

# Section 321 Fulfillment 101: The Smarter Way to Fulfill



 Lateral

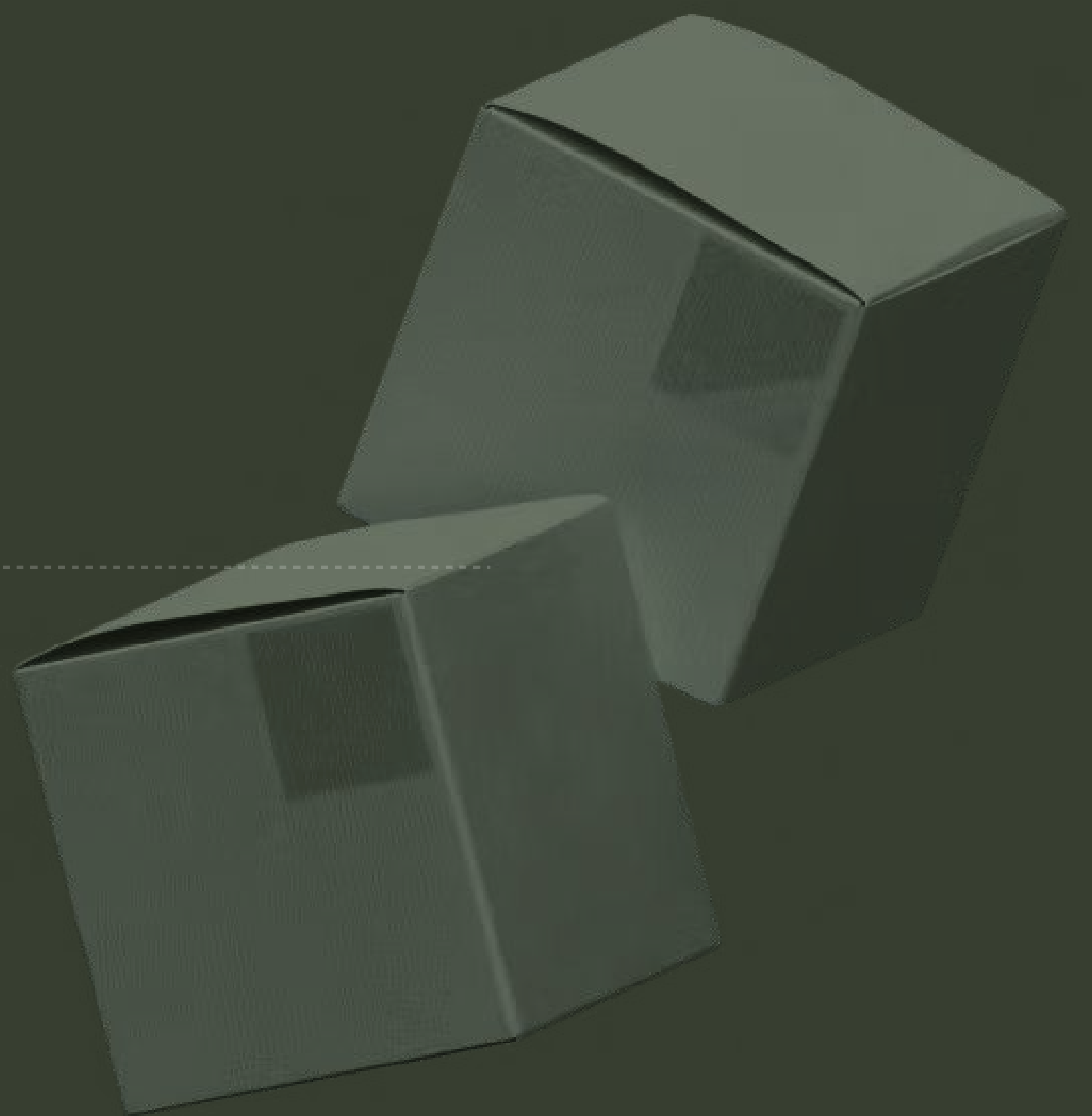
Learn to boost customer satisfaction and bottomline profits with Section 321 Fulfillment.



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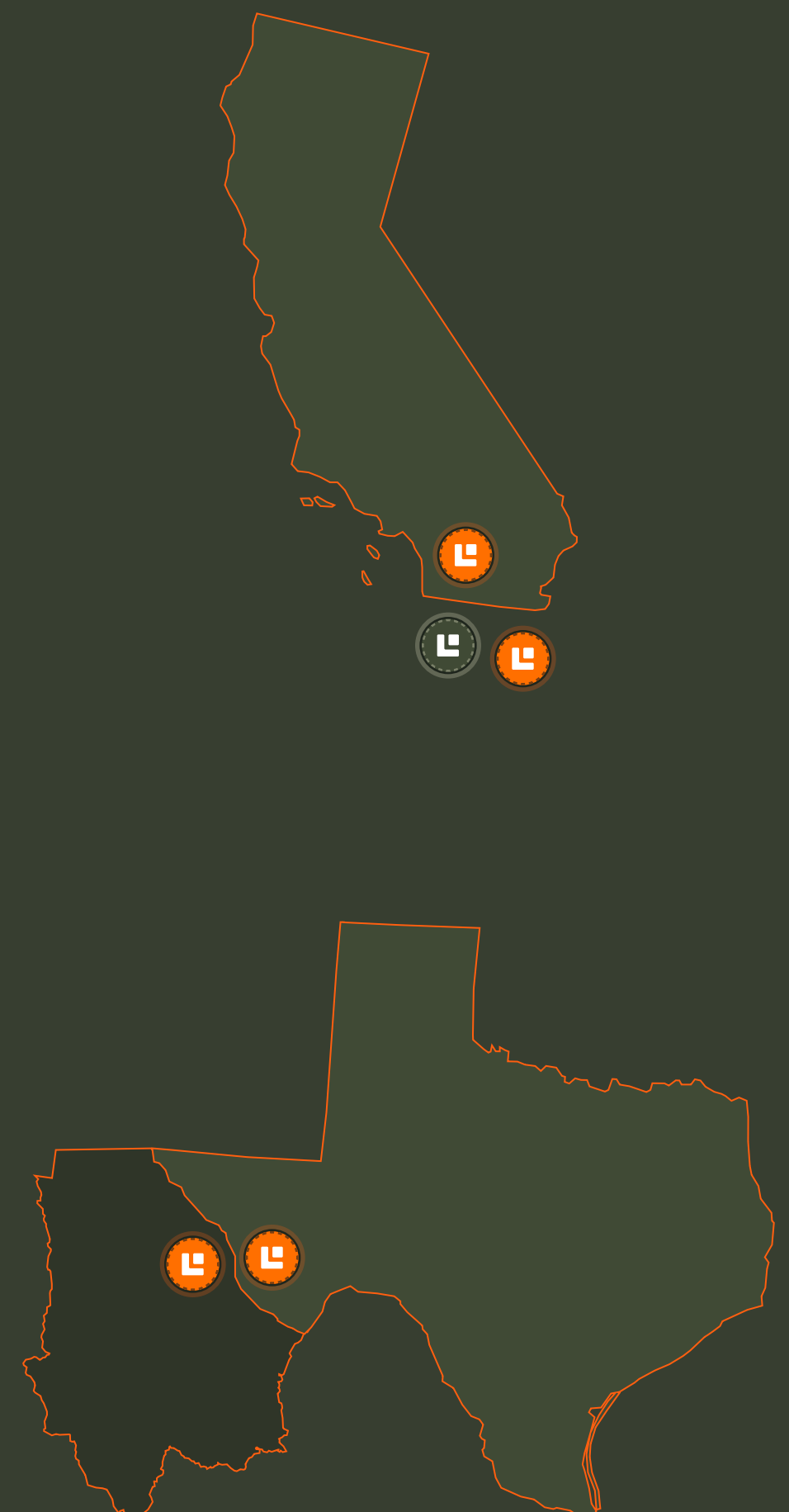
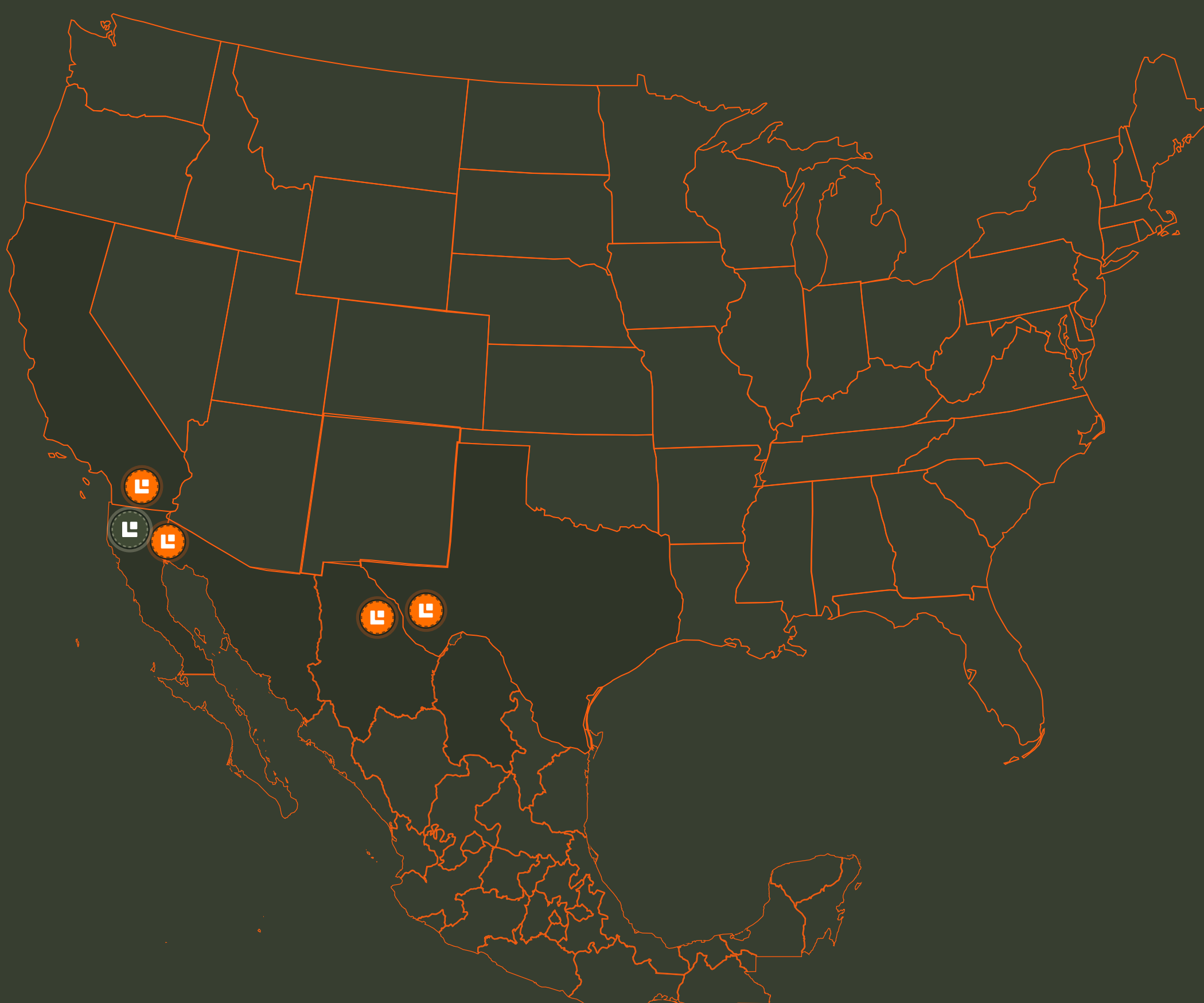
# Section 321 Fulfillment 101



## What Is Section 321 Fulfillment?

Section 321 Fulfillment is a U.S. Customs regulation that allows businesses to import goods valued under \$800 duty-free. This rule is designed to streamline international commerce and reduce the tax burden for businesses importing small shipments into the U.S.

This is where things get exciting: eCommerce brands can use Section 321 to avoid costly tariffs and duties while ensuring fast delivery times. By strategically shipping products through countries like Mexico or Canada, businesses can defer import duties and optimize their fulfillment process.

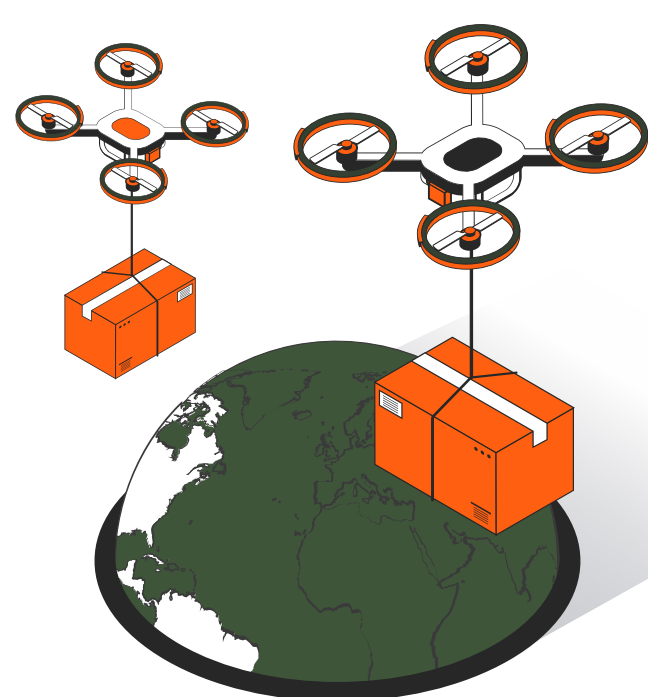


# How Does Section 321 Fulfillment Work?

Here's a simple breakdown of the Section 321 process:



- **Orders Are Placed by U.S. Customers**  
Your customers in the U.S. place an order for your product through your eCommerce store, just like any normal transaction.



- **Goods Are Shipped to a Border Warehouse**  
Instead of shipping directly from your origin country to the U.S., your products are first sent to a warehouse located just across the U.S. border in Mexico or Canada.



- **Duty-Free Entry via Section 321**  
Once the goods arrive at the border warehouse, they are prepared for shipment to the U.S. Because each shipment is valued under \$800, they qualify for duty-free entry under Section 321. This allows you to avoid paying expensive import duties and tariffs.



- **Products Re-Enter the U.S.**  
After the goods are cleared under Section 321, they are shipped to your customers in the U.S. This entire process takes advantage of the close proximity of the border, allowing for delivery times of 1-3 days while avoiding the heavy cost of duties.



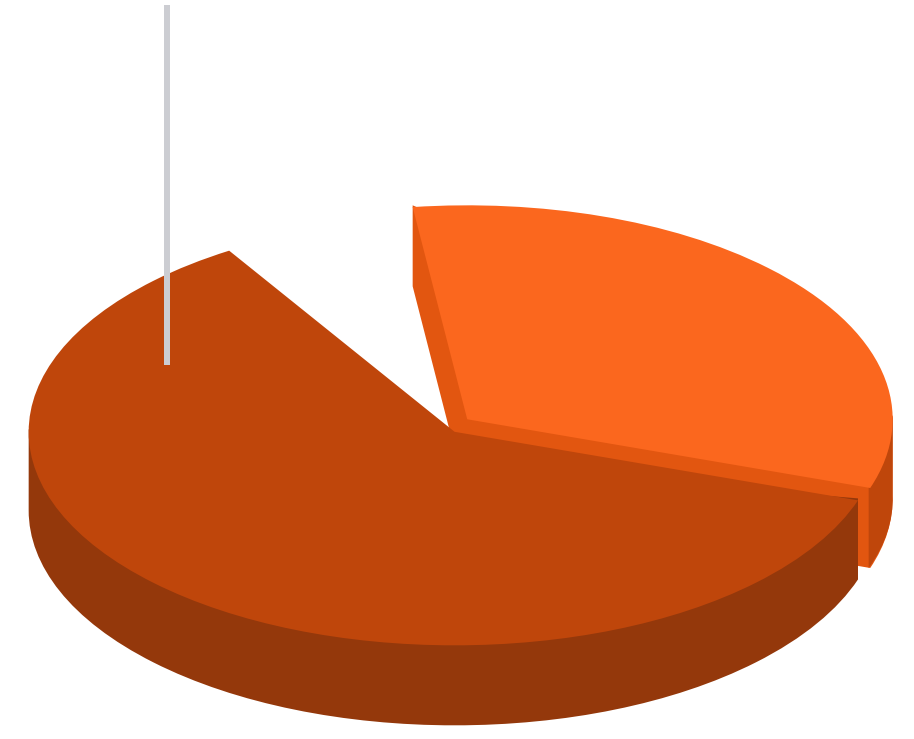
- **Goods Are Delivered to the Customer**  
Your products arrive at your customer's doorstep quickly and efficiently, as if they were shipped domestically. This gives your brand the ability to offer competitive shipping times and prices while keeping your costs low.

# What Are the **Key Benefits** of Section 321 Fulfillment?

## 1 Cost Savings

By routing your products through a border warehouse and using the \$800 de minimis rule, you avoid hefty duties and tariffs, which translates into major cost savings for your business.

Section 321 savings



## 2 Faster Delivery Times

With strategically located border warehouses, your products can re-enter the U.S. and reach your customers in just 1-3 days, giving you a competitive advantage.

## 3 Increased Scalability

As your business grows, Section 321 Fulfillment allows you to scale efficiently without the added complexity and cost that traditional international fulfillment methods bring



## 4 Enhanced Customer Experience

By using Section 321, you deliver quickly and affordably, which keeps customers happy and loyal. This boosts your brand reputation without compromising your bottom line.

# How to Streamline Your Logistics and Take Advantage of Section 321 Fulfillment

There are a few ways to optimize your fulfillment and save costs with Section 321 Fulfillment. Let's break down your options, whether you do it in-house, stick with traditional 3PLs, or let Lateral Fulfillment handle it for you.

## Lateral Fulfillment vs. Other Logistics Firms

Benefit	Lateral	US Based 3PL Firms	In House Logistics	Mexico Based Firms	Canada Based Firms
 Low Cost Fulfillment	●	○	○	●	○
 Abundant Labor	●	○	○	●	○
 Section 321 Savings	●	○	○	●	●
 Custom Built Tech Stack	●	◐	◐	◐	◐
 30 Day Onboarding	●	○	○	○	○
 Ample Warehouse Space	●	○	○	○	●
 Value Added Services	●	●	●	●	●
 In-House Customs Compliance	●	○	○	○	○
 In-House Freight Services	●	○	○	○	○

## Option 1: Do it Yourself In-House

If you want to handle Section 321 on your own, here's what it looks like:

### 1 Find a Border Warehouse

You'll need to set up a warehouse near the U.S. border, ideally in Mexico or Canada, to take advantage of duty-free entry.

#### Cost Estimate

\$10,000-\$50,000+ monthly depending on warehouse size and location

#### Timeline

3-6 months to find, lease, and set up operations

### 2 Handle Customs Compliance

Make sure your shipments qualify under the de minimis value rule (under \$800) to avoid duties. You may need to hire a customs broker to navigate the regulations.

#### Cost Estimate

\$10,000-\$50,000+ monthly depending on warehouse size and location

#### Timeline

1-2 months to get up to speed on regulations

### 3 Organize Your Fulfillment

Set up a logistics system to manage shipping, tracking, and returns from your border warehouse to U.S. customers. This can be complex and requires reliable partners.

#### Cost Estimate

\$5,000-\$20,000+ monthly for logistics and systems

#### Timeline

2-4 months to fully implement

### 4 Stay on Top of Regulations

You'll be responsible for managing all documentation and ensuring compliance with U.S. Customs requirements.

#### Cost Estimate

Varies depending on the level of internal management or outsourcing

#### Timeline

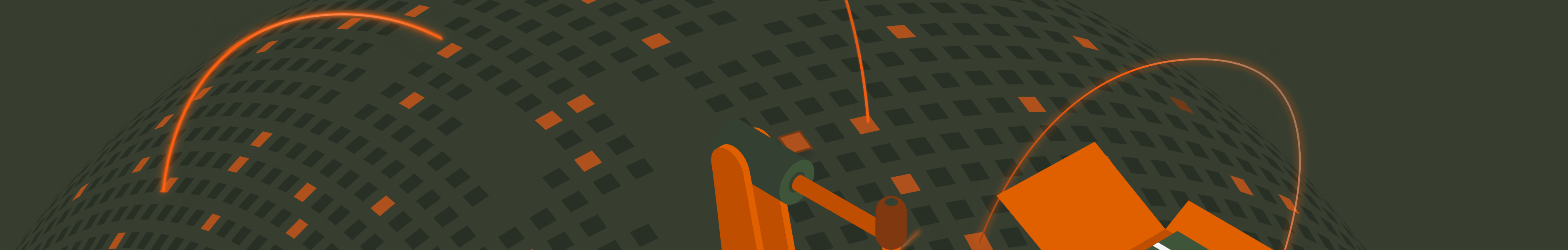
Ongoing, with potential delays due to compliance issues



All In Cost Estimate  
**\$16,000 - \$75,000**  
per month



All in Timeline  
**At least 6-12 months**  
without delays



## Option 2: Using Traditional 3PLs

Most brands opt for traditional 3PL providers.

Here's what you get:



### 1 High Costs, Limited Flexibility

Traditional 3PLs are often expensive and don't offer much flexibility to adapt to your needs, especially for cross-border shipments.

#### Cost Estimate

\$10,000-\$50,000+ monthly depending on warehouse size and location

#### Timeline

1-3 months to onboard and set up services

### 2 Lack of Section 321 Expertise

Most 3PLs don't specialize in Section 321 Fulfillment, so you could miss out on big cost savings.

#### Cost Estimate

Extra costs from duties and missed savings, adding 10-30% to expenses

#### Timeline

Lacking in-house compliance could result in importing and exporting delays

### 3 Slower Delivery

Traditional providers often lack the speed needed to compete in today's fast-paced eCommerce environment, resulting in slower deliveries.

#### Cost Estimate

Costs increase if expedited shipping is needed

#### Timeline

5-7 days average for standard deliveries



All In Cost Estimate  
**\$20,000 - \$60,000+**  
per month



All in Timeline  
**2-6 months**  
to get fully onboarded  
and optimized



## Option 3: Letting Lateral Fulfillment Make It Easy

Lateral Fulfillment simplifies the entire process. Here's why we stand out:

### 1 We Already Have Border Warehouses

Lateral has strategically placed warehouses near the U.S. border, ready to handle your shipments for duty-free entry.

#### Cost Estimate

Competitive pricing, with an average savings of 30% compared to traditional 3PLs

#### Timeline

1-2 weeks to several months, depending on the complexity of your operations

### 2 Exclusive In-House Customs Expertise with IMMEX

Lateral is the only 3PL with both in-house customs brokerage under the IMMEX program and Section 321 fulfillment capabilities. IMMEX (Manufacturing, Maquiladora, and Export Services) allows foreign goods to be imported into Mexico duty-free, as long as the finished goods are exported out of Mexico. This unique combination maximizes your flexibility and customer savings, with seamless cross-border operations.

#### Cost Estimate

Built into our service, saving you thousands in customs broker fees

#### Timeline

Immediate compliance with no delays.

### 3 Seamless Fulfillment

Our tech-enabled system ensures that your products move smoothly from warehouse to doorstep in just 1-3 days, giving your customers a great experience.

### 4 Cost-Effective and Scalable

Lateral saves you up to 30% on logistics costs, while providing the flexibility to scale as your business grows.



#### All In Cost Estimate **Average Savings: 30%**

Competitive pricing compared to traditional 3PLs



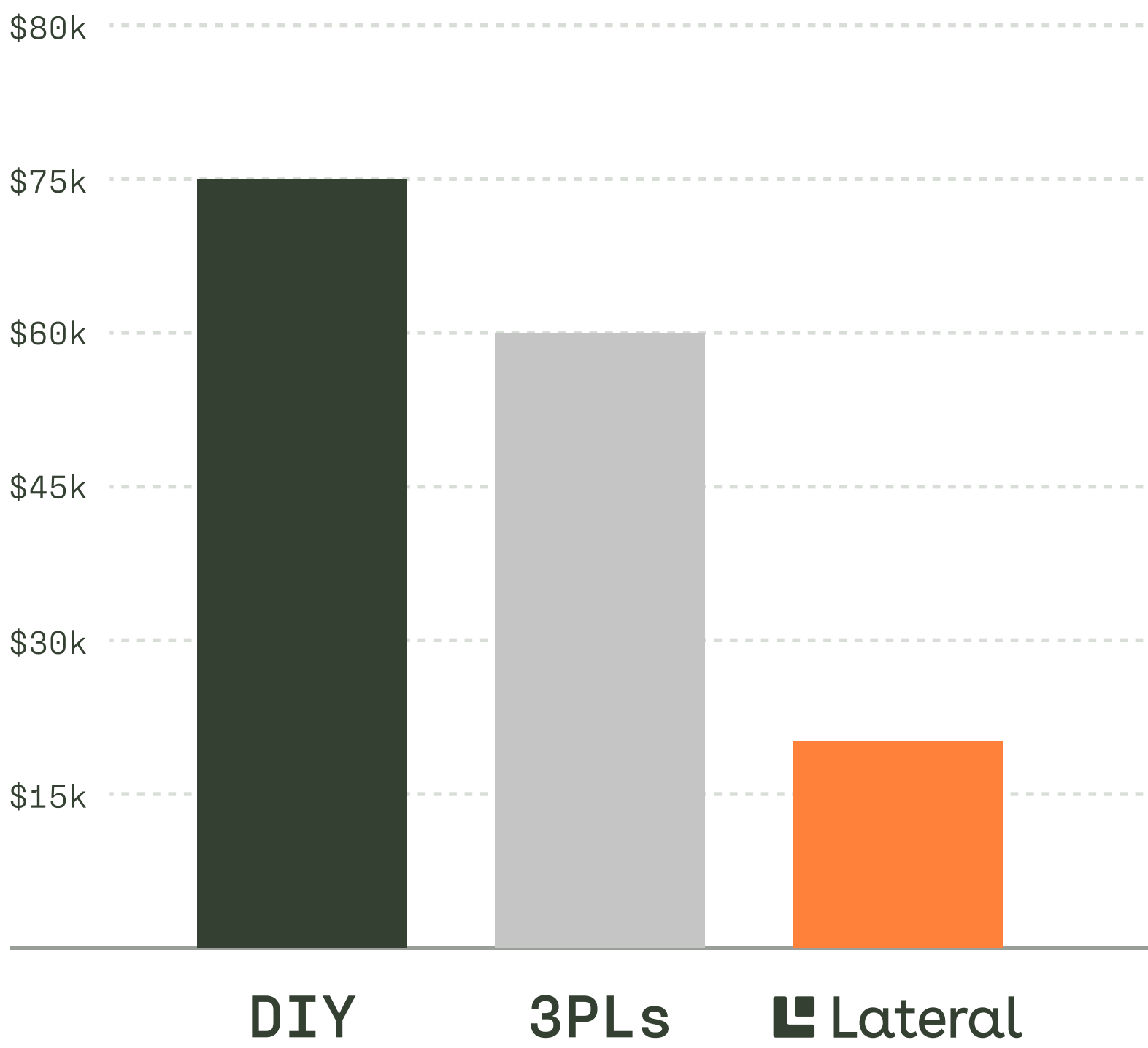
#### All in Timeline **1-3 months**

depending on the complexity of your business and integration needs

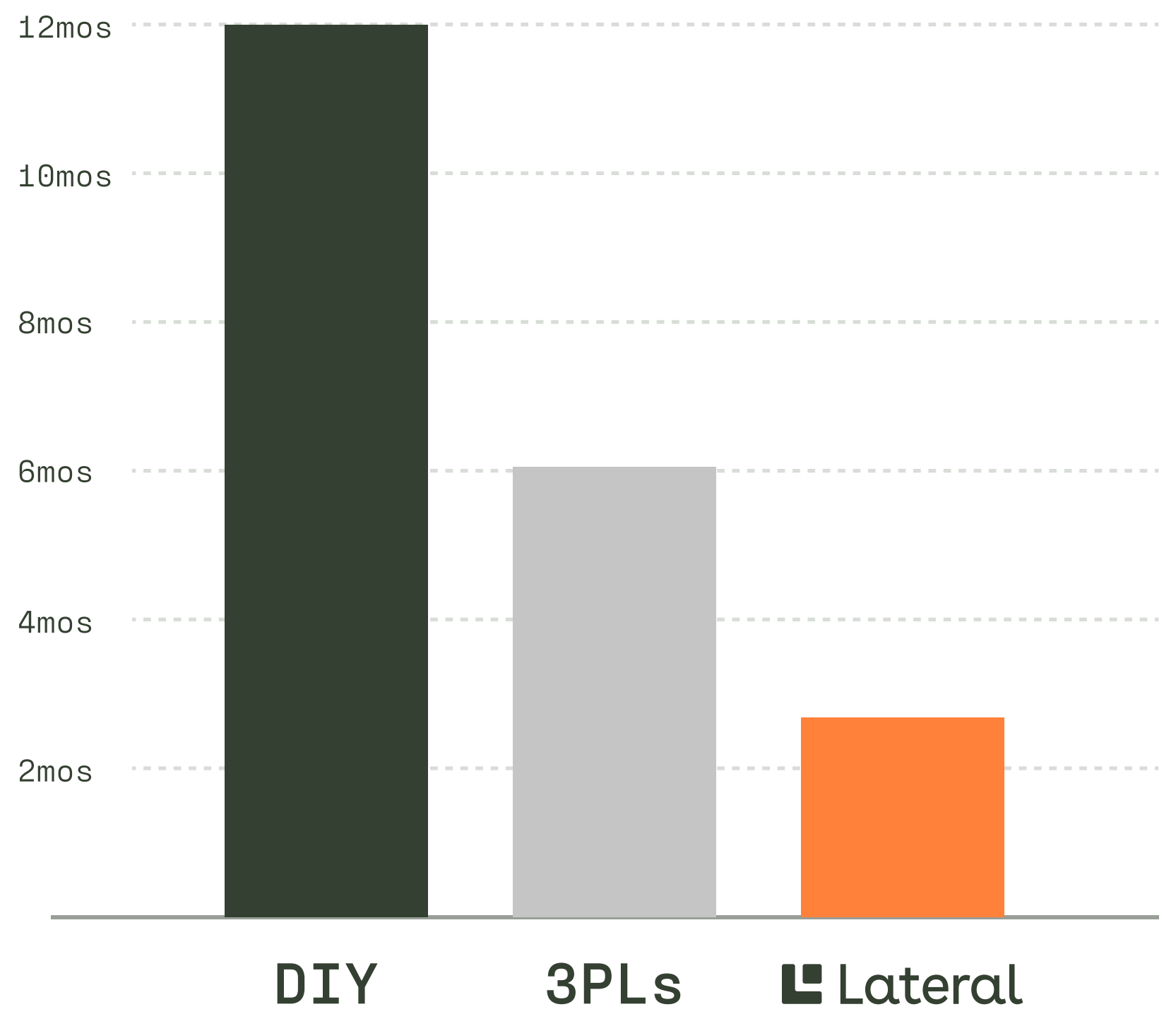
# Your Next Steps

You've got options. You could manage Section 321 on your own, continue with traditional 3PLs, or let Lateral Fulfillment handle everything for you.

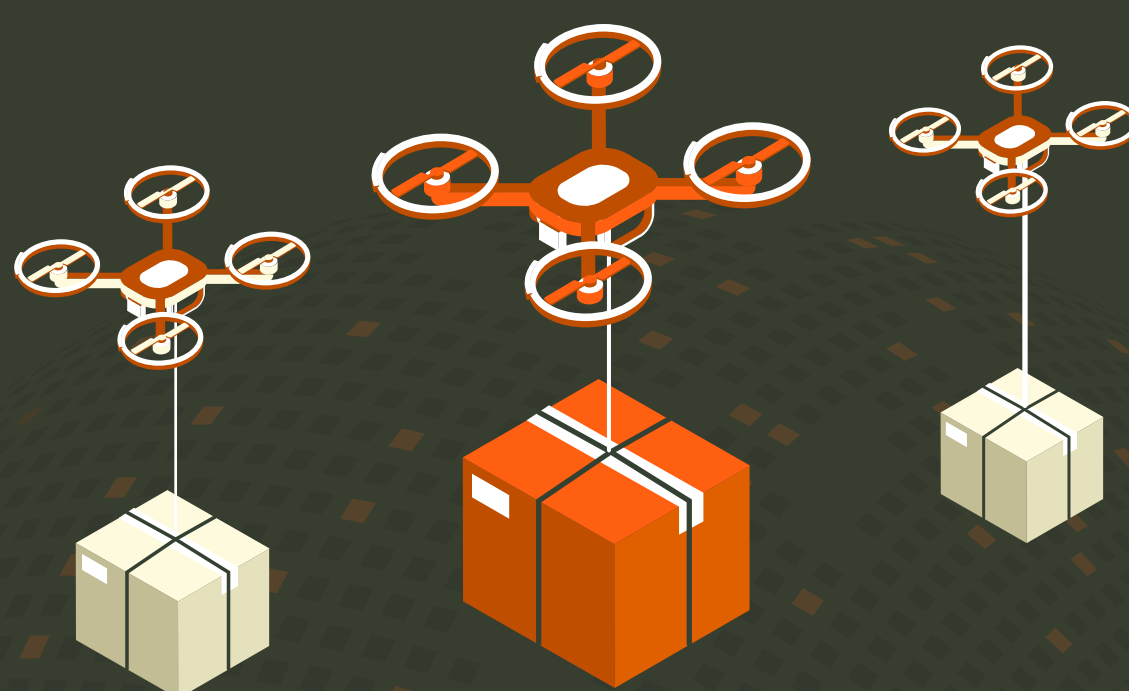
## COST ESTIMATE



## TIMELINE



Lateral Fulfillment is built to help you save on logistics costs, streamline your fulfillment, and keep your customers happy, all without the hassle.



Ready to streamline your logistics and grow your bottomline?

[Schedule Free Consultation](#)

Read the DTC Fulfillment Partner Success Guide and Checklist!

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