

FEDERAL MARITIME COMMISSION

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**DOCKET NO. 15-10**

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**REVOCATION OF OCEAN TRANSPORTATION INTERMEDIARY  
LICENSE NO. 017843 - WASHINGTON MOVERS, INC.**

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**ORDER TO SHOW CAUSE**

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**BUREAU OF ENFORCEMENT'S STATEMENT  
IN RESPONSE TO INITIAL ORDER**

The Bureau of Enforcement (BOE) files this Statement in Response to the Initial Order issued by the Administrative Law Judge (ALJ) on February 18, 2016 in the above proceeding.

This proceeding was commenced by the Commission's Order To Show Cause served October 8, 2015, directing Washington Movers, Inc. (Washington Movers or Respondent) to show cause why its license no. 017843 should not be revoked based on the felony conviction of Sam Ghanem, the sole owner, officer, director, and Qualifying Individual (QI) of Respondent, and various regulatory violations. Following submissions by Respondent and BOE, the Commission, on February 12, 2016, issued an Order Regarding Preliminary Issues which, among other things, assigned the matter to the Office of Administrative Law Judges to consider whether further

submissions are necessary; determine whether an evidentiary hearing is warranted; make factual findings; and issue an initial decision regarding revocation.<sup>1</sup> The ALJ's Initial Order requires the parties to identify further submissions believed necessary to complete the record; state what paper discovery and depositions are necessary, if any; and state whether an evidentiary hearing is warranted and, if so, the factual issues that must be resolved and provide a preliminary witness list.

## **BOE RESPONSIVE STATEMENT**

### **Preliminary Matters**

The Commission's February 12 Order specified 2 issues that it considers to involve disputes over material facts in this proceeding to be resolved by the ALJ: (1) the extent to which Sam Ghanem's criminal conduct for which he was convicted implicates Respondent; and (2) the extent of Sam Ghanem's current involvement with the company. (Commission Order at p.9). With respect to Mr. Ghanem's involvement in the company, BOE assumes that the Commission's use of the descriptive term "current" is intended to embrace the period commencing with his arrest.<sup>2</sup> Mr. Ghanem is currently incarcerated. However, he remained free for approximately 22 months between arrest and incarceration and Respondent's submissions to the Commission placed this period in issue with respect to Mr. Ghanem's involvement in the company's affairs. Consequently, BOE believes that use of the term "current" is intended in this broader context.

It is also noted that the Commission's Order does not limit or restrict the issues identified in the Order To Show Cause served October 8, 2015, as bearing on Respondent's continued fitness

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<sup>1</sup> The Commission's Order also granted Respondent's motion to file a reply and denied a request to intervene by Norma Ghanem.

<sup>2</sup> Mr. Ghanem's involvement with the company prior to his arrest will be addressed under the first issue.

and character to conduct business as an ocean transportation intermediary (OTI). Inasmuch as the Commission's February 12 Order does not resolve any substantive issues, BOE intends to address all issues identified in the Order To Show Cause.

### **Further Submissions**

In view of the Commission's Order identifying what it considers to be disputes over material facts, BOE will submit additional evidence and legal argument to supplement its prior submissions in this proceeding addressing those issues. BOE believes that it can present its direct case through submission of written verified statements, documentary evidence, discovery materials, and legal argument.

With respect to the nexus between Sam Ghanem's criminal conduct and Respondent's fitness and character, BOE intends to supplement its prior submission with relevant portions of the criminal record in the proceeding against Mr. Ghanem which may be officially noticed.<sup>3</sup> BOE also intends to supplement its legal argument with relevant Commission precedent supporting its position that revocation is warranted in the circumstances present here. Concerning Sam Ghanem's continued involvement in the activities of Respondent, BOE intends to supplement its prior submissions with evidence demonstrating his continued activities in the period between his arrest and his incarceration.

Based on Respondent's prior submissions in this proceeding, there does not appear to be any dispute over material facts relating to Respondent's violations of Commission regulations discussed in the Order To Show Cause. Nonetheless, BOE would intend to supplement the record with any evidence of continued violations that may be discovered.

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<sup>3</sup> Case No. RWT 8:14-CR-0008-001, *United States v. Sam Rafic Ghanem*, D. Md.

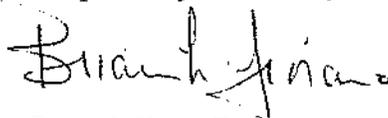
**Discovery**

BOE intends to utilize the Commission's discovery procedures to further develop additional evidence described above. Written discovery to be served on Respondent will include requests for admission, interrogatories, and requests for production of documents which are currently being prepared. It is not known at this time whether depositions will be required as such a determination cannot be made until BOE has received and reviewed Respondent's responses to BOE's discovery. Depending on the sufficiency of such responses, depositions may or may not be required.

**Evidentiary Hearing**

BOE does not believe that an evidentiary hearing is required for the presentation of its direct case. However, a hearing for the purpose of cross examination may be necessary in the event that responses to BOE discovery are incomplete, inconsistent, or inaccurate. BOE cannot make such a determination until such time as it has received and reviewed responses to discovery. Consequently, BOE hereby states its desire to preserve its right to request a hearing solely for purposes of cross examination.

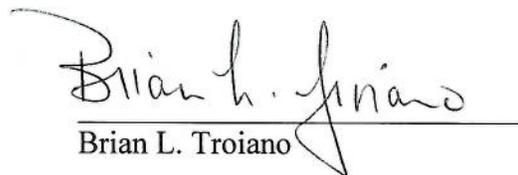
Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Bureau of Enforcement's Statement In Response To Initial Order has been served upon counsel for Respondent identified below by email and by first class mail with postage prepaid this 3rd day of March, 2016.

  
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