

MARCH JOINT POWERS COMMISSION
OF THE
MARCH JOINT POWERS AUTHORITY

MJPA Operations – Consent Calendar
Agenda Item No. 8a (11)

Meeting Date: March 24, 2021

Action: **APPROVE FOREIGN TRADE ZONE #244 ANNUAL REPORT FOR 2020**

Motion: Move to approve Foreign Trade Zone #244 Annual Report for 2020.

Background:

Foreign Trade Zone #244 (FTZ) was established in August 2000. As a requirement of the grant of authority, the March Joint Powers Authority (March JPA) must submit an annual report updating the Foreign Trade Zones Board on the volume of merchandise that was imported to and exported from the zone. The information contained in the FTZ #244 Annual Report covers the period January 1, 2020 through December 31, 2020. The following statistics are particularly notable:

- 1,803 People employed in FTZ #244 during 2020; and
- \$124.6 Million in merchandise was exported from the zone in 2020, and
- \$2.1 Billion of merchandise was shipped through FTZ #244 in 2020.

Since the previous annual report, pending applications and interested entities include Toolots, Inc., Trafilea, Hellman Worldwide Logistics, Alliance Operating Services, and Ta Chen International, Inc. Also in 2020, the following company was approved for FTZ activation: Skechers-Minor Boundary Modification.

Attachment: 1) Foreign Trade Zone #244 Annual Report for 2020.

FTZ ANNUAL REPORT SUBMISSION

Note: A response is required for each field. You will be able to save an incomplete report as a draft, but in order to finalize and submit your report, you will need to provide an answer to each question.

[Edit](#)

[Print](#)

OMB No. 0625-0109
Expiration Date 11/30/2020

STATUS: DRAFT on 03/23/2021 09:15 AM by FTZ-244

YEAR 2020 - Zone 244

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| <ol style="list-style-type: none"> 1. Grantee Contact Name 2. Grantee Phone Number 3. Grantee Email Address 4. Was foreign-status merchandise stored within the zone under zone procedures during the calendar year? | Dr. Danielle M. Kelly
(951) 656-7000
kelly@marchjpa.com
Yes |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|

ZONE PROJECT SUMMARY

5. Provide a summary of the warehouse and distribution activity that occurred within the zone project. Specifically discuss any developments or trends in shipments or activity and any value added activity that occurred within active zone space. FTZ #244 had eight active zone users during calendar year 2020. Increasing logistics warehousing and manufacturing developments in the Inland Empire are likely to generate organic cargo growth within the operating sphere of FTZ #244.
6. Discuss how the zone contributes to the local economy and local economic development efforts, including the FTZ impact on local employment, port activity, industrial development, international trade and investment. If applicable, describe in what ways the zone has been used locally by the logistics industry and other companies to address supply chain issues. FTZ #244 employed 1803 workers during 2020. \$124.6 Million in merchandise was exported from the zone in 2020. Additionally over \$2.1 billion worth of product moved through FTZ #244 during 2020.

	<u>Total Summed from Warehouse Operator Reports</u>	<u>Total to be Submitted to the FTZ Board</u>
7.1 Warehouse/distribution operators served ____ zone users during the calendar year.	9	9
7.2 The number employed by warehouse/distribution operators within activated areas was ____ persons. Employment figures should include both direct and contract persons. For part time workers, please report a full time equivalent (e.g., 60 contract employees working for 6 months would equal a full time equivalent of 30 workers).	1803	1803
8. Estimate the percent of total shipments that are directly or indirectly exported ____%. The indirect exports to be reported are shipments that are entered for consumption prior to subsequent re-exportation or shipments to a customer or related facility that are later exported (whenever known). It is important that each operator do its best to account for all export activity that is supported by their FTZ operation.	12	12

9. MOVEMENT OF MERCHANDISE

	<u>Total Summed from Warehouse Operator Reports</u>	<u>Total to be Submitted to the FTZ Board</u>
Last Updated:	01/25/2021 03:16:46 PM	
9.1 Beginning Value - Domestic Status	89306861	89306861
9.2 Beginning Value - Foreign Status	179054082	179054082
9.3 Beginning Value - Total (calculated)	268360943	268360943
9.4 Ending Value - Domestic Status	66615201	66615201
9.5 Ending Value - Foreign-Status	176295728	176295728
9.6 Ending Value - Total (calculated)	242910929	242910929

9.7	Merchandise Received – Domestic Status	471773209	471773209
9.8	Merchandise Received – Foreign Status	1724943809	1724943809
9.9	Merchandise Received From Other FTZ's – Domestic Status	12600380	12600380
9.10	Merchandise Received From Other FTZ's – Foreign Status	4469277	4469277
9.11	Merchandise Received - Total (calculated)	2213786675	2213786675
9.12	Merchandise Forwarded – To the U.S. Market	2049400907	2049400907
9.13	Merchandise Forwarded – To Foreign Countries (Exports)	99601036	99601036
9.14	Merchandise Forwarded – To Other U.S. FTZ's	90188021	90188021
9.15	Merchandise Forwarded - Total (calculated)	2239189964	2239189964
9.16	Merchandise Destroyed	46365	46365
9.17	Explanation of Discrepancies		
	[WHS-244-0091] 360 Discrepancy under review with software company.		
	[WHS-244-081] There was a shortage of one part number with more than 1% of inventory/\$1,000 in value of statutorily duty-free merchandise discovered during a routine inventory count.		
	[WHS-244-0131]		
	[WHS-244-00B]		
	[WHS-244-00A]		
	[WHS-244-0101] The 2020 beginning inventory of domestic status goods is off from the ending inventory balance for last year by \$128,233 (2019 ending balance was \$32,123,643) due to data inconsistencies in the reporting transition from 2019 to 2020. This is a 0.26% discrepancy on the basis of our 2020 total zone value and did not include any foreign status inventory. Upon the start of foreign admissions into the zone in early February 2020, an ICRS shift was completed.		
	[WHS-244-0141]		
	[WHS-244-0091] 360 Discrepancy under review with software company.		
	[WHS-244-081] There was a shortage of one part number with more than 1% of inventory/\$1,000 in value of statutorily duty-free merchandise discovered during a routine inventory count.		
	[WHS-244-0131]		
	[WHS-244-00B]		
	[WHS-244-00A]		
	[WHS-244-0101] The 2020 beginning inventory of domestic status goods is off from the ending inventory balance for last year by \$128,233 (2019 ending balance was \$32,123,643) due to data inconsistencies in the reporting transition from 2019 to 2020. This is a 0.26% discrepancy on the basis of our 2020 total zone value and did not include any foreign status inventory. Upon the start of foreign admissions into the zone in early February 2020, an ICRS shift was completed.		
	[WHS-244-0141]		

10. MAIN CATEGORIES OF FOREIGN STATUS MERCHANDISE RECEIVED

IF USING THE MAIN CATEGORIES AS REPORTED BY YOUR WAREHOUSE/DISTRIBUTION OPERATORS, THE SUMMARY WILL BE SUBMITTED AND YOU DO NOT NEED TO RETYPE THE INFORMATION.

CATEGORY	VALUE	MAIN COUNTRIES OF ORIGIN
---	0	---
---	0	---
---	0	---
---	0	---
---	0	---

[Click Here for a Summary](#)

11. FOREIGN STATUS MERCHANDISE RECEIVED:

11.R	Nonprivileged Foreign	1033733303	1033733303
11.S	Privileged Foreign	695082038	695082038
12.	Customs duties collected on merchandise entered from the operation during the calendar year amounted to \$___	221975787	221975787
13.	(Optional) Attachment field: You may attach any photographs of the operation or any information you feel may be useful		

14 .TOTAL VALUE OF SHIPMENTS (INCLUDES VALUE OF MERCHANDISE AS WELL AS VALUE ADDED – LABOR, PROFIT, OVERHEAD, ETC.)

14.1	Value of Shipments to the U.S. market:	2067964184	2067964184
14.2	Value of Exports:	124663843	124663843
14.3	Total Value of Shipments: (calculated)	2192628028	2192628028

CLICK BELOW TO OPEN A DRAFT OR SUBMITTED REPORT FROM AN OPERATOR:

OPEN	NUMBER	STATUS	BUSINESS PROPRIETARY
➔	FTZ-244	DRAFT on 3/23/2021 9:15:30 AM by FTZ-244	Yes
↕	MFG-244-051	SUBMITTED on 3/19/2021 1:04:39 PM by MFG-244-051	Yes
↕	WHS-244-0091	SUBMITTED on 3/11/2021 4:50:59 PM by WHS-244-0091	Yes
↕	WHS-244-00A	SUBMITTED on 3/1/2021 6:49:27 PM by WHS-244-00A	Yes
↕	WHS-244-00B	SUBMITTED on 3/9/2021 5:45:34 PM by WHS-244-00B	Yes
↕	WHS-244-0101	SUBMITTED on 2/23/2021 11:39:09 PM by WHS-244-0101	Yes
↕	WHS-244-0131	SUBMITTED on 3/10/2021 1:18:41 PM by WHS-244-0131	Yes

→	WHS-244-0141	SUBMITTED on 1/25/2021 3:16:46 PM by WHS-244-0141	Yes
→	WHS-244-081	SUBMITTED on 3/10/2021 7:47:40 PM by WHS-244-081	Yes

The information submitted in annual reports to the FTZ Board will be available for public review. If you consider the numeric data you are entering to be business proprietary in nature, the actual numbers will not be disclosed or reported and the FTZ Board's public report to Congress will only indicate a general range into which each number falls (such as \$0-\$500,000, \$500,001-\$1,000,000, \$1,000,001-\$5,000,000...).

Do you consider the numeric data your are entering to be business proprietary and releasable only as a range, as described above? Yes