



## Foreign-Trade Zones: Turning Trade Pressure into Diamonds

Shifting trade policies, inventory costs, freight delays, and rising tariffs place global supply chains under immense pressure. As companies strive to stay agile and reduce costs, these challenges can quickly undermine broader growth strategies. A Foreign-Trade Zone (FTZ) offers a strategic solution- helping businesses manage complexity, reduce costs, and improve cash flow.

A Foreign-Trade Zone (FTZ) is the U.S. equivalent of a free-trade zone. It allows companies to store, process, or assemble imported goods without paying duties until those goods enter U.S. commerce- or potentially eliminate duty altogether if goods are exported. These zones, authorized and supervised by U.S. Customs and Border Protection, also enable value-added activities like inspection, repackaging, or assembly. There is no limit to the time goods can be stored in an FTZ.

Since goods admitted into a Foreign-Trade Zone do not incur duties while in the FTZ, these costs can be deferred, allowing for strategic management of cashflow. Additionally, these goods can undergo a range of permitted activities while in the zone. Duties are then based on the finished product, rather than its individual components. This can be especially beneficial to industries importing high-duty components into the FTZ when the finished product garners a lower rate.

When imported goods enter a Foreign-Trade Zone and are then exported from the U.S., no Customs duties are applied. This can provide tremendous value for companies that serve global markets from a U.S. base.

Companies importing goods into a Foreign-Trade Zone also enjoy reduced paperwork when filing weekly entries. This often leads to a reduction in fees and administrative expenses.

Whether you are looking to reduce tariff exposure, improve cash flow, or streamline Customs procedures, a Foreign-Trade Zone can unlock significant strategic value.

Total Distribution, Inc. operates an active Foreign-Trade Zone just four miles from the Greer, South Carolina Inland Port.



### Location

1630 Old Highway 14 S  
Greer, SC 29651



### Key Benefits of an FTZ

- Deferred or Eliminated Duties
- Inverted Tariff Advantage
- Reduced Fees
- Reduced Administration
- Operational Flexibility
- No Limit to Storage Period
- Various Activities Permitted