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FEDERAL MARITIME COMMISSION

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June 1, 2010

Karen V. Gregory
Secretary
Federal Maritime Commission
800 N. Capitol St. NW
Washington, DC 20573-0001

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

Via FEDEX, Tracking number 7987 1526 2736

Dear Ms. Gregory:

We would like to thank the Commission for taking up this very important issue. It is a long-standing regulation that as a small business costs valuable financial resources to maintain and is not used by either my existing clients or prospective ones.

Hardly a day goes by that my inbox is not flooded by notices from carriers of changes to rates on a trade lane. These changes can range from impositions of new surcharges to cope with current market conditions, increases or decreases in bunker or other fuel-related surcharges, General Rate Increases (GRI's) which may happen annually or in some cases quarterly. Add to the equation what appears to be transpiring on the eastbound Trans-Pacific this season with spot rate pricing being *de rigeur* rather than the exception and each of these filings comes at a cost to my company that cannot be recouped from the shippers and comes from our bottom line. Oftentimes we are engaged in a daily or weekly discussion of rates depending upon the lane, underlying carrier and routing to get cargo into or out of the United States. This incredibly fluidity in the process has created operational challenges to insure compliance with the regulations enforced by the Commission.

We made an inquiry to our tariff provider, Sumer Tariff Services, who informed us that for someone to access our tariff, they would need to request access in the form of a username and password. In the time they have been maintaining our tariff (which is well over ten years), they indicated not a single entity has come forth requesting access to our tariff. However, we are billed annually for its maintenance as well as per rate filing and rule change that we make.

Our firm is fully in support of the proposal put forth by the National Customs Brokers and Forwarders Association of America (NCBFAA). The process by which our firm negotiates and offers rates is always one that is memorialized in writing using either e-mail or rates presented in person. If by e-mail, it may be done through a standard message laying out the rates and charges, or we are customers of Cargosphere, a rate quoting and maintenance service that allows us to present clients with a professionally-formatted e-mail, as well as maintain our own contract rates for ease of use and quoting to shippers. It would be easy to add

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language or a disclaimer to these rate tenders that the Negotiated Rate Agreements (NRA's) are subject to our rules tariff which can be viewed at anytime online at no cost to the shipper. Having said that, we think it is important that the Commission not add any rigid regulatory requirements concerning the form of the written agreement, but should instead rely on the general principles stated in the NPRM; in other words, that the NRAs be agreed to both parties, be memorialized in some written form, include the applicable rate for the shipment or shipments, be agreed to prior to the date the cargo is received by the NVOCC, and reference the location of the applicable rules tariff. Anything more than that would undoubtedly be confusing and unnecessarily burdensome, of little use to the parties and minimize the benefit of the exemption.

Further, these rates should be amendable at any time, provided it is done in writing. The current growth trajectory and resumption of business on the eastbound Trans-Pacific and the weekly changes in price as reported by such services as Drewry Consultants of the UK and advised in trade publications such as the Journal of Commerce and American Shipper show the need for ever-greater flexibility in an environment that moves at a far more rapid clip thanks to the technological conveniences we have for near-instantaneous communication. As long as both parties agree to the changes, whether down or up, we see no reason that they should be prevented from amending the agreements due to some arbitrary regulatory time constraint.

As presented in the NPRM, I do not believe that the Commission has gone far enough to include all affected NVOCC's. The exemption should include those firms who are foreign-registered as well and not just licensed. We must recognize the reciprocal nature of all trade and policies in the current environment and by discriminating against foreign firms, either intentionally or accidentally, it could create an additional undue regulatory burden on US firm attempting to do business elsewhere in the world.

We sincerely appreciate the time and care that is being applied to review this and get it right. The structure of the proposal by the NCBFAA, the careful review by the Commissioners and hopefully the letters you receive from the trade will support the position the Commission is contemplating and will allow for a change in the behind-the-scenes processes for NVOCC's, but will not weaken or hinder the Commission's ability to enforce legitimate trade and cargo movement in the maritime environment.

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,



Scott Alan Case

Vice President

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THE CAMELOT COMPANY