

FEDERAL MARITIME COMMISSION

DOCKET NO. 14-05

**HUNTINGTON INTERNATIONAL, INC.,
JC HORIZON LTD., AND JUDY LEE –
POSSIBLE VIOLATIONS OF SECTIONS 10(a)(1) AND 19
OF THE SHIPPING ACT**

**BUREAU OF ENFORCEMENT'S MOTION
TO DISMISS
HUNTINGTON INTERNATIONAL, INC.**

The Bureau of Enforcement (BOE) files this Motion To Dismiss Huntington International, Inc. from the above proceeding. In support thereof, BOE respectfully states as follows:

By Order of Investigation and Hearing served June 4, 2014 (Order), the Commission commenced this proceeding against Huntington International, Inc. (Huntington), JC Horizon Ltd. (JC Horizon), and Judy Lee, an individual, based on allegations by BOE to determine: (1) whether Huntington, previously licensed as an ocean transportation intermediary (OTI), (a) violated Section 19(a) and (b) of the Shipping Act of 1984, as amended (the "Act"), 46 U.S.C. §§ 40901, 40902, by continuing to operate after its license had been revoked; (b) violated section 19(e) of the Act, 46 U.S.C. § 40904, and the Commission's regulations, 46 C.F.R. Part 515, by collecting freight forwarder compensation on shipments in which Judy Lee, an officer and director of the company, had a beneficial interest; and (c) violated section 10(a)(1) of the Act, 46 U.S.C. § 41102(a) and the Commission's regulations, by sharing compensation with JC

Horizon and Judy Lee; and (2) whether JC Horizon and Judy Lee violated section 10(a)(1) of the Shipping Act by knowingly and willfully obtaining ocean transportation at less than the rates and charges that would otherwise apply by directing Huntington to transfer monies derived from freight forwarder compensation paid by ocean common carriers that transported JC Horizon shipments. The Order further directed that in the event violations of the Shipping Act are found, a determination be made whether civil penalties should be assessed against Respondents and, if so, the amount of penalties to be assessed and/or appropriate cease and desist orders should be issued. BOE was designated as a party to the proceeding.

Following commencement of this proceeding, Respondents JC Horizon and Judy Lee appeared through counsel and separately filed their answers. BOE and Respondents JC Horizon and Judy Lee have agreed to a settlement which is being submitted to the Administrative Law Judge simultaneously herewith for approval and dismissal of those Respondents.

Upon issuance of the Order of Investigation and Hearing, the Commission's Office of the Secretary attempted to serve the Order on Huntington on several occasions at several different addresses via United Parcel Service (UPS). On each occasion, UPS returned the package to the Commission advising that the addressee had moved and could not be located. Service by the U.S. Postal Service has likewise been unsuccessful. BOE has independently attempted to serve documents by mail all of which have been returned by the U.S. Postal Service as undeliverable. BOE has also attempted to locate the individual designated as Huntington's agent for service of process according to the records of the California Secretary of State through visits by the Commission's Los Angeles Area Representatives. Those efforts were likewise to no avail.¹

¹ The address for the agent for service of process was the same as Huntington's office address and it was determined that he was not located at that address. Additional efforts to locate this individual at various other addresses were also unsuccessful.

At this time Huntington has not entered an appearance, filed an answer, or otherwise participated in this proceeding. Neither has Huntington communicated with BOE or counsel for Respondents JC Horizon and Judy Lee or agreed to participate as a party to the settlement agreement. The Commission's Los Angeles Area Representatives have confirmed that Huntington has shut down its business and vacated its premises. The California Secretary of State website indicates that Huntington's corporate status is suspended and is no longer authorized to transact business in the state.

Given the information available with respect to possible addresses for effective service and the Commission's limited resources, BOE does not believe that continued efforts in this regard are warranted. This is particularly so inasmuch as Huntington is out of business and has no known physical presence. Any continued search would entail locating an individual authorized to accept service, and only subsequently resuming the procedures leading to hearing as to the sole remaining respondent. In the circumstances presented herein, BOE submits dismissal is appropriate.²

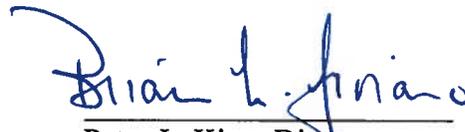
Coupled with approval of the settlement agreement between BOE and JC Horizon and Judy Lee, dismissal of Huntington will permit discontinuance of this proceeding in its entirety. BOE and the participating Respondents jointly support dismissal of Huntington as a component of the parties' determination to comprehensively resolve this proceeding via negotiation and compromise, rather than through litigation. The Commission has, on previous occasions, dismissed individual respondents as part of a more global resolution of all matters raised in a

² It is noteworthy that in private complaint proceedings, the Commission's regulations authorize the presiding officer to dismiss a complaint that has not been served within 30 days after the complaint was filed. 46 C.F.R. §502.113(d). While this rule does not appear to apply to a Commission Order of Investigation, it reflects the view that unless service is effected within a reasonable period of time, the matter should be dismissed rather than holding it open indefinitely. Under federal rules, the court is required to dismiss an action if service of the complaint is not completed within 120 days. F.R.C.P. 4(m).

single enforcement proceeding. *World Chance Logistics (Hong Kong) Ltd, et al – Possible Violations*, 31 S.R.R. 1346, 1352 (FMC 2010). BOE has conferred with counsel for Respondents JC Horizon and Judy Lee, and is authorized to represent that these Respondents support the grant of dismissal of Huntington International as a party to this proceeding.

For all the foregoing reasons, BOE respectfully requests that Huntington International, Inc. be dismissed as a respondent, and upon approval of the above mentioned settlement agreement, the proceeding be dismissed in its entirety.

Respectfully submitted,



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September 4, 2014

CERTIFICATE OF SERVICE

I hereby certify that the foregoing document has been served this 4th day of September, 2014, as described below.


Brian L. Troiano

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