

Quick Reference Information

Topic: Fees associated with the purchase of items that are ordered from outside the Canada

The unique location of the University of Windsor to the United States allows our clients to easily acquire items from vendors who originate outside Canada by having their orders directed to our US expediting warehouse (Dearborn, MI). This service improves our ability to oversee the importation process that can be often delayed due to the unique nature of the materials being imported (i.e. chemical reagents, research substances, and biological agents).

Example:

Chris Busch (Researcher) purchases via. the Chemical Control Centre a 1mL solution of a magnetic fluid from Strem Chemical Inc. (US Vendor) that will be used in his research program. The cost of the item is \$100 USD.

Item	CDN	USD
Currency Exchange ¹ :	\$ 109.00	\$100.00
GST ² :	\$ 1.80	
PST ³ :	\$ 8.72	
Warehouse Cost ⁴ :	\$ 4.36	\$ 4.00
Brokerage Fee ⁵ :	\$ 17.00	
Duty ⁶ :	\$ 4.36	
Freight ¹ :	\$ 21.80	\$ 20.00
Total Cost	\$ 167.04	

¹ – Exchange rate \$1.09CDN = \$1.00USD

² – GST rate 5% / Internal account will reflect reimbursed rate 1.65%

³ – PST rate 8%

⁴ – Warehouse Cost (per package fee) / assuming that Chris' item is contained within one package

⁵ – Brokerage fee assumes that Chris' order was not placed with any other orders

⁶ – Duty rate of approximately 4% is applied if the vendor does not provide a properly completed certificate of origin

What can clients do to reduce the costs?

Option 1: As always, we should strive to consolidate individual orders to reduce the total costs of acquisition, including shipping, handling, and now brokerage fees. By sharing the costs between multiple clients we reduce the total acquisition costs compared to acquiring items individually. Therefore, clients request that their order be held, for a specific time period, to facilitate consolidating orders must be honored.

Option 2: Numerous vendors have established distribution contracts with Canadian corporations. Clients may identify an alternative Canadian vendor to avoid the brokerage fees (shipping, PST & GST still apply); however, please note that pricing is typically different with distributors than direct sales.

Option 3: Have the vendor clear the package in their name. The vendor will be responsible for paying all the fees and taxes on your behalf. In our experience, vendors rarely agree to this.

If any clients have any questions, please feel free to contact Evelyn St. Pierre (ext. 2083).

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