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March 2, 2021

Ms. Rachel E. Dickon, Secretary  
Federal Maritime Commission  
800 North Capitol Street N.W.  
Washington, DC 20573-0001

Via email: [Secretary@fmc.gov](mailto:Secretary@fmc.gov)

RE: Docket No. 20-22  
Comments on Service Contract Rulemaking

Dear Secretary Dickon:

I am writing to you on behalf of the members of the Green Coffee Association (GCA) in response to the Federal Maritime Commission (FMC) Notice of proposed rulemaking on amending its service contract filing requirements to permit ocean common carriers to file original service contracts up to 30 days after the contract goes into effect.

The GCA was founded in 1923 as a trade association providing resources and benefits for companies importing, trading, and roasting of green coffee beans as well as those companies involved with transporting, storing, handling, insuring, or financing of the coffee shipments. Our member companies range from some of the largest coffee roasters/manufacturers and commodity trade houses to smaller importers and service providers all of whom depend on a competitive and efficient international ocean transportation services overseen by the U.S. Federal Maritime Commission.

The Green Coffee Association continues to support the requirement that ocean carrier service contracts must be properly filed with the U.S. Federal Maritime Commission to ensure effective oversight and protection of the shipping public. Our members believe it is in the mutual interests of ocean common carriers, shippers, and the Federal Maritime Commission to facilitate the administration of service contracts thus improving this critical element of international trade.

The GCA supports the intention of the proposed rulemaking to allow for the delayed filing of original service contracts up to 30 days from the effective date. However, we do have concerns about the definition of the "Effective date". We understand that the added language specifies that the effective date cannot be earlier than the date on which all parties have signed the service contract or amendment. On a practical matter, in most cases, service contracts are prepared and presented by the ocean common carrier "unsigned" to the shipper for review and acceptance. Once all service contract rates, terms and conditions are agreed, the shipper signs the contract,

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either handwritten or electronically and returns same to the carrier for signing and filing with the FMC. Often times, the shipper does not receive back a fully executed contract with carrier's signature but relies on the assumption that the contract is in fact signed by the carrier and filed with the FMC as presented. We would contend that once there has been a "meeting of the minds" between the ocean common carrier and the shipper on the contract details prepared and presented by the carrier and then affirmed by the shipper, the carrier should be obligated to perform under the service contract as if simultaneously signed by both parties.

The carrier must bear the full responsibility to file the service contract with the FMC within 30 days of the agreement affirmed by shipper's signature and must be obligated to perform under the rates and terms of the agreement effective from the date of receiving shipper's signed acceptance.

It should be made clear that the proposed rule permitting ocean common carriers to file original service contracts up to 30 days is not to be used by carriers as an "option" which they may hold for 30 days without full commitment to the shipper. Any burden or consequence for the carrier not filing the original service contract within 30 days of the effective "agreement" must be borne strictly by the carrier.

The Green Coffee Association appreciates efforts made by Federal Maritime Commission to facilitate trade and the administration of ocean common carrier service contracts and amendments, as well as the opportunity to submit our comments for consideration.

Sincerely,

**Green Coffee Association**



Donald A. Pisano

Director and Logistics Committee