

CASE STUDY: How Titan Streamlined a Retail Distributor's Import Process Resulting in 60% Savings and Happier EU Customers.

Summary of Challenge

Our client is a wholesale distributor of fashion accessories to retailers in over 100 countries. They were distributing on an order by order basis worldwide from their main warehouse located on the East Coast, USA with daily collections from their freight provider. Although this service provided a fast delivery model, our client's customers faced import customs and duty and did not know the final price until the order was delivered. This led to customer frustration and lost opportunities.

Titan's Solution

To serve our client's EU customers, Titan managed the creation of an Irish registered company for our client, including tax planning, due diligence and administrative requirements. Titan also organized the location and management of an Irish warehouse, and their freight requirements are now overseen by our freight forwarding team. The distribution flow of EU Customer orders was updated to the following:

- EU Retail Customers place order for wholesale product with the new Irish registered company.
- The Irish Company places an order and purchases the product from the US Company. The US Company sends the product to the Irish Company's warehouse.
- Import customs and duties are paid by the Irish company.
- The Irish Company ships out the product to the EU Retail Customer.

Results

- Reduction of freight costs by 60% due to our client taking advantage of Titan's consolidated buying power with Tier 1 Carriers.
- Simplified solution for taxes and duty. Takes the ownership and unpredictability off the EU Retail Customer.
- Ability to utilize Ireland's 12.5% corporation tax on EU profits.
- VAT claim back.
- Additional transit time of product approximately 2 days.
- EU Distribution network secured from any Brexit related disruptions.

Although there has been an increase in the transit time of the product, the reduction in the overall costs and simplified taxes and duty solution outweighs the time difference. In addition to the financial savings, our client has had fantastic feedback from their EU Retail Customers on the simplicity and ease of importing product with the redeveloped distribution solution.



Client

- Wholesale Distributor of Fashion Accessories
- East Coast, USA Headquarters
- 85 Employees
- 35 Years in Business

Challenge

Simplify EU Distribution Process to Alleviate Customs Issues and Allow for Additional Business Growth.

Results

- 60% Reduction in Overall Charges
- Simplified Taxes and Duties
- 12.5% Corporation Tax Rate on Profits
- VAT Claim Back
- Brexit Ready EU Network



To find out more or learn how Titan can unlock your business's maximum potential, contact us at +353 61 775 222 or info@titanlogistics.ie