

ORIGINAL

(S E R V E D)
(April 20, 2000)
(FEDERAL MARITIME COMMISSION)

FEDERAL MARITIME COMMISSION

DOCKET NO. 00-05

WORLD LINE SHIPPING, INC.
AND SAEID B MARALAN (AKA SAM BUSTANI)

ORDER TO SHOW CAUSE

This proceeding is instituted pursuant to sections 8, 11 and 19 of the Shipping Act of 1984 (“1984 Act”), 46 U S C app §§1707, 1710 and 17 18, and the Federal Maritime Commission’s (“Commission”) regulations governing tariff, licensing and bonding requirements of ocean transportation intermediaries (“OTI”) and non-vessel-operating common carriers (“NVOCC”), 46 CFR Parts 5 15 and 520.

World Line Shipping, Inc. (“World Line Shipping”), a California corporation, was a tariffed and bonded NVOCC until October 2 1, 1999 World Line Shipping is located at 20003 Rancho Way, Rancho Dominguez, CA 90220 and Saeid B Maralan (aka Sam Bustani), (“Bustani”) is the president and owner of the company World Line Shipping maintained a publicly available tariff with Ocean Tariff Bureau, Inc and a surety bond, number 98415 13, in the amount of \$75,000 with Washington International Insurance Company.

Effective October **21, 1999**, World Line Shipping's bond was canceled. The tariff publisher also canceled World Line Shipping's tariff effective on the same date. As a result of the cancellation of the surety bond, and effective on October 21, 1999, the Commission revoked World Line Shipping's OTI provisional license for failure to maintain proof of financial responsibility. See 65 Fed. Reg 3239 (1999).

On December 16, 1999, the Commission issued a final decision in Docket No. **98- 19**, *Saeid B. Maralan et al. - Possible Violations of Sections 8(a)(1), 10(b)(1), 19(a) and 23(a) of the Shipping Act of 1984*, 28 S.R.R. 1244 (FMC 1999). In that decision, the Commission found that World Line Shipping and Bustani violated sections 8(a), 10**(b)(1)**, 19(a) and 23(a) of the 1984 Act and imposed \$100,000 in civil penalties. The Commission ordered Bustani to cease and desist from operating as an NVOCC without a tariff and bond and to cease and desist from using any name other than World Line Shipping, Inc. when operating as an NVOCC unless d/b/a names were registered in the World Line Shipping tariff and with the State of California.

Based on a Commission investigation, it appears that since October 21, 1999, World Line Shipping and Bustani have shipped or agreed to transport household goods and personal effects in the foreign commerce of the United States. Evidence obtained during this investigation shows that for at least five (5) shipments known to the Commission, World Line Shipping or Bustani, using the name "International Shipping and Crating," collected goods and ocean freight from individual shippers, and then in the capacity of shipper, contracted with common carriers for the ocean

transportation ¹ World Line Shipping or “International Shipping and Crating,” were named as shipper on the ocean carrier bills of lading. It appears that World Line Shipping and Bustani were responsible for the payment of freight charges on these five shipments. Furthermore, Bustani has undertaken extensive advertising in radio, television and print media under various names, including Worldwide Cargo Express and World Line Transport, offering OTI services in the U.S. foreign commerce.

Section 8 of the 1984 Act provides that no common carrier may provide service in United States foreign trades unless the carrier has a tariff available to the public in an automated tariff system showing all of its rates, charges and practices. Section 19(a) of the 1984 Act provides that no person may act as an OTI unless that person holds a license issued by the Commission. Section 19(b) of the 1984 Act provides that no person may act as an OTI unless that person furnishes to the Commission a bond, proof of insurance or other surety, *inter alia*, to insure the financial responsibility of the intermediary to pay any judgment for damages arising from its transportation-related activities.

Since October 21, 1999, World Line Shipping has not had proof of financial responsibility on file with the Commission, nor has it had a publicly available tariff published. Furthermore, as of October 21, 1999, the Commission revoked World Line Shipping’s license, and it is no longer authorized to provide OTI services in the foreign commerce of the United States. Therefore, it appears that World Line Shipping and Bustani, by providing and holding themselves out to the public

‘Details of these five shipments are as follows

<u>Date</u>	<u>Carrier Bill of Lading number</u>	<u>Shipper/Exporter</u>	<u>Destination</u>
10/21/99	Maersk/SeaLand LSAH33390	Int’l Shipping and Crating	Bridgetown
1/25/00	Zim Container ZIMULAX68217	World Line Shipping	Limassol
3/8/00	Maersk SeaLand LSAH33695	Int’l Shipping and Crating	Bridgetown
3/8/00	Maersk SeaLand LSAH33692	Int’l Shipping and Crating	Bridgetown
3/8/00	Maersk SeaLand LSAH26748	World Line Shipping	Bridgetown

to provide transportation by water of cargo for compensation, have acted as OTIs without a tariff, license or bond on file with the Commission, in violation of sections 8, 19(a) and 19(b) of the 1984 Act

It also appears that Bustani is operating in violation of the cease and desist orders issued in the Commission's final decision in Docket No 98-19, *Saeid B. Maralan et al. - Possible Violations of Sections 8(a)(1), 10(b)(1), 19(a) and 23(a) of the Shipping Act of 1984*, 28 S.R.R. 1244 (FMC 1999). The Commission ordered Bustani to cease operating as an NVOCC without a tariff and bond and to cease and desist from using any name other than World Line Shipping, Inc. when operating as an NVOCC unless d/b/a names were registered in the World Line Shipping tariff and with the State of California. Despite the cancellation of World Line Shipping's tariff and bond, Bustani has continued operation as an OTI/NVOCC in the United States foreign commerce. In addition, Bustani has operated with fictitious business names, such as "International Shipping and Crating" and "Worldwide Cargo Express" without registering those names in either World Line Shipping's tariff or with the State of California.

NOW THEREFORE, IT IS ORDERED That pursuant to section 11 of the Shipping Act of 1984, World Line Shipping, show cause why it should not be found to have violated section 8 of the Shipping Act of 1984 by acting as a NVOCC in each of the five (5) instances, specified above, without a tariff for such service available to the public,

IT IS FURTHER ORDERED That pursuant to section 11 of the Shipping Act of 1984, World Line Shipping and Sam Bustani, show cause why they should not be found to have violated section 19(a) of the Shipping Act of 1984 by acting as OTIs in each of the five (5) instances, specified above, without a license issued by the Commission,

IT IS FURTHER ORDERED That pursuant to section 11 of the Shipping Act of 1984, World Line Shipping and Sam Bustani, show cause why they should not be found to have violated section 19(b) of the Shipping Act by acting as OTIs in each of the five (5) instances, specified above, without a bond or other surety filed with the Commission,

IT IS FURTHER ORDERED That pursuant to section 11 of the Shipping Act of 1984, Sam Bustani show cause why he should not be found to have violated the cease and desist orders issued in Docket No 98-19, *Saeid B. Maralan et al. - Possible Violations of Sections 8(a)(1), 10(b)(1), 19(a) and 23(a) of the Shipping Act of 1984*, 28 S.R.R. 1244 (FMC 1999), prohibiting him from acting as an NVOCC without a tariff and bond on file with the Commission,

IT IS FURTHER ORDERED That pursuant to section 11 of the Shipping Act of 1984, Sam Bustani show cause why he should not be found to have violated the cease and desist orders issued in Docket No. 98-19, *Saeid B. Maralan et al. - Possible Violations of Sections 8(a)(1), 10(b)(1), 19(a) and 23(a) of the Shipping Act of 1984*, 28 S.R R 1244 (FMC 1999), prohibiting him from using any name other than World Line Shipping, Inc. when operating as an NVOCC unless and until he registers other d/b/a names in the World Line tariff and with the State of California,

IT IS FURTHER ORDERED That World Line Shipping and Sam Bustani, show cause why an order should not be issued directing World Line Shipping and Sam Bustani to cease and desist from providing or holding themselves out to provide transportation as an OTI between the United States and a foreign country unless and until such time as World Line Shipping or Sam Bustani shall have published a publicly available tariff and filed a bond for such service with the Commission.

IT IS FURTHER ORDERED That the Commission may refer this proceeding to an Administrative Law Judge for the assessment of civil penalties if respondents are found to have

violated the Shipping Act of 1984;

IT IS FURTHER ORDERED That this proceeding is limited to the submission of affidavits of fact and memoranda of law;

IT IS FURTHER ORDERED That any person having an interest and desiring to intervene in this proceeding shall file a petition for leave to intervene in accordance with Rule 72 of the Commission's Rules of Practice and Procedure, 46 CFR §502.72. Such petition shall be accompanied by the petitioner's memorandum of law and affidavits of fact, if any, and shall be filed no later than the day fixed below;

IT IS FURTHER ORDERED That World Line Shipping and Sam Bustani are named as Respondents in this proceeding. Affidavits of fact and memoranda of law shall be filed by Respondents and any intervenors in support of Respondents no later than May 10, 2000,

IT IS FURTHER ORDERED That the Commission's Bureau of Enforcement be made a party to this proceeding;

IT IS FURTHER ORDERED That reply affidavits and memoranda of law shall be filed by the Bureau of Enforcement and any intervenors in opposition to Respondents no later than May 30, 2000,

IT IS FURTHER ORDERED That rebuttal affidavits and memoranda of law shall be filed by Respondents and intervenors in support no later than June 12, 2000;

IT IS FURTHER ORDERED That

(a) Should any party believe that an evidentiary hearing is required, that party must submit a request for such hearing, together with a statement setting forth in detail the facts to be proved, the relevance of those facts to the issues in this proceeding, a description of the evidence which would

be adduced, and why such evidence cannot be submitted by affidavit,

(b) Should any party believe that an oral argument is required, that party must submit a request specifying the reasons **therefor** and why argument by memorandum is inadequate to present the party's case; and

(c) Any request for evidentiary hearing or oral argument shall be filed no later than June 12, 2000;

IT IS FURTHER ORDERED That notice of this Order to Show Cause be published in the Federal Register, and that a copy thereof be served upon Respondents,

IT IS FURTHER ORDERED That all documents submitted by any party of record in this proceeding shall be filed in accordance with Rule 118 of the Commission's Rules of Practice and Procedure, 46 CFR §502.118, as well as being mailed directly to all parties of record,

FINALLY, IT IS ORDERED That pursuant to the terms of Rule 61 of the Commission's Rules of Practice and Procedure, 46 CFR §502.61, the final decision of the Commission in this proceeding shall be issued by December 20, 2000

By the Commission.

A handwritten signature in black ink that reads "T.A. ZOOK". The signature is stylized, with the first letters of each name part being larger and more prominent.

Theodore A Zook
Assistant Secretary