

**Comments Submitted by Mark Schumacher, CEO, North American Home Furnishings Association (HFA)
Federal Maritime Commission, Advance Notice of Proposed Rulemaking
Docket No. 22-04
Demurrage and Detention Billing Requirements**

Introduction

The North American Home Furnishings Association (HFA) represents 1,500+ furniture retail members and 7,000+ storefronts. We capture every segment of the industry, from the largest furniture retailer in the world to the small, generational, corner furniture store in communities across the United States. The majority of our members and the furniture retail industry more broadly are very small businesses. The supply chain disruptions, and increased costs as a direct result, are a priority issue for HFA.

Comments

The demurrage and detention billing practices for common carriers and marine terminal operators must be addressed by the Commission. Setting aside the record-breaking costs of shipping containers, these demurrage and detention fees have become a significant part of furniture retail costs in the last 2+ years. Various pieces of the supply chain have broken whether that be on the ocean shipping side, port congestion, or lack of truck drivers to move goods once they arrive in the U.S.

As the Commission considers the billing requirements for these practices, we strongly encourage a uniform and robust set of standards that can be understood and implemented across VOCCs and NVOCCS as well as retail businesses, large and small. Shipping costs, including demurrage and detention fees, are impacting business operations from a cost standpoint and as HFA members seek to verify the charges, they struggle with their due diligence without sufficient information. In Section IV, B 6 of the ANPRM, an expansive list of information is included. Those items listed are a strong start to increasing transparency across the supply chain, especially for end users.

Our members have reported issues in working with various service providers and it is difficult for large businesses and nearly impossible for small businesses, to verify whether these demurrage and detention charges are accurate. When inaccuracies are found, the refund process can be difficult to navigate as well.

Managing the supply chain has become a daunting and expensive practice for retailers, manufacturers, shippers and importers during COVID-19 and on their behalf, we are asking for more transparency of all fees charges, fairness when it comes to disputes and refunds, as well as a level playing field for shippers and importers to re-balance the relationship. All parties, and especially the end user (US consumers) deserve that.

Sincerely,

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