

## Border Blues

I had to send a money order the other day. And while it's not an everyday occurrence, I was told that I would have to buy two, since after 9/11 I couldn't have more than \$500 on any one cheque.

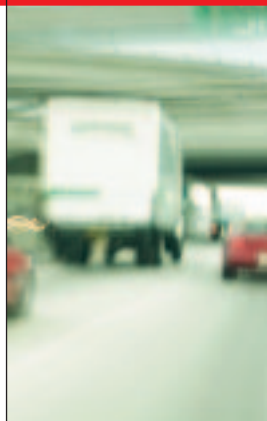
Now that small quibble about the after-effects of one of this century's defining events really isn't that significant. But 9/11 has had huge consequences for the food industry with the sweeping U.S. food import regulations now in effect. By this August, the transition period will be over and the stakes will be higher. Non-compliance consequences range from monetary penalties to refusal of shipments at the border.

Typical violations include failure to submit a prior notice, submitting an inaccurate prior notice or the untimely submission of information. And do you have your facility registered yet? Failure to do so is also subject to fines.

And it's not just a case of inputting reams of documentation. It's the incredible detail of the information that's required that's mind-boggling. Just as an example, to input a prior notice form you have to create a web entry.

On the Food and Drug Administration (FDA) system it takes about 15 minutes per line item to enter it into the system. Multiply that by 1,500 line items on one container load and suddenly you're looking at 22,500 minutes or 937 man-hours just to enter a prior notice.

This isn't even made up. It's an actual business case faced by Donna Hiscock, who has 28 years of experience in the logistics arena and recently formed her own company. She approached several Canadian and U.S. brokers and was told that no one had any system in place to support goods that were merely transitting in bond, on a T&E basis, through the U.S. The only option remained the FDA website, which was simply not a viable option at all. "The FDA website is unfor-



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tunately down more than it's up, and between the hours of noon and six during the day, sometimes you can only get one or two line items entered before you get kicked off," says Hiscock.

There had to be a better way. So Hiscock worked with a computer programmer to create and set up the "SmartNotice" system, which operates on a direct interface basis with the FDA Prior Notice system.

Full data, such as product name, FDA codes, manufacturers, FDA license numbers, packaging, food processing method – that is, everything that is currently found on the FDA Prior Notice website – is required from a client. Once this data is processed in the system, prior notices become easy, quick and cost effective to produce. A typical prior notice comprised of 1,000 line items will take approximately one hour to complete, which makes it easy to comply with the FDA timeline requirements on shipments. Any subsequent additions to product lines are then added on, on an as-need-be basis.

Say what you will about Homeland Security or al-Qaida using a can of processed tomatoes from Leamington, Ont., as a bio-terrorism weapon or the FDA and all that trade data it's collecting – the mountain of paperwork and regulations are here to stay. It's not too bad if your company happens to be large enough to have a third party to take care of it for you. Small operators even sending samples to a grocery store in Buffalo have to play it by the rules as well. It's all just another cost of doing business with our biggest trading partner.

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