

F.O.X. INTERMODAL CORP

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October 31, 2019

To: Federal Maritime Commission

Attn: Rachel Dickon, Commission Secretary

RE: SUPPORT for Interpretive Rule on Detention and Demurrage under the Shipping Act

Honorable Commissioners:

My name is Louis Notaro, president of Fox Intermodal Corp since 1994. I have been in the port drayage business servicing the port of NY/NJ for the past 36 years. The port of NY/NJ is the second largest port in the United States, and the busiest port on the Eastern Seaboard. I would like to thank the commission for taking the time to address some of my concerns with respect to the costly abuses that are occurring related to detention and demurrage charges. We appreciate your leadership and urge you to move forward with adopting the proposed interpretive rule. The rule is designed to remove unfair practices, which are a direct result of outdated rules. The document that governs these practices was written in the 1980s.

I understand these rules are designed to optimize the efficient movement of cargo in a timely fashion. In recent years these rules have been taken advantage of, thus causing unfair and unreasonable detention and demurrage fees. This poses a lofty financial burden on the intermodal industry. It is forcing us and our customers to incur large penalties, paired with having to assume a costly administrative role in an unfair dispute resolution process.

We are being held responsible for delays that are a direct result of congestion and inefficiencies at the marine terminals, which is beyond the control of the trucker and customer. Under the current guidelines, terminals directly benefit from their inability to service the truckers in a timely fashion. We pay hundreds of dollars per day, per container, for demurrage and detention... this quickly adds up to thousands. When service levels decline or go into a crisis mode, motor carriers are faced with tremendous penalties. We are often being forced by the shipping lines to return empty containers to satellite locations, other than the point of origination. This causes yet another obstacle which results in more charges and less efficiency. We are being delayed by the process and penalized by it simultaneously. There is no monetary justification for these charges.

The proposed revisions to the interpretive rule on detention and demurrage will serve to better synchronize the rules and practices to their intended purpose of efficiently moving cargo, which is mutually beneficial to all parties involved. The trucking industry and overall port community is being damaged by these current practices. These factors, such as congestion and empty return locations, are having a negative effect on consumers. I am confident that if the proposed interpretative rule change goes into effect, we will have positive results across the board.

Thank you for your consideration, it is greatly appreciated,

Louis R. Notaro

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