

ORIGINAL

CC: OS
GGC
OND
Comm(4)
BTA
BCL
BOE
CADES
Pub

RECEIVED

BDG International, Inc.

840 Tollgate Rd.

Elgin, IL 60123

Tel: 847-760-0000 Fax: 847-760-0005 E-Mail: sales@bdginternational.com

www.bdginternational.com

May 28, 2010

Ms. Karen V. Gregory
Secretary
Federal Maritime Commission
800 N Capitol Street
NW, Room 1046
Washington, DC 20573-0001

RE: DOCKET NO. 10-03

Dear Ms. Gregory, and the FMC,

Thank you for considering our comments regarding the Docket No 10-03.

BDG International, Inc. (License no: 003447NF) is an OTI and a NVOCC. We are an American company, headquartered in Illinois and founded in Illinois in 1983.

We are an active filer of Ocean freight FCL, LCL, Breakbulk rates and rules for both export and import. We are in support of the Docket No. 10-03 in order to abolish filing rates, yet maintaining filing rules for the following reasons:

1. The rate filing process is very burdensome in labor within our company. We have one person responsible for all import tariff filings and one person responsible for export filings. They have to make sure that each quote that turns into a real shipment has a rate filing. Prior to doing this we have to verify that there are no changes. The market for the last three years has changed monthly and now it is weekly. The time it takes not only to re-quote the client but then to ensure that we are in compliance and filing the correct rate at the time is a large burden on our company.
2. All old rates have to be audited for expiry to make sure that the new rate will not overlap the old rate. This requires auditing of the rates at all times.
3. Each time there is a rate change, commodity change or a port pair change we have to re-file the rates.
4. Currently we use a tariff filing bureau in order to maintain compliance. After we have gone through our auditing procedures the tariff bureau audits the rates and information against our rules and general information integrity. If everything is approved they file the rate. If not they will reject the rate for a correction. As the rules and rate filings are complicated this adds extra time and labor to maintain compliance.
5. Currently there are so many new fees it is very difficult to maintain a list of all of the fees for each carrier, to each country and port of the world. This alone is very difficult.

The ocean lines add fees that then need to be added to all rates effecting all pricing.

6. The tariff bureau has a fee for each change, each filing and to obtain information. These fees are an overhead that we can not recover from the shipping process. We have to absorb the time for the rate filing, auditing and cost from the tariff bureau. Our annual tariff filing service bureau for tariff filings is around \$2000 not including BDG staff and labor.

8. We realize that we can create our own domain and make the rate public this way and not use a tariff bureau. We choose to go through a tariff bureau in order to have better compliance and a third party audit.

9. The tariff bureau offer no other assistance, they are very automated. There is no purpose for them except to make sure that we are complying with the law. No one other than the tariff bureau benefits from the system. They have a job to do and they do it. If the tariff filing of rates were to be eliminated we understand that a portion of their business would go away; however, their business exist strictly because of the regulations. There is no other purpose.

10. While we see a purpose in the need to have the rules, we have never seen the purpose of the tariff filing. We have never had a client access our rates that we file publically. Even if we provide them the information, they do not desire to access the data. Each shipment has a new rate that is filed upon that one shipment for FCL / LCL, IMPORT / EXPORT. If our rate is too high on our quote, the customer will go to one of our 1000 competitors and find a company that has a rate that is the price they are looking to pay.

11. We also do not benefit from our competitors information being public. What would we do with the information?

We have never found a use for this public information, because the market moves too fast for the information to be useful.

12. We have an internal procedure for maintaining pricing for clients. Each shipment has a quotation or a proposal that is maintained. Quoting information is kept for up to 5 years in our system. If a quote turns into a shipment the pricing information is then maintained and invoiced out. As per GAAP accounting we maintain our accounts receivable and payable information for 7 years. With in our system we can track each shipment ocean price to the client and see the exact ocean expense that we have paid, as well as a back up of the documentation showing the charges. We can also track the payment from the client for each shipment.

Our rate maintenance system is very detailed.

The process of filing tariffs is redundant and actually takes away from our time to further develop our own system. Currently the rate filing resources are used for compliance. Our current system could be improved even more if we can re-allocate the financial cost that we use to file tariffs and the time. This would benefit us and potentially help us obtain more clients by being quicker at pricing and more accurate in our current proposals and quotes.

13. In order to comply with the new proposed regulation we are willing to add "the Negotiated Rate Agreements or NRA are subject to the company's rules tariff.

There will be no charge for companies to access our rules tariff.

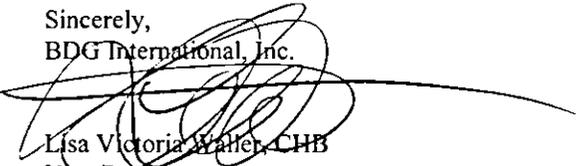
14. We recommend that the exemption should be available to all lawful NVOCCs including foreign registered, not just licensed. This purpose to make this available to all lawful NVOCCs is to ensure that our laws are not discriminatory, and that this should be fair for the entire industry. This would also show good will towards the foreign countries and assist us on import laws going into the foreign countries. It is important that we do not have foreign countries developing reciprocation regulations as a potential retaliation to our regulations.

15. We recommend that 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 we do not have this ability to meet changing commercial conditions efficiently, the proposed tariff exemption will loose it usefulness.

Thank you for taking the time to review our comments.

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.

Sincerely,
BDG International, Inc.



Lisa Victoria Waller, CHB
Vice President

840 Tollgate Road
Elgin, IL 60123

Tel: 847-760-0014
Cell: 630-776-5648
Fax: 847-760-0045
email: lisaw@bdginternational.com
www.bdginternational.com