



STELLANA CASE STUDY

JARRETT WINS 6-FIGURE CUSTOMS RULING FOR INTERNATIONAL MANUFACTURER

VALUE DELIVERED:

\$125K IN COST AVOIDANCE FROM NOT HAVING TO PAY 25% DUTIES ON PAST SHIPMENTS

\$40K IN REFUNDED FEES FROM DUTIES PAID USING THE "BEARINGS" CLASSIFICATION

CUSTOMER

Stellana, a division of HEXPOL, is a top global supplier of polyurethane, rubber and thermoplastic wheels and tires for the material handling industry. Jarrett handles Stellana's international and domestic shipments, including less-than-truckload, truckload, expedited and cross-border transportation. Jarrett has worked with Stellana and HEXPOL for 10 years, managing \$22 million in combined freight.

THE CHALLENGE

Customs compliance is complex and constantly changing, requiring expert attention. Stellana had been importing a forklift wheel under the same tariff classification for years when U.S. Customs and Border Protection (CBP) informed them that the product was incorrectly labeled. Instead of being duty-free, it should have been classified as a "bearing" with a 25% duty.

This mistake could cost Stellana thousands in back fees and future duties. After their compliance partner's dispute with CBP failed, Stellana turned to their long-time transportation partner, Jarrett, for help with the final appeal. According to Stellana's U.S. Materials Manager, Juan Varela, their partnership with Jarrett is a strategic effort to enhance supply chain efficiency and overcome logistical challenges.

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"The decision to turn to Jarrett for advice on the customs issue was driven by their extensive expertise in transportation management."

JUAN VARELA
MATERIALS MANAGER
STELLANA U.S.

THE SOLUTION

Jarrett's International division leveraged its two decades of international shipping experience, brokerage expertise and established network of partners to orchestrate a dispute on behalf of Stellana which, resulted in \$165K in refunds and cost avoidance.

Customs Brokerage:

Jarrett's International Shipping Division and compliance partners offered in-house expertise that helped Stellana decide to file a second dispute against CBP's reclassification. They provided guidance on documentation, tariff classifications and ensured compliance with regulations.

International Shipping Expertise:

With over 7 years of experience managing imports and cross-border transportation for Stellana and HEXPOL, Jarrett used their extensive understanding of Stellana's needs to thoroughly analyze and resolve the customs issue.

Global Network of Service Providers:

Jarrett leveraged its extensive network to help Stellana secure expert legal counsel, strengthening their case with CBP and working to achieve duty-free classification for the product in the future.

Managed Transportation Services:

As Stellana's primary partner for North American transportation and international shipping, Jarrett functions as an extension of their team, providing insights and consultation to tackle supply chain challenges.

Dedicated Team:

Jarrett's dedicated team gives Stellana peace of mind, letting them focus on growing their brand. With exceptional communication between warehousing, logistic, and the Stellana team, Jarrett has reduced chargebacks and streamlined operations, saving valuable time.