



**April 16, 2020**

The Honorable Michael Khouri  
Chairman  
Federal Maritime Commission  
800 North Capitol Street, N.W  
Washington, D.C. 20573

Dear Chairman Khouri:

On behalf of Carter's, Inc., and in light of the current crisis, I am writing urge the Federal Maritime Commission (FMC) to immediately finalize, as published, the FMC's Proposed Interpretive Rule addressing fair demurrage and detention practices at our nation's maritime gateways. Further, with the global supply chain disruption and massive loss of business resulting from the coronavirus, I urge the FMC to issue strong guidance stating that, based on the final interpretive rule, the current crisis constitutes a situation where detention and demurrage fees should be waived.

Carter's is the largest branded marketer in North America of apparel exclusively for babies and young children. The Company owns the *Carter's* and *OshKosh B'gosh* brands, two of the most recognized brands in the marketplace. These brands are sold in leading department stores, national chains, and specialty retailers domestically and internationally. They are also sold through over 1,100 Company-operated stores in the United States, Canada, and Mexico and online at [www.carters.com](http://www.carters.com), [www.oshkosh.com](http://www.oshkosh.com), [www.cartersoshkosh.ca](http://www.cartersoshkosh.ca), and [www.carters.com.mx](http://www.carters.com.mx). The Company's *Child of Mine* brand is available at Walmart, its *Just One You* brand is available at Target, and its *Simple Joys* brand is available on Amazon. The Company also owns *Skip Hop*, a global lifestyle brand for families with young children. Carter's is headquartered in Atlanta, Georgia. Additional information may be found at [www.carters.com](http://www.carters.com).

Carter's is facing unprecedented challenges throughout its supply chain because of the current crisis – from lockdowns in supplier countries and shipping issues to the shutdown of retail in the United States. As such, the imposition of detention and demurrage charges when equipment cannot be returned or containers cannot be picked up during the free period, for reasons beyond my company's control, especially in this time of crisis, is not only inherently unfair, but makes my company's products more expensive for consumers, at a time when they can least afford it.

Carter's believes that the approach that the FMC has developed with the Proposed Interpretive Rule, which provides guidance for when a detention or demurrage charge can or cannot be fairly imposed, is the correct one.

Again, I urge the FMC to immediately adopt its proposed interpretive rule, as published. The FMC has created a strong rule, and it needs to be implemented now more than ever.

Thank you for your time and consideration in this matter.

Sincerely,

A handwritten signature in black ink that reads "Peter R. Smith". The signature is written in a cursive style with a large, prominent "P" and "S".

Peter R. Smith  
Executive Vice President, Supply Chain  
Carter's, Inc.

CC: John Moran, FMA  
Nate Herman, AAFA Global  
Stewart Moran, Carter's, Inc.