

ORIGINAL

(S E R V E D)  
( August 10, 2000 )  
(FEDERAL MARITIME COMMISSION)

FEDERAL MARITIME COMMISSION

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DOCKET NO 00-10

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Universal Logistic Forwarding Co., Ltd.- Possible Violations of  
Sections 10(a)(1) and 10(b)(1) of the Shipping Act of 1984

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ORDER OF INVESTIGATION AND HEARING

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Universal Logistic Forwarding Co., Ltd. ("Universal"), is a tariffed and bonded non-vessel-operating common carrier ("NVOCC") located at 13/F No. 85, Sec 2, Chien-Kuo N. Rd., Taipei, Taiwan R.O.C. Universal holds itself out as an NVOCC pursuant to its automated tariff located at <http://www.otbusa.com>. Prior to May 1, 1999, Universal maintained a tariff with the Commission, number 0 14 139-O1, effective May 24, 1996. Universal currently maintains an NVOCC bond, FIATA Group No. 422001, in the amount of \$150,000 with Intercargo Insurance Company, located in Schaumburg, Illinois.

Universal is a private limited company which registered in Taiwan on January 17, 1996, business registration number 96927008. Hsiao Wei Yu is the founder and president of Universal and Yu's husband, Solomon C L Lee, is the Managing Director.

Section 10(a)(1) of the Shipping Act of 1984 ("1984 Act"), 46 U.S.C. app. 1709(a)(1), prohibits a person from knowingly and willfully, directly or indirectly, by means of false billing,

false classification, false weighing, false report of weight, false measurement, or by any other unjust or unfair device or means, obtaining or attempting to obtain ocean transportation for property at less than the rates or charges that would otherwise be applicable. It appears that on at least twenty-two (22) shipments between May 9 and June 3, 1998, Universal knowingly and willfully obtained or attempted to obtain ocean transportation at less than the applicable rates through accessing a service contract to which Universal was not a signatory or affiliate.

Section 10(b)(1) of the 1984 Act, 46 U.S.C. app 1709(b)(1), prohibits a common carrier from charging, collecting or receiving greater, less or different compensation for the transportation of property than the rates and charges set forth in its tariff. It appears that Universal did not charge the rates set forth in its tariff on at least twenty-three (23) shipments for the time period May 9 through July 3, 1998.

Under section 13 of the 1984 Act, 46 U.S.C. app 1712, a person is subject to a civil penalty of not more than \$25,000 for each violation knowingly and willfully committed, and not more than \$5,000 for other violations.<sup>1</sup> Section 13 further provides that a common carrier's tariff may be suspended for violations of section 10(b)(1) for a period not to exceed one year.

NOW THEREFORE, IT IS ORDERED, That pursuant to sections 10, 11, and 13 of the 1984 Act, 46 U.S.C. app. 1709, 1710 and 1712, an investigation is instituted to determine:

1) whether Universal Logistic Forwarding Co., Ltd. violated section 10(a)(1) of the 1984 Act by knowingly and willfully, directly or indirectly, by means of false billing, false classification, false weighing, false report of weight, false measurement, or by any other unjust or unfair device

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<sup>1</sup>The maximum penalties are raised by 10 percent for violations occurring after November 7, 1996. See *Inflation Adjustment of Civil Monetary Penalties*, 27 S.R.R. 809 (1996).

or means, obtaining or attempting to obtain ocean transportation for property at less than the rates or charges that would otherwise have been applicable;

2) whether Universal Logistic Forwarding Co , Ltd violated section 10(b)( 1) of the 1984 Act by charging, demanding, collecting or receiving less or different compensation for the transportation of property than the rates and charges shown in its NVOCC tariff;

3) whether, in the event violations of sections 10(a)(1) or 10(b)( 1) of the 1984 Act are found, civil penalties should be assessed against Universal Logistic Forwarding Co., Ltd and, if so, the amount of penalties to be assessed;

4) whether, in the event violations of section 1 O(b)( 1) of the 1984 Act are found, the tariff of Universal Logistic Forwarding Co , Ltd. should be suspended; and

5) whether, in the event violations are found, an appropriate cease and desist order should be issued.

IT IS FURTHER ORDERED, That a public hearing be held in this proceeding and that this matter be assigned for hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges in compliance with Rule 61 of the Commission's Rules of Practice and Procedure, 46 CFR 502 61 The hearing shall include oral testimony and cross-examination in the discretion of the Presiding Administrative Law Judge only **after** consideration has been given by the parties and the Presiding Administrative Law Judge to the use of alternative forms of dispute resolution, and upon a proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matters in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record.

IT IS FURTHER ORDERED, That Universal Logistic Forwarding Co , Ltd is designated as Respondent in this proceeding;

IT IS FURTHER ORDERED, That the Commission's Bureau of Enforcement is designated a party to this proceeding,

IT IS FURTHER ORDERED, That notice of this Order be published in the Federal Register, and a copy be served on parties of record;

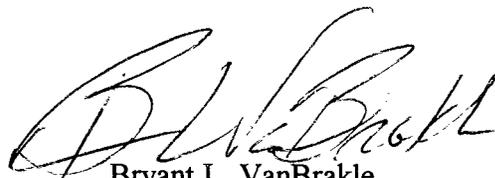
IT IS FURTHER ORDERED, That other persons having an interest in participating in this proceeding may file petitions for leave to intervene in accordance with Rule 72 of the Commission's Rules of Practice and Procedure, 46 CFR 502 72,

IT IS FURTHER ORDERED, That all further notices, orders and/or decisions issued by or on behalf of the Commission in this proceeding, including notice of the time and place of hearing or prehearing conference, shall be served on all parties of record,

IT IS FURTHER ORDERED, That all documents submitted by any party of record in this proceeding shall be directed to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, in accordance with Rule 118 of the Commission's Rules of Practice and Procedure, 46 CFR 502 118, and shall be served on all parties of record; and

IT IS FURTHER ORDERED, That in accordance with Rule 61 of the Commission's Rules of Practice and Procedure, the initial decision of the Administrative Law Judge shall be issued by August 10, 2001, and the final decision of the Commission shall be issued by December 10,200 1

By the Commission.

  
Bryant L. VanBrakle  
Secretary

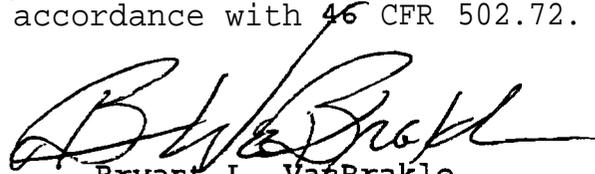
## FEDERAL MARITIME COMMISSION

[DOCKET NO. 00-10]

UNIVERSAL LOGISTIC FORWARDING CO., LTD. - - POSSIBLE VIOLATIONS  
OF SECTIONS 10(A) (1) AND 10(B) (1) OF THE SHIPPING ACT OF 1984

## Notice of Investigation and Hearing

Notice is given that the Commission, on August 10, 2000, served an Order of Investigation and Hearing on Universal Logistic Forwarding Co., Ltd. ("Universal"), which is a tariffed and bonded non-vessel-operating common carrier ("NVOCC"). It appears that, on at least 22 shipments during the time period May 9 through July 3, 1998, Universal obtained or attempted to obtain ocean transportation at less than the applicable rates through accessing a service contract to which it was not a signatory or affiliate. Further, it appears that, on at least 23 shipments during the same time period, Universal did not charge the rates set forth in its tariff. This proceeding therefore seeks to determine (1) whether Universal violated section 10(a) (1) of the Shipping Act of 1984 ("Shipping Act"), 46 U.S.C. app. 1709(a) (1), by knowingly and willfully, directly or indirectly, by means of false billing, false classification, false weighing, false report of weight, false measurement, or by any other unjust or unfair device or means, obtaining or attempting to obtain ocean transportation for property at less than the rates or charges that would otherwise have been applicable; (2) whether Universal violated section 10(b) (1) of the Shipping Act by charging, demanding, collecting or receiving less or different compensation for the transportation of property than the rates and charges shown in its NVOCC tariff; (3) whether, in the event violations of sections 10(a) (1) or section 10(b) (1) of the Shipping Act are found, civil penalties should be assessed against Universal and, if so, the amount of penalties to be assessed; (4) whether, in the event violations of section 10(b) (1) of the Shipping Act are found, Universal's tariff should be suspended; and (5) whether, in the event violations are found, an appropriate cease and desist order should be issued. The full text of the Order may be viewed on the Commission's home page at [www.fmc.gov](http://www.fmc.gov), or at the Office of the Secretary, Room 1046, 800 N. Capitol Street, NW, Washington, DC. Any person may file a petition for leave to intervene in accordance with 46 CFR 502.72.



Bryant L. VanBrakle  
Secretary