Manufacturing Modernization
Supply Chain Transformation

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Manufacturing Modernization
Presenters

Our team

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Objectives

Recognize how tariffs, tax-related changes, and global volatility are influencing supply chain strategy and cost structures for manufacturers.

Explain the benefits and risks of friendshoring, nearshoring, and reshoring as manufacturers shift toward more regionalized and geopolitically aligned supply networks.

Discuss how digital transformation, predictive analytics, and supply chain visibility tools can strengthen decision making and resilience during ongoing global uncertainty.

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Business & Technology Consulting: Driving Transformation for Long-Term Success

We lead our clients through complex change by planning and executing mission-critical projects related to strategy, operations, resilience, and technology. Our professionals offer a unique combination of industry intelligence and hands-on delivery that helps clients adapt to, and thrive in, an ever-changing business, technology, and regulatory environment.

Drive Finance & Accounting Efficiency & Effectiveness

- Finance Target Operating Model
- Process Improvement & Costing Analysis
- Benchmarking
- Close Process Streamlining
- FP&A Solutions

Modernize ERP & Technology Solutions to Enable the Business

- ERP Evaluation & Selection
- ERP Implementation Support
- IT Assessment, Strategy, & Roadmap
- Cloud & Infrastructure Implementation & Modernization
- AI Strategy & Implementation

Plan for & Enhance the Value of M&A Activity

- M&A Playbook & Integration Management Office
- Operational Due Diligence
- Day 1 Readiness & 100-Day Planning
- Financial Reporting & Synergy Capture
- Performance Improvement & Turnaround

Develop Strategy & Lead Through Change

- Strategy Planning & Facilitation
- Organizational Change Leadership
- Program & Project Management
- Target Operating Model Design
- Workforce Modernization

Help Improve Supply Chain & Operations

- Manufacturing Operations Improvement
- Supply Chain & Operations Assessment
- Inventory Assessment & Optimization
- Spend Management & Strategic Sourcing
- Warehouse & Distribution Assessment & Optimization

Help Protect Your Business From Disruptions

- Business Continuity Planning
- Crisis Management Planning
- Disaster Recovery Planning
- Emergency Management Planning

01

Tariffs

- Background
- Definition
- Types
- Cost Mitigation

Power to Levy Tariffs
Background

Congress over the years has authorized the President to address tariff and international commerce issues. For example, in 1934, the Reciprocal Tariff Act authorized the President the power to negotiate bilateral and reciprocal trade agreements. Through various statutes, Congress has given the President the authority to adjust tariff rates and regulate international commerce.

For example, the International Emergency Economic Powers Act enacted in 1977 allows the President to regulate international commerce after declaring a national emergency.

Section 338 of the Tariff Act of 1930 allows the President to impose “new or additional duties” of up to 50% under certain circumstances.

Section 301 of the Trade Act of 1974 permits the President to request that the Office of the U.S. Trade Representative (USTR) investigate whether a foreign country took unjustifiable, unreasonable, or discriminatory action that “burden[ed] or restrict[ed] U.S. commerce.”

As a result of these measures, it has been over close to 100 years since Congress raised tariffs.

Tariff Fundamentals
What is a Tariff?

A tariff is a tax imposed by a government on imported goods (usually based on the landed value of the goods determined based on the price paid or payable, subject to customs pricing rules).

What key elements determine a tariff?

- Classification
- Country of Origin
- Valuation/Pricing

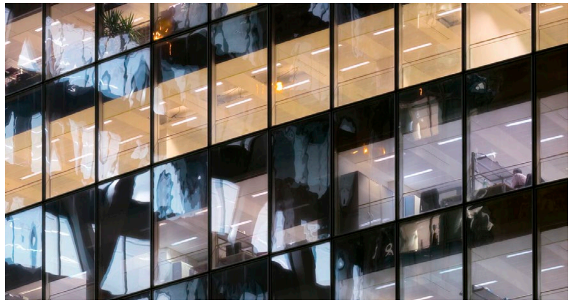
Each of these elements presents significant risk for customs compliance, but also opportunity to reduce or even avoid duty liability (especially origin and valuation determinations with respect to reciprocal and other recent tariff enactments)

Tariffs In Effect
Types of Tariff/Duties

General Rate of Duty ("MFN") Duties

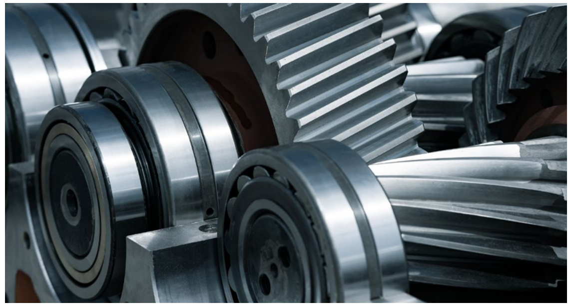
IEEPA tariffs

- Ruled invalid by the Supreme Court
- Refunds are being paid
- Requires analysis of importation entries to determine if refunds are possible



Section 122 Tariffs

- Rate of 10%
- Expired on July 24, 2026
- Court case to determine if tariffs were valid



Section 232 tariffs (National security)

- Applied to imports of steel, aluminum, and copper (including derivative products)
- 50% rate (25% rate for certain derivative products)

Tariffs In Effect

Types of Tariff/Duties

Section 301 tariffs (targeted countries under specific trade investigations)

- China
  - 7.5% or 25%
- Brazil
  - 25% tariff on certain goods
- Prohibition on importation of goods produced with forced labor
  - 60 Countries subject to either a rate of 10% or 12.5%

Section 338 tariffs

- 50% tariff on certain Canadian goods
- Effective August 19, 2026
- First time this section has been used

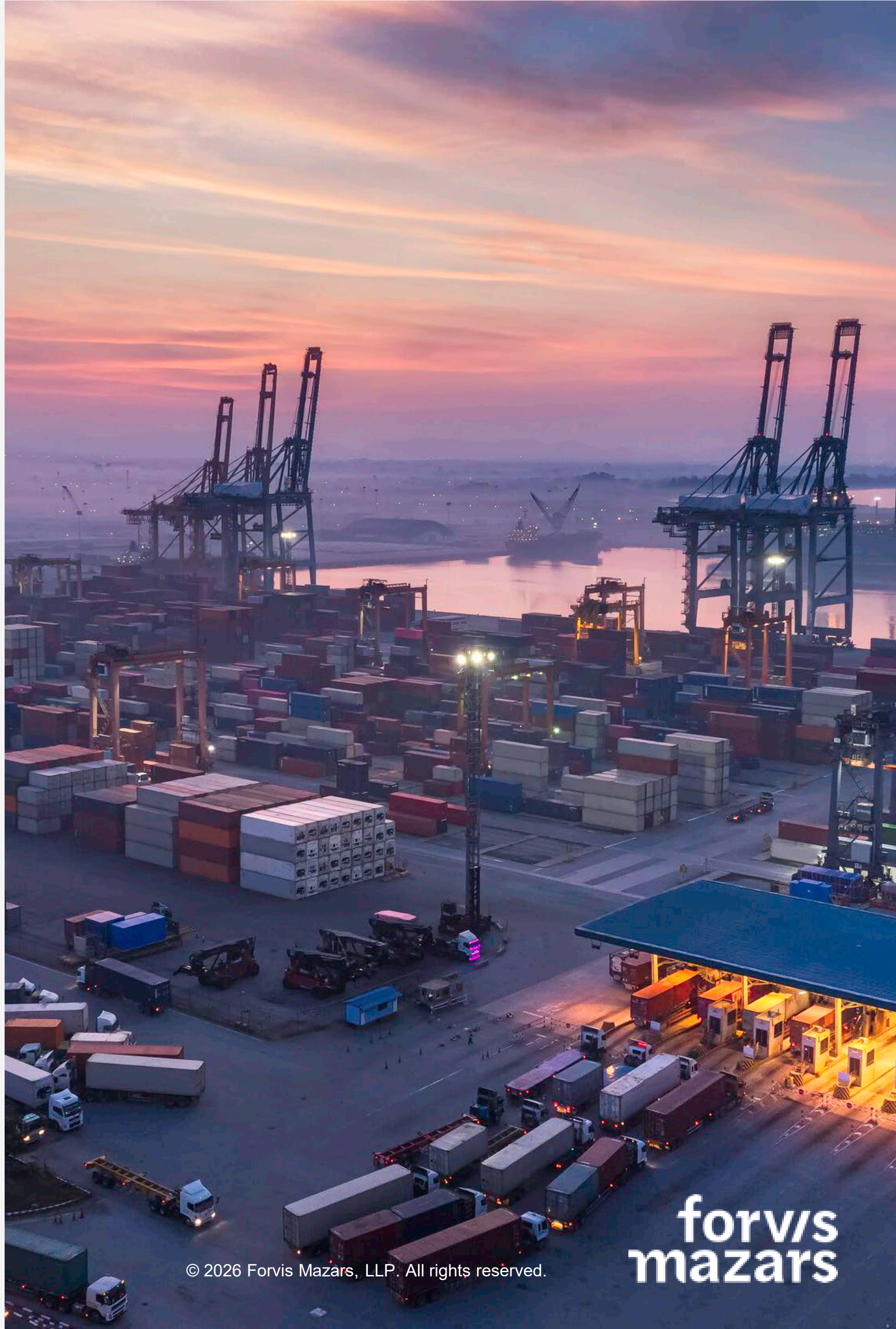
IEEPA Tariffs Were Ruled Unlawful
Public Background

The refund opportunity created for U.S. importers

In 2025-2026, additional import duties were assessed under the International Emergency Economic Powers Act (IEEPA). Courts later ruled that IEEPA did not authorize those tariffs, creating a refund path for affected importers.

- IEEPA is an emergency economic powers law; courts found it did not authorize broad import tariffs.
- Refund scope is tied to the IEEPA additional duty portion only. It does not relate to normal customs duties or other tariff programs.
- The Court of International Trade directed CBP to refund affected IEEPA duties in certain contexts, including interest where applicable.

1. **Tariffs Imposed**
2. **Importers Paid Duties**
3. **Court Rulings**
4. **Refund Order**
5. **CBP Process**



Billions in Tariffs Are Being Returned to Importers

Refund size is driven by actual qualifying IEEPA duties paid, not total import value

$130B+
Reported unlawful tariff payments collected

$166B
Estimated refundable IEEPA duties cited by trade sources

$330K+
Importers potentially affected

$95B+
Refunds reportedly queued through CBP CAPE

How It's Calculated

Qualifying Import Value x IEEPA Duty Rate = Refund Claim

The refund is based on the specific IEEPA duty amount paid on eligible customs entries; interest may apply depending on claim path and entry status.

Example: $20M of textile imports

10% Tarriff **$2M** potential refund

25% Tarriff **$5M** potential refund

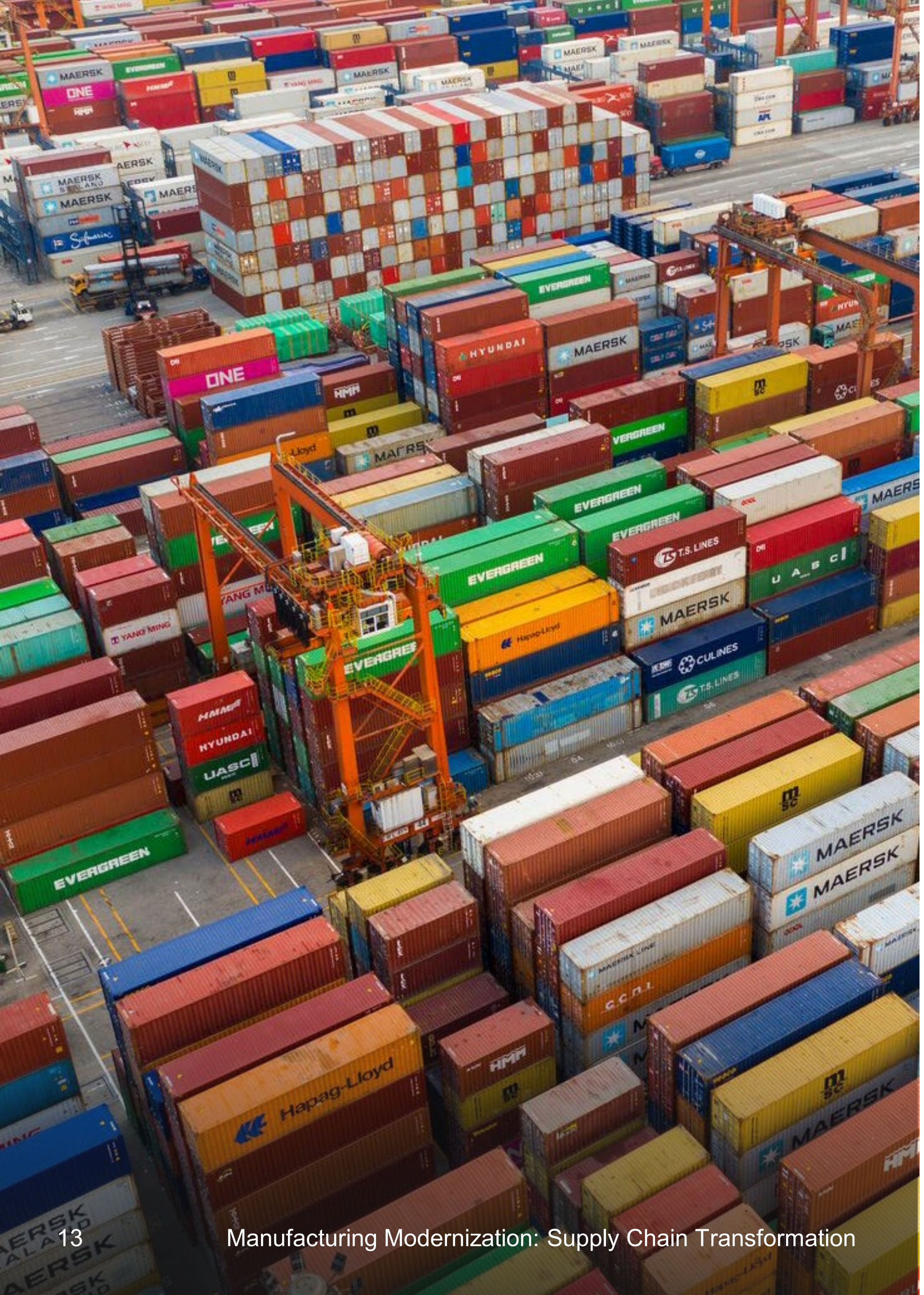
How a Textile Importer Can Pursue Full Recovery

Practical guide to identify, file, and track IEEPA duty refund claims

ACTION GUIDE

1	**Pull import entry data**	Entry summaries, broker reports, HTS codes, origin, duty payments, entry dates, liquidation dates, and importer-of-record details.
2	**Isolate IEEPA duties**	Separate IEEPA duty lines from MFN, Section 301, Section 232, AD/CVD, and other fees.
3	**Review liquidation status**	Determine whether each entry is unliquidated, liquidated, or finally liquidated and identify filing deadlines.
4	**File the right claim path**	Use the appropriate CBP, protest, reconciliation, or litigation path with customs counsel / broker support.
5	**Track refund + interest**	Monitor CBP refund processing and support interest claims where legally available.

Key takeaway: Do not wait for an automatic refund. The strongest recovery position starts with clean, entry-level customs data and timely filing decisions.



Steps for Managing Customs Data

Obtain and review your Automated Commercial Environment (ACE) reports to:

- Identify types of duties paid
- Entry numbers
- Ports
- Brokers
- Duty amounts, and
- Liquidation status (Unliquidated or liquidated)

Separate entries into three buckets.

- Unliquidated
- Liquidated, and
- Other (e.g., entry has been liquidated and period for a protest has closed)

For unliquidated entries:

- Determine days remaining before liquidation occurs
- Monitor to make sure an entry is not liquidated early
- Consider whether a PSC should be filed
- Based on CIT's recent order filing may not be needed but this is a facts/circumstances determination.

For liquidated entries determine days remaining before protest period ends:

- For liquidated entries in which protest period is closing consider filing a Protest on Form 19.

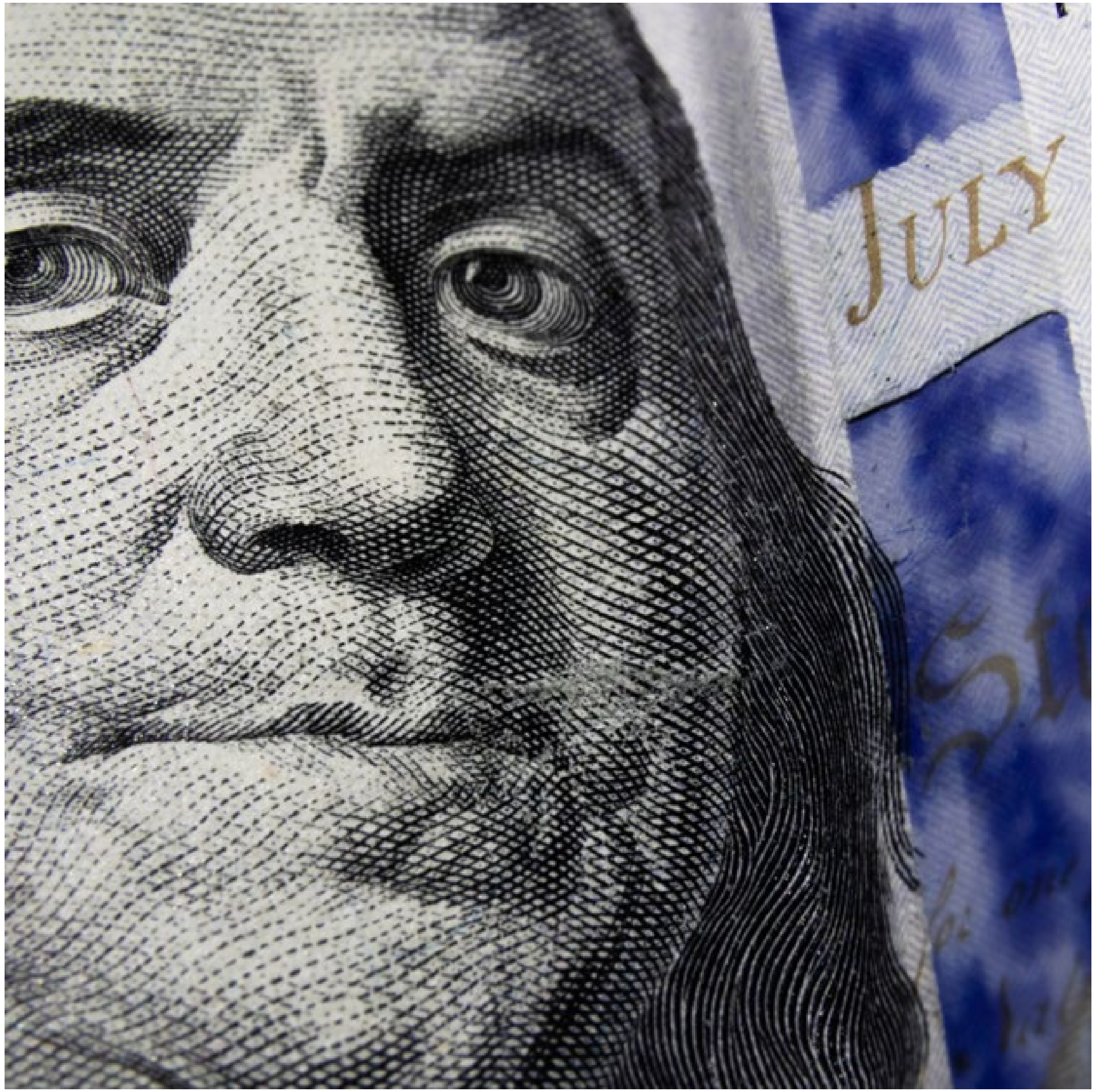
Determine if tariffs were passed on to customers.

If so, develop a strategy for passing on refunds to customers.

Tariff Cost Mitigation

To determine tariff costs, one must do the following:

- Confirm country of origin
- Confirm Harmonized Tariff Schedule of the United States (HTSUS) classification
- Identify applicable tariffs
- Identify exceptions, if any
- Determine which tariffs “stack” together
- Calculate total duty rate
- Ensure value declared is lowest permitted



Other Tools to Mitigate Tariffs

- First Sale
- Transfer pricing/Customs pricing
- Bonded warehouses/Foreign Trade Zone (FTZ)
- Unbundling of services

02

Accelerating and Optimizing Your International Sales Cycle

Overview

Service Offerings:

- Sourcing & Procurement
- Costing & Operations Management
- Logistics & Tracking
- Incoterms & Insurance
- Customs & Bonded Warehouses
- Trade Agreements, Tariffs, & Treaties
- Documentation & Compliance

Overview

- Sourcing & Procurement
- Costing & Operations Management
- Logistics & Tracking
- Incoterms & Insurance
- Customs & Bonded Warehouses
- Trade Agreements & Treaties
- Documentation & Compliance

OPTIMIZED INTERNATIONAL BILLS OF SALE

INBOUND/OUTBOUND LOGISTICS

SUSTAINABILITY

COMPLIANCE

Considerations
Sourcing & Procurement

Supplier Assessment

Conduct a comprehensive analysis of your current vendor portfolio to determine areas of cost savings, increased resilience, and/or reduced risk and develop a Supplier Strategy Plan.

- **Supplier Integrity**: Assess and monitor suppliers for adherence to standards of conduct and compliance with laws.
- **Vendor Diversification**: Strategically align with suppliers and expand your sourcing options by distributing a Request For Quotation (RFQ) to potential suppliers identified through a custom Strategic Vendor Matrix.
- **Vendor Consolidation**: Determine opportunities for centralizing your vendor base through an Item-Vendor Matrix and Report.
- **Supplier Onboarding**: Analyze your supplier onboarding procedures to identify opportunities for increased efficiency across workflows (e.g., vendor communications, vendor due diligence, master data management).

Sourcing Collaboration

Identify organizations through a Strategic Partner Analysis and distribute a Request for Proposal (RFP) to establish a purchasing cooperative.

Considerations

Costing & Operations Management

Costing Enhancement

Analyze costing processes and systems to optimize overall costing structures through a **Costing Assessment and Enhancement Roadmap**.

Warehouse Optimization

Conduct a Warehouse Enhancement Analysis to assess your warehouse operations and determine strategies to meet your organizational goals (e.g., cost reduction, sustainable practices).

Rent vs Buy Analysis

Evaluate your warehouse management costs and determine possible cost savings through a **Rent vs. Buy Matrix.**

Considerations
Logistics & Tracking

Transportation Cost Assessment

Conduct a thorough review of your company's spend on outbound transport and develop a **Cost Accumulation Waterfall** to identify and achieve cost savings.

- **Freight Cost Optimization**: Create a **Freight Cost Matrix** to assess the various factors impacting your outbound freight and help identify potential cost savings.
- **Route Enhancement**: Visually represent the routes and associated costs of your outbound shipments through **Freight Route Maps** and identify potentially more efficient alternate paths through a **Route Evaluation**.
- **Last Mile Delivery Assessment:** Examine your organization's last mile delivery operations to improve efficiency through a **Last Mile Delivery Analysis.**

Shipment Tracking Evaluation

Assess current technologies and processes for shipment tracking and identify areas of improvement through a **Shipment Tracking Evaluation**.

Considerations

Incoterms & Insurance

Incoterms (INCO) Assessment

Analyze your sales contracts and operations through an **Incoterms Assessment** to determine the risk and financial impact of your ordinary course INCO terms and develop **mitigation strategies**.

- **Incoterms Selection Guidelines:** Develop **Guidelines** around which incoterms should be selected for various types of sales contracts.

Insurance Strategy

Evaluate your company's insurance policies to identify potential overlaps, gaps in coverage, and opportunities for policy alignment.

- **Insurance Cost Analysis:** Create an **Insurance Cost Matrix** to determine the organization's spend on insurance and identify areas for consolidation or optimization.

Considerations

Customs & Bonded Warehouses

Customs Strategy Assessment

Create a **Customs Matrix** to identify the company's spend on customs across global shipments and evaluate alternate solutions/routes for potential cost savings in a **Customs Strategy Report**.

Bonded Warehouse Evaluation & Roadmap

Evaluate the costs and feasibility of leveraging bonded warehouses in your supply chain and develop a **Supply Chain Integration Roadmap** for implementation.

Considerations

Trade Agreements, Tariffs, & Treaties

Compliance Evaluation

Develop a **Compliance Report** outlining the trade agreements and treaties with which the company must comply based on your current international trade operations and potential associated risk mitigation strategies.

- **Digital/Technology Compliance:** Assess the rules and regulations around technology that your organization must follow based on your current and future digital footprint with associated monitoring and adherence strategies in a **Tech-Compliance Report.**

Considerations
Documentation & Compliance

Compliance Cost Analysis

Identify opportunities for optimizing your compliance strategy and reducing related expenses through a **Compliance Cost Evaluation.**

EDMS Selection

Develop and **distribute an RFP** for an Electronic Document Management System (EDMS) to maintain all international trade documentation.

- **EDMS Implementation:** Implement the selected EDMS and align current state processes to ensure all international trade documentation is accessible in one central repository.

03

AI Use Cases

Supply Chain & Logistics

Demand & Supply Planning AI Use Cases
Forecasting accuracy, inventory optimization, integrated business planning

AI-Driven Demand Forecasting

- Generate SKU-level forecasts using ML models trained on sales history, seasonality, promotions, and external signals
- Incorporate real-time POS data, web traffic, and search trends to detect demand shifts before they appear in orders
- Produce probabilistic forecasts with confidence intervals to quantify planning risk
- Automate forecast adjustments for new product introductions, discontinuations, and product substitutions

Inventory Policy Optimization

- Set safety stock, reorder points, and order quantities dynamically by SKU based on current lead time variability
- Stratify inventory investment across segments with differentiated service level targets
- Identify slow-moving and excess inventory to anticipate potential markdowns or write-offs

Integrated Sales & Operations Planning (S&OP) / Business Planning Support

- Automatically generate a statistically grounded baseline demand plan ahead of each S&OP cycle
- Quantify the financial impact of supply/demand imbalances to focus executive attention on high-value decisions
- Model 'what-if' scenarios across demand, supply, and financial dimensions
- Track plan adherence and flag where actual performance is deviating from the agreed operating plan

Promotional & Event Planning

- Predict the lift from planned promotions using historical uplift data, price elasticity, and competitive context
- Identify cannibalization effects across SKUs when promotions are run on related products
- Recommend promotional timing, depth, and duration to maximize revenue within margin guardrails
- Automate supply plan adjustments to pre-position inventory in advance of forecasted demand spikes

Sourcing & Procurement AI Use Cases
Global supplier selection, negotiation, and risk management

AI-Powered Supplier Discovery & Scoring

- Screen global suppliers against quality, price, lead time, and ESG criteria
- Score and rank suppliers using machine learning (ML) models trained on performance data
- Flag potential concentration risks (single country, single port) and compliance risks (OFAC, sanctions)
- Continuously refresh scores as geopolitical or financial signals change

Risk-Aware Sourcing Strategy

- Quantify potential exposure to tariff changes, political instability, and FX volatility by supplier region
- Recommend dual-/multi-sourcing thresholds based on risk tolerance
- Model landed cost scenarios across alternative country-of-origin options
- Simulate 'what-if' tariff escalation impact before making sourcing commitments

Contract & Negotiation Intelligence

- Benchmark supplier pricing against real-time market indices and peer data
- Identify clause risks in supplier agreements using NLP contract analysis
- Recommend optimal payment terms, MOQs, and lead time buffers by SKU
- Track supplier commitment vs. actual delivery to inform renegotiation leverage

Demand-Driven Purchase Order Automation

- Automate PO generation based on demand signals, inventory targets, and lead times
- Adjust order quantities dynamically as forecasts shift
- Escalate only exceptions outside tolerance thresholds to planners

Costing & Operations Management AI Use Cases

Cost visibility, margin intelligence, and operational efficiency

Cost-to-Serve & Landed Cost Modeling

- Allocate freight, duties, insurance, handling, and storage to the SKU/lane level
- Identify unprofitable products, customers, or import lanes hidden in blended margins
- Model impact of duty rate changes, freight volatility, and FX shifts in real time
- Compare total landed cost across origin countries and routing options

Margin Leakage Detection

- Surface where margin may be eroding across operations (e.g., demurrage, duty overpayment, accessorial charges)
- Flag invoice anomalies against contracted rates using ML pattern detection
- Identify systematic overcharges from freight forwarders or carriers
- Produce margin waterfall analytics by product and trade lane

Dynamic Supply–Demand Matching

- Reconcile demand forecasts with supply lead times and in-transit inventory
- Adjust buy plans in response to demand shifts without manual intervention
- Simulate trade-offs: service level vs. working capital vs. cost
- Reduce safety stock buffers by 15–30% through improved lead time visibility

Capacity & Resource Optimization

- Optimize container fill rates and consolidation decisions per vessel/port
- Plan warehouse labor and throughput against inbound shipment schedules
- Flag utilization gaps or surge risks weeks in advance
- Reduce dwell time and demurrage through predictive arrival and staffing plans

Manufacturing Operations AI Use Cases

Production planning, quality, predictive maintenance, and yield optimization

Production Scheduling & Capacity Optimization

- Generate production schedules that balance demand, material availability, machine capacity, and labor constraints
- Dynamically re-sequence jobs in real time when disruptions occur (e.g., material shortages, machine breakdowns, rush orders)
- Optimize changeover sequencing to minimize downtime between production runs
- Identify capacity bottlenecks across lines, shifts, and facilities before they create customer service failures

Predictive Maintenance & Asset Reliability

- Analyze sensor data from equipment to predict failures before they occur
- Prioritize maintenance work orders based on criticality, failure probability, and production schedule impact
- Reduce unplanned downtime by catching early degradation signals in equipment
- Optimize spare parts inventory by stocking components through a targeted strategy

Quality Control & Defect Detection

- Deploy computer vision systems to inspect output in real time to potentially replace or augment manual QC sampling
- Correlate defect patterns to upstream process variables (temperature, speed, batch, supplier) to identify root causes
- Potentially reduce rework, scrap, and warranty claims by catching quality issues at the point(s) of production

Yield & Process Optimization

- Analyze production data to identify process parameter settings that can help maximize yield and minimize material waste
- Recommend potential machine settings for each run based on input material characteristics and desired output spec
- Track and potentially explain yield variance across shifts, operators, lines, and raw material batches
- Continuously update process models as operating conditions change

Logistics & Tracking AI Use Cases

Shipment visibility and execution optimization

End-to-End Flow Visibility & Variability Diagnostics

- Unify data from carriers, freight forwarders, ports, and 3PLs into a single control tower
- Quantify potential delay impact(s) on service levels and working capital
- Identify potential structural bottlenecks across international lanes, not just one-off incidents

Predictive ETA & Delay Alerting

- Predict vessel arrival times using weather, port congestion, and historical patterns
- Alert procurement, warehouse, and sales teams to delays in advance
- Auto-trigger contingency actions (airfreight, substitution) before impact
- Score shipment risk at origin to prioritize monitoring attention

Real-Time Logistics Execution Optimization

- Dynamically select carriers, routes, and modes based on cost, speed, and risk
- Recommend/Automate switches from ocean to air (or vice versa) when conditions change
- Optimize transshipment decisions and port-of-entry selection
- Automate freight booking and documentation triggers from shipment milestones

Exception Resolution Engine

- Detect potential disruptions (port strike, vessel delay, customs hold) and auto-escalate
- Recommend and execute potential resolution strategies: re-routing, priority release, reallocation
- Learn from historical exception patterns to improve future response speed
- Reduce planner firefighting by handling routine exceptions autonomously

Incoterms & Insurance AI Use Cases

Risk allocation intelligence, cargo coverage optimization, claims management

Incoterm Optimization by Lane & Product

- Help analyze risk and cost trade-offs across FOB, CIF, DDP, DAP, and other terms by lane
- Recommend potential, optimal Incoterms based on supplier reliability, port risk, and margin profile
- Model how Incoterm shifts potentially affect customs valuation and duty liability
- Flag mismatches between contracted terms and actual documentation

Cargo Insurance Coverage Intelligence

- Help assess under-insurance risk by comparing declared values to true replacement costs
- Recommend coverage levels based on product risk profile and lane volatility
- Identify potential coverage gaps for specific risks (e.g., theft, temperature deviation, port damage)
- Benchmark insurance costs against market rates by commodity and lane

Claims Prediction & Management

- Score potential shipment risk at origin to predict likelihood of damage or loss claims
- Auto-generate claims documentation from carrier milestones and photos
- Track claims resolution timelines and flag delays against policy SLAs
- Analyze claims patterns to drive packaging, handling, or carrier selection changes

Risk Transfer & Liability Mapping

- Map potential risk transfer points across multi-leg international shipments
- Flag potential liability gaps when subcontractors are used outside agreed terms
- Help ensure alignment between Incoterms, insurance coverage, and payment triggers
- Alert teams when actual delivery deviates from agreed risk transfer point

Warehouse & Distribution AI Use Cases

Inbound operations, storage, fulfillment, and distribution network optimization

Inbound & Receiving Optimization

- Predict inbound shipment arrival timing to pre-stage labor, dock doors, and put-away equipment
- Auto-match arriving shipments to POs and flag discrepancies (quantity, damage, labeling) at the dock
- Prioritize unloading sequence based on downstream demand urgency and storage location

Slotting & Storage Optimization

- Dynamically re-slot inventory based on velocity, pick frequency, weight, and seasonal demand shifts
- Optimize cube utilization across racking, bulk, temperature-controlled zones, etc.
- Help reduce travel time for pickers by placing fast-movers in optimal pick-face locations
- Alert operations when slotting logic is degrading due to changes in SKU velocity or assortment mix

Fulfillment & Labor Productivity

- Forecast daily order volume and wave structure to right-size labor shifts before the day begins
- Optimize pick path sequencing across zones to minimize picker travel distance per order
- Identify productivity bottlenecks in real time: packing, labeling, staging, and carrier handoff
- Use computer vision to verify pick accuracy, catch mispicks before shipment, and reduce returns

Distribution Network Optimization

- Model potential optimal distribution center (DC) footprint against current and projected demand patterns
- Recommend inventory positioning across nodes to help minimize total fulfillment cost and delivery time
- Simulate the impact of adding, closing, or repositioning a DC before making capital commitments
- Continuously rebalance inventory across the network in response to demand shifts or node disruptions

Customs & Bonded Warehouses AI Use Cases

Duty optimization, clearance acceleration, and bonded inventory management

HS Classification & Duty Rate Optimization

- Auto-classify products using AI-driven HTS/HS code assignment at scale
- Flag potential classification errors before filing
- Automatically identify first-sale valuation and duty drawback opportunities
- Monitor duty rate changes and recommend reclassification where potentially beneficial

Customs Clearance Acceleration

- Predict customs hold probability by shipment, origin, and commodity type
- Pre-validate entry documentation before submission to reduce rejections
- Prioritize high-risk shipments for proactive broker/agent attention
- Integrate with CBP/customs portals for real-time status and response automation

Bonded Warehouse Inventory Optimization

- Track dutiable and bonded inventory separately with an audit trail
- Optimize when to withdraw from bond based on cash flow, demand, and duty rates
- Model duty deferral benefit vs. bonded storage cost by SKU
- Flag aging bonded inventory approaching time limits or deterioration risk

Trade Compliance Monitoring

- Screen suppliers and counterparties against denied party and sanctions lists in real time
- Monitor for Anti-Dumping / Countervailing Duty (AD/CVD) exposure by commodity
- Assess country-of-origin substantiation and flag insufficient transformation
- Generate compliance audit trails automatically for CBP or internal review

Trade Agreements, Tariffs & Treaties AI Use Cases

FTA qualification, tariff engineering, and geopolitical trade strategy

FTA Eligibility Assessment & Qualification

- Screen all imported products against active FTA/preferential program rules of origin
- Calculate qualifying content percentages for USMCA, CAFTA, AGOA, GSP, and others
- Flag products close to FTA thresholds where sourcing adjustments could qualify them
- Automate Certificate of Origin validation and supplier solicitation workflows

Tariff Engineering & Duty Minimization

- Identify legal restructuring opportunities (e.g., tariff classification, first-sale, value engineering)
- Model Section 301, Section 232, and AD/CVD exposure by product and origin
- Recommend country-of-origin shift opportunities when tariff differentials exceed costs
- Simulate tariff stacking effects across multi-country supply chains

Geopolitical Risk & Reshoring Modeling

- Score supplier countries on trade policy stability, tariff escalation risk, and sanctions likelihood
- Model total cost impact of nearshoring vs. friendshoring vs. current structure
- Continuously update risk exposure as trade negotiations evolve
- Recommend network reconfiguration timelines based on cost recovery windows

Adaptive Sourcing Network Reconfiguration

- Dynamically adjust sourcing strategies as tariff regimes change
- Identify potential, alternative origin countries with FTA coverage and comparable supplier bases
- Model supply chain restructuring ROI before committing capital

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Documentation & Compliance AI Use Cases
Document automation, error reduction, and regulatory readiness

Intelligent Document Processing & Validation

- Extract and validate data from documents (e.g., commercial invoices, packing lists, BOLs) using AI-OCR
- Cross-reference document data against PO, contract, and customs entry for discrepancies
- Flag errors before submission to help reduce customs rejections and broker query cycles
- Automatically route corrected documents to brokers, freight forwarders, and banks

Automated Entry Preparation

- Pre-populate CBP Form 7501 and other entry documents from upstream data sources
- Suggest HTS codes, duty rates, and applicable special programs for each line item
- Validate PGA (partner government agency) requirements (e.g., FDA, USDA, CPSC, EPA)

Regulatory Change Monitoring & Alerting

- Monitor CBP, FDA, USDA, and trade policy feeds for relevant regulatory changes
- Alert compliance teams when new requirements affect active product classifications
- Auto-update SOPs and entry checklists when regulations change
- Track forced labor compliance requirements (UFLPA) and flag at-risk supply chains

Audit Readiness & Record Management

- Maintain structured, searchable audit trails for all customs entries and related documents
- Surface potential discrepancy patterns that could trigger CBP focused assessments
- Generate self-audit reports aligned to CBP's Focused Assessment methodology
- Automate 5-year record retention and disposition scheduling

Product Management AI Use Cases
Assortment optimization, lifecycle management, pricing, new product intro

Assortment Optimization

- Analyze sales velocity, margin contribution, and substitutability to identify potential SKUs that can be rationalized without losing revenue
- Recommend channel- and region-specific assortments based on local demand patterns and customer segment data
- Quantify the potential revenue and margin impact of assortment changes before executing them
- Continuously monitor assortment health (e.g., flagging underperformers, cannibalization, coverage gaps) in real time

Product Lifecycle Management

- Predict when a product is entering decline using sales trend, returns, search volume, and competitive signal data
- Recommend optimal end-of-life timing and markdown strategy to minimize remaining inventory write-off
- Identify substitution candidates to recommend to customers when a product is discontinued
- Synchronize lifecycle stage transitions across sourcing, inventory, marketing, and sales to avoid stranded inventory

Pricing & Margin Intelligence

- Analyze price elasticity by SKU, channel, and customer segment to identify potential, optimal price points
- Monitor competitor pricing and promotional activity in real time to inform dynamic pricing responses
- Model the margin impact of cost changes (duty, freight, raw materials) and recommend price adjustment timing
- Flag products where pricing no longer covers true landed cost and quantify the potential margin at risk

New Product Introduction (NPI) Planning

- Forecast first-order demand for new products using analogous item data, market sizing, and channel input
- Model supply chain lead time requirements to ensure product availability aligns with launch commitments
- Recommend initial stocking quantities by location to balance availability against obsolescence risk at launch
- Track NPI ramp performance against forecast in real time and flag where corrective action is needed early

Questions?

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