



U.S. Customs and Border Protection Importer Security Filing (ISF-10)

Progress Reports (Report Cards) Interpretation Guide

The report summarizes the importer's ISF history beginning February 5, 2009 and CBP has stated they will release updated reports on a monthly basis. It is important to note that CBP is only reporting on submitted ISFs. There is no report comparing ISFs to applicable Customs entries. This is a measurement of what was filed and does not take into account what was not filed. Below is a brief description of each section of the report card.

Header Information:

Each Scorecard identifies the Importer of Record (IOR) Number. Most commonly this is the Federal Tax ID No, IRS No, or Social Security Number.

Sections:

Each 'scorecard' is broken down into 4 numbered sections

- 1) ISF Volume Submission
- 2) Rejection Error Frequency
- 3) Timeliness Performance which also includes ISF submissions not subject to measurement
- 4) Timeliness summary and Percentages

Section I – ISF-10 Submission Volume

- This section is a monthly tracking of ISFs filed beginning February (2009-02).
- Each new original ISF filing is identified by the Message Action “Add.”
- Each amendment ISF is identified by the Message Action “Replace.”
- This section identifies the original submissions that were rejected on one line and identifies the amendments that were rejected on the last line.

*Common reasons for an amendment are a change in information or updating of information that was unknown prior to sailing.

Section II - Rejection Error Frequency

- This section gives further detail and error message codes for the rejections identified in section one. It is important to note that the errors are not correlated to submission, so all errors may have occurred in a single submission.

*Common error messages involve duplicate bill of lading numbers and invalid ISF transaction numbers.



Managing Logistics • Maximizing Opportunity

Section III - Timeliness Performance

- **ISF Submissions not subject to measurement.** These ISFs have not been matched in CBP's system. This is most likely a result of the bill of lading not finding a match. Furthermore, the bills of lading issued on many shipments have not previously 'stayed' with that shipment throughout the entire transit. Any change in BL information can contribute to the number of ISFs that could not be measured. Need to identify the lowest AMS bill of lading number (house or regular/simple bill). For more information on Bill of Lading see page 3.
- **Timeliness Performance.** This section also identifies, by month, those ISFs that were filed 'timely' and those that were not. Amendment and rejected filings are not included in the timeliness measurement. Shows original filings that were filed at least 24 hours prior to vessel sailing or filed after that time point, as well as the ones where CBP could not determine the timing.
- CBP began measuring timeliness by using the first bill of lading file date as a proxy indicator since the bill of lading must also be filed at least 24 hours prior to vessel lading under the 24 hour Manifest rule. However, many bills of lading are filed several days in advance of actual vessel sailing, so untimely ISFs on older progress reports may have actually been on time. Now CBP is using the vessel departure date minus 24 hours to better assess the ISF timeliness.
- CBP is only trying to measure Adds for timeliness, so if it is a Replace or a Delete it automatically falls in the non measured part of the chart. Next, in order to measure an Add for timeliness, CBP must first match the bill number in the ISF to a bill in AMS. The first block under Timeliness Performance show the ISFs CBP can measure so they are labeled as "Adds with ISF Bill Number matched to ISF Bill Number," since that is a necessary step in measuring for timeliness. If CBP can't match the ISF to a bill using the bill number, that Add falls into submissions not measured.

There are three additional operations CBP must be able to accomplish in order to measure an ISF Add submission for timeliness. CBP must be able to match the bill to a vessel, a vessel to its vessel operator, and, if CBP identifies the vessel operator, they must be able to find the vessel departure message associated with the port where the container was loaded for that particular rotation of the vessel. If CBP can accomplish these things, they can measure the ISF submission for timeliness. If CBP can't do any one of these things, they cannot measure it. Historically, CBP used a legacy method of doing the above and have not been completely successful with it. They are now in the process of trying to do this in a new way and hope that very soon they will be approaching 100% measurement for timeliness. But, as reflected in the Progress Report, this is an externalized view that is just for the consumption and use of importers as a top level gauge.

Section IV - Timeliness Summary and Percentages

This section summarizes the overall timeliness of all submissions, starting in February 2009 through the most recent filing. This gives the filer a visual graph of how they are tracking, with the goal of having 100% filed 24 hours prior to vessel departure date.

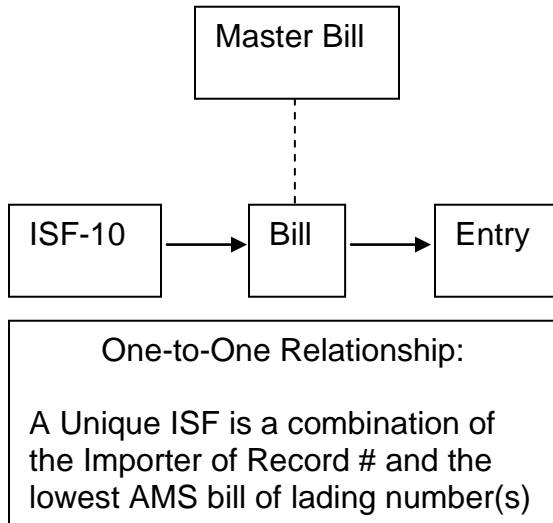
Top ISF Issues Identified by CBP – Bill of Lading Numbers

Regular Bill – defined as a non-Master bill of lading issued by a Vessel Operating Common Carrier (VOCC) with NO UNDERLYING house bills. This type is also referred to as a “straight bill” or “simple bill”.

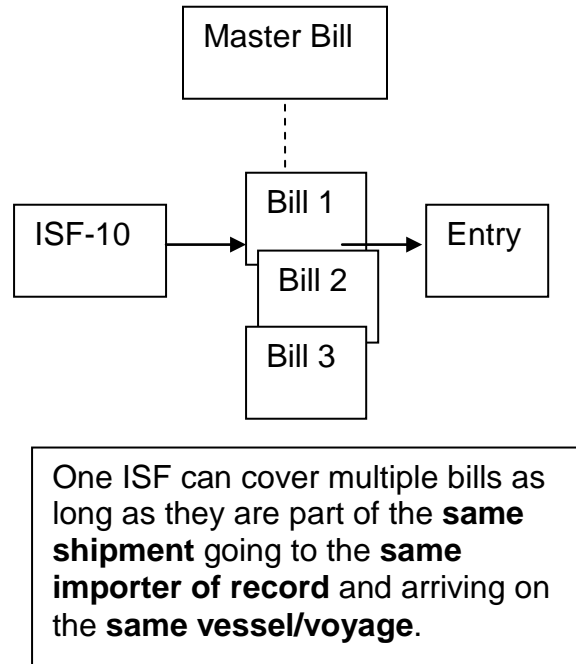
House Bill – defined as a bill of lading issued by a Non-Vessel Operating Common Carrier (NVOCC) or freight forwarder to a customer as a receipt for the goods being shipped with other cargo as one consignment.

Master Bill – defined as an ocean bill of lading issued by a VOCC covering at least one or more underlying house bills of lading.

Simple ISF Supply Chain



More Complex ISF Supply Chain



ISF Best Practices Identified by CBP

- Know what you are importing before you import it
 - Identify the proper HTS number early in the process
- Know your supply chain partners
 - The shipper has access to important information
- Require the ISF data be collected and provided earlier in the process
 - Add data to existing forms (purchase orders, advance shipping notices, commercial invoices, etc.)