

**BEFORE THE  
FEDERAL MARITIME COMMISSION**

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**DOCKET NO. P2-15**

**PETITION OF THE NATIONAL CUSTOMS BROKERS AND FORWARDERS ASSOCIATION  
OF AMERICA, INC. FOR INTIATION OF RULEMAKING**

**COMMENTS OF RICHARD J. ROCHE**

I, Richard J. Roche, am employed as Vice President of International Transportation at Mohawk Global Logistics, OTI No. 00395NF, headquartered in North Syracuse, NY. We operate five other branch locations across New York, in Ohio, and Illinois. We operate from these offices in the USA, and use agents to facilitate our operations in many foreign countries around the globe.

Mohawk Global Logistics is a member of the NCBFAA and I serve as the NVOCC Sub-Committee Chairman for the Transportation Committee. As such, I am quite familiar with NRAs and NSAs, and have used both. Here are my comments:

**1. NRAs**

We are thankful to the commission for making the use of NRAs available to us in lieu of tariff filing. This has eased the cost of tariff filing and the burden of maintaining a tariff that proved to be an ineffective and seldom used tool for the shipping public. We converted to NRAs early on and recognized the benefits immediately, not only in cost savings, but as a better use of our staffs' time and talents. The NRA, while not perfect, is a great step towards mirroring acceptable business practice when it comes to negotiating and recording rates.

We do find some limitations to the NRA however. There is no provision for us to negotiate terms into NRAs that cover credit, performance standards, minimum volume commitments, penalties and/or incentives, surcharges, free time, demurrage, per diem and other similar components related to the transport of goods. We find ourselves wanting to enter these types of provisions in our NRA or in some cases are asked by our clients to do so. While these could be covered in the more formal NSA, the filing burden and rules of use run parallel to tariff filing. NSAs by their nature are more restrictive than the NRA we have opted to use. They require 30 days advanced filing to increase rates, and must be maintained electronically. The alternative of filing these terms in our rules tariff presents different problems. Such filings would no longer be specific to our client nor confidential in contrast to the NRA itself which is both specific to our client and confidential.

## 2. NSAs

We can comment on our limited use of NSAs that they are in fact burdensome to use. Chasing down signatures on amendments 30 days in advance of an increase was not only problematic with our clients, but the amendment must frequently be redone when the announced increase is delayed, mitigated or cancelled as regularly occurs today. Worse are the overlapping increases that are common today where there might be a fuel change one week, a GRI on another and a PSS on a third week, all signed 30 days in advance and subject to change by the effective date three weeks in a row. The NRA in contrast is a far better tool to account for actual changes

by replacement with a new NRA instead of guessing at changes 30 days in advance. They remain however restricted in the terms that can apply, and should be broadened in scope enable incorporation of such terms. If enhanced in this fashion the NRA would have wider appeal.

In Conclusion, we very much support the NCBFAA petition for initiation of rulemaking that would increase the scope of what NRAs are allowed to cover, and thereby render the need for NSAs as obsolete.

DATED: MAY 27, 2015

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Richard J. Roche

Vice President International Transportation

Mohawk Global Logistics