

(S E R V E D)
(April 19, 2007)
(FEDERAL MARITIME COMMISSION)

FEDERAL MARITIME COMMISSION

Docket No. 07-04

Norland Industries, Inc., Linna Textiles Manufacturing Limited, Medcorp Distributors, Inc., Malan Garment Limited, and Malan Garment, Inc.

v.

Reliable Logistics, LLC

Notice of Complaint and Assignment

Notice is given that a complaint has been filed with the Federal Maritime Commission ("Commission") by Norland Industries, Inc., Linna Textiles Manufacturing Limited, Medcorp Distributors, Inc., Malan Garment Limited, and Malan Garment, Inc. ("Complainants"), against Reliable Logistics, LLC. ("Respondent"). Complainants assert that Norland Industries, Inc., Medcorp Distributors, Inc., and Malan Garment, Inc. are corporations or other business entities formed and existing under the laws of the State of New York, and Linna Textiles Manufacturing Limited and Malan Garment Limited are corporations or other business entities under the laws of a foreign nation. Complainants assert that all Complainants are related entities engaged in the business of importing

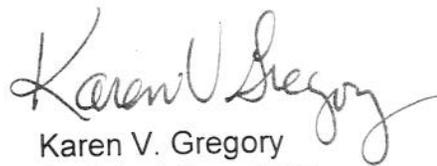
into and trading cargoes of clothing within the United States of America. Complainants allege that Respondent Reliable Logistics, LLC is a corporation, limited liability company or entity engaged in the business of acting as a non-vessel operating common carrier, freight forwarder, bailee and/or warehouseman for hire. Complainants state that they hired Respondent to provide certain transportation related services for a number of import shipments of clothing and department store merchandise. Complainants assert that on or about April 20, 2004, Respondent abruptly, and without notice, informed Complainants that it no longer desired to provide transportation services to Complainants and that it wished to terminate their business relationship. Complainants allege that, in its attempt to terminate its business relations with Complainants, Respondent wrongfully seized twelve (12) of Complainants' containers, allegedly as leverage for wrongful demand of immediate payment of all invoices for freight and other charges, notwithstanding the extension of credit and thirty (30) day payment terms to Complainants. Through payments and under protest, Complainants were able to secure eleven (11) of the seized containers.

Complainants contend that the actions of Respondent violate Section 10(d) of the Shipping Act by failing to establish, observe, and enforce just and reasonable regulations and practices in connection with transportation services on three counts: (1) \$71,274 in damages to Complainants for the price of goods and duty paid on the container Respondent maintained control of; (2) \$314,037.05 in damages to Complainants for actions Complainants were forced to take to retain customers after

missing buying/purchasing seasons and delivery windows for the cargo Respondent maintained control of; and (3) \$96,720 in damages to Complainants for loss of Visa documentation which Respondent allegedly did not surrender to Complainants. Complainants request the Commission issue an Order for Reparations in the Complainants' favor for \$71,274.91 for the first count; \$314,037.05 for the second count; \$96,720 for the third count; and grant such other proper and further relief the Commission deems appropriate.

This proceeding has been assigned to the Office of the Administrative Law Judges. Pursuant to the Commission's Rules of Practice and Procedure, 46 C.F.R. 502.181 (Subpart K – Shortened Procedure) Complainants have requested that their complaint be handled on an expedited basis. Under this procedure, with the consent of the parties and with the approval of the presiding officer, this proceeding may be conducted under shortened procedure without oral hearing, except that a hearing may be ordered by the presiding officer at the request of either party to the proceeding or at the presiding officer's discretion. Within 25 days of the date of service of the complaint, Respondent shall, if they consent to the shortened procedure, file with the Commission and serve on the Complainants, their answering memorandum of facts and arguments relied upon. Within 15 days after the date of service of Respondent's answering memorandum, Complainants may file with the Commission and serve on the Complainants, their reply. This will close the record for decision unless the presiding officer orders the submission of additional evidentiary material. If Respondent does not

consent to this shortened procedure, the matter will be governed by 46 C.F.R. 502.61 (Subpart E - Proceedings, Pleadings, Motions, Replies). Pursuant to the further terms of 46 C.F.R. 502.61, the initial decision of the presiding officer in this proceeding shall be issued by April 18, 2008, and the final decision of the Commission shall be issued by August 18, 2008.


Karen V. Gregory
Assistant Secretary