



Published on *JOC.com* (<http://www.joc.com>)

One-third of US e-commerce shippers suffer delays and fines

[JOC](#) › [International Logistics](#) › [Logistics Providers](#)

[Dustin Braden, Assistant Web Editor, JOC.com](#) | Feb 15, 2017 2:44PM EST



Automation can help shippers avoid costly delays in a number of ways.

Nearly a third of surveyed US shippers say they have suffered delays and fines from regulatory agencies because their e-commerce shipments were not properly classified or screened, highlighting the need for automation to avoid disruptions, lost sales, and reputational damage.

While 29 percent of respondents to a survey of 281 executives by Amber Road and the American Association of Exporters and Importers had incurred regulatory penalties, another 24 percent said they were concerned about such penalties leading to fines and delays, suggesting strong trade compliance protocols and abilities are critical to success in e-commerce.

The task of ensuring trade compliance is also becoming more difficult, as 48 percent said they now do business in more than 50 countries.

Trade regulations are constantly increasing and growing, necessitating agile and adept global trade management platforms, empowered by a combination of technology, trade compliance intelligence, and automation, the paper said.

These systems can help properly classify goods based on descriptions from product catalogs, country of export, and country of import. Strong and reliable classification can help avoid hang-ups at Customs agencies and enable transaction screening to avoid doing business with sanctioned or restricted entities, products, or individuals, the paper said.

Understanding the paperwork needed for a given shipment and staying abreast of upcoming changes to that paperwork can be the difference between making or missing shipments.

Respondents that reported trade compliance trouble for e-commerce imports to the United States most frequently cited delays from the Consumer Product Safety Commission, at 49 percent, and Customs and Border Protection, at 38 percent. These were followed by the Bureau of Industry and Security, and the Directorate of Defense Trade Controls, at 32 percent and 30 percent, respectively.

In addition to helping avoid run-ins with these agencies, automation is helpful because it allows shippers to track the costs and length of these delays, allowing for better forecasting and business planning, the paper said.

The survey found that the adoption of these automated processes is lacking. Only 27 percent of shippers using a screening tool, 18 percent using a tool to determine if shipments are low-value or support a deliver duty paid model, while only 21 percent of shippers had an automated system to classify goods based on product catalogs and import country, and 22 percent had systems and customer support teams to track and monitor delivery.

Contact Dustin Braden at dustin.braden@ihsmarkit.com and follow him on Twitter: [@dustin_joc](https://twitter.com/dustin_joc).

Source URL: http://www.joc.com/international-logistics/logistics-providers/one-third-us-e-commerce-shippers-suffer-delays-and-fines_20170215.html