

## CASE STUDY

# Proactive Classification Review

## Automotive Parts Distributor — Europe

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AT A GLANCE	
<b>Client:</b>	European automotive parts distributor with high-volume imports
<b>Challenge:</b>	Inconsistent tariff classifications across product range creating audit exposure
<b>MyCustomsInfo™ Solution:</b>	Classification consistency dashboard and exception reporting
<b>Outcome:</b>	87 discrepancies corrected; €340,000 potential duty exposure avoided

## Background

An automotive parts distributor importing over 4,000 SKUs annually had grown through acquisition, inheriting multiple classification approaches from different business units. A routine internal compliance review flagged that the same part was being declared under different commodity codes depending on which business unit processed the order.

With a customs audit anticipated as part of their AEO re-authorisation, the compliance director needed to identify all inconsistencies, correct them, and demonstrate to auditors that robust controls were now in place.

## How MyCustomsInfo™ Helped

MyCustomsInfo™'s classification management and analytics capabilities were central to the remediation effort:

- **Classification Consistency Dashboard:** MyCustomsInfo™ flagged instances where the same product description or supplier part number had been declared under multiple commodity codes, instantly surfacing discrepancies that would have taken weeks to find manually.
- **Historical Declaration Analysis:** The team used MyCustomsInfo™ to pull the full declaration history for each affected SKU, reviewing the duty rates applied and calculating the potential financial exposure.
- **Corrective Action Logging:** Each corrected classification was logged in MyCustomsInfo™ with a timestamped note explaining the change, the correct code, and the supporting rationale — creating a clear remediation trail for auditors.
- **Ongoing Monitoring Alerts:** MyCustomsInfo™ was configured to flag any future declaration where a product's commodity code deviated from the approved classification, preventing recurrence.

## Result

The review identified 87 classification discrepancies involving potential underpayment of €340,000 in duties. The company made a voluntary disclosure and corrected all classifications before the AEO audit. Auditors commended the proactive approach and the company's AEO status was re-authorised without conditions.

*“Finding 87 discrepancies before the auditor did was the difference between a clean re-authorisation and a very difficult conversation.”*

— Compliance Director, Automotive Parts Distributor