

**BEFORE THE
FEDERAL MARITIME COMMISSION**

DOCKET NO. 13-05

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

COMMENTS OF C.H. POWELL COMPANY

The Following comments are submitted by C.H. Powell Company, founded in 1919, holding FMC License O176N/F, Customs Brokers License 1125, CNS No 01-1-9790/0012, MC-205735. C.H. Powell Company has 20 offices throughout the United States, including the U.S. Headquarters located in Canton, Massachusetts and works with agents and related companies throughout the world.

C.H. Powell Company is a member of the National Customs Brokers and Forwarders Association of America (NCBFAA) and therefore very familiar with the Federal Maritime Commission's ANPRM 13-05 and supports the NCBFAA's position submitted to the Commission separately. C.H. Powell Company specifically comments on the following:

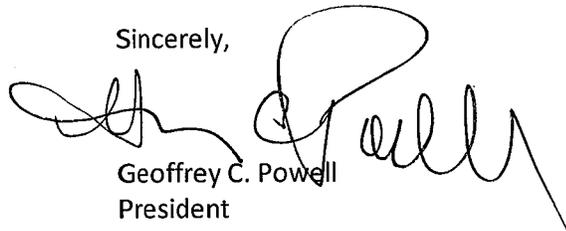
1. C.H. Powell Company does not agree with the recommendation of having to re-apply every two years for its license due to the burdensome and timely impact it will have. The current regulations require that all licensed forwarders provide notice of any changes in its business structure, officer or directors and or office locations. We further believe this proposed requirement was modeled after the current triennial reporting requirement that U.S. Customs and Border Protection (CBP) has for licensed brokers. At this current time, CBP is actually investigating possibly doing away with this requirement and handling this in a more efficient and streamlined electronic means to ease the burden on the industry. The Federal Maritime Commission however does not advise what benefit having to re-apply every two years and provide information that appears to be duplicative.
2. C.H. Powell Company does not agree with the increase in Bond Amounts from \$50,000.00 to \$75,000.00. In the examples provided in the ANPRM, the increased bond amount would still not satisfy the claims made against the forwarder. The increase would cause additional costs to all other forwarders who have never had a claim made against them. C.H. Powell Company believes that no increase should be mandated without any economic analysis to understand the impact the added cost would have to industry.

3. C.H. Powell Company is opposed to reduced bond amounts for those involved in the household goods or barrel trade. It is our understanding that the highest complaints to the FMC were received from individuals who shipped their personal effects with the barrel trade, according to Fact Finding Investigation No. 27 dated April 15, 2011 by Commissioner Khouri. It is our belief that this is where the Commission should be devoting a majority of its attention. We believe that companies that are not properly bonded or insured would cause greater disruptions to an already tenuous sub-industry.

4. C. H. Powell Company is opposed to instituting a priority system for paying claims made against bonds which would leave the Ocean Transportation Intermediaries last in line for claims. It is our belief that this could dramatically impact the competitive business environment, and smooth movement of cargo that currently exists. C.H. Powell Company supports the comments made by the World Shipping Council dated July 18, 2013 on this subject.

5. C.H. Powell Company is also very concerned about the proposed advertising requirements outlined in the ANPRM. Again, it is C.H. Powell Company's understanding that a majority of the complaints the Commission received were against the companies in the barrel trade, specifically those that were in-fact not licensed. C.H. Powell Company also understands that one of the Commission's priorities is to protect and educate the consumer regarding the shipment of goods internationally. We can understand the need to ensure that the consumer who is shipping personal effects needs some confirmation that the party they are shipping with is a reputable, licensed company and might agree that certain advertising requirements may be required for the movement of personal effects. Having the same requirement for commercial goods can be nebulous as there may be multiple companies representing the licensed OTI, such as, but not limited to, packers, truckers, railroads, Steam ship lines, insurance companies, surveyors, and longshoremen. To require that these third party 'agents' or contractors, ensure the advertisement of the OTI is shown, would be very difficult to enforce by the FMC and believe it would be overly burdensome in an industry that the commercial requirements and natural checks and balances, already provide protection to the user of said services.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Powell', written over a white background.

Geoffrey C. Powell
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