

Magdalene Grant

From: Secretary
Sent: Tuesday, September 30, 2008 2:19 PM
To: Karen Gregory; Magdalene Grant
Subject: FW: Comments of Household Goods Forwarders Association of America
Attachments: Comments of HHGFAA.pdf

From: Awohlstetter@aol.com [mailto:Awohlstetter@aol.com]
Sent: Friday, September 26, 2008 12:07 PM
To: Secretary
Subject: Comments of Household Goods Forwarders Association of America

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ORIGINAL

BEFORE THE
FEDERAL MARITIME COMMISSION
WASHINGTON, D.C.

PETITION P1-08

PETITION OF THE NATIONAL CUSTOMS BROKERS AND
FORWARDERS ASSOCIATION OF AMERICA, INC.
FOR EXEMPTION FROM
MANDATORY RATE TARIFF PUBLICATION

COMMENTS OF THE HOUSEHOLD GOODS FORWARDERS
ASSOCIATION OF AMERICA, INC. IN SUPPORT OF THE PETITION

Pursuant to the Federal Register Notice, dated August 11, 2008 (73 F.R. 46625), the Household Goods Forwarders Association of America, Inc. (HHGFAA) hereby submits these comments in support of the petition of the National Customs Brokers and Forwarders Association of America, Inc. for exemption from the provisions of the Shipping Act which require non-vessel operating common carriers (NVOCCs) to publish and adhere to ocean tariff rates. For the reasons stated below, the HHGFAA supports exemption of NVOCCs from these tariff rate requirements.

HHGFAA AND ITS POSITION

The HHGFAA is a trade association for the household goods forwarder industry. A number of HHGFAA members are NVOCCs, licensed by the FMC, which are engaged in the transportation of household goods by ocean vessel in the foreign commerce of the United States. These

NVOCCs are required to publish the rates for their commercial shipments of household goods in electronic tariffs. These HHGFAA NVOCC members support exemption from the FMC tariff publication requirement for the following reasons:

1. The publication of NVOCC rates for household goods shipments serves no regulatory purpose, results in substantial unnecessary expenses which need be passed on to shippers, and is particularly burdensome to NVOCCs of household goods. Unlike shipments of general freight, which generally move in predictable trade lanes from concentration points such as factories or distribution centers, household goods shipments move to and from residences between a myriad of locations. Further, household goods rates are door-to-door rates from an inland point to an inland point. As a result, NVOCC household goods rates are determined on an individual competitive basis for each shipment through negotiations between competing NVOCCs and the shipper. After agreement is reached, the successful NVOCC publishes the rate in its electronic tariff. Under these circumstances, the rate publication is a mere formality whose only purpose is to comply, after the fact, with the regulatory publication requirement. The rate publication is of no benefit to the shipper who negotiated the rate or to

other shippers because the rate is limited both in its duration and in its geographic application.

2. Further, shippers of household goods do not use NVOCC electronic tariffs to compare rates of various NVOCCs in their selection of an NVOCC for their shipments. In fact, we are advised by tariff publishing services that tariffs of NVOCCs of household goods very rarely, if ever, have been accessed by anyone for the purpose of viewing the published rates. As a result, tariffs are not a factor in competition among NVOCCs for household goods shipments and the elimination of the tariff rate publication requirement will not have any effect on competition among NVOCCs of household goods.

3. Each of our NVOCC members has to pay a tariff publishing agent to comply with the tariff publication requirement of the Federal Maritime Commission. The cost of complying with the required FMC tariff publication through the use of tariff-publishing companies, which have been approved by the FMC, imposes an expense on the NVOCC which has no offsetting benefits to the shipping public.

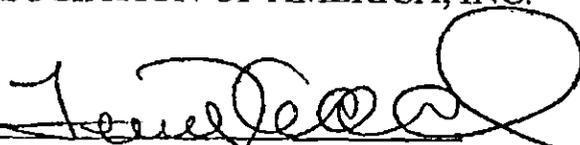
For the above reasons, and those more completely set forth in the petition of the National Customs Brokers and Forwarders Association of America, Inc., the Household Goods Forwarders Association of America,

Inc. strongly supports the exemption of NVOCCs from the rate publication requirements.

Respectfully submitted,

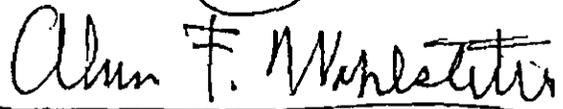
HOUSEHOLD GOODS FORWARDERS
ASSOCIATION OF AMERICA, INC.

By



Terry R. Head
President

By



Alan F. Wohlstetter
General Counsel

Dated: September 26, 2008

CERTIFICATE OF SERVICE

I hereby declare under penalty and perjury that I have this 26th day of September 2008, served a copy of the foregoing Comments of the Household Goods Forwarders Association of America, Inc., by first class mail, postage prepaid, as follows:

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Stanley I. Goldman