

FEDERAL MARITIME COMMISSION
Office of the Administrative Law Judges

JC LOGISTICS LLC, *Claimant*

v.

HAPAG-LLOYD TURKIYE, *Respondent*.

DOCKET NO. 2019(I)

Served: February 4, 2025

BEFORE: Theresa DIKE, *Small Claims Officer*.

ORDER DISMISSING COMPLAINT FOR FAILURE TO PROSECUTE

On December 12, 2024, the Secretary of the Federal Maritime Commission issued a Notice of Filing of Small Claims Complaint and Assignment (“Notice”), stating that Claimant JC Logistics LLC (“JC Logistics”) had filed an informal complaint against Respondent Hapag-Lloyd Turkiye (“HLT”). The Secretary noted that Respondent was required to file a response by January 6, 2025, and indicate whether it consents to the adjudication of the Claim under the informal procedures provided at Subpart S of the Commission’s Rules of Practice and Procedure (46 C.F.R. § 502.301-305). The Secretary also assigned the proceeding to the Chief Administrative Law Judge (“Chief ALJ”) to designate a Small Claims Officer (“SCO”) to adjudicate the proceeding.

On January 6, 2025, HLT filed a motion to dismiss the proceeding and a memorandum in support of its motion (“Motion to Dismiss”). It argued that “the complaint must be dismissed in its entirety because the Commission lacks personal jurisdiction over HLT” because, according to HLT, the complaint alleges a violation of 46 U.S.C. § 41104(a)(4)(A) of the Shipping Act, which prohibits ocean common carriers from engaging in certain conduct, whereas HLT is Hapag-Lloyd’s agent in Turkey, and not an ocean common carrier. HLT opined that as such, HLT is not subject to the provisions of section 41104(a)(4)(A). Motion to Dismiss at 1-4.

HLT did not refuse the use of informal procedures for the adjudication of the proceeding; thus, on January 13, 2025, the Chief ALJ assigned the proceeding to the undersigned SCO for adjudication under the informal procedures. On the same day, an email was received from Claimant stating: “Received. I am being told that I should receive the payment this week.” (Email from JC Logistics Director, Cheryl Wilson, dated 1/13/2025). Also on January 13, 2025, another email was received from Claimant stating: “Payment has been received so this can be closed now. Thank you.” (Email from JC Logistics Director, Cheryl Wilson, dated 1/13/2025).

The undersigned sent an email to Claimant on January 13, 2025, asking for clarification whether it was seeking a dismissal of its Claim and directing it to follow the Commission's Rules for the dismissal of proceedings if it was seeking a dismissal. No further response or communication has been received from Claimant.

Claimant alleged in its Claim that Respondent knowingly overcharged it for freight in the amount of \$995. Even if it were assumed that Claimant is seeking a voluntary dismissal of its Claim, it remains unclear whether the dismissal is pursuant to a settlement agreement or whether Respondent simply paid it the amount in dispute. The Commission's Rules of Practice and Procedure at 46 C.F.R. § 502.72(a)(3) require parties to a settlement to present their settlement agreement to the Commission for review to ensure that it meets the criteria for dismissal. Claimant's failure to comply with the SCO's instructions prevents such a determination.

A complainant's failure to prosecute is addressed by the Commission's Rules of Practice and Procedure. Rule 72(b) provides:

If the complainant fails to prosecute or to comply with these rules or an order in the proceeding, a respondent may move to dismiss the action or any claim against it, or the presiding officer, after notice to the parties, may dismiss the proceeding on its own motion. Unless the dismissal states otherwise, a dismissal under this subpart, except one for lack of jurisdiction or failure to join a party, operates as an adjudication on the merits.

46 C.F.R. § 502.72(b). Although Rule 72, governing dismissal of Commission proceedings, is not applicable to Subpart S proceedings, the undersigned used the rule as a guide to determine the appropriate course of action in this situation.

Claimant's failure to respond prevents the undersigned from ruling on its request for a dismissal or further adjudicating the Claim. Accordingly, JC Logistics' Claim against HLT is dismissed with prejudice for failure to prosecute.

Theresa Dike
Small Claims Officer