



February 28, 2017

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

**RE: Petition to the Federal Maritime Commission (“FMC”) from the Coalition for Fair Port Practices for Rulemaking [Petition No. P4-16]**

Dear Assistant Secretary Dickon:

The National Fisheries Institute (“NFI”) hereby expresses support for the petition contained in the December 28, 2016 Federal Register Notice captioned above. NFI strongly agrees with the Coalition’s request and urges the FMC to begin a proceeding immediately to consider clear rules and practices with respect to the assessment of demurrage, detention, and per diem charges on ocean carriers and marine terminal operators when ports are inaccessible.

Founded in 1947, NFI, a non-profit organization, is the oldest and largest trade association exclusively focused on public policy issues affecting the entire supply chain of American commercial seafood industry, including but not limited to harvesters, importers, brokers, and freight firms. Many members are small businesses and are keenly aware of the impacts of government regulatory policy on small organizations.

According to recent Federal figures, the U.S. seafood industry contributes nearly \$200 billion to the economy. Given that the commercial seafood sector is one of the most globally traded products, it is crucial to minimize interruptions along the supply chain.

For the past several years, NFI members have been victims of severe detention and queue times at various ocean terminals across the United States. This is mainly due to congestion caused by labor strikes, inclement weather, inadequate port infrastructure or similar circumstances. Taking the recent Hanjin bankruptcy as an example, seafood companies were forced to absorb completely unforeseen demurrage and detention penalties.

For unanticipated disruptions such as these, another big concern for seafood traders is that boats can lose power resulting in loss of temperature control, potentially increasing food waste in the U.S. market. Even if NFI members are willing to bear relevant expenses themselves in order to minimize the damage, the port is unable to proceed since there are no clear rules about how to manage port congestion and a lack of clarity in designating specific stakeholder responsibilities.

This uncertainty imposes real costs on American businesses and erodes American competitiveness.

Although the FMC has taken necessary steps to examine port congestion issues, its duty is to ensure that demurrage and detention practices are fair and reasonable. The U.S. seafood industry supports 1.83 million commercial jobs that depend on a reliable supply chain. In a similar fashion, the reliable and smooth functioning of U.S. port facilities are also critical towards ensuring that U.S. exports are delivered to overseas customers on time.

For these reasons, NFI urges the Commission to grant the Coalition's December 28, 2016 petition. Thank you for the opportunity to provide these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "John Connelly". The signature is written in a cursive style with a prominent loop at the end.

John Connelly  
President

cc: Karyn A. Booth, *Petitioner Counsel*, Thompson Hine LLP