



## **To LCB or Not to LCB?**

To LCB or not to LCB? Since Shakespeare didn't go into international trade this question continues to confound the trade community. We'll try to clear up the pros and cons, if not actually answer the question about the value of a Customs Broker's License for someone working for an importer from two perspectives: that of a hiring manager and that of a job candidate.

The Customs Broker's License is currently the only government certification in international trade compliance. Licensed Customs Brokers (LCB's) must demonstrate expertise in all Customs regulations such as classification, valuation, country of origin marking, invoicing requirements, intellectual property rights, anti-dumping and countervailing duties, duty drawback, Foreign Trade Zone's, and Free trade agreements (like USMCA, formerly NAFTA).

The Customs Broker's License is the best trade compliance credential one can have. Someone with a license has demonstrated they know the law. The Customs Broker's exam is incredibly difficult. The pass rate typically ranges from 1-20%.

The original purpose of the License was to certify a person to clear goods through Customs for a third party. Trade compliance professionals working for an importer are not required to be licensed unless they are conducting "Customs Business" for someone other than their employer. For them the license serves as a certificate of authenticity; a badge of honor. Since they are not actually doing Customs clearances their purpose for getting the license is to formally authenticate their expertise.

### **ACT I: WHY SHOULD AN IMPORTER HIRE A LICENSED CUSTOMS BROKER?**

An importer should hire an LCB for several reasons, mainly for credibility which cannot be overstated. The License evokes credibility with superiors, employees, coworkers and clientele as well as with Customs Officials. Managing Customs Compliance for an importer involves working with so many other internal and external individuals it is crucial to have their respect to get the job done. It may also be required by Customs if conducting Customs Business for a subsidiary or related company. It can also serve as a screening tool when recruiting for a trade compliance position.

Again, no government agency requires an importer to hire an LCB. There are also plenty of very knowledgeable and experienced candidates without the License. And sometimes they are a bit less expensive to hire. Do keep in mind that compliance is all about risk management.

### **ACT II: WHY SHOULD I GET MY CUSTOMS BROKER'S LICENSE?**

Why not? Other than being a difficult exam, there is really no downside. One benefit of becoming licensed is the increased knowledge gained from studying for the exam. Since the exam covers the entire Harmonized Tariff Schedule and all of the Customs regulations (19CFR) it exposes applicants to all aspects of the importing process. Many importers are requiring their trade compliance professionals to be licensed especially new hires. Current employees may even get a raise or promotion after becoming licensed. The License provides leverage in either scenario. Most certainly, potential employers will notice.

### **ACT III: TO LCB OR NOT TO LCB?**

So, it's the final act: To LCB or not to LCB? You decide.

*By Linda Lexo and Rick Miller, the Owners and Managing Directors of Trade Compliance Recruiting Solutions. Both are Licensed Customs Brokers with a total combined 20 years of recruiting experience in the Trade Compliance field. Their prior corporate industry and human resource experience provides them with the insight required to properly match qualified candidates with right position. You can reach them at [linda@traderecruiting.com](mailto:linda@traderecruiting.com) [rick@traderecruiting.com](mailto:rick@traderecruiting.com) or visit [www.traderecruiting.com](http://www.traderecruiting.com)*