

DEMYSTIFYING  
**MEXICO**  
**U.S.**   
**CANADA**  
**TRADE**

Customs Brokerage  
Global Trade Consulting  
Global Logistics  
Warehousing & Distribution  
Ground Transportation



## Mexico trade | A seamless process with Farrow

Shipping goods across the U.S.-Mexico border, whether heading north or south, has posed difficulties for businesses on both sides of the border. Instead of merely accepting it as an unavoidable necessity of doing business between the two countries, there are multiple approaches to tackle these challenges confidently and facilitate a smoother, more efficient, and consistent flow of goods.

We're committed to reducing border delays and disruptions to your supply chain. With local support and presence on the Southern Border, we quickly respond to your needs and understand all documentation requirements. Our experienced Southern Border team exercises meticulous attention to detail to ensure a seamless and efficient customs processing experience for our clients.

### Cross-Border Services

- U.S. customs brokerage
- Mexican customs brokerage (pedimentos)
- In-bond services
- International drayage
- Distribution
- Consolidation + Cross-docking
- Electronic export information filing (EEl)
- Vendor management inventory (VMI)
- Foreign trade service (FTZ)
- Warehousing storage (Bonded warehouses)

### Additional Services Offered

- Canada, U.S., and Mexico compliance consulting
- Supply chain security programs
- IMMEX (maquiladora) expertise
- Standard fee for all U.S. Southern Border ports
- Single invoice for all U.S. and Mexico services
- One implementation team to on board Canada, U.S., and Mexico new business
- Single point of contact for U.S. and Mexico

The best part, Farrow's Southern Border service fees are the same for all U.S.-Mexico ports, ensuring **predictable pricing and budget consistency**. We consolidate all services into one invoice for simplified invoicing.

# HOW TO ENSURE AN EFFICIENT AND PREDICTABLE FLOW OF GOODS OVER THE U.S.- MEXICO BORDER.



## Five questions to ask when exporting to Mexico

Mexico provides an immense opportunity for business expansion thanks to their Tratado entre México, Estados Unidos y Canadá (T- MEC) / United States–Mexico–Canada Agreement (USMCA) / Canada–United States–Mexico Agreement (CUSMA) membership and flourishing economy. Exporters can gain immediate access to over 50 markets across the world due to the numerous trade agreements Mexico has signed.

**Before making a decision to enter the Mexican market, below are five questions you should consider:**

**1. Is the entity you are shipping to registered with the Mexican Government as an importer?**

The Mexican government maintains a National Registry of its authorized importers and exporters. Companies that import or export must be on this registry, otherwise they cannot import into, or export from Mexico.

**2. Is your importer in Mexico registered in any of the Mexican Government's tax programs?**

It is vital for importers to understand Mexico's taxation programs, with two programs being particularly important: The (i) IMMEX (ii) PROSEC program (Maquila program) allows companies to temporarily import goods that will be manufactured, transformed or repaired in Mexico and then re-exported to the U.S. without payment of taxes or other specific benefits. The PROSEC program (Sectoral Promotional Program) enables the importation of specific goods and the application of preferential general import duty rates if the goods are used only in the manufacturing process, without altering the condition of the good. These goods include raw materials, components, parts, etc.

**3. What will be your final destination in Mexico?**

Knowing your final destination in Mexico will make it easier to choose which border crossing point of entry will yield faster transit times.

**4. Does your transportation carrier have permits for the trailer to transit into Mexico?**

Having the proper permits for trailers entering Mexico will save time at the border crossing, but it will also help you figure out whether you should obtain carrier permits, or opt for a transload onto a Mexican trailer at the border prior to crossing.

**5. What party is responsible for paying the Mexican importation taxes?**

The party responsible for paying the Mexican importation taxes is determined based on the Incoterms of Service. Identifying who will bear these costs at the time of importation is crucial.



## Effortlessly expand your business across borders

With a well-established and streamlined process (or a reliable partner who can handle it on your behalf), it empowers your business to effortlessly expand across borders. Let us show you how Farrow can improve efficiency, reduce risk, and cut costs as your trusted advisor on the U.S.-Mexico border.

- 1. Partnering with a knowledgeable professional:** This can often be the most efficient and cost-effective way to handle shipments across the U.S.-Mexico border. Seek out experts who have a team of bilingual professionals with extensive trade expertise in both U.S. and Mexico customs, and capable of developing a tailored solution that can adapt to your specific requirements. It is crucial that they possess experience in trade operations with reputable multinational corporations and employ licensed customs brokers, certified logistics engineers, certified inspection brokers, and C-TPAT certified experts, for a seamless processing.
- 2. Ensure your Customs team knows compliance requirements:** By keeping up to date with U.S.-Mexico customs regulations, Farrow helps you avoid delays in shipments and penalties for non-compliance. Rely on our U.S.-Mexico compliance specialists who can handle the complexities and changing regulations at the border, ensuring that you and your third-party suppliers are following the right procedures. Farrow offers expertise in trade regulations and can provide training to your team when needed, establishing a reliable process, or even managing the process on your behalf.
- 3. Establish a consistent process:** To ensure a smooth and predictable movement of goods across the border, it is important for your customs team to adopt a standardized flow of data and information. Farrow specializes in customs solutions with U.S. customs brokerage and Mexican customs brokerage (pedimentos). By implementing workflow tools and systems, Farrow can enable efficient shipping, storing, and clearing of your goods in and out of Mexico, without causing any delays in your supply chain or incurring additional inventory carrying costs. Farrow can also assist in ensuring the accuracy, completeness, and compliance of all documentation.
- 4. Enhance effective communication:** Partner with a logistics provider who specializes in U.S.-Mexico border shipments, such as Farrow, who can serve as a central point of contact for all parties involved in your supply chain, including your team, suppliers, and other stakeholders, enabling seamless coordination and communication.



Photo: Jim Allen FreightWaves

# MEET THE FARROW TEAM

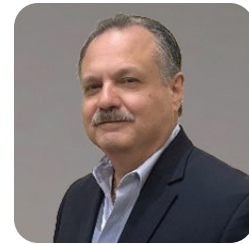
With over 110 years of industry experience, Farrow delivers the highest quality customized blend of compliance and international trade solutions with uncompromising, personalized customer service.

## Your trusted advisors

### **Hector Martinez, Director Southern Border**

Based out of Laredo, Texas, Hector brings over 28 years of experience in the brokerage and logistics industry to the Farrow group. As a licensed US custom house broker, he has an extensive understanding of U.S. and Mexican customs regulations and a deep knowledge of the U.S.-Mexico southern border.

Hector's expertise allows him to create tailored solutions that optimize supply chain operations. He has successfully established the U.S. and Mexican brokerage product in all major southern border ports for various firms. Moreover, he designed and implemented an IT solution that enhances visibility and efficiency in all U.S. and Mexico brokerage operations.



### **Jim Miller, Senior Vice President of U.S. Customs Brokerage**

Based out of U.S. headquarters in Plymouth, Michigan, Jim has been with Farrow since April 2022 but has been in the industry since 1986.

Jim has held various positions of leadership including Atlanta Station Manager, Chicago Station Manager, Detroit Customs Brokerage Manager, Director of Customs Regulatory & Director of the Northern Border operations for other firms.

Jim is an active member of various organizations including National Customs Brokerage and Forwarders Association of America (NCBFAA), National Customs Brokerage Association (NCBA), American Association of Exporters and Importers (AAEI), and National Association of National Foreign Trade Zones (NAFTZ).



*Operador Económico Autorizado (OEA) is Mexico's version of CTPAT Certification. Formerly known as NEEC, OEA was created by Mexican Customs as part of a World Customs Organization (WCO) agreement to establish a custom-to-business partnership program.*

# SOUTHBOUND PROCESS

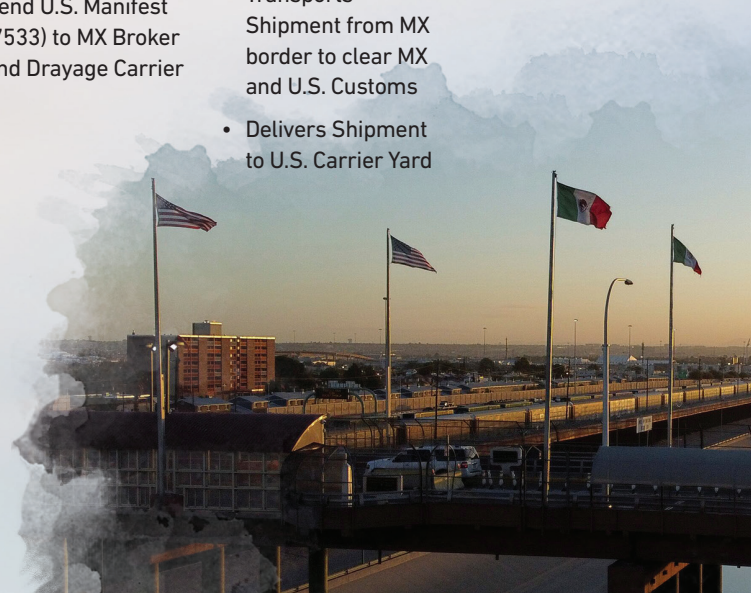


U.S. SUPPLIER	U.S. CARRIER	WAREHOUSE	MX BROKER	DRAYAGE	MX CARRIER
<ul style="list-style-type: none"> <li>Sends MX Import Documents to MX Broker or provides documents to the U.S. Carrier</li> </ul>	<ul style="list-style-type: none"> <li>Transports Shipment from U.S. Origin to U.S. Border</li> <li>Delivers Shipment to MX Broker's Warehouse located on the U.S. Border</li> </ul>	<ul style="list-style-type: none"> <li>Receives shipment and unloads goods</li> <li>Inspection/Audit of goods vs commodity, piece count, MX HTS, COO and special requirements</li> <li>Receives MX Import Manifest (DODA), Loads trailer and dispatch Drayage</li> </ul>	<ul style="list-style-type: none"> <li>Requests SCAC code from Drayage</li> <li>Generates MX Export Entry (Pedimento)</li> <li>Send Warehouse MX Import Manifest (DODA)</li> </ul>	<ul style="list-style-type: none"> <li>Transports Shipment from U.S. Warehouse to clear MX Customs</li> <li>Delivers Shipment to MX Carrier Yard</li> </ul>	<ul style="list-style-type: none"> <li>Transports Shipment from MX Border to Destination</li> </ul>



# NORTHBOUND PROCESS

MX SUPPLIER	MX CARRIER	MX BROKER	U.S. BROKER	DRAYAGE	U.S. CARRIER
<ul style="list-style-type: none"> <li>Sends MX Export Documents to MX and U.S. Brokers</li> </ul>	<ul style="list-style-type: none"> <li>Transports Shipment from MX Origin to MX Border</li> <li>Notifies MX and U.S. Broker when Shipment Arrives at MX Border</li> </ul>	<ul style="list-style-type: none"> <li>Requests SCAC code from Drayage or MX Carrier</li> <li>Generates MX Export Entry (Pedimento)</li> <li>Send Drayage Carrier MX Export Manifest (DODA)</li> </ul>	<ul style="list-style-type: none"> <li>Requests SCAC code from Drayage or MX Carrier</li> <li>Generates U.S. Import Entry (7501)</li> <li>Send U.S. Manifest (7533) to MX Broker and Drayage Carrier</li> </ul>	<ul style="list-style-type: none"> <li>Generates E-Manifest based on MX Export Entry (Pedimento) and U.S. Manifest (7533)</li> <li>Transports Shipment from MX border to clear MX and U.S. Customs</li> <li>Delivers Shipment to U.S. Carrier Yard</li> </ul>	<ul style="list-style-type: none"> <li>Transports Shipment from U.S. Border to U.S. Destination</li> </ul>



# Farrow U.S. - Mexico Coverage

## U.S. Locations

### WASHINGTON

Blaine, WA  
Seattle, WA

### CALIFORNIA

Los Angeles, CA

### TEXAS

Laredo, TX  
San Antonio, TX  
Houston, TX

### MINNESOTA

Minneapolis, MN

### ILLINOIS

Chicago, IL

### MICHIGAN

Detroit (Plymouth), MI – U.S. HQ  
(+ Warehouse)  
Battle Creek, MI  
(+ Warehousing & Ground Transportation)  
Port Huron, MI

### NEW YORK

Buffalo, NY

### TENNESSEE

Memphis, TN

### ALABAMA

Mobile, AL

### GEORGIA

Savannah, GA – HQ  
Brunswick, GA  
Atlanta (College Park), GA

### NORTH CAROLINA

Charlotte, NC

### SOUTH CAROLINA

Charleston, SC

### VIRGINIA

Norfolk, VA

## U.S. Southern Border Stations

### CALIFORNIA

Otay Mesa, CA  
Calexico, CA

### ARIZONA

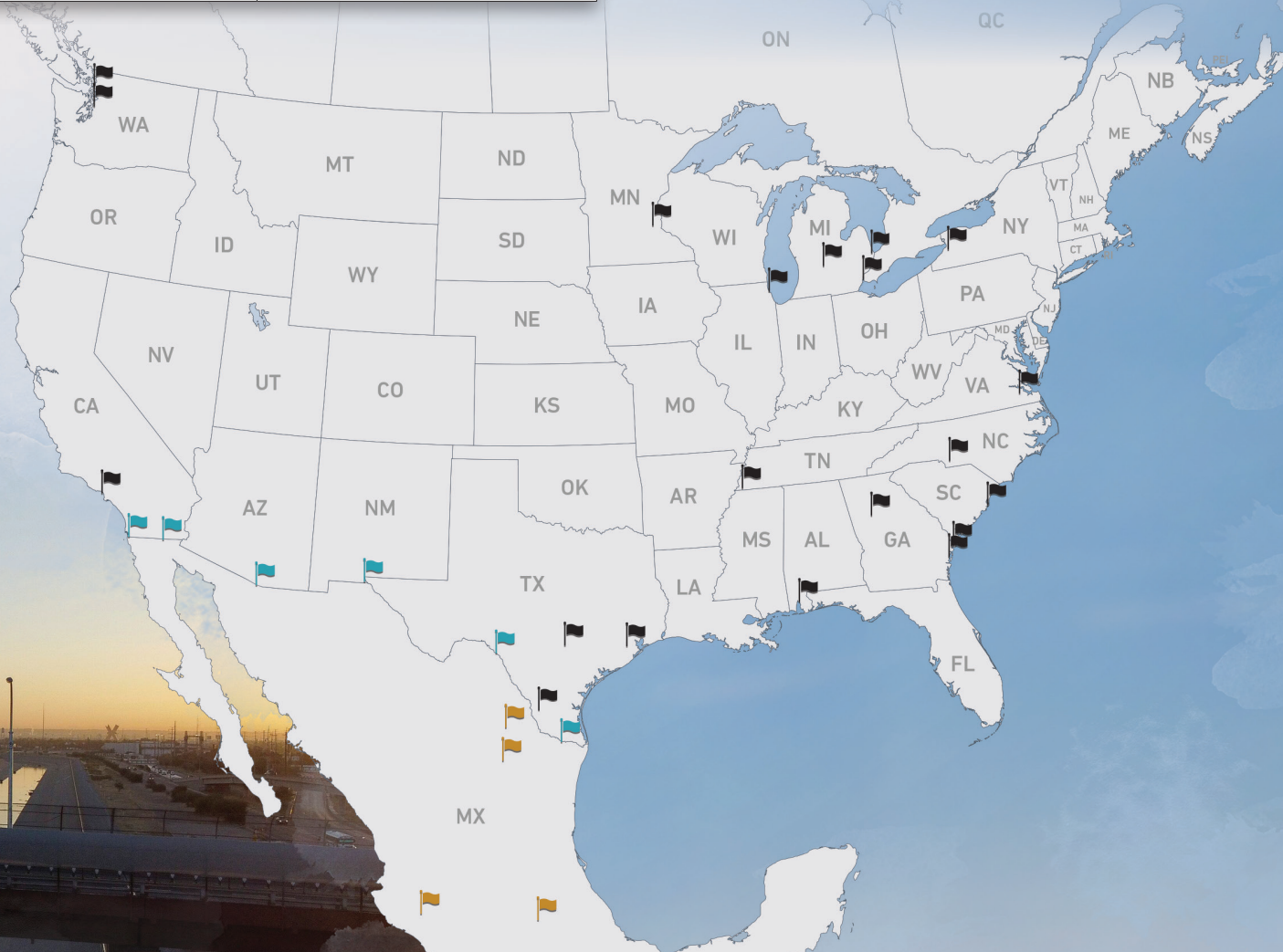
Nogales, AZ

### TEXAS

El Paso, TX  
Eagle Pass, TX  
McAllen, TX

## Mexico Stations

Guadalajara, MX  
Mexico City, MX  
Monterrey, MX  
N. Laredo, MX





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