

(S E R V E D)
(March 22, 2007)
(FEDERAL MARITIME COMMISSION)

FEDERAL MARITIME COMMISSION

DOCKET NO. 07- 02

Anderson International Transport and Owen Anderson – Possible Violations of Sections 8(a) and
19 of the Shipping Act of 1984

ORDER OF INVESTIGATION AND HEARING

Anderson International Transport and Owen Anderson

Anderson International Transport (“AIT”) is located at 9045 Knight Road, Houston,
Texas. Other business addresses listed on AIT’s bills of lading are 4939 West Orem, Suite 4 &
6, Houston, Texas and 14023 South Post Oak Road, Houston, Texas. AIT is owned by Owen
Anderson (“Mr. Anderson”). An assumed name certificate for Anderson International Transport,
4939 West Orem Drive, Houston, Texas was filed by Mr. Anderson on February 18, 2005, in
Harris County, Texas. AIT is not incorporated.

Based on evidence available to the Commission, it appears that Mr. Anderson and AIT have knowingly and willfully provided transportation services as a non-vessel operating common carrier (“NVOCC”) in the United States without obtaining an ocean transportation intermediary (“OTI”) license from the Commission, without providing proof of financial responsibility and without publishing a tariff showing its rates and charges. It appears that Mr. Anderson and AIT have originated a minimum of fifteen ocean export shipments during the period January 5, 2005 through October 19, 2006.

Section 8(a) of the 1984 Act, 46 U.S.C. §40501, requires an NVOCC to maintain open to public inspection in an automated tariff system, tariffs showing its “rates, charges, classifications, rule, and practices.” The Commission’s regulations at 46 C.F.R. 520.3 affirm this statutory requirement by directing each NVOCC to notify the Commission, prior to providing transportation services of the location and publisher of its tariffs by filing Form FMC-1. Section 19 of the 1984 Act, 46 U.S.C. §40901 and §40902, prohibits any person from acting as an OTI¹ in the United States prior to being issued a license from the Commission and obtaining a valid bond, proof of insurance, or other surety in a form and amount determined by the Commission to ensure financial responsibility. The Commission’s regulations at 46 C.F.R. § 515.21 mandate that the bond, proof of insurance, or other surety evidencing the financial responsibility of an OTI shall be in the amount of \$50,000 for freight forwarders and \$75,000 for NVOCCs.

Furthermore, pursuant to section 13 of the 1984 Act, 46 U.S.C. §41107, a party is subject to a civil penalty of not more than \$30,000 for each violation knowingly and willfully

1. An ocean transportation intermediary is defined by section 3(17) of the 1984 Act, 46 U.S.C. 40102(17), as either a freight forwarder or a non-vessel-operating common carrier.

committed, and not more than \$6,000 for other violations.² Each shipment is a separate violation.

NOW THEREFORE, IT IS ORDERED, That pursuant to section 11(c) of the 1984 Act, 46 U.S.C. §41302, an investigation is instituted to determine:

1) whether Owen Anderson and Anderson International Transport violated section 8 of the 1984 Act and the Commission's regulations at 46 C.F.R. 520 by operating as an NVOCC without publishing tariffs showing rates and charges;

2) whether Owen Anderson and Anderson International Transport violated sections 19(a) and (b) of the 1984 Act and the Commission's regulations at 46 C.F.R. 515 by operating as an OTI in the U.S. foreign trades without obtaining a license from the Commission and without providing proof of financial responsibility in the form of surety bonds;

3) whether, in the event one or more violations of the 1984 Act or the Commission's regulations are found, civil penalties should be assessed and, if so, the amount of the penalties to be assessed; and

4) whether, in the event violations are found, appropriate cease and desist orders should be issued against Owen Anderson and Anderson International Transport;

IT IS FURTHER ORDERED, That a public hearing be held in this proceeding and that this matter be assigned for hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges at a date and place to be hereafter determined by the Administrative Law Judge in compliance with Rule 61 of the Commission's Rules of Practice and Procedure, 46 C.F.R. 502.61. The hearing shall include oral testimony and cross-examination in the discretion of the presiding Administrative Law Judge only after consideration

2. These penalty amounts reflect an adjustment for inflation pursuant to the Commission's regulations at 46 C.F.R. Part 506.

has been given by the parties and the presiding Administrative Law Judge to the use of alternative forms of dispute resolution, and upon a proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matters in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record;

IT IS FURTHER ORDERED, That Owen Anderson and Anderson International Transport are designated as Respondents in this proceeding;

IT IS FURTHER ORDERED, That the Commission's Bureau of Enforcement is designated a party to this proceeding;

IT IS FURTHER ORDERED, That notice of this Order be published in the Federal Register, and a copy be served on the parties of record;

IT IS FURTHER ORDERED, That other persons having an interest in participating in this proceeding may file petitions for leave to intervene in accordance with Rule 72 of the Commission's Rules of Practice and Procedure, 46 C.F.R. 502.72;

IT IS FURTHER ORDERED, That all further notices, orders, and/or decisions issued by or on behalf of this Commission in this proceeding, include notice of the time and place of hearing or prehearing conference, shall be served on parties of record;

IT IS FURTHER ORDERED, That all documents submitted by any party of record in this proceeding shall be directed to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, in accordance with Rule 118 of the Commission's Rules of Practice and Procedure, 46 C.F.R. 502.118, and shall be served on parties of record; and

IT IS FURTHER ORDERED, That in accordance with Rule 61 of the Commission's Rules of Practice and Procedure, the initial decision of the Administrative Law Judge shall be

issued by March 21, 2008 and the final decision of the Commission shall be issued by July 21, 2008.

A handwritten signature in black ink, appearing to read 'Bryant L. VanBrakle', written in a cursive style.

Bryant L. VanBrakle
Secretary