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FOREIGN RELATIONS

CHAIR, SUBCOMMITTEE ON INTERNATIONAL ECONOMIC
POLICY, EXPORT AND TRADE PROMOTION

BANKING, HOUSING, AND URBAN AFFAIRS

CHAIR, SUBCOMMITTEE ON INTERNATIONAL
TRADE AND FINANCE

SELECT COMMITTEE ON INTELLIGENCE

03 OCT 16 PM 4:40

October 9, 2003

FEDERAL MARITIME COMM

The Honorable Steven R. Blust
Chairman
Federal Maritime Commission
800 North Capitol Street, NW
Washington, DC 20573

P3-02

Dear Chairman Blust:

I write in support of the United Parcel Service (UPS) petition currently pending before the Federal Maritime Commission (FMC). It is my understanding that UPS has asked for an exemption to the rule prohibiting Non-Vessel Operating Common Carriers (NVOCCs) from entering into confidential contracts with their customers. In light of recent developments within the ocean shipping marketplace, I urge you to review the regulation governing NVOCCs.

The UPS petition, citing the recent evolution of the ocean shipping marketplace, is precisely the reason Congress granted such broad exemption authority to the FMC. While anticipating changes in the ocean shipping industry with the passage of OSRA, Congress did not contemplate how fast or how smoothly the market could adapt to these changes. By granting this petition, the FMC will acknowledge these changes, level the playing field between NVOCCs and vessel operators, and ultimately benefit shipping consumers around the world.

Thank you for considering the UPS request.

Sincerely,



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