

U.S. CUSTOMS BONDS

USE FRAUD ALERTS TO HELP SECURE YOUR IDENTITY

Incidents of importer identity theft are on the rise. Criminals will steal an importer's ID and address, primarily to bring counterfeit goods and contraband into the country. If thieves file entries against an importer's bond, the legitimate business may be on the hook.



WHAT WOULD YOU DO?

In the Los Angeles area alone, an estimated 80 known cases of importer identity theft have occurred in the past few years. The threat is increasing nationwide, as criminals provide logistics providers with forged powers of attorney and find new ways to obtain confidential importer information. What would you do if you experienced the following?

EXAMPLE 1: COUNTERFEIT T-SHIRTS

An importer received a seizure notice from CBP officials in the port of Los Angeles. A shipment of t-shirts they imported from Malaysia was suspected to be counterfeit. CBP advised that importing counterfeit goods can result in significant monetary penalties per 19 U.S.C. § 1526(f), as well as criminal charges. In addition, the trademark owner could sue the importer for damages. After receiving the notice, the importer was confused – they typically bring machine parts into the United States, not apparel. The importer examined the entry documents and recognized their company name, importer number and surety code, but the supplier, customs broker and carrier were unfamiliar. The importer was the victim of identity theft and spent substantial time and money to clear their name.

EXAMPLE 2: EVADING ANTI-DUMPING DUTY

Hoping to avoid the high anti-dumping rates on certain seafood products, a criminal searched the Internet for a company that specialized in food imports. After obtaining one company's address and the names of its corporate officers, the criminal hacked into their computer network and stole their importer number. The criminal then forged a power of attorney and hired a customs broker to clear the entry, also lying about the nature of the goods. When CBP discovered the shipment was subject to anti-dumping duty, they demanded thousands of dollars from the legitimate importer, who learned of the entry at a much later date. The importer was forced to allocate considerable funds in their defense.

FRAUD PROTECTION ALERTS

We offer fraud protection notifications to safeguard your business and support efforts to avoid the fraudulent use of your importer number or identity. We work with the only surety that monitors your entry activity and proactively notifies you of suspicious activity related to a potentially unauthorized use of your importer number.

As your customs broker, we can enable automated fraud protection alerts based on your continuous bond data. If you receive a notification, the message will detail the bond number, entry number and filer code. You can also opt-out at any time. The alerts can help you identify whether a broker you normally don't use has made an entry on your behalf without a valid power of attorney.
identities.

