How Can Automation and System Integration Streamline U.S. Foreign-Trade-Zone Operation?

Innovating the image for more than 130 years

The “Kodak moment” will forever be part of our cultural lexicon. But over the years, The Eastman Kodak Company evolved into the go-to imaging solution and service provider for graphic design, commercial printing, publishing, packaging, film, and consumer products. To minimize duty payments for goods traveling in and out of the United States, Kodak created multiple foreign-trade zones (FTZs) and is looking to create more. But it needed a better way to manage these zones, including compliance with United States Customs and Border Protection (CBP) regulations. The key was to integrate Kodak’s back-end SAP® ERP application with CBP filing and reporting systems. It just needed the right solution – and the right partner to provide support in setting it up.
With streamlined and automated FTZ management, Kodak achieves picture-perfect compliance and a competitive edge.

Kodak became the first company to go live with the SAP® Global Trade Services (SAP GTS®) application, foreign trade zone, to track and manage goods movements in and out of its United States foreign-trade zones (FTZs), resulting in:

- More efficient management of imports and exports running through FTZs
- Automation of manually intensive processes by pulling the data from the SAP ERP and SAP GTS applications needed to comply with U.S. Customs and Border Protection (CBP) requirements
- Accurate reporting on all inbound and outbound FTZ movement through certified interfaces with CBP
- Automatic generation and self-filing of CBP forms for FTZ sites as well as export and import filings with CBP
- Automatic tracking of inventories held in FTZs – including inventory summary reports by status (privileged versus nonprivileged or domestic versus foreign) – and reconciliation with back-end software in SAP ERP
- Integration of customer returns and repairs, including mapping to proper inventory layers
- Lower operating costs by providing standard and complete integration to back-end software in SAP ERP

“With the support of our implementation partner KPMG, SAP Global Trade Services has greatly simplified FTZ management for Kodak. We have been able to avoid or defer total duty costs from FTZ admissions by **US$2.6 million**. We also **save time, and SAP GTS helps ensure we are fully compliant** with CBP.”

Paul Smith, Director, International Trade and Compliance, The Eastman Kodak Company