



JAPANESE MULTI-NATIONAL

saves millions with
Thomson Reuters ONESOURCE™
Free Trade Agreement (FTA)
Management

How it all began

Before an open trade zone was forged between Japan and Europe in 2019, billions were paid in tariffs by businesses on both sides. One such Japanese manufacturing multinational was paying millions in duties, as EU was one of their highest revenue-generating markets.

The biggest struggle for the company was FTA management, an area that was being managed manually. However, just as the JP-EU agreement was being discussed, the client decided to proactively evaluate options to simplify compliance. It sought a comprehensive FTA solution that could integrate with their complex ERP estate. **EU FTA was a different ball game since the scale of trade was much higher, as was the associated self-certification risk.**

All of this motivated the client to **seek a robust FTA platform**. One solution that particularly stood out to them was the ONESOURCE FTA Management platform by Thomson Reuters.

Approach Taken

Deep-dive workshops: Thomson Reuters' global trade experts conducted several deep-dive workshops to understand the customer's business and current challenges.

POC implemented: Based on these insights, Thomson Reuters helped the client draft a future roadmap with a decisive Proof of Concept (POC) delivery time. The team also highlighted the millions that would be left on the table if the client continued to take a manual approach to FTAs.



New FTA (JP-EU) on the horizon



Complex ERP landscape



Risk of non-compliance and high penalties

Why ONESOURCE FTA solution?

The client engaged in extensive research to find the right solution to manage FTAs and realized that Thomson Reuters, ONESOURCE FTA management solution, fit the bill perfectly. Thomson Reuters' solution was functionally superior and covered all bases.

During the POC stage, the platform was appreciated by the customer team for its user-friendly interface, global coverage, and system readiness.

ONESOURCE was uniquely positioned to help them add a technology layer, as well as empower their staff with FTA management and massive cost savings, in terms of duty reductions.

Furthermore, in terms of functionality, it offered several key benefits:

Superior data handling & processing: Automated Origin Determination

Ability to integrate highly complex bill of material structures and simultaneously analyze them against the Rules of Origin of multiple agreements, on a cloud-enabled system.

Automatic self-certifications: Auditable Compliance

Ability to automatically self-certify, allowing for error-free declarations, mitigating potential penalties, while building the audit trail for future preferential claims.

- 1 Robust FTA solution
- 2 User-friendly | global coverage | system readiness
- 3 Strong implementation roadmap

Impact

The POC stage, featuring a clear roadmap and implementation program, was incredibly successful and quickly earned the client's trust.

Within the first year of the program, the client saw significant returns through a reduction in tariffs. They were able to save millions every year from the JP-EU FTA alone.

The impact was seen across organization - from R&D to sales. The company was able to channel their massive savings into innovation-focused projects and reduced pricing for end customers. This resulted in a win-win outcome for both the client and Thomson Reuters, since this was one of its first JP-EU FTA implementations.



Millions saved in custom duties



Cost savings reach end-consumer in form of reduced prices



First JP-EU FTA implementation in the region



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