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CONFIDENTIALITY OF PROPRIETARY IMPORT/EXPORT DATA: WHAT MOST IMPORTERS/EXPORTERS BELIEVE VERSUS THE REALITY OF THE SITUATION

U.S. Customs laws and regulations require that vessel operators in the import/export trades keep manifests that accurately identify all cargo laden aboard. Vessel manifests provide a wealth of information about a shipper's business, including a description of the goods, the names of suppliers, consignees, importers, piece count, and weight. Many importers and exporters assume that this information is confidential. However, this information is freely available to anyone unless confidentiality is expressly granted by U.S. Customs and Border Protection.

The data available to the public for ocean import shipments consist of the following twenty-two elements:

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|-------------------------|----------------------|--------------------------------|
| 1. Shipper name | 9. Weight | 16. Voyage number |
| 2. Shipper address | 10. Weight Unit | 17. District/port of unloading |
| 3. Consignee name | 11. Container Number | 18. Estimated arrival date |
| 4. Consignee address | 12. Seal Number | 19. Bill of lading number |
| 5. Importer name | 13. Carrier Code | 20. Foreign port of lading |
| 6. Importer address | 14. Vessel country | 21. Manifest quantity |
| 7. Description of goods | 15. Vessel name | 22. Manifest units |
| 8. Piece count | | |

In recent years, there has been a dramatic increase in the number of companies that provide such import and export vessel manifest information. Companies such as PIERS, Import Genius, Panjiva, Zepol, and Datamyne provide this information in a variety of formats and offer sophisticated search options for capturing company-specific data. For example, searches can be done by company name, address, commodity name, Customs tariff classification, consignee, and port of entry. These companies can provide the names and addresses of foreign suppliers, U.S.

May 28, 2015

Page 2

customers, and the products and quantities involved. They can even supply the names of other U.S. importers who purchase from the same foreign vendors. For a few hundred dollars, a company can obtain this information about its competitors' import/export transactions.

Companies can protect their data by submitting a request for manifest confidentiality to Customs. If granted, Customs will exempt from disclosure the most sensitive manifest data, including names and addresses of shippers, factories, consignees, and notify parties. Confidentiality certifications are valid for two years and must be renewed prior to their expiration.

If you have clients who import/export, we can manage the confidentiality process for them. Unless already granted confidentiality, we can provide them with eye-opening data on their import/export transactions that they probably assumed were confidential. Conversely, we can show your clients how to obtain manifest information of this kind for their competitors and other importers and exporters.

Vessel manifest data can be used for a variety of purposes, including gathering the volume of imports in patent infringement cases, identifying sources of supply, identifying Customs ports of entry for suspected piratical merchandise, etc. In one instance, manifest information was used to establish that a purportedly defunct company was in fact engaged in a thriving import/export trade.

If you would like additional information on protecting your clients proprietary import/export data or as to how they can obtain proprietary data on their competitors, please contact Tom O'Donnell at (312) 985-5570 or Lara Austrins at (312) 985-5571.

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