CLIENT ALERTS & INSIGHTS

Supply Chain Security - C-TPAT Program Growing in Significance for U.S. Operations

JULY 15, 2026

Authors: Jonathan R. Todd

Featured Industries: Transportation & Logistics, International Trade & Supply Chain Management

Geopolitical challenges are triggering executive-level focus on supply chain security across industrial sectors and transportation service providers, including renewed interest in the Customs-Trade Partnership against Terrorism ("C-TPAT") program. The number of enterprise shippers requiring participation from service providers is anecdotally rising. Scrutiny by U.S. Customs and Board Protection ("CBP") over compliance with program requirements, and those companies who are permitted to participate or remain in the program, is also on the rise in our experience.

The C-TPAT program's foundation emerged after the terrorist attacks on September 11, 2020. The basic objective was to provide a mechanism for collaboration between U.S. Customs and Border Protection, under the umbrella of the newly created Department of Homeland Security, and supply chain participants with visibility and functions related to security. The program was formalized following passage of the SAFE Port Act of 2006. Participation is entirely voluntary but promised resources for best-in-class supply chain security, faster entry at ports, and the possibility of lower detentions and seizures. Over time, participation became a market standard for enterprise procurement departments as they look to source supply and service providers. Today that reliance on C-TPAT as a badge for the integrity of security programming may be at its highest point ever.

C-TPAT is a misunderstood program despite its twenty-year existence. This article addresses some of the key facts and fictions that are often overhead in industry about the program and what it means to voluntarily participate.

FICTION: All Companies May Participate

Procurement departments often misunderstand the scope of available participation in the C-TPAT program. Any would-be participant must satisfy certain established eligibility requirements tailored to particular supply chain functions. The historic restriction was that a participant must have tangible ways to impact supply chain security. For example, a highway carrier that does not cross international borders or a traditional freight broker that did not handle cargoes was ineligible to participate (today there is a pilot program for freight brokers). CBP will only accept applications from: air carriers, consolidators (IACs, OTIs, NVOCCs), customs brokers, exporters, foreign manufacturers, cross-border highway carriers, importers, port authorities, terminal operators, rail carriers, ocean carriers, and third-party logistics providers (3PL warehousemen).

FACT: Applying Is Not Costly, But It Can Have Expenses

Cost is relative although in our experience applying for certification can be a relatively straightforward exercise depending on the current state of the company's supply chain. The application process begins with creating a Company Profile and then developing a Security Profile on CBP's C-TPAT Portal. The Security Profile is essentially a detailed questionnaire of the factual and functional supply chain elements critical to the category for which a company is applying. In answering those questions the objective is to confirm with CBP that the company meets all Minimum Security Requirements ("MSR"). CBP Supply Chain Security Specialists work through those answers with you, participate in validating your responses, and once certified in working with you to improve your overall supply chain security. The greatest cost of applying and participating, in our experience, is in the time and expense spent gathering those details or implementing new contracts and other tools (including physical security) to strengthen security consistent with the MSR.

FICTION: Certification Applies At The Company-Level

Sales teams often misunderstand that certification applies for a particular function, not enterprise-wide. You will often see the C-TPAT badge applied on websites and business cards or affirmative certification answers delivered in responses to RFPs, RFQs, and RFIs. If a global transportation and logistics provider holds a C-TPAT certification for its ocean forwarder or non-vessel operating common carrier operation then it is not C-TPAT certified for its domestic motor carrier operation. It would be inappropriate to use the badge as a representation about domestic motor carriage or any other service line that is not certified.

FACT: Participation Brings Regulatory Enforcement Benefits

It is mostly a fact that participation carries regulatory enforcement benefits. We say this because in our experience those who look to participate typically do so because of the broader supply chain security effects for their operation and for the market benefit in being certified. Still, CBP does promote that initial Tier One qualified participants see advantages. Those include, for importers, approximately five to eight times fewer CBP inspections relative to non-C-TPAT participants. Additional benefits include access to the Free and Secure Trade Program ("FAST") lanes on land borders, including expedited cargo processing. If an import container is selected for exam, Tier One participants receive priority for the examination and move to the front of the line. Two additional Tiers of certification are available and purportedly allow even more lenient enforcement.

FICTION: Certified Participants Easily Retain Status

Our teams have worked through C-TPAT applications, validation meetings, and periodic updates for company changes or mergers and acquisitions, and in general those encounters are indeed collaborative. If observance of the MSR is maintained and overall security profiles do not suffer then most participants enjoy long-term certification. We are seeing, however, increased scrutiny by CBP over those it allows to participate in the program and those it looks to remove from the program. For example, if an operation ceases to perform the functions for which it is certified or no longer does those for international traffic then CBP may consider removing the company from the program. As another example, if CBP learns of incidents threatening supply chain security at a particular certified company or in its supply chain then this can lead to scrutiny and ultimately removal from the program. We have experience defending these investigations and appealing removals, but needless to say it is a position most companies would prefer to avoid.

It is reasonable to expect that the C-TPAT program and similar programs around the world (such as Canada's Partners in Protection ("PIP") program) will continue to grow in utility for regulatory enforcement agencies and company supply chain, sales, and procurement functions alike. This is reasonable given current geopolitical factors and it is in many ways a positive development for global supply chains as well as public safety and security. Clearing up fact from fiction to align with practical realities will be a practical step on that path toward progress.

Jonathan Todd is a Partner and Co-Lead of the Transportation & Logistics Practice at Benesch. He is available by telephone at 1-216-363-4658 or by e-mail at jtodd@beneschlaw.com.