is the sole official language, has more exacting requirements with regard to the prominence of French on materials including labels, instructions/warranties, marketing materials, advertising materials, and brand names. In general, Quebec requires that all products sold there be labeled in French, and that French be given equal prominence with any other language on a product’s packaging.

Duties and Fees
Critically important to doing business in Canada is an understanding of that country’s unique sales tax code. In Canada, sales taxes are collected at the federal and provincial levels of government, and a business must be careful to comply with all applicable levies. Please note that sales taxes are different from import duties. Import duties on goods between the U.S. and Canada were virtually eliminated via NAFTA.

- A federal Goods and Services Tax (GST) of five percent of value is assessed on just about all goods entering the country.
- Provincial sales taxes are levied at the province level, and are collected locally.
- The provinces of Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, and Ontario have opted to “harmonize” their provincial sales tax with the general sales tax. This combined rate is called the “harmonized tax,” and represents the sum of the 5 percent federal GST plus the appropriate provincial tax.

Security Mandates
A final consideration is Canada’s “risk-based” security initiative called Advance Commercial Information. Through ACI, CBSA officers are provided with electronic pre-arrival information for all shipments scheduled to arrive at the border. For highway shipments, that information must be filed with CBSA at least one hour prior to the shipment’s arrival at the border. The pre-arrival notification allows CBSA to focus its resources on higher risk shipments, and allow low risk shipments to an expedited clearance.

As of May 2015 all shipment information must be submitted via CBSA’s eManifest data entry system. Data may be submitted either through an electronic data interchange (EDI), or via a web-accessed eManifest data portal. Regardless of which transmission option is selected, a business will need to open an eManifest account, and ensure it has fully complied with all data filing requirements.

Clearly there are a lot of different pieces to the U.S./Canada customs compliance process. And, regulations are subject to change at a moment’s notice! Canada’s eManifest system, for example, which has been in the development stage for the past several years became mandatory in May 2015. Unless a business pays regular attention to CBSA activity, it’s easy to miss a new deadline or process change. This is how many mistakes happen. Unfortunately though, CBSA is very unforgiving, and mistakes generally result in penalties and processing delays.

Mistake #2: Underestimating the U.S./Canada Customs Clearance Process
Mistake #3: Not taking advantage of Duty Relief Opportunities

While all businesses recognize that duties are an inherent part of the import/export process, there is nothing to be gained from paying more than is required. Unfortunately though, many businesses do exactly that, usually because of careless recordkeeping or because they are unaware of options available to help minimize duty obligations. Following is a brief review of some “duty management” opportunities:

Tariff Classification
Every product entering Canada must be assigned a 10-digit tariff classification code that is used to assess tariff/duty obligations, determine eligibility for free trade benefits, and to capture key trade data. Canada’s tariff classification system is called the “Customs Tariff,” and is based on the Harmonized Commodity Description and Coding System (HS), that is used by more than 160 countries worldwide.

Every product must be properly coded prior to arrival at the Canadian border. This can be a highly technical process, since tariff classifications are very exacting. Slight variances between products will generally mean different tariff classifications, and very often, different tariff rates. Consider this U.S.-based example from international trade specialists Garvey, Schubert, Barer:

“For years lavatory modules for use in commercial aircraft were imported by commercial aircraft manufacturers as HTSUS 8803.30.00104 (other parts of airplanes). Customs reclassified the modules as HTSUS 9406.00.8090 (prefabricated buildings). The result was an increase in duty from duty free to a duty of 5.7 percent. Only after a protest was filed was Customs convinced that the original classification was correct.”

Clearly, the correct tariff classification can have a tremendous implication on duty obligation.

Free Trade Benefits—North American Free Trade Agreement (NAFTA)
Proper tariff classifications are also necessary to determine a shipment’s eligibility for free trade benefits. For shipments to Canada, this generally refers to NAFTA. A key NAFTA provision is the elimination of tariffs on virtually all originating goods traveling between the U.S, Canada, and Mexico. But determining whether or not a product fits within NAFTA’s terms for “origination” can be tricky. Under NAFTA, origination is not restricted only to goods produced within the U.S., Canada, or Mexico. Instead, the agreement makes allowances for products to include percentages of non-NAFTA materials and still qualify for preferential benefits. To determine if a product is eligible for NAFTA benefits, it is necessary to consult NAFTA’s rules of origin, which specify content requirements for all products. Once a product is determined to qualify for preferential treatment, a NAFTA Certificate of Origin must be completed. This is important—a customs officer will not advise a shipper if goods are eligible for benefits. Instead, a shipper must arrive at the border with NAFTA documentation completed, and ready to submit a benefits claim.

Duty Drawback
Duty drawback allows businesses a refund of up to 99 percent of duties paid on products that are imported into the U.S., and then subsequently exported or destroyed.

The government sets a very high bar for a claimant to prove drawback eligibility, and the process can take years to complete. A business must maintain meticulous records and be able to provide a clear “trail” that a product initially imported into the U.S. is the same—or in some cases nearly the same—as the product subsequently exported (or destroyed). But given that a successful drawback can reap huge financial savings, the end result is often worth the aggravation and time.

First Sale Rule
A lesser-utilized option for reducing duty obligations is the “First Sale Rule,” which can potentially apply to goods brought into the U.S. following multiple prior sales. The First Sale Rule allows importers to use the price paid in the “first” sale as the basis for the customs value of the goods. For example, if a manufacturer sells a product to a distributor, and then to an importer, under First Rule, the importer could value the product at the price initially charged by the manufacturer. This generally helps reduce duty obligations, since previous sales would tend to be at a lower price.
Mistake #4: Not becoming a Canadian Non-Resident Importer

With certain exceptions, the Canadian government does not allow non-Canadian entities to collect taxes or to serve as the “importer of record” in clearing goods into Canada. These restrictions can place U.S. businesses at a significant disadvantage when competing against their Canadian counterparts.

Inability to Impose a Landed Cost
Inability to collect taxes means a U.S. business cannot provide a Canadian customer with a comprehensive landed cost. Instead, the Canadian customer will have to pay those taxes and associated customs fees when the shipment arrives. Few things are more irritating to a Canadian consumer than having a delivery person present an unexpected invoice for unpaid taxes and fees, long after the initial sale has taken place. Many consumers, in fact, simply refuse to accept delivery of their “duty-owed” shipments, causing the U.S. retailer to lose the sale.

Ineligibility to Clear Goods through Customs
Since the U.S. retailer is prohibited from engaging in the Canadian importation process, the responsibility falls to the Canadian importer. This means Canadian consumers who order products from a U.S. retailer may have to physically travel to a customs office to collect those shipments. In the previously cited example of a U.S. musical instrument manufacturer that encountered problems with the border clearance process, this is precisely the dilemma it faced: Canadian customers—many of whom were music store managers—had to take time away from their businesses to travel to a Canadian customs office in order to complete the importation process.

The Canadian government has addressed this competitive disadvantage through its “Non-Resident Importer (NRI)” program. A U.S. business can apply to CBSA for NRI status which allows the business to act as an “importer of record.” As an importer of record, the U.S. business benefits in several ways:

- Ability to factor in all duties, taxes and brokerage fees at time of purchase.
- Greater control over delivery times.
- Ability to compete on a level playing field with Canadian businesses.
- Potential for reduced supply chain expenses since a U.S. business can operate in Canada without having to maintain physical assets in that country.
- Enhanced customer satisfaction.

Non-Resident Importer status is essential for any U.S. business operating in the Canadian market. Failure to obtain NRI status is, quite simply, a tremendous mistake.
Mistake #5: Failure to take advantage of Trusted Trader Programs

The United States and Canadian governments maintain a number of “trusted trader” programs whereby qualified businesses are granted certain benefits in exchanges for their commitment to certify the safety of their supply chains, as well as the supply chains of their vendors and suppliers. Participation in trusted trader programs has become an important part of ensuring a hassle-free border clearance process.

For U.S. businesses, the Customs-Trade Partnership Against Terrorism (C-TPAT) is the key trusted trade program. Businesses that successfully meet program requirements are entitled to benefits including:

- Reduced number border inspections.
- “Front of the Line” access for shipments that are chosen for inspection.
- Access to Free and Secure Trade (FAST) lanes at land crossings.
- Access to database of other C-TPAT benefits.

Canada maintains a program known as Partners in Protection (PIP) that is similar to C-TPAT. Qualified PIP members are entitled to benefits including:

- Recognition as a “trusted trader,” which can save time.
- Reduced likelihood of inspection.
- Access to CBSA’s Trusted Trade Portal, which allows for easy access to all membership documents.
- Eligibility to apply for the FAST program, which offers access to designated lanes at certain border crossings.
- Eligibility to participate in CBSA’s Courier Low Value Shipment (LVS) program, which offers streamlined processing of shipments valued at no more than CAN$2,500, and expedited release for couriers.
- Mutual recognition status with similar international trusted trader programs.

Together, the U.S., Canada and Mexico maintain the Free and Secure Trade Program (FAST) program, which offers expedited clearance for low-risk commercial shipments crossing the border by truck. Eligible carriers must complete a background check and fulfill certain eligibility requirements.

Benefits of FAST include:

- Access to dedicated lanes (where available) at border crossings for greater speed and efficiency
- Reduced number of inspections
- Enhanced supply chain security
Mistake #6: Air and Packing Peanuts can be very Costly to Ship!

Much has been written in recent months about industrywide LTL freight rate increases, and a shift within the industry to dimensional weight pricing. While both are accurate, it’s important to note that there are ways to manage the rate increases.

Dimensional pricing (DIMS) refers to a practice in which freight costs are based on a product’s weight and the amount of space it takes up on a truck. Previously, costs were based on weight, distance and its freight “classification.” With DIMS pricing in effect, packaging becomes very important. Packages full of Styrofoam peanuts, or other types of “filler” will result in inflated prices. Instead, freight providers are focused on packaging innovations—sturdy, but lightweight materials that are virtually customized to fit a specific product’s measurements.

Creative palletizing is another approach savvy LTLs are taking to reduce the impact of dimensional pricing. According to a report in the *Journal of Commerce*, carriers are moving away from the “pyramid” approach to palletization, in which boxes are placed on a skid in a way that resembles a pyramid. This makes pallets impossible to stack and leaves a carrier “hauling more air” within a pallet’s cube and above the skid. “And,” as the article notes, “air is perhaps the most expensive commodity found in any trailer.”
Mistake #7: Failing to plan for customer returns!

A U.S. business can expect to have roughly 9 percent its Canadian sales returned. Despite this, a surprising number of businesses fail to plan for product returns, and as a result miss out on the chance to recapture value for those products, and an opportunity to serve their customers.

Returns management has been in the spotlight in recent years, as more and more businesses have come to understand the potential of a well-managed process, and as logistics providers have become more proficient at offering seamless returns solutions.

U.S. businesses that ship to Canada will need to work with their logistics provider to ensure that returns management is a part of their overall logistics strategy. A business will need to decide where returns will be processed, how often returns deliveries will be made, a process for customers to follow in submitting a return, and the process for “handling”—i.e. replacing, repairing, returning to inventory or issuing a credit—the product in a timely and highly efficient manner.
Mistake #8: Paying for more service than is necessary

One U.S. manufacturer of health care devices was surprised by the high shipping and brokerage costs it faced for its Canada-bound shipments. But, since the manufacturer had entrusted its shipments to an internationally recognized carrier, it assumed that high shipping costs were an unfortunate part of doing business in Canada. But when the manufacturer started to ask around, and research its options, it quickly learned that, in fact, it was being charged an excessive amount.

For one thing, all shipments were traveling into Canada by air and then entering a Canadian ground distribution network. And products were clearing customs in a highly inefficient manner—rather than being consolidated in to a single shipment and being assessed a single customs fee, shipments were being evaluated individually, incurring huge fees and significant delays.

The manufacturer was able to enlist a provider with Canadian expertise that offered consolidated linehaul service into Canada that actually allowed shipments to arrive faster than the air solution! And the new provider took charge of the customs clearance process and significantly improved efficiency.

The truth is that many logistics companies that offer service to Canada are still “stuck in the 90’s” in terms of their service options. Many will claim to offer a comprehensive suite of solutions when in fact, they still offer the same old tried and true options.

Innovative providers now offer tremendous choice and flexibility for service to Canada. Ground solutions that offer improved transit times are taking hold, as are options that allow U.S. businesses to service all of Canada from their U.S.-based distribution centers. Similarly, technology-driven route optimization helps carriers ensure shipments follow the most direct and fastest route possible.

For example, it used to be that every Canada-bound shipment was required to make a distribution center stopover, regardless of whether or not it was truly warranted, and regardless of the fact that the stopover often required the shipment to travel hundreds of miles off course. Today though, better and more strategic thinking is causing many logistics providers to offer a “DC Bypass” option, allowing a shipment to shave days off its transit time.

The point is, there is a lot of variation among logistics providers with regard to service. But for every provider that offers a “one size fits all/take it or leave it” delivery schedule, there are others who will help tailor a solution to meet your precise needs. There was no reason, for example, for this health products manufacturer to be paying for expedited air service, when far more efficiently ground solutions were available.

It may take some research, but a business entering the Canada market needs to be a savvy logistics consumer, and not assume that a “brand name” logistics name automatically means the best service or solution.
Ten Mistakes U.S. Businesses Make When Shipping to Canada

Mistake #9: Assuming that a U.S.-based carrier can handle Canada-bound shipments

Many businesses take for granted that the same logistics or transportation company that handles its U.S. shipments so seamlessly will be able to replicate that high level of service for shipments to Canada. This type of thinking aligns with the “Canada as the 51st state” mentality discussed earlier. Ability to perform at a high level in the United States is no guarantee of success in Canada.

Instead, a business should take the time to find a provider with extensive Canadian experience, a firm that understands the nuances of the Canadian market and the expertise to offer seamless service. But buyer beware! Not all Canadian providers are created equal! Make sure to enlist a provider that can perform key services including:

- **Customs Clearance.** An experienced provider will have the resources in place to ensure complete compliance with all U.S. and Canadian customs mandates. In addition, a provider should be able to offer innovative solutions about how your shipments can benefit from certain trade programs. For example, more than $2 billion in eligible duty drawback funds go unclaimed by U.S. businesses each year, mainly because the filing process is so complicated, and because the U.S. government does not advertise the program’s existence.

  An experienced provider would, as a “standard operating procedure,” ensure that all eligible businesses apply for drawback.

- **Distribution Network.** Canada is the world’s second largest country based on area, and a good provider will have access to addresses located in even the most remote locations. The problem though, is while most carriers can access Canada’s urban areas, most cannot service the remote areas. Instead, shipments are off-loaded to third parties, thereby increasing the risk of a missed deadline, or of shipment damage.

- **Canadian expertise!** Did you know that shipments to Canada must be labeled in English as well as in French? Or that certain provinces impose their own taxes, while others allow the federal government to collect taxes on their behalf? Or that western Canada tends to have fewer warehouse options than eastern Canada does? There are many, many valuable insights that only a Canadian provider will have. And while a U.S.-based provider may gain this understanding over time, there’s no reason to risk late deliveries and substandard service when a Canadian alternative is available.

“Ability to perform at a high level in the United States is no guarantee of success in Canada.”
Mistake #10: Failing to Maximize Canadian Market Opportunities!

During 2014, U.S. businesses exported more than $1.6 trillion in goods, which was a slight increase over the prior year. Roughly 17 percent of those exports were sold to Canada, which has consistently been the top market for U.S. exports.

But despite the allure of the export market, most businesses choose to remain on the sidelines. U.S. Commerce Department statistics reveal that just about one percent of all U.S. small businesses export, despite the fact that more than 95 percent of the world’s population live outside the U.S.

Of those U.S. businesses that export, most choose Canada as their preferred trading partner. And with good reason. The two countries’ shared commitment to expanding trade opportunities has fueled an effort to eliminate redundancies in the border clearance process, and to find synergies where possible. Programs such as Canada’s Non-Resident Importer, the Pre-Arrival Review System and the jointly-administered FAST program are intended to make the clearance process less onerous and more sensitive to shippers’ concerns.

As the two governments seem willing to do their part to encourage businesses, Canadian consumers are leading the way with their pocketbooks. While Canadian consumers have long had a special affinity for certain U.S. brands, the rise of ecommerce now makes U.S. products easily accessible.

A study by Forrester Research Inc. found that Canadian online sales will experience a compound annual growth rate of more than 12 percent through 2019. And very important for U.S. businesses, a separate study found 72 percent of Canadian online shoppers having made purchases from non-Canadian retailers.

This surge in online retail allows more U.S. businesses to enter the Canadian market without having to maintain a physical presence in that country. And innovative logistics and distribution solutions can help U.S. businesses fulfill ecommerce shipments from strategically located warehouses—which can even be located in the United States.
Conclusion

The U.S. Commercial Service publishes an annual overview of the Canadian political and economic landscape for U.S. businesses interested in operating in that country. In its most recent edition, “Doing Business in Canada: 2014 Country Commercial Guide for U.S. Companies,” the agency warns potential exporters that “doing business in Canada is not the same as doing business in the United States.” The report goes on to list customs documentation, bilingual labeling, packaging requirements and challenging tax codes among the hurdles to be cleared.

The simple fact is too many U.S. businesses misjudge the complexities involved in shipping goods to Canada. Whether it’s because they assume the process will be easy because of the similarities between the two countries, or they fail to dig deep enough into the nuances of the Canadian market, businesses have faced customs delays and penalties, setbacks and the ire of Canadian consumers.

Businesses are realizing though, that help is available and are turning to logistics providers with deep roots and experience in the Canadian market. An experienced provider will ensure full compliance with all U.S. and Canadian customs mandates, and can actually help minimize duty obligations and maximize clearance efficiency. And, a provider that truly understands Canada will work collaboratively with a business to develop the perfect logistics solution.

It’s an exciting time for U.S. businesses expanding to Canada. The Canadian economy is strong, ecommerce is predicted to grow at double-digit rates for the foreseeable future, and Canadian consumers continue to have great affinity for U.S. brands. A business will undoubtedly make a mistake or two in tapping into the Canadian market, but with some forethought and good advice, any mistakes will be minor bumps in the road.
Purolator. We deliver Canada.

Purolator is the best-kept secret among leading U.S. companies who need reliable, efficient, and cost-effective shipping to Canada. We deliver unsurpassed Canadian expertise because of our Canadian roots, U.S. reach, and exclusive focus on cross-border shipping.

Every day, Purolator delivers more than 1,000,000 packages. With the largest dedicated air fleet and ground network, including hybrid vehicles, and more guaranteed delivery points in Canada than anyone else, we are part of the fifth largest postal organization in the world.

But size alone doesn’t make Purolator different. We also understand that the needs of no two customers are the same. We can design the right mix of proprietary services that will make your shipments to Canada hassle free at every point in the supply chain.

For more information:
Purolator International
1.888.511.4811
wedelivercanada@purolator.com
www.purolatorinternational.com
http://blog.purolatorinternational.com
References

"ACI eManifest Mandate Published in Gazette 1," Canada Gazette, Canadian Trucking Alliance, February 17, 2014.

Advance Commercial Information, Canada Border Services Agency, July 5, 2011.


*Drawback and Duty Deferral Programs," U.S. Customs and Border Protection website.


Mushtaq, Muneeb, "Four things startups can learn from Target Canada’s mistakes," The Globe and Mail, April 22, 2015.

Refund (drawback) of duty paid for imported goods if exporting or returning the goods to the supplier," U.S. Customs and Border Protection website.


