

A message from the President

This isn't a "State of the Union", but rather a brief note of introduction. At the end of 2015, John Salvo retired as president of Carmichael International Service. We appreciate John's hard work in building this great company and wish him all the best.

It will soon be two months since I joined Carmichael and I am very excited for the opportunity to lead this company. I fully embrace its culture and legacy. I come to Carmichael with nearly 30 years of experience in this industry. I have worked in a variety of different capacities within the business such as: air freight, ocean freight, warehousing, and customs brokerage. I have worked for a giant public company and a smaller family owned enterprise. My goal is to maintain the quality of our services, while growing with and adapting to the changing and demanding world around us.

During the past few weeks I have had the privilege of meeting many of our loyal clients and I sincerely look forward to meeting many more throughout the year. I believe that a great customs broker and freight forwarder should be a part of their client's supply chain solution. Carmichael is committed to assist its clients to comply with all CBP regulations, to expedite the movement of their cargo, and to provide the most cost effective transportation services. Our biggest asset is our dedicated employees who come in every day to do just that. I am impressed with their commitment, knowledge and attitude. I am confident that we will work together to sustain the reputation that Carmichael has achieved and continue to support our client's needs.

2015 was an "eventful" year for the logistics business. We had the West Coast ports congestion issues, new Free Trade Agreements, labor disputes, ACE, mergers, carrier financial problems, and more. 2016 will no doubt bring new challenges and opportunities. At Carmichael we are dedicated to keeping our clients informed, helping you seize opportunities, and working with you through the challenges.

The immediate challenge in the import community is Automated Commercial Environment (ACE). As a member of the National Customs Broker & Forwarders Association (NCBFAA), we want to share an Open Letter to Importers and Exporters from the NCBFAA which outlines the key issues in completing ACE. Please take a look at this attached letter. ([NCBFAA OPEN LETTER](#))

Carmichael feels strongly that the issues identified by the NCBFAA are critical to ensuring the efficient movement of trade. While Carmichael firmly supports the ACE migration, a successful transition to this new platform requires full system readiness by all participating government agencies and by all industry shareholders along with successful system testing to ensure success from the outset.

We also understand the concern many have with the February 28, 2016 mandatory use deadline. Carmichael has capable software, internal IT support, and a good third party provider; however, the final testing is challenging with the constant changes and updates from Customs. We are determined to being fully live by the deadline and supporting this huge project.

I can tell you that there has been tremendous investment for customs brokers to be ACE compliant. We also cannot yet fully understand the impact on productivity – especially when it comes to PGA's (Partner Government Agencies). We will be evaluating these costs over the coming weeks.

Again, I look forward to working with you, please do not hesitate to reach out to me any time.



Regards,

Todd Boice