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FEDERAL MARITIME COMMISSION

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June 1, 2010

Karen V. Gregory, Secretary
Federal Maritime Commission
8900 North Capitol Street, NW
Washington, DC 20573-0001

Subject: Docket No. 10-03, Comments on NVOCC Negotiated Rate Arrangements

I am Lori Fleissner, President of Global Fairways, Inc. ("GFW"), headquartered in Romulus, Michigan, and operating two branch offices in the U.S. located in the New York and Chicago areas.

On September 16, 2008, I submitted a Verified Supporting Statement in support of NCBFAA's Petition to FMC, Docket No. P1-08 regarding Exemption from Mandatory Rate Tariff Publication. Then on January 13, 2010, I submitted Supplemental Comments regarding same Docket No. P1-08.

I would like to express my thanks to FMC for having considered the various comments in this proceeding and having granted the exemption that was requested.

As expressed in my previous comments, I would like to reiterate the need for the exemption.

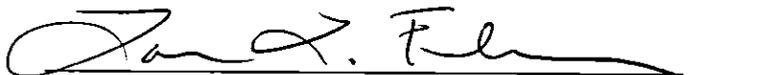
- 1) The ocean shipping industry is even more so in a state of constant fluctuation, thus causing turmoil due to the ever-changing carrier rates – even in cases where we have a service contract. This is mainly due to the various GRIs, surcharges, BAFs, CAFs, etc.
- 2) These rate changes require GFW to continually publish rate adjustments in the tariff for various types of containers (20', 40', hi-cube) so much so that the number of individual rate items that need to be changed far exceeds the amount of changes any individual change a carrier might make.
- 3) Because GFW is a small company, the cost to develop a dedicated software system for rate tariff publication is out of the question. Therefore, to be compliant, GFW must pay a tariff-publishing agent for this purpose. While the dollars spent for this may not be as large as compared to some NVOCCs, it is significant to a small company such as GFW, where to stay in business every cost is scrutinized for relevance/effectiveness versus cost and this particular cost does not have either relevance nor effectiveness whatsoever.

- 4) During 2009, GFW experienced an extreme economic downturn, as did a large majority of U.S. businesses. Even though we have had to let some staff go, we have been trying to keep our staff working versus layoffs and to do so, remaining staff of GFW agreed to take a 19% pay cut last year. As with many in our same situation, it has been very frustrating seeing money going down the drain of futility over the rate tariff publications when the funds/time spent could be better utilized to keep an employee working.
- 5) Because of the issues stressed above, please consider our overwhelming support along with the NCBFAA to eliminate the tariff publication burden due to the cost in time/dollars spent in maintaining one of the largest unnecessary obstacles burdening the operations of NVOCCs. Let me also reiterate the point that the rate tariffs do not serve any purpose and have never been reviewed by anyone.

In addition to above comments, please take the following comments into consideration:

- 1) Rates are negotiated privately in most instances with shippers/customers due to the rapidly changing carrier rates. These negotiated rates are already memorialized in writing via email so the "writing" requirement is already in place. It would be a very simple task to add a note to our emails indicating that the exempt rates (the Negotiated Rate Agreements or NRAs) are subject to the GFW's rules tariff and that GFW will eliminate any access fee for its rules tariff.
- 2) According to our tariff publication agent, Effective Tariff Management Company (ETM), customers never access GFW's tariffs.
- 3) The exemption should be available to all lawful NVOCCs, including foreign registered, not just licensed companies, reason being that this would appear discriminatory and the exemption was intended to be for the entire industry. Another concern would be that other foreign governments, perhaps the PRC, might take retaliatory action against US licensed NVOCCs if unjustified burdens were left on registered NVOCCs.
- 4) The parties should be able to amend rates at any time, as long as their agreement to do so is memorialized in writing by both parties. If they can't, then parties will not have the flexibility to react to changes in the carriers' rates when dealing with an agreement covering multiple shipments.

I declare under penalty of perjury that I have read the foregoing and it is true and correct to the best of my knowledge, information and belief.


Lori L. Fleissner
President