

Uber Freight

From the
U.S. to Mexico:
A guide to
strengthening
your cross-border
transportation
program



Cross-border transportation between the U.S. and Mexico has remained a critical driver of economic growth, even amidst recent global supply chain disruptions. This highlights the enduring strength of cross-border logistics and the significant opportunities to optimize your transportation operations and adapt to the evolving trade landscape.

If you're looking to kickstart or revamp your cross-border program, the time to act is now. Investing in proactive strategies and prioritizing long-term commitments at competitive rates is a necessity. The Mexico market is on an upward trajectory, but factors like nearshoring and cargo theft demand a strategic approach from your team to ensure efficient compliance, high-quality service, and cost savings.

Regardless of your objective, your team can bolster its cross-border strategy by leveraging the benefits of automated TMS technology and the expertise of a managed service partner. This support can empower your company to streamline customs compliance, enhance supply chain visibility, and adeptly navigate the ever-evolving cross-border transportation trends and challenges. With these tools at your disposal, you can feel confident in your ability to strengthen your cross-border transportation program.

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Compliance 101: Your pre-transportation requirements

The documents required to move goods across the border differ depending on whether you're shipping from the U.S. to Mexico, or vice versa. Both countries have multiple regulatory bodies that oversee safety requirements for imported goods, which vary depending on your industry.

At a baseline, your customers, carrier company, and truck drivers typically need a minimum of the following four transportation documents:

1. Invoices that details the product being moved, and the seller and receiver.
2. Packing lists that quantify the goods being exported or imported, with details including quantity, weight, dimensions, and price.
3. Bills of lading (BOL) that specifies the freight origin, crossing point, and final destination.
4. Bills of lading (BOL) that comply with the requirements established by the Mexican authority.
5. USMCA Certificates of Origin, which states whether the transported goods qualify for tariff or quota exemption when exported to Mexico.

Once these basic transportation documents are in order, you must also review customs compliance regulations and figure out which apply to your business. These vary depending on the type of product you're moving and whether you're shipping it to or from Mexico.

The easiest way to figure out your requirements is to define your product category. Then, use the U.S. Harmonized Tariff Schedule and appropriate chapter notes, the Customs Rulings Online Search System (CROSS), or work with commercial trade specialists to identify the harmonized system (HS) code for your specific product. Lastly, you should research your product regulations established by U.S. and Mexico authorities through government agency websites.

For example, fresh produce is a major import from Mexico to the U.S. Most produce will be required to meet regulations from the following:

1. U.S. Customs and Border Protection (CBP), which enforces U.S. laws against illegal imports. The CPG would enforce APHIS and FDA requirements at U.S. ports of entry.
2. U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS), which protects and promotes agricultural health in America. Typically, you would apply for an agricultural import permit from APHIS and obtain a phytosanitary certificate from the exporting country.
3. Food and Drug Administration (FDA), ensuring the safety of products for public consumption. You would register your products and file a prior notice (PN) with the FDA, and ensure your products are safe and labeled properly as they'll undergo inspection.

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There are also Mexican regulatory bodies to comply with if you're exporting produce from Mexico. These include:

1. The National Service of Health, Food Safety, and Food Quality (SENASICA), which establishes requirements for the safe import of food.
2. The Mexican Ministry of Agriculture, Livestock, Rural Development, Fishing and Food (SAGARPA), responsible for making and enforcing food sector policies.
3. National Security

While produce is a heavily regulated sector, there are other governing bodies to be aware of across industries. For example, the United States Department of Agriculture (USDA) oversees the import regulations for furniture materials, while the Bureau of Industry and Security (BIS) controls the trade of dual-use software and technology.

Customs regulations, and import and export laws, are constantly changing. There's a lot to keep track of, so having the support of a logistics partner can help ensure you're up to date with compliance requirements and reduce the risk of getting turned away by CBP at the border. Moreover, access to a TMS can help you automate the procurement of compliance documents, making the process easier and less time consuming.

Case Study

The logistics partner advantage: Making customs compliance more efficient

A manufacturer of labeling and adhesive materials has greatly expanded its Mexico presence in recent years. To ensure its logistics program was equipped to adapt to the growth, the company leveraged Uber Freight's commercial partnership with Uber Freight Mexico Customs powered by TP Laser to collaborate on a strategy to streamline U.S. and Mexico customs clearance processes, and compliance regulations including a Customs Trade Partnership Against Terrorism (CTPAT) certification.

The company leveraged Uber Freight's team of international trade experts and TMS, as well as Uber Freight's commercial partnership with Uber Freight Mexico Customs powered by TP Laser, which helped its logistics team automate document production for customs clearance and achieve visibility into customs events through an online portal. In doing so, the company saw a 15% cost reduction in customs services, and developed a transportation strategy around NAFTA supply cycles to improve its speed to market.

[Learn more about how the company simplified its compliance processes.](#)

Diversifying route selection and procurement

A shipment's origin and destination are the key components that dictate which transportation routes and modes to choose for cross-border journeys. At a glance, most international trade between the U.S. and Mexico occurs between Southern states such as Texas and California. In fact, Laredo, Texas, ranks as the number one international trading port in the U.S., seeing [nearly \\$25 billion in trade](#) driven primarily by Mexico commerce.

While Laredo is a core trade hub and a go-to option for logistics teams, you don't need to have every shipment travel through that port. Considering different transportation routes when possible is key to maintain quality service and keep costs low.

If you're shipping west to states such as Arizona, Nevada, or California, going through Laredo will add mileage to your trip and drive higher fuel costs. Instead, consider alternative ports of entry such as El Paso, Texas, or Calexico, California.

When choosing the ideal modes, truckload will always be the most common and efficient option for logistics teams, with [71% of U.S.-Mexico freight](#) being moved via truck. However, in order to effectively navigate disruption such

as capacity constraints or crossing point delays, your team needs a strategy that allows you to easily shift to different modes, such as intermodal, rail, ocean or air, when needed. Becoming agile requires a robust level of visibility into your shipment journeys, which you can gain with the help of a logistics partner and TMS technology.

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Shippers need to think about where they are going and the most efficient way to get there. Having access to a matrix of modes and gateways creates supply chain resilience, and also gives logistics teams access to different carrier bases.

- Carlos Godinez, Vice President of New Business Development & Marketing, Uber Freight

Case Study

The logistics partner advantage: Improving supply chain visibility and procurement agility

A manufacturer of sustainable power management solutions regularly ships to a Tier 1 supplier in Mexico, which tasked the company with delivering materials faster. The company approached Uber Freight to gain real-time visibility into shipments from origin to final destination, and cross-border expertise to speed up shipments from Mexico.

Specifically, the company leveraged the Public Tracking Portal (PTP), a track-and-trace tool within the Uber Freight TMS that provides consistent status updates for any shipment moving through the network within a 90-day range. Access to this real-time data has empowered the manufacturer to make smarter decisions such as consolidating freight through means like cross-docking and LTL pooling. In turn, the company has increased shipment velocity, reduced costs, and improved the overall customer experience.

[Learn more about how the manufacturer uses real-time visibility to improve cross-border service.](#)

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Top-of-mind trends and challenges: From nearshoring to cargo theft

A strategic, proactive transportation management strategy requires staying on top of market trends. Our team at Uber Freight stays on the pulse of Mexico's nearshoring boom and rise in cargo theft, and works with customers to implement solutions to navigate these trends.

The [rise of nearshoring](#) in Mexico will have an undeniable impact on the country's economy and keep the market in shippers' favor. Mexico's Secretary of Economy recently identified 378 announcements of investment, amounting to \$106 billion and 235,000 new direct employment opportunities over the next few years. This marks a 21% increase in foreign direct investment (FDI) from the previous 12 months, with investments from major companies including Walmart, Unilever, Tesla, and Heineken.

If your team isn't considering nearshoring, you risk falling behind your competition by missing out on faster shipment journeys and cost savings. As more companies migrate to Mexico, you should diversify your modes of transport to manage heightened demand and capacity crunches. A [TMS with real-time supply chain visibility](#) will support this diversification by giving your team access to up-to-date shipment tracking data, a vast network of carriers, and automated procurement capabilities.

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[Cargo theft and fraud](#) are also becoming more rampant in both the U.S. and Mexico. In the U.S., CargoNet reported that [theft spiked more than 57%](#) from 2022 to 2023. In Mexico, Camara Nacional del Autotransporte de Carga (CANACAR) reported 13,000 incidents of theft on highways in 2023, a 5% year-over-year increase. Along with causing consequential financial losses for shippers, spikes in crime pose higher insurance policy costs for carriers.

Take action to combat thieves by working with your managed transportation partner to implement safety procedures that keep drivers safe, such as only transporting goods during the daylight in cargo theft hotspots. Additionally, consider investing in a TMS that provides fraud-prevention technology solutions, such as real-time shipment tracking to catch suspicious activity, and built-in automation to verify carriers with unique identifiers.

Now is a prime opportunity to leverage Mexico's soft market and uplevel your cross-border transportation program. As a managed transportation service provider, Uber Freight is here to help with experts on both sides of the border, offering integrated services including ground transportation, intermodal and rail solutions, warehousing, and distribution.

Through the commercial alliance that Uber Freight has with Uber Freight Mexico Customs powered by TP Laser, shippers can automate U.S. and Mexico customs brokerage, including CTPAT/OEA certification and transloading, to make cross-border shipping easier than ever.

[Connect with a representative today to simplify your cross-border logistics.](#)