

BEFORE THE
FEDERAL MARITIME COMMISSION
WASHINGTON, D.C.

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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 Christine Callahan, Chief Operating Officer, Global Link Logistics. We are an NVOCC with one office located in Tucker, GA. We have an affiliate company (Global Link Logistics) and agents overseas.

GLL 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 NVOCC's from having to memorialize rates that have been negotiated with shippers in rate tariffs.

GLL customer base is largely comprised of importers of furniture primarily manufactured in Asia, with a small percentage being manufactured in Europe. Most importers purchase goods on an FOB port basis and because furniture is the largest single commodity (based on volume) imported from Asia to the US, the process of soliciting new business involves competing with numerous carriers and negotiating separate rates for each lane of traffic. Sell rates are developed based on the underlying carrier costs and consider other operational considerations that may affect the underlying cost beyond that of the ocean freight rate.

Buy rates change frequently, particularly in a time when surcharges can change with dynamic conditions such as peak season and bunker surcharges. In addition, given the issues that drive carrier rates such as capacity constraints, pressure on equipment utilization in response to the vibrant US export market, the purchasing of transportation through interface with the carriers is done on a consistent basis both in the US and through our affiliate company and agents overseas.

Providing our customers updated rate sheets that include the fluxuating surcharges is normally accomplished through the development of excel spreadsheets and sent via email.

Upon acceptance of the sell rate by the customer, GLL provides our tariff publishing agent (Management Dynamics) with a spreadsheet of new rates that must be formatted and sent to the FMC for filing. This creates an administrative hardship because oftentimes our customers ask us to commit to prices for specific origin/destination pairs to which they *may* ship cargo. This could be retail locations to which they actually never transport a shipment, but

because of the requirement to have the rate on file prior to receipt of cargo at origin, we proactively file these rates.

Customers are satisfied to rely on the rates quoted via email, so they are not confused about the rates; nor have there been any disagreements about what the rate is. Should any question arise, it is unlikely any customer would refer to the tariff as most are not familiar with the FMC or the requirement the NVOCC has to file rates and have them available in the public domain. GLL has no record of a customer accessing rates via the website.

Customers are accustomed to a transactional relationship with the NVOCC. Therefore, there is generally reluctance on the part of customers to enter into an NVO Service Arrangement. The NVOSA has not had the desired relief from the requirement to file tariff rates, largely due to this push back. The NSA is inconsistent with the basic relationship between a customer and the NVO...and it is an administrative burden for the customer.

The cost to a small NVOCC to comply with tariff publishing requirements is a hardship. At GLL we spend in excess of \$200,000 annually. Given the knowledge we have about customers not accessing an NVOCC tariff, we have no expectation of recouping some of this cost through allowing public access to our tariff.

I, Christine Callahan, 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.

Dated: September 15, 2008

Christine Callahan
Chief Operating Officer
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