



For Immediate Release

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Rocky Brands increases global competitiveness through Foreign-Trade Zone 138

Rickenbacker-based FTZ ranks in top 10 for fourth consecutive year

COLUMBUS — Rocky Brands Inc. has become more competitive on a global scale because of [Foreign-Trade Zone 138](#), which encompasses Rickenbacker International Airport and a 25-county area in Central Ohio. More than five years ago, FTZ 138 helped Rocky Brands establish a Foreign-Trade Zone site at its distribution facility in Logan, Ohio, leading to significant tax savings on imported merchandise and increased reporting efficiency for the international retailer.

Headquartered in Nelsonville, Ohio, Rocky Brands designs, develops, manufactures and markets premium footwear, apparel and accessories. Its globally recognizable brands include Rocky, Georgia Boot, Durango, Lehigh and the licensed brand of Michelin Footwear. The company does more than \$200 million in sales annually and employs about 300 people in Ohio and 2,300 internationally.

"Our FTZ site went live in Sept. 2012, and we have realized a considerable savings since that time," said Kevin Koster, Director of Distribution Services for Rocky Brands. "We are able to defer, reduce or eliminate U.S. Customs import duties. Plus, we consolidated the reporting of our entries to once a week instead of having to report each container."

Rocky Brands imports merchandise to its FTZ site from China, Vietnam, Jordan, Puerto Rico and the Dominican Republic. FTZ sites are legally considered outside of Customs territory for the purpose of duties, or taxes. As a result, the merchandise remains duty-free until it leaves the FTZ.

For Rocky Brands, and many retailers, this means taxes are reduced, eliminated or deferred until merchandise ships to locations in the United States. Or, in the case of exporting goods to international markets, which has become a bigger focus for Rocky Brands, those goods remain outside Customs territory and no duty is ever paid.

The considerable tax savings transfer to consumers, who pay less, and the companies, enabling them to be more competitive in the global marketplace. Koster said Rocky Brands reinvests its savings. In addition to retaining and recruiting employees, the company recently completed a two-year improvement project to its distribution center's conveyor systems.

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Administered by the [Columbus Regional Airport Authority](#), FTZ 138 works with a number of globally recognizable companies that operate in Central Ohio. As a result, it ranks as one of the country's top zones. In fact, FTZ 138 ranked No. 8 out of 195 active U.S. zones for warehousing and distribution based on the total value of goods imported in 2016 — the fourth consecutive year it attained a top 10 ranking in the category.

Nearly \$8.9 billion in merchandise moved through FTZ 138 in 2016, according to the Foreign-Trade Zones Board's annual report to Congress published in November 2017. That figure is up 13.6 percent from about \$7.8 billion in 2015, when FTZ 138 ranked ninth among U.S. Foreign-Trade Zones.

"We work hard to educate companies in our 25-county service area about the benefits of the Foreign-Trade Zone so they can be more competitive globally, economically benefitting the entire region," said Angie Atwood, Administrator of FTZ 138.

Koster said a highlight to establishing an FTZ site is having Atwood as a resource.

"Angie was really great to work with because she answered all our questions and connected us with all the people we needed to know," he said. "We already had C-TPAT (Customs-Trade Partnership Against Terrorism) certification and met reporting requirements, but she knew exactly what else was required. She had great insight into the benefits of creating an FTZ site for us. It was one of the easiest projects we've had."

Learn more at FTZ138.com.

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