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BEFORE THE
FEDERAL MARITIME COMMISSION

Docket No. 13-07

FILED

FEB 21 2015

GLOBAL LINK LOGISTICS, INC.

Federal Maritime Commission
Office of the Secretary

COMPLAINANT,

v.

HAPAG-LLOYD AG,

RESPONDENT.

JOINT PETITION FOR APPROVAL OF SETTLEMENT

Global Link Logistics, Inc. ("Complainant") and Hapag-Lloyd AG ("Respondent") (jointly the "Parties") submit this Joint Petition for Approval of Settlement. The Parties have mutually agreed to settle all of their disputes and issues that are subject of this Proceeding. A copy of their Settlement Agreement is being filed on a confidential basis as Exhibit A to this Petition. For the reasons set forth below, Global Link and Hapag Lloyd submit that this Settlement Agreement should be approved by the Commission.

The Settlement Should Be Approved

The Commission has a strong and consistent policy of "encourage[ing] settlements and engag[ing] in every presumption which favors a finding that they are fair, correct, and valid." *Inlet Fish Producers, Inc. v. Sea-Land Service, Inc.*, 29 SRR 975, 978 (ALJ 2002) quoting *Old Ben Coal Co v. Sea-Land Services, Inc.*, 18 S.R.R. 1085, 1091 (ALJ 1978). The Commission's

policies, its Rules of Practice, and the Administrative Procedures Act all encourage settlements.

Id. 18 S.R.R. at 1092. As the ALJ recognized in *Old Ben*:

The desire to uphold compromises and settlements is based upon various advantages which they have over litigation. The resolution of controversies by means of compromise and settlement is generally faster and less expensive than litigation; it results in a saving of time for the Parties, the lawyers, and the courts, and it is thus advantageous to judicial administration, and, in turn to government as a whole. Moreover, the use of compromise and settlement is conducive to amicable and peaceful relations between the parties to a controversy.

Id. (citation omitted).

The Commission, nonetheless, reviews settlement agreements to ensure that they do not contravene any law or public policy, and are free of fraud, duress, undue influence, or mistake, or other defects which might make them unapprovable.

The claims at issue relate to assertions that the Respondent's alleged unjust and unreasonable practices prevented Complainant from fulfilling the minimum quantity commitment in a service contract. The Respondent filed a motion to dismiss the Complaint, which was granted by the presiding Administrative Law Judge in a decision served April 17, 2014. Complainant filed Exceptions to this decision on May 27, 2014. Respondent and the World Shipping Council, as *amicus*, filed replies to Complainant's Exceptions, and the proceeding is currently pending before the Commission.

Here, the Parties' settlement reflects a fair and considered judgment of the relative strengths of their respective positions, the desire to avoid continuing litigation costs and to avoid the risks inherent in litigation. The settlement is the product of arms-length negotiations, in which counsel for both parties participated, and is free of fraud, duress, or undue influence. The

Parties also submit that the settlement is free of mistake or other defects which might make it unapprovable.

Further, the settlement does not contravene law or public policy. It is not an unjust or discriminatory device, has no adverse effect on any third parties or the market for transportation services, and does not run afoul of any provision of the Shipping Act. Rather, it constitutes a prudent decision to settle costly litigation in which the ultimate outcome was uncertain. In sum, because the settlement is fair, reasonable and adequate, and is the product of prudent and considered judgment on the part of the Parties, it should be approved.

The Terms of the Settlement Should Remain Confidential

The settlement contains sensitive commercial information that should be protected from public disclosure. The settlement specifically deals with a payment made to resolve all claims related to the instant matter, as well as commercially sensitive terms governing the release of these claims. Accordingly, the Parties respectfully request confidential treatment of the settlement agreement pursuant to Section 201(i) of the Commission's Rules of Practice and Procedure; 46 C.F.R. §502.201(i).

WHEREFORE, the Parties request, for the reasons set forth herein, that their settlement be approved and the Complaint in this Proceeding be dismissed with prejudice.

Respectfully submitted,



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DATED: February 27, 2015

EXHIBIT A

CONFIDENTIAL MATERIALS EXCLUDED

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the public version of the foregoing Joint Petition for Approval of Settlement was delivered to the following addressee at the address stated by depositing same in the United State mail, first class postage prepaid, and/or by electronic transmission, this 27th day of February 2015:

John W. Butler
General Counsel
World Shipping Council
1156 15th Street, NW
Suite 300
Washington, D.C. 20005
Email: info@worldshipping.org

A handwritten signature in black ink, appearing to read 'D P Street', written over a horizontal line.

David P. Street