



June 2025 - Info Expeditor

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Events Around the Bay

- [P.A.E.I](#) - Professional Association of Exporters and Importers
www.paei.org.
- [OWIT NC](#) - Organization of Women in International Trade Check website for updates
- [Monterey Bay International Trade Association \(MBITA\)](#) - Monterey Bay International Trade Association Check Website for updates
- [Norcal W.T.C.](#) - The Northern California World Trade Center Check Website for updates
- [PTA](#) - Pacific Transportation Association Check Website for updates

CBFANC Board of Directors

CBFANC President's Letter

Sung Wook Lee, President



Sung Wook Lee, CBFANC President

Memorial Day is more than just the unofficial start of summer in the Lee household—it's when the grill fires up, the calendar fills with travel plans, and we all take a moment (albeit often brief) to appreciate the long weekend. For many Americans, that's about the extent of it: hot dogs, hamburgers, and a quiet "thank you" for a three-day break.

But this year feels different.

On the other side of the world, Russia's Victory Day parade commemorated the 80th anniversary of the Allied triumph over Nazi Germany. Standing alongside President Putin in Red Square was China's President Xi, presenting a new image of the wartime alliance—one that historically included the U.S., U.K., and the Soviet Union—now being reshaped into a jostling of power centers in pursuit of a new world order.

Austerity at Home

Here at home, signs of realignment are also visible in our domestic landscape. The recently passed federal budget—just ahead of the Memorial Day break—signals a pivot toward austerity. It proposes deep cuts to long-standing federal programs, GOP unicorns such as cuts to Medicare, the IRS, and DEI initiatives within the Department of Education are being codified into the budget. At the same time, it introduces popular measures like tax breaks for tipped workers and increased in SALT for those of us that live in states that levy state income tax.

What does this mean in practice? We're likely heading into an era of reduced federal footprint. Many federal dollars will now be distributed as block grants to states, shifting the burden of prioritization to local governments based on state-level values

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and politics. The result? A leaner federal role and greater variation in public services across the country.

Economic Crosscurrents

This fiscal tightening is playing out against a complex economic backdrop. While traditional economic indicators don't yet show widespread weakness, storm clouds are forming: the U.S. credit rating was recently downgraded, bond markets are jittery, and interest rates remain high as investors demand greater returns.

Currency trends are telling their own story. The U.S. dollar has declined roughly 10% against the Korean won, Japanese yen, and Taiwan dollar. That's good news for U.S. exporters—our goods are now 10% cheaper for Asian buyers—but it's bad news for American importers, who now face higher landed costs.

As always, global ripple effects follow. For example, crude oil—traded globally in USD—is now more expensive for Americans and cheaper abroad. Expect to see **Currency Adjustment Factors (CAF)** implemented by shipping lines as they scramble to recover exchange rate losses, since ocean freight remains dollar-denominated.

Trade and CTPAT Risk Awareness

This shifting monetary landscape also has direct implications for our CTPAT members. Higher borrowing costs and currency devaluation increase financial strain on overseas suppliers. If you're working with vendors in USD-pegged economies like China, be aware: while their raw material costs are rising, their exports are facing weakened demand. A squeeze from both ends. Add 50% tariffs into that equation, and things get even more challenging for importers and exporters alike.

Looking Ahead

As customs brokers, freight forwarders, and logistics professionals, we stand at the front lines of these global shifts. CBFANC will continue to provide insight, training, and advocacy as we help our members navigate this uncertain terrain.

Wishing you and your families a restful and meaningful holiday.

Warm regards,

Sung Wook Lee
President, CBFANC

In Port & Tariff News

Evey Hwang, CBFANC Chairperson of the Board



Evey Hwang, CBFANC Chairperson of the Board

From CBFANC Board of Directors, a breaking and timely news addition with special thanks to Ray Bucheger, Partner at Accelerate Strategies:

In May 2025 Ray Bucheger joined the Pacific Coast Council to advise on federal government affairs, including international

trade, transportation and customs issues. CBFANC is a member association of the Pacific Coast Council.

With the dramatic news on May 28th of US Court of International Trade (CIT) ruling, Ray graciously agreed to share his synopsis and detailed understandings on the CIT's decision blocking one part of the Trump Administration's Tariffs. Per Ray's email shared Wednesday: "The US Court of International Trade (CIT) tonight blocked the Trump Administration's use of the International Emergency Economic Powers Act (IEEPA) to impose tariffs on imports from other countries. This decision applies to the fentanyl tariffs (Canada/Mexico/China) and the reciprocal tariffs (including the 10% across the board tariff). The U.S. government has appealed the decision and will likely seek an emergency stay of the CIT's decision (i.e. the government will likely seek to continue collecting tariffs during the appeals process).



[Ray Bucheger, Partner, Accelerate Strategies](#)

I. Understanding the May 28 2028 U.S. Court of International Trade (CIT) decision on the Trump IEEPA tariffs:

What are the facts?

- The CIT blocked the Trump Administration's use of the International Emergency Economic Powers Act (IEEPA) to impose tariffs on imports from other countries
- The CIT's decision applies to all importers – not just the plaintiffs in the case
- The CIT's decision, to benefit you with an important "edge up" for you in assisting clients with their shipping decisions. The decision applies to the following tariffs:
 - 25% fentanyl tariffs imposed on Canada and Mexico
 - 20% fentanyl tariffs imposed on China
 - 10% across-the-board reciprocal tariffs imposed on all countries
 - 10% reciprocal tariff currently in place for China
 - Additional reciprocal tariffs scheduled to go into effect for [specific countries](#) on July 9
 - Additional reciprocal tariffs scheduled to go into effect for China on August 10
- The U.S. Government has filed an appeal over the decision, setting the stage for more legal arguments over the extent of Trump's tariff authority
- The CIT's decision does not affect the following:
 - The CIT's decision does not affect the Administration's China de minimis [ban](#)
 - The CIT's decision does not affect tariffs imposed under Section 232 (e.g. steel and aluminum tariffs) or Section 301 (tariffs imposed during President Trump's first term)

Will the court allow the U.S. Government to keep collecting tariffs during appeal?

- The U.S. Government is seeking an emergency stay of the CIT's decision. In other words, the U.S.

Government is seeking to continue collecting tariffs during the appeals process.

- If the U.S. Government's request is granted, this means importers will have to pay the IEEPA tariffs during the appeals process.
- If the U.S. Government's request is *not* granted, the U.S. government has ten days to implement the CIT's decision. We don't anticipate the U.S. Government will stop collecting tariffs before a decision is made as to whether the U.S. Government can continue imposing IEEPA tariffs during the appeals process.

What is the timeline for the appeals process?

- The appeals process could take several years to play out unless the courts fast track the appeal. If the U.S. Government is allowed to collect IEEPA tariffs during the appeals process, that means the IEEPA tariffs would remain in effect for the foreseeable future.
- If the U.S. Government is allowed to collect IEEPA tariffs during the appeals process, that means the U.S. Government's negotiations with other countries will continue, and a decision will need to be made prior to July 9th as to whether the additional reciprocal tariffs will go into effect.

What about refunds of tariffs already paid?

- The CIT's decision doesn't require the U.S. Government to issue refunds. That doesn't mean that refunds won't be granted if the U.S. Government ultimately loses on appeal, but any process for tariffs to be refunded won't be initiated until a final decision is made.

II. Understanding the May 29, 2025 U.S. Court of Appeals and Federal District Stay of 14 days allowing Government's appeal on the CIT decision

The U.S. Court of Appeals for the Federal Circuit issued an order this afternoon granting an "immediate administrative stay" of the U.S. Court of International Trade's ruling issued last night, which held that former President Trump could not invoke the International Emergency Economic Powers Act (IEEPA) to impose tariffs. The appeals court stated that the temporary stay will remain in effect while it considers the administration's request for a longer-term suspension of the lower court's decision. According to the schedule set by the Federal Circuit, the stay is expected to remain in place at least through mid-June.

In a separate case, a federal district judge also determined that the IEEPA tariffs are likely unlawful. This ruling is not affected by the Federal Circuit's decision, and the U.S. government's appeal will be heard by a different federal appeals court. However, the judge temporarily stayed his ruling for 14 days to allow the administration time to file an appeal and limited the ruling's impact to the two companies that brought the lawsuit (whereas the Court of International Trade applied its decision broadly to all importers).

All of this means the U.S. Government can continue to collect tariffs imposed under IEEPA, including:

- 25% fentanyl tariffs imposed on Canada and Mexico
- 20% fentanyl tariffs imposed on China
- 10% across-the-board reciprocal tariffs imposed on all countries
- 10% reciprocal tariff currently in place for China
- Additional reciprocal tariffs scheduled to go into effect for [specific countries](#) on July 9
- Additional reciprocal tariffs scheduled to go into effect for China on August

We will update you as additional information comes in. Let me

know if you have any questions.

[California's Advance Clean Fleet](#)

Additional Information on Section 301 China Ship Fee Proposal + Note on Proposal to Impose Fees on Cargo Moving Through Land Border Points of Entry To

Ray Bucheger, Partner Accelerate Strategies



Ray Bucheger, Partner, Accelerate Strategies

Hello:

Following up on our Tuesday discussion, here is additional information about the [Notice of Proposed Modification of Action in Section 301 Investigation of China's Targeting the Maritime, Logistics, and Shipbuilding Sectors for Dominance](#), which follows up on the [proposal](#) the Administration released earlier in April and for which the Administration received a significant number of comments.

Seeking Comments on New China Ship Fee Proposal

The Administration is seeking comments with respect to the following considerations in relation to the proposed modifications to the original proposal:

- *For Annex III:* the potential impact of a fee based on net tons and the suggested amount of the fee, and implications of a targeted coverage provision for the Maritime Security Program and suggested duration for such targeted coverage.
- *For Annex IV:* the potential impact of eliminating the term providing for suspension of export licenses in paragraph (j); applying data collection requirements under paragraph (k) to vessel operators or owners, and if not, what entity is appropriate; and applying Annex IV restrictions to vessel owners or operators, and if not, what entity is appropriate.

Comments are due July 7th.

Harbor Maintenance Tax on Land Border Entries?

The updated proposal references [Executive Order 14269](#), "Restoring America's Maritime Dominance", which suggests that new fees could be assessed on land border crossings.

NOTE: We are skeptical that new fees will be imposed for cargo crossing land-border points of entry. Even if new fees were imposed, this is NOT imminent.

Many of you will recall this discussion has been happening for over a decade, initially sparked by the increasing volume of cargo moving through Vancouver (Canada) and Prince Rupert. In response, the Ports of Seattle and Tacoma urged the Washington Congressional delegation to press for legislation to apply the Harbor Maintenance Tax (HMT) to cargo crossing the U.S.-Canada border. They said this measure was necessary to address "cargo diversion", arguing that shippers were routing goods through Canadian ports to avoid paying the HMT in Puget Sound.

Here is what Executive Order 14269 says about possible land border crossing fees (emphasis added to point out this would require new legislation):

*Sec. 6 . Enforce Collection of Harbor Maintenance Fee and Other Charges. In order to prevent cargo carriers from circumventing the Harbor Maintenance Fee (HMF) on imported goods through the practice of making port in Canada or Mexico and sending their cargo into the United States through land borders, and to ensure the collection of other charges as applicable, the Secretary of Homeland Security shall take all necessary steps, **including proposing new legislation**, as permitted by law to:*

(a) require all foreign-origin cargo arriving by vessel to clear the Customs and Border Protection (CBP) entry process at a United States port of entry for security and collection of all applicable duties, customs, taxes, fees, interest, and other charges; and

(b) ensure any foreign-origin cargo first arriving by vessel to North America clearing the CBP process at an inland location from the country of land transit (Canada or Mexico) is assessed applicable customs, duties, taxes, fees (including the HMF), interest, and other charges plus a 10 percent service fee for additional costs to the CBP, so long as the cargo being shipped into the United States is not substantially transformed from its condition at the time of arrival into the country of land transit (with the discretion for such decisions to be determined by CBP).

We will watch this space closely and update as events warrant. Let us know if you have any questions in the meantime.

In Port & Tariff News Too

Evey Hwang, CBFANC Ocean Committee



Evey Hwang, CBFANC Ocean Committee

US Trade Policy through Tariffs: Since February 1, 2025, US trade policy through tariffs has disrupted global trade (and stock markets) and global supply chain. While the Reciprocal Tariffs for all other countries were “rescinded” with a 90 days pause to July 9th, China’s Tariff escalated to 145% which includes the 20% IEEPA tariff from March 4, 2025. On May 12th, after US and China reps met in Geneva, the White House and China jointly agreed to a pause of 90 days effective May 14th to August 10th with 30% Tariff which is 10% Reciprocal plus 20%. May 23rd news broke on possible 50% Tariffs on EU (and 25% on Apple iPhones) by June 1, 2025. May 25th Trump delayed the threatened 50% with reverting back to the July 9th deadline.

Trade Actions Whiplash on Global Supply Chain:

Constant threats and short notice trade actions by US injected uncertainty into global supply chain. The severe April 9th tariffs on China suspended orders and resulting blank sailings had Port of Los Angeles reporting up to 35% volumes declines. On May 12th, US and China representatives met in Geneva and agreed to rescind the 145% to 30% tariffs for 90 days pause to mid-August.. Unknown if shipments restore volumes and/or if orders paused earlier can fulfill in time to ship by August. Also uncertain on shipping lines reversing blank sailings* to serve restarted bookings and the possible congestion ahead, and if temporary.

Another complication will be the carriers’ response to the USTR 301 Tariff on China built/owned vessels. On October 14, 2025, a starting fee in the amount of said “\$18 per net ton” or \$120 per container will be imposed on any China built, owned or operated vessels berthed at US ports. *Complicated and uncertainty on how ocean carriers will adapt fees, routing and impact capacity.*

<https://ustr.gov/about/policy-offices/press-office/press-releases/2025/april/ustr-section-301-action-chinas-targeting-maritime-logistics-and-shipbuilding-sectors-dominance>
<https://www.federalregister.gov/documents/2025/04/23/2025-06927/notice-of-action-and-proposed-action-in-section-301-investigation-of-chinas-targeting-the-maritime>

BTW, what exactly is “Blank Sailing”? A great industry resource for CBFANC and port community, Port of Oakland Maritime Marketing Director Ron Brown recently shared a nice breakdown of the maritime industry term and, by special request, I’m sharing it with CBFANC members.

Blank Sailing

In the maritime industry, “**Blank Sailing**” refers to a

scheduled sailing that has been **canceled by the shipping line**, meaning the vessel will **not call at one or more of its planned ports**, or sometimes the entire voyage is skipped.

Key Points:

- **No loading or discharge** will happen at the affected port(s) for that sailing.
- It can apply to **one or multiple ports** being skipped or the vessel not sailing at all.
- Also known as **"Void Sailing"**.

Common Reasons for Blank Sailings:

- **Low demand** or insufficient cargo volume (common during off-peak seasons or economic downturns).
- **Port congestion** or operational delays.
- **Vessel maintenance or reallocation** of capacity.
- **Schedule recovery** — skipping ports to make up for delays and maintain the overall schedule.

Impact:

- **Shippers and consignees** may face delays or need to rebook cargo.
- **Supply chains** can be disrupted, especially if blank sailings are frequent.
- Carriers use blank sailings as a tool to **control capacity** and **maintain freight rates**.

Source: *Ron Brown*, Port of Oakland \ Maritime Marketing

A note of appreciation to a valued port advocate:

Announced May 20th, Matt Schrap who lead the Harbor Trucking Association since 2021 will step down from role of HTA CEO in August. Though LA was HTA's main port, Matt was our port advocate for our homeport at Oakland as well. We are grateful for Matt being present through our fight in resisting the Oakland A's landgrab for Howard Terminal. Per HTA Board President Robert Loya, "Matt Schrap has led the organization's advocacy on multiple complex issues faced by drayage carriers, such as port congestion, high detention and demurrage fees, and the push for fleet electrification". We truly appreciated his commitment and always sharing his knowledge as tireless advocate on behalf of our port drayage members.

CBFANC and Oakland port community all wish Matt Schrap our sincere gratitude for his advocacy for port stakeholders and all the best forward.

Trump Administration Readies Tariffs for Canada Over Digital Services Tax

National Customs Brokers & Forwarders Association of America



President Trump said he will impose tariffs on Canada within the next seven days, after trade talks with the Canadian government abruptly ended following an announcement by Canada to tax U.S. technology companies.

The president's decision was announced this afternoon in a [post](#) on Truth Social. "Based on this egregious Tax, we are hereby terminating ALL discussions on Trade with Canada, effective immediately. We will let Canada know the Tariff that they will be paying to do business with the United States of America within the next seven-day period," President Trump wrote.

The NCBFAA Customs Committee and Counsel of Sandler, Travis & Rosenberg, P.A., will track this development and provide information, as well as Customs and Border Protection (CBP) guidance, to our customs broker members as soon as it becomes available.

WESCCON 2025 SCHOLARSHIP

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AVALON

Technology and Social Media Committee

Chris Kammer, Tech & Social Media Committee



Chris Kammer, Technology & Social Media Chair

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CBFANC Needs YOU!!

Please feel free to contact us with your feedback, ideas and topics that should be considered.

Whether you're a legal eagle or proverbial party animal, editor and journalist, nerd or geek - we have a spot for you!

Join one of our committees where you can put your talents and interest to use for the betterment of the organization and our community.

Travel to Washington and lobby for causes important to our industry and the security of our country.

Dreaming of improving standards in our trade - join our Education team:

- Go to WESCCON - The premier international trade event in the country!
- Write that expose you always dreamed - join the Newsroom
- Always wanted to hob-knob with the who's who in the trade - join The Agency or Customs
- Are you a graphic designer at heart - come to the virtual side of things on our web committee

To learn more about our wonderful committees and find an area you would like to volunteer for, please click [here](#). As always, any questions at all, please reach out to us at info@cbfanc.org. Thank you!

Save the Date - Holiday Party & Annual Meeting



Holiday Happy Hour and Annual Membership Meeting
Thursday, December 4, 2025
4:00pm-7:00pm
Kincaid's Fish, Chop & Steakhouse
Burlingame, CA