

BEFORE THE
FEDERAL MARITIME COMMISSION

DOCKET NO. 22-28

WAY INTERGLOBAL NETWORK, LLC.

COMPLAINANT,

v.

SHENZHEN UNIFELIX SCM LIMITED

RESPONDENTS.



VERIFIED COMPLAINT

Complainant, WAY INTERGLOBAL NETWORK, LLC, (“Complainant” or “WAY”), by its undersigned attorneys, files this Complaint against Respondents herein, alleging violations of the Shipping Act of 1984, 46 U.S.C. § 40101, *et. seq.* (the “Shipping Act”) as follows:

I. COMPLAINANT

1. Complainant WAY is a limited liability company organized and existing under the laws of the State of Indiana, with its principal place of business located at 3002 Coast Court, Elkhart, IN 46514.

II. RESPONDENT

2. Respondent, SHENZHEN UNIFELIX SCM LIMITED (“Respondent” or “Unifelix”), is a Chinese company operating as a foreign based Non-Vessel Operating Common Carrier as defined under 46 U.S.C. §40102, located at RM. 1101, Zhongan Bldg., Plaza Rd., Buji

St., Longgang District, Shenzhen, Guangdong 518000, China, with FMC organization number 030415. Unifelix's U.S. agent is Celestial Freight Solutions Inc., located at 11630 Pike Street, Santa Fe Springs, CA 90670, and is subject to the jurisdiction of the Federal Maritime Commission.

III. JURISDICTION

3. The FMC has subject-matter jurisdiction over this Complaint pursuant to the Shipping Act of 1984, as amended.

4. This Complaint is being filed pursuant to Section 11(a) of the Shipping Act, 46 U.S.C. § 41301. WAY is seeking reparations for injuries caused to it by Respondent due to its violations of 46 U.S.C. §§ 41102, 41103, & 41104.

5. The FMC has personal jurisdiction over Unifelix as a "common carrier" as defined in 46 U.S.C. § 40102(7).

6. Respondent's actions alleged herein constitute failures to establish, observe, and enforce just and reasonable practices relating to receiving, handling, storing, and delivering the property of WAY, the unlawful disclosure of WAY's information, failure by Respondent to establish, observe, and enforce just and reasonable practices relating to adjustment and settlement of claims in violation of 46 U.S.C. §§ 41102, 41103, 41104 and 46 C.F.R. §§ 545.4 and 545.5.

7. WAY is seeking reparations pursuant to 46 U.S.C. § 41305 for injuries caused to it by Respondent.

IV. FACTUAL ALLEGATIONS

8. On or about March 22, 2022, WAY entered into a Service Contract with Unifelix for the handling of container shipments from its supplier in China of component parts used by WAY in the assembly of recreational vehicles in the United States. Among other things, the

Service Contract called for payment by WAY of all shipping, rail, and drayage charges after delivery of the subject containers to WAY's warehouse in Indiana.

9. Shortly after service commenced under the Service Contract, Unifelix failed to properly support its invoices for services, submitting exorbitant charges, and demanding payment of freight and other charges in advance, in violation of the Service Contract.

10. Thereafter, Unifelix sought to unilaterally change the terms of the Service Contract, demanding payment of all transportation charges in advance. WAY refused such changes and the parties proceeded to handle cargo under the original terms, or so WAY was led to believe by Unifelix.

11. Unifelix then began to cause delays of shipments of containers and failed to provide releases, timely pick-up notices, and other failures related to inaccurate status and service cost information that led to the accumulation of additional demurrage charges related to certain containers.

12. In the process of attempting to coerce WAY into a new Service Contract, Unifelix began to disclose the financial information of WAY to its vendors and others by demanding that WAY's vendors pay Unifelix directly for freight charges.

13. Specifically, this Verified Complaint relates to the handling of twenty (20) specific containers: TCNU6557513, TCNU7351126, TLLU4212160, TLLU5558286, GAOU6616340, TLLU5672365, TCNU6134091, TGBU9704789, TXGU7117086, TXGU7120114, CLHU8963040, FANU1742269, TXGU7119812, TXGU7120330, TXGU7118550, BEAU4986763, UACU5979959, TXGU7118415, TXGU7120120, TCNU6756449 (collectively "the Containers").

Container Number	ETD	Rail Departure	Rail Arrival in Chicago
TCNU6557513	6/18/2022	8/24/2022	8/29/2022
TCNU7351126	6/11/2022	8/23/2022	8/28/2022
TLLU4212160	6/11/2022	8/23/2022	8/28/2022
TLLU5558286	6/11/2022	8/23/2022	8/28/2022
GAOU6616340	6/11/2022	8/18/2022	8/25/2022
TLLU5672365	6/11/2022	8/18/2022	8/25/2022
TCNU6134091	6/11/2022	8/15/2022	8/19/2022
TGBU9704789	6/11/2022	8/23/2022	8/28/2022
TXGU7117086	6/4/2022	8/20/2022	8/27/2022
TXGU7120114	6/4/2022	8/22/2022	8/30/2022
UACU5979959	5/22/2022	9/24/2022	9/27/2022
CLHU8963040	6/1/2022	8/23/2022	9/1/2022
FANU1742269	6/1/2022	8/11/2022	8/18/2022
TXGU7118415	6/4/2022	9/24/2022	9/27/2022
TXGU7119812	6/4/2022	8/23/2022	8/31/2022
TXGU7120330	6/4/2022	8/22/2022	8/30/2022
TXGU7120120	6/4/2022	9/10/2022	9/17/2022
TXGU7118550	6/4/2022	8/23/2022	8/31/2022
BEAU4986763	6/4/2022	8/23/2022	8/31/2022
TCNU6756449	6/28/2022	8/30/2022	9/6/2022

14. Unifelix delayed in notifying WAY as to the availability of the Containers for pickup, and falsely claimed that such information had been provided to WAY, all resulting in added demurrage charges related to the Containers.

15. Unifelix again demanded payment upfront for all shipping freight charges before releasing the Containers for pick up from the rail yard in Chicago, IL.

16. WAY attempted to negotiate with Unifelix, under protest and without waiver, as to a payment for all shipping freight charges in order to obtain the release of the Containers for pick up at the rail yard in Chicago, IL, and after terms were agreed, Unifelix then advised WAY that the shipping freight charges did not include the ocean freight charges and that those charges would need to be paid by WAY directly to the ocean carrier(s).

17. As a result of Unifelix's improper practices, the Containers currently remain in the rail yard in Chicago, IL, accruing demurrage and detention charges due to the failure of Unifelix to abide by the Service Contract and failure to fairly negotiate the handling of the claims related to the Containers.

18. As a direct result of Unifelix's improper actions, WAY has been damaged in an amount in excess of \$1 million, including but not limited to unpaid freight, invoiced demurrage, pending demurrage for freight not yet invoiced, internal time, and financial consequences from adverse impacts to supplier relationships.

V. VIOLATIONS OF THE SHIPPING ACT

19. Based upon the foregoing conduct, Unifelix engaged in unfair or unjustly discriminatory action in violation of 46 U.S.C. § 41102(d).

20. Based upon the foregoing conduct, Unifelix engaged in a pattern of unfair practices in adjustment and settlement of claims, all in violation of 46 U.S.C. §§ 41102(c) and 41104(a)(1) and (4)(E).

21. Based upon the foregoing conduct, Unifelix improperly disclosed the financial and other protected information of WAY in violation of 46 U.S.C. §41103(a).

22. The foregoing conduct by Unifelix in the course of negotiating its Service Contract with WAY and providing service to WAY pursuant to that Service Contract, which is continuous and ongoing, constitutes unreasonable refusal to deal or negotiate with WAY, in violation of 46 U.S.C. § 41104(a)(10).

23. As a result of Unifelix's actions in violation of the Shipping Act, WAY has had to retain the services of McLeod Brock Law, PLLC and is obligated to pay reasonable attorneys fees and costs associated with the action.

VI. CAUSATION AND DAMAGES

24. As a result of Respondent's violations of the Shipping Act, the Complainant has sustained injuries and damages in an amount in excess of One Million Dollars (\$1,000,000.00), including but not limited to unpaid freight, invoiced demurrage, pending demurrage for freight not yet invoiced, internal time, and financial consequences from adverse impacts to supplier relationships.

VII. ALTERNATIVE DISPUTE RESOLUTION

25. WAY made numerous unsuccessful attempts to resolve this matter with Unifelix prior to filing this Verified Complaint but has been unable to obtain a fair resolution.

VIII. REQUEST FOR HEARING

26. WAY requests a hearing on this matter, and further requests that the hearing be held at Jacksonville, Florida.

IX. PRAYER FOR RELIEF

WHEREFORE, Complainant respectfully requests that Respondent be required to answer the charges in this Complaint, and that after the Commission's investigation and hearing, the Commission issue an order:

- 1) Requiring Respondents to pay Complainant reparations for the unlawful conduct described herein, along with interest and Complainant's attorneys' fees and costs pursuant to 46 U.S.C. 41305;
- 2) Requiring the payment of any other amounts that the Commission deems appropriate; and
- 3) Providing such other and further relief that the Commission deems just and proper.

Respectfully submitted,

MCLEOD BROCK LAW, PLLC



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**Attorneys for Complainant, WAY INTERGLOBAL
NETWORK, LLC**

VERIFICATION

I verify under penalty of perjury that the foregoing is true and correct.

Executed on SEPTEMBER 29, 2022.

WAY INTERGLOBAL NETWORK, LLC



By: MICHAEL PAPPAS
Its: CFO