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**BEFORE THE  
FEDERAL MARITIME COMMISSION      FEDERAL MARITIME COMMISSION  
WASHINGTON, D.C.**

**PETITION OF NATIONAL CUSTOMS BROKERS AND FORWARDERS  
ASSOCIATION OF AMERICA FOR EXEMPTION  
FROM MANDATORY RATE TARIFF PUBLICATION  
DOCKET NO. P1-08**

**VERIFIED SUPPORTING STATEMENT OF Scott Alan Case**

I am Scott Alan Case, Vice President of The Camelot Company and, as recognized by the NCBFAA a Certified Ocean Forwarder.

Our firm, which holds license number 3137N/F, owns and operates one office in Schiller Park, Illinois, a suburb of Chicago.

As a Certified Ocean Forwarder and a member of the NCBFAA Freight Forwarding Committee, I understand the scope of the Commission's regulations and the legal requirements for filing of tariff rates for ocean transportation. It is because of this understanding of the scope, the liability and the divergent differences between the letter of the law and the way that business is conducted that I write in support of the Association's petition to exempt NVOCCs from having to memorialize negotiated rates with shippers in rate tariffs.

The speed of business nowadays and the economic climate have changed the way that cargo is solicited, booked and moved. With competition increasing on a daily basis, more and more NVOCCs are competing for a finite amount of business. This means that when shipments are solicited by an existing or potential client, they are done by e-mail or by fax to a number of NVOCCs simultaneously. We then must consult our contracts or contact a shipping line for a rate. The process by which lines return rates has also drawn out the response time from a matter of hours to, in some instances, days. We then must do our best to push the carrier for a rate while simultaneously reassuring the shipper that we are interested in their cargo, it is just that the asset provider is not replying in a timely fashion.

If and when we do earn the cargo, it must be booked and loaded expeditiously, sometimes within a matter of days. If a rate and a shipment are requested by an overseas partner or customer, then the same pressure is faced by not only ourselves, but perhaps by a partner overseas whose reputation with their client (or prospective

client) depends upon the speed by which they can reply and secure a booking. Exacerbating this relationship is the fact that with the multitude of trade lanes and agreements, rates are always in a state of flux. Whether it is the surcharges for bunker, security, congestion or war, GRI's seem to come along every few months which require that we go back and revisit quotations which have little or no sustained validity.

We quote by e-mail, fax or in person and always with the disclaimer that "rates are subject to change with or without notice as advised by carriers." Of course, the practicality of this disclaimer, while attempting to provide the necessary veneer to cover ourselves in the event of a rate change between the time the rate is quoted and the time the cargo moves, does not mean that the shipper, when pressed, will refuse to pay a higher rate than was quoted.

Our firm has retained a tariff publication service, Sumner Tariff Filing, to maintain and be the vehicle by which we file in our tariff. This service comes with an annual maintenance cost, as well as a filing cost per submission. Because of the changes to surcharges on import cargo or quarterly or semi-annual rate changes, we find ourselves revisiting, at a not an insignificant cost, our tariff and spending dollars to keep rates current that may not be used but must be "out there" in the event of a potential shipment. For export cargo, we file rates based on bullets that are issued by the lines to a contract in order to be sure that if and when a spot move materializes, there is nothing to hinder its progress. Velocity through the supply chain, for both imported and exported cargo, often makes it difficult to insure that the rates are properly memorialized in a timely fashion.

Using the vehicles that we have (e-mail, fax, letter presented in person), we have not had a dispute over a rate with a shipper and, in fact, have found it to be effective. When we have offered access to our tariff to our clients, not a single one has viewed it or has expressed their gratitude for having it available as a vehicle. Current communication methods seem to be sufficient for them. Consider that multiple NVOCCs will be bidding on a single piece of business and you can have four or five unnecessary filings in four or five tariffs where the only companies who benefit are the tariff filing bureaus. Every rate that is filed for traffic that does not move is a cost which I cannot recover.

As a small firm, we have a staff dedicated and "right-sized" for what we do. I would contend that many firms, even larger ones, are focused on the core parts of their business, especially nowadays. Those core parts include sales, customer service and operations. Maintenance of the tariff may not honestly fit into anyone's specific responsibilities and the potential for inadvertent neglect is a legitimate concern. Further, when these rates are changing rapidly, unless it is regular traffic for an NVOCC, the rate might not be updated in the tariff. The shipper will be notified in advance of the cargo's movement, but will that notification correlate to someone revisiting the tariff to make the change? Not under all circumstances.

While we appreciate the Commission's efforts in creating the NVOCC Service Arrangements, none of our clients have availed themselves of this opportunity. There are several reasons for this.

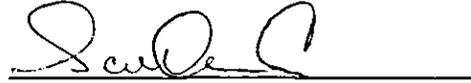
1. The benefit of confidentiality is not important, since no one accesses our rate tariffs anyway
2. NSA's still have to be written documents that have to be filed with the agency and the essential terms still have to be published in the tariff, so there is no cost savings
3. Many shippers don't want to sign NSA's. As a company who also offers services for Customs brokerage and air freight forwarding, it is sometimes difficult enough to insure that we get a power of attorney signed by a corporate officer. Shippers (both importers and exporters) detest being contractually bound to a logistics provider, especially when there are financial penalties for not meeting volume obligations. Shippers will more readily work with a service provider from whom they face no risk of penalty and can just leave if their needs are not being met.

Our company, as I stated, has its tariff maintained by Sumner Tariff Service. For this service, we pay an annual fee of \$200.00. We must then pay \$20.00 for each filing (new or amended) to our tariff. I would imagine that we dedicate three to four hours of staff time per month to maintain this, plus oversight, which would put the cost of around \$1000.00 per month, if apportioned. We do not charge to access our tariffs, and I stated earlier in this document, we have not had anyone inquire about accessing our tariff.

In closing, we would like to take the opportunity to thank the Commission for their work in this matter and thank the NCBFAA for filing the petition. As the Commission is undoubtedly aware, the government agencies which are involved in the international movement of both import and export cargo have made significant changes to their regulations over the past six or seven years. Customs and Border Protection, TSA, Census and the Bureau of Industry and Security all have increased not only their reporting requirements, but their penalties for non-compliance as well. The environment is one where the "reward" for doing a job properly is getting paid and for erring it is a penalty that for even the most minor of offenses may take months of work for a client to recover the revenue loss. We understand and respect the Commission's responsibility for protecting the rights of the ocean shipping community at large and this charge is an important one. However, the strength of the Commission in policing complaints of service failures, mitigating disputes and ensuring a level playing field can play a larger and more productive role to shippers if this petition is accepted.

I, Scott Case, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed on 19.September.2008.

A handwritten signature in black ink, appearing to read "Scott Case", is written above a solid horizontal line.