

Southern Currents



Notice to the Area Port of New Orleans Trade Community

Date October 26, 2004

No.: 05-004

SUBJECT: UNIFORM NATIONAL POLICY FOR CONSOLIDATED ENTRIES

As a result of dissemination of a memorandum from CBP's Headquarters Office of August 9, 2004, and the subsequent issuance of Southern Currents 04-031 dated August 16, 2004, both titled "Amendment to the Current Reporting Requirements for the Ultimate Consignee at the Time of Entry or Release", there have been many questions about consolidated entries. The purpose of this notice the national policy for consolidated entries, thereby ensuring uniformity of current policy guidelines and procedures.

Under CBP regulations (19 CFR 141.51) all merchandise arriving on one conveyance and consigned to one consignee must be included on one entry. Further, 19 CFR 141.52(a) states that the Port Director has the discretion to allow each portion of a consolidated shipment that is addressed to one consignee for various ultimate consignees to be entered separately under the entry procedures described in 19 CFR 141.54. The Office of Regulations and Rulings (OR&R) in HQ 115949, dated September 29, 2003, concluded that the term "consignee" as it appears in 19 CFR 141.51 includes a nominal as well as an ultimate consignee. The conclusion of HQ 115949 is that individual shipments that are consolidated into, and arrive as, a single shipment on one conveyance may be included on one entry provided the shipping documents identify a common nominal consignee. The shipping documents referenced include a master (consolidated) bill of lading identifying multiple shipments on one conveyance or a master invoice incorporating invoices for multiple consignees.

As a general rule, consolidated entries will be allowed when merchandise arrives on a single conveyance, the entry is filed by a single importer with the right to make entry and the shipment is consigned to a single consignee identified on a master bill of lading or master invoice. This consignee need not be the party physically accepting delivery of the merchandise. In addition, the identified ultimate consignees, for purposes of entry, must be identified in the entry documents in accordance with the current reporting requirements.

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Below are several scenarios for consolidated entries. These scenarios are not inclusive of all possibilities, but provide a representative sample of potential consolidations.

Scenario 1

A Canadian grocery wholesaler ships a truckload of groceries directly to 12 different grocery stores in the U.S. There is a master invoice covering the consolidation with 12 separate invoices attached. A consolidated entry would be allowed and each ultimate consignee should be identified in the entry transaction.

Scenario 2

A foreign furniture manufacturer ships a container of furniture consigned directly to 10 different consumers. The shipment is manifested with a single bill of lading covering the entire shipment referencing various consignee addresses. There are 10 separate invoices each referencing a different consignee. A consolidated entry would be allowed and each ultimate consignee should be identified in the entry transaction.

Scenario 3

A grocery wholesaler ships to 10 grocery retailers using 10 bills of lading and 10 invoices. A consolidated entry would not be allowed in this circumstance because there is no shipping document that provides a single nominal consignee.

Scenario 4

The same wholesaler ships a truckload of merchandise to a distribution facility that will ultimately be sold to several retailers. A consolidated entry would not be necessary and the entry could reflect the distribution facility as the ultimate consignee.

Scenario 5

A less than truckload (LTL) carrier enters the U.S. with multiple bills of lading some containing single shipments with single consignees and some bills containing multiple consignees. The bills of lading referencing multiple consignees may be consolidated using the LTL carrier as the nominal consignee and the entry would require reporting of all ultimate consignees referenced in the shipping documents. In this scenario, if the entry is filed in ACS as certified from summary (an electronic CBP 7501) the highest value ultimate consignee should be reported with the entry and the remaining ultimate consignees should be provided as a separate list provided to CBP at the time of release. This list may be a separate document or could include invoices, bills of lading or a manifest identifying all of the ultimate consignees.

Questions concerning this policy should be directed to the Air Cargo Document Analysis Unit at (504) 464-4806 or the Customhouse Document Analysis Unit at (504) 670-2389.

Eileen Jackson Shaw
Assistant Area Port Director