

Sefco Export Management Company, Inc.

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FEDERAL MARITIME COMMISSION
800 North Capitol Street, N.W.
Washington, D.C. 20573

Attention: Rachel E. Dickon,
Secretary - secretary@fmc.gov

Re: Request for Comments
Interpretive Rule on Demurrage
and Detention under the Shipping Act

Dear Ms. Dickon:

I am glad to offer further comment on the subject of Demurrage and Detention.

My testimony before the Commission in January 2018 spoke directly to the issue. My remarks were in strong support of the CFPP petition and have been uploaded here <http://sefco-export.com/maritime/policy-cfpp.htm>

As we well know, we operate in a challenging world full of imperfections, and the problem of detention & demurrage is certainly a big one impacting US national interest and the free flow of export-import trade.

It can be one of the most bedeviling. Therefore it is good and proper for the Commission to address this with the seriousness that you have clearly taken.

On terminology -

I agree with the preferred language usage (D & D, over other terms). This helps to define and bring clarity to an often murky situation.

On dispute resolution -

In general, I would ask the FMC keep looking at the big picture and not become mired down, becoming involved in things that do not affect the greater national interest and the fair/free flow of trade. Some of the suggestions included in the NPRM refer to the OCEMA's proposal which is a step in the right direction. To my understanding, this applies to transactions between two regulated entities, so that leaves out a larger population.

When there is a contract between two parties, and the contract defines the venues for dispute resolution - if that venue is in fact used and one party prevails, that should not necessarily mean that the losing party can then open a Federal administrative regulatory investigation/process lasting years, with an opposite result. At this time I will not re-hash old business. This is a subject area in which I shall approach you confidentially, well after the close of the current 19-05 public comment period. Simply for your further consideration. There are ways that we can work together to be better guided - mutually - and to find sensible solutions.

On New Ideas to solve Old Problems -

I have read through all the comments already submitted to the Commission (10/31), and find one in particular of great interest.

I refer to the proposal raised by the attorneys for SSL Sea Shipping Line, Fred Morgenthaler, et al., for whom I have great respect and have done business with over many years. Their proposal can be an innovative solution to a festering national problem. We need to make our nation the most competitive in the world, yet so many factors works at counter purposes. Shorter and shorter free times at the ports, uncertain regulatory terrain, an attorney-gearred regulatory & lawsuit-friendly business environment. Parties to a transaction - with issues - should not always be driven against each other. Not everyone is a nail waiting to be hammered. The proposal for a **Container Inspection Fund** is one of the rare out of the box suggestions that I have come across that might actually do some good. Rather than have MTO's, carriers, shippers and consignees at each others throats, this proposal could be one way (of many) to ameliorate an otherwise intractable problem. We need this sort of creative thinking to address old problems. Look into this please.

Some nations have extra-ordinarily long free times at their ports, when its known that customs may often take more than a few days to sort out. These nations are aware of the importance to avoid penalizing all the parties involved in a transaction passing their ports. Business friendly. I would hope that those of us who have dedicated a large part of our lives to facilitating US Exports, as I have, will find willing partners in Government to appreciate our efforts and avoid penalizing regulated entities. Instead we must continue to work together, well past the public comment periods - help make our challenging work easier, fairer, more transparent, and at the service of our greater national interest.

So far, with Docket 19-05, you are on the right track.

I remain open for all further discussion.

Best regards,

Joseph Quinn

President

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