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Milwaukee Tool trade compliance changes saved company time and money

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An overhaul of Milwaukee Tool's trade compliance program has saved the equipment manufacturer both time and money.

That's according to Susie Schroeder, the company's trade compliance director who was hired in 2019. She spoke yesterday at a Madison International Trade Association event held at the Fluno Center in Madison.

Schroeder discussed her work with the company's engineering group and others to enact operational changes aimed at improving compliance.

One of those changes was to establish two product development review milestones, one at the start of a product's conception and another before mass production. She said this move was relatively easy to implement and "very well-received" by the company's engineers.

Schroeder also touched on efforts to "redefine" the company's audit program, which found "a lot of over-declared products that we paid too much tariffs on, and so we were able to see some money back" on those goods.

And she highlighted her work with the company's sourcing team to obtain tariff exclusions for certain products. Tariff exclusion requests go through the office of the U.S. Trade Representative, according to a Congressional Research Service report updated earlier this year.

"When I came into the company, they were paying those tariffs. We worked on getting the exclusions, which was a huge cost savings," she said. "My ask to them was, 'when you guys are signing contracts with vendors, I want to be involved in those. Because if there's implications for us from a trade compliance standpoint, we need to be aware of them.'"

In the last several years, Milwaukee Tool has also automated aspects of its customs and vendor operations, she explained. Through this and other changes, the business has reduced its outside legal spending to about a fourth of what it was before she started, Schroeder explained.

“Overall with our company, proving that we could save time, that we could get faster response times, that we were saving money for the company while also being compliant, just really went far and it was recognized by all of our leaders at Milwaukee Tool,” she said. “It’s kind of enforced top-down, and so I think it’s made a great impact.”

–By Alex Moe