



Commissioner Richard A. Lidinsky, Jr.
Commissioner William P. Doyle

Meeting with Baltimore Port Alliance

February 20, 2015



History

- ▶ Shipping Act of 1916 – United States Shipping Board
- ▶ Merchant Marine Act of 1936 – U.S. Maritime Commission
- ▶ Reorganization Plan No. 7 (1961) – Federal Maritime Commission
 - Helen D. Bentley, Chair 1969–1975
- ▶ Shipping Act of 1984
- ▶ Ocean Shipping Reform Act of 1998(OSRA)



Who We are

- ▶ Independent Regulatory Agency
- ▶ Five Commissioners (CA, MD, KY, PA, VA)
- ▶ Primary Tasks
 - Regulate Our Country's Foreign Waterborne Commerce '
 - Protect those engaged in the U.S.'s foreign commerce from restrictive rules and regulations of foreign government, and from foreign-flagged carriers that have an adverse effect on shipping in the U.S. trade



What We Do

- ▶ Receive and monitor Agreements that provide parties with limited antitrust immunity
- ▶ Regulate rates, charges, classifications as published in Tariffs and Service Contracts
- ▶ License and Bond ocean transportation intermediaries (OTIs)
- ▶ Issue passenger vessel certificates and hold proof of passenger vessel operator bonds as proof of financial responsibility

Current FMC Issues

- ▶ Monitoring the four Major New Ocean Container Carrier Alliances and Subsidiary Alliances
- ▶ Ongoing Review of Commission Regulations
 - OTI
 - Agreements
 - Service Contracts
- ▶ Ongoing Monitoring of Cargo Diversion from U.S. Ports
- ▶ Port Congestion



Mid-Atlantic and Northeast Port Congestion Forum

- ▶ Port of Baltimore – October 1, 2014
 - Panelists
 - Attendees

- ▶ Major Issues Identified
 - Larger Vessels Calling Ports
 - Chassis and Equipment Maintenance and Shortages
 - Drayage
 - Truck Shortages
 - Turn Times
 - Free Time and Demurrage Charges



West Coast Port Congestion Forum

- ▶ Port of Los Angeles – September 15, 2014 '

- ▶ Major Issues Identified
 - Larger Vessels
 - Alliances calling at multiple terminals
 - Drayage
 - Turn Times
 - Trucker Shortages
 - Chassis Unavailability
 - Recent Employer–Labor Issues



South Atlantic Port Congestion Forum

- ▶ Port of Charleston – October 30, 2014

- ▶ Major Issues
 - Not experiencing the same level of congestion as other ports
 - Investments in port and highway infrastructure '
 - Chassis Unavailability
 - Drayage
 - Turn times
 - Adequate Compensation
 - Container Imbalances



Gulf Coast Port Congestion Forum

- ▶ Port of New Orleans – November 3, 2014

- ▶ Major Issues Identified
 - Not experiencing the same level of congestion as other ports
 - Need for investment in port infrastructure
 - Drayage
 - Wait times
 - Chassis availability
 - Managing terminal operations efficiently



What the Commission is Doing Now

- ▶ “Among the Commission’s statutory goals is the assurance of an efficient ocean transportation systems. The efficient operation of the Nation’s ports is squarely within that mandate and paramount to the Commission’s responsibilities...I look forward to a thorough review of the issues and views that have been provided from various maritime industry stakeholders.”

~ Chairman Mario Cordero

- ▶ Office of Consumer Affairs & Dispute Resolution Services (CADRS) reviewing Demurrage



Where Do We Go From Here?

- ▶ Publish Combined Findings of the Port Congestion Hearings and Seek Public Comment

- ▶ Identify Areas of Concern that Lend Themselves to FMC Assistance
 - Fact-Finding and Notice of Comment
 - Chassis & Equipment Shortages
 - Terminal Operations
 - Demurrage
 - Free Time



Where Do We Go From Here?

- ▶ Clarifying Carrier Conduct and Marine Terminal Operator in the Face of Surcharge
 - Questioning Validity of Carriers' Port Congestion Surcharges



How to Contact the FMC

- ▶ Office of the Secretary
 - 202-523-5725
 - secretary@fmc.gov
- ▶ Office of Consumer Affairs & Dispute Resolution Services
 - 202-523-5807
 - complaints@fmc.gov
- ▶ Office of Commissioner Richard A. Lidinsky, Jr.
 - 202-523-5721
 - Jewel M. Jennings-Wright, Counsel jjennings-wright@gmail.com
- ▶ Office of Commissioner William P. Doyle
 - 202-523-5723
 - David J. Tubman, Jr., Counsel dtubman@fmc.gov

