



Food Safety and Border: Perfect Together?

One Company's Ideas

To Unthicken Border through Pilot Projects

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The Campbell Soup Story

- \$8 Billion Global Food Manufacturer of Soup, Sauces, Beverages, Broths, and Baked Goods
- North America is a Single Market – 23 Facilities in 14 US States and Ontario
- Highly Integrated Supply Chain – Canadian Products Contain US Ingredients
- Approximately 8,000 Shipments Cross US-Canada Border Annually – Frozen and Shelf Stable Products – “Just In Time”
- Member of North American Competitive Council – US Section -- Strong Supporter of the SPP & CABC



Complexity & Repetitiveness

Paperwork Requirements to Export to US

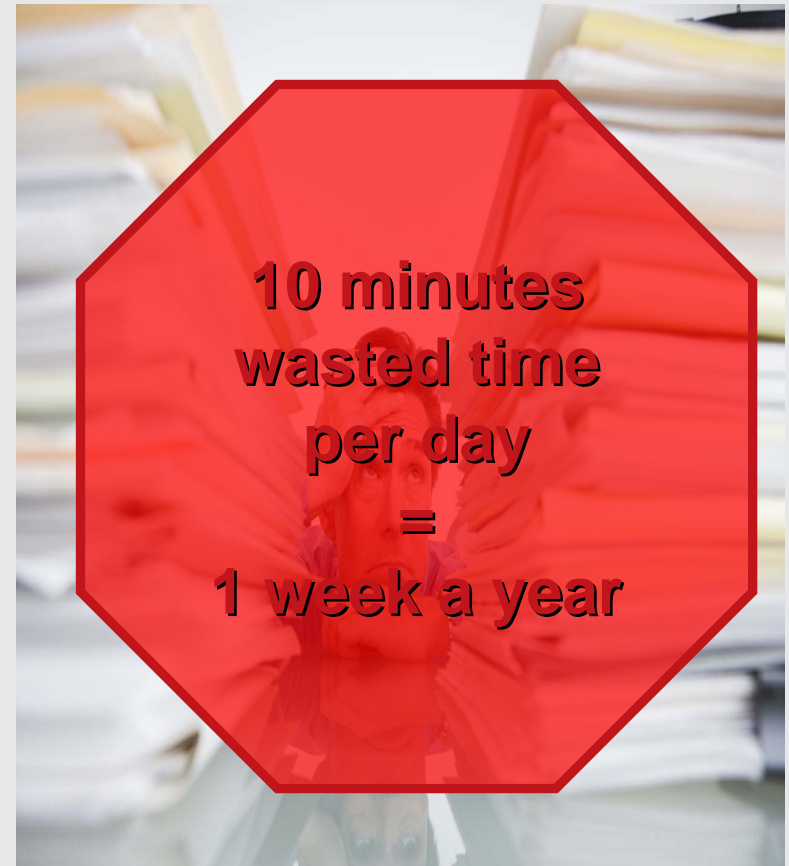
1. Invoice
2. Manifest packing slip
3. Bill of Lading
4. Hazardous Materials Form¹
5. OGA Form²
6. Customs Form 3461 – Release Document.
7. Customs Form 7501 – Customs Entry Form.
8. Canada Customs Export document.
9. NAFTA Certificate of Origin.
10. Marking Waiver³
11. Foreign Shipper's Declaration⁴
12. Manufacturers Affidavit⁴

¹ *If exporting flammable/explosive materials*

² *If regulated product*

³ *If not finished consumer good*

⁴ *If goods originally purchased in US*



How Delays, Fees Impact Our Business

- Cost of Border Delays Already Felt
 - 15-25% Surcharges by Canadian truckers to cross US border
 - Some Canadian truckers refuse to cross, turn down business
- Cost of New Fees Already Felt
 - Now pay 2 fees at border – Customs fee, now APHIS fee
 - Any new “Import user fee” would hit smaller shipments
- Proposals to Limit Ports – More Costs, More Delays, New Disadvantages
 - Costs, delays disadvantage Canadian suppliers, manufacturers
 - Creates disincentives for US investment, expansion of new or existing food processing facilities, distribution, etc.



Security and Prosperity Partnership – Any Hope?



Presidents Vicente Fox and George Bush, Prime Minister Paul Martin, launch the SPP in March 2005 – designed to foster a synchronized North American Strategy to enhance security and competitiveness

PM Harper, President Calderon have continued the effort in their countries

- **North American Competitiveness Council (NACC) created in 2006**
- **Leaders meet industry leaders at Montebello summit, August 2007 – focus on cargo pre-clearance, regulatory harmonization**
- **Leaders meet again in April 2008. Goal – make SPP Permanent**
- **Not a word about SPP from Obama Administration**

A New Vision of the Canada/US Relationship: Some Possible Solutions

- In conjunction with WHTI implementation, launch land pre-clearance centers or pilot projects -- move customs processes and congestion away from border
 - Example: Where Canadian inspectors are present and already working under an MOU with US, train them to conduct activities frequently performed at border entry, confirm paperwork, seal truck, etc.
 - Consider new Joint Border Commission on US-Canada border – modeled after successful US-Canada Commission on Boundary Waters with powers to resolve infrastructure expansion issues
 - Move more quickly to electronic data processing, and harmonize documentation and create a common Customs System
 - Reconsider structure, mission, composition of Dept. of Homeland Security – e.g., possible return APHIS-AQI to USDA
 - Find ways for travel/tourism sector to collaborate with manufacturing/services sector on Canada/US relationship
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