

**ORIGINAL**

**BEFORE THE  
FEDERAL MARITIME COMMISSION  
WASHINGTON, D.C.**

11-17-08 10:17:25

FEDERAL MARITIME COMMISSION

**PETITION OF NATIONAL CUSTOMS BROKERS AND FORWARDERS ASSOCIATION OF  
AMERICA FOR EXEMPTION**

**FROM MANDATORY RATE TARIFF PUBLICATION**

**DOCKET NO. P1-08**

**VERIFIED SUPPORTING STATEMENT OF [NAME OF WITNESS]**

I am Gene Cushing, Vice President of Global Sea Freight Services for Hanseatic Container Line Ltd., OTI license number 12341N and its parent company, Mid-America Overseas, Inc., OTI license number 1872F.

Mid-America Overseas Inc. / Hanseatic Container Line Ltd. has 17 offices in the United States and 19 foreign offices as well as numerous agreements with overseas agents.

Mid-America Overseas, Inc. / Hanseatic Container Line Ltd. is a member of the NCBFAA and is very familiar with issues relating to the requirements for mandatory publication of ocean rate tariffs and is supporting the Association's petition to exempt NVOCCs from having to memorialize rates that have been negotiated with shippers in rate tariffs.

Hanseatic Container Line Ltd. purchases most ocean freight rates under contract. With the recent change in the balance of trade, it is uncommon for contract ocean rates to be valid beyond 90 days. Ocean surcharges change on a monthly basis. In some cases, bookings must be made more than 30 days in advance of sailing due to non-availability of space and/or equipment. Consequently, buy rates can change prior to cargo being delivered to the carrier regardless if they are obtained from a contract or quote.

Inland carriage purchased from ocean carriers change so frequently that most sell based on their tariff rather than putting those rates in a contract. Inland services purchased directly from truckers, such as pick-up of LCL cargo or container drayage, are subject to changes on a weekly basis mostly due to fuel surcharges. Due to the especially volatile market conditions that currently exist as described above, we negotiate buy rates on a per shipment basis.

Typically, and particularly in the current environment, we quote rates to our shipper clients with a validity of 30 days based on current buy rates. All quotes are provided in writing, generally by e-mail. Most of our shipper clients require that we provide quotes on a per shipment basis even when particulars of the shipment are unchanged. No cargo is being booked by any of our shipper clients based on rates obtained from our tariff.

Tariff filing is done in response to the shipper's acceptance of a quote. Most rates are filed in our tariff with an expiration date 30 days from the effective date.

Hanseatic Container Line Ltd. uses an outside tariff filing service. The tariff filer assesses a subscription fee to obtain rates. To our knowledge, there are no subscribers accessing our tariff to obtain rates.

We recently changed the tariff filing service we utilize because they purchased the service we were using. Our cost for tariff filing has increased dramatically since the purchase.

We have filed an NSA boilerplate in our tariff. However, we have not entered into an agreement with any of our shipper clients. They feel it is an unnecessary formality since the price of at least one component of the rate changes on a per shipment basis. They prefer to have a written confirmation of their rate on at time of shipment.

The annual cost of using a tariff publishing service to file our rates was as follows:

2007 - \$6070.50

2008 - \$5835.20

I estimate that approximately 800 man hours are spent annually to submit and maintain tariff filing information. None of that cost is recovered.

I, Gene Cushing, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed on September 24, 2008.

A handwritten signature in cursive script, appearing to read "Gene Cushing", is written over a solid horizontal line.