

21 October 2019

To

The Federal Maritime Commission
800 North Capital N.W.
Washington DC

Dear Sir/Madam,

I would start by thanking the FMC into looking into matters that are at this point causing a large and undue financial burden on not only the NVOCC, freight forwarders, logistic providers and the customer in general.

I would start with the very first point, availability of the container. The current process by a shipping carrier is that once the container arrives at the rail ramp or the container yard, it gets discharged and the carrier states that the container is available - this is done by their website etc. This does not mean that the container is actually available, but can be grounded, or buried somewhere, yet a logistic company is burdened with the demurrage charges because the availability notice was sent. In my humble opinion, a container should be deemed available when it is on wheels and the clock should start ticking at that time.

It should also be mandatory for the carriers to push this information electronically to an email or via EDI/API events. Similarly, the clock should start upon a given period in a day. Eg in one rail ramp in Atlanta the train arrives every Friday at around noon and the containers are made available at 3.00 pm with the ramp closing time as 4 pm. The carrier now considers Friday as the first day of notification so there isn't even a 24 hour notification before cargo is already in demurrage. The clock should therefore start at the hour it is made available rather than the date because on Monday morning one has to pay for the demurrage of 2 days before picking up the container.

When a container is on hold, the application of demurrage is just bad practice. By definition - demurrage is the rent paid to the port or rail for keeping the container – sort of like a parking garage. If the container has been pulled out for inspection then essentially it already moves to a designated area that is assigned to the Government, why then should the carriers charge a demurrage / detention to logistic providers and ultimately to the customer who is importing these goods? There should also be one standard defined terminology and explanation of not only detention and demurrage but surcharges in general.

The above issues while being considered should also include chassis and how they are being managed. If a carrier or rail cannot provide them, then the trucker should be able to come with their own chassis and not be turned back because the container is grounded or buried in some stack somewhere.

Last, while the points and clarity is appreciated, there is one security issue in general which should be considered by the FMC, currently all a registered trucker needs to pick up the cargo at the port is the custom release and the freight release which is usually done through the system at the port.

So if a NVOCC responsibility ends at the port, the customer' trucker can come and pick up the container - so let's say there is a payment issue between the shipper and the consignee, there is no way for a NVOCC

to be able to hold the container at the port because the only way to do that is when there is a customs hold or if a payment to the carrier has not been paid – if both have been done, which happens 99% of the time, the freight gets released. While causing a direct conflict with international laws, it is absolutely baffling that just about anyone can pick up a container without a terminal verifying with any other documentation.

I thank the FMC again and strongly urge to change the way we move cargo and conduct business in a way that is the modern century and not be dated and continue to move as in the past 100 years.

Sincerely
For Yusen Logistics (Americas) Inc

Tracy DSilva
VP – Ocean Freight (Americas)