

BEFORE THE
FEDERAL MARITIME COMMISSION

DOCKET NO. 13-05

AMENDMENTS TO REGULATIONS GOVERNING OCEAN TRANSPORTATION
INTERMEDIARY LICENSING AND FINANCIAL RESPONSIBILITY
REQUIREMENTS, AND GENERAL DUTIES

COMMENTS OF WESTERN OVERSEAS CORPORATION

I am Carlo De Atouguia, Vice President of Western Overseas Corporation. We are a Customs Broker, Freight Forwarder and NVOCC. We have 19 locations throughout the USA at all major gateways. Our OTI FMC number for Western Overseas is No. 0857F. Our NVOCC is Seahorse Container Lines and our FMC number is 17130N. We are active members of the NCBFAA and on the NCBFAA transportation committee. We are familiar with issues raised by the ANRPM and would like to comment for the record our position.

As a company we support the FMC's proposal to require all forwarders and NVOCCs to renew licenses every two years by filing an application and paying a fee. We believe that although this will be a burden to us as a company, it will benefit our industry as a whole in that it will deter those companies who have no regard for the law to think twice about entering our industry. We do want to express our concerns that in order for this proposal to be successful the FMC must have the appropriate staffing in place to ensure that the purpose of the proposal is achieved.

As a company we support the proposal that three years of experience for a potential qualifying individual must be based on work done while employed by a licensed OTI, shipper, or VOCC. This proposal makes sense in that unauthorized activities will not be the basis for obtaining a license. Again further strengthening the quality of individuals in our industry.

As a company we support the proposal to increase the bond amount for ocean forwarders and NVOCCs. As previously stated, although this will be a burden to the company because of the higher premium, overall, we believe it will benefit our industry as a whole. As a company we believe that these proposed changes will force companies to think long and hard whether or not they want to enter our industry. And if they choose to do so they will be aware of the financial and recordkeeping responsibilities that they will have to maintain in order to remain in good standing with the FMC.

As a company we are against the proposal for the FMC to institute a priority system for paying claims that are made against bonds. As a company we see no reason why shippers should have a priority over OTIs since NVOs are also shippers in their relationship to the carriers.

As a company we do not think that it is appropriate for the Commission to require carriers and sureties to file with the FMC a list of any claims made by them that relate in any way to the transportation activities of a forwarder or NVOCC, when that listing will be made public on the Commissions website. We strongly oppose this because, the publication by the FMC of claims made against OTIs may have little or no merit, yet this could be damaging to the company. If our company has a valid claim against it, either our company or our insurance company will pay the claim. This is the commercial reality of how business is done today.

As a company we support the proposed regulations relating to agents in that the Commission requires that any shipping documentation or advertising by the agent bear the name and license number of the principal OTI. As a company we believe that is necessary because we believe the FMC has been too liberal in their position concerning OTIs and their agents. We believe the FMC needs to reconsider their opinion in this matter. As a company we support this proposal as it will make us do our due diligence on who we want to appoint as our agents.

As a company we do believe that the Commission should issue a special license with even more regulations included for OTIs providing service in the small package household goods barrel trade business. We also believe their bond should be increased, at least at minimum, to the same amount required by other OTIs. It is no secret to all of us in this industry that this segment of our industry needs stronger oversight.

Dated: August 28, 2013 Name: Carlo De Atouguia, Vice President