



Pacific Coast Council of Customs Brokers & Freight Forwarders Association, Inc.

- ◆ Custom Brokers & International Freight Forwarders Assn. of Washington State
- ◆ Columbia River Customs Brokers and Forwarders Assn.
- ◆ Custom Brokers & Forwarders Assn. of Northern California
- ◆ Los Angeles Customs & Freight Brokers Assn.
- ◆ San Diego District Customs Brokers Assn.

February 27, 2017

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

RE: Petition of the Coalition for Fair Port Practices for Rulemaking [Petition No. P4-16]

Dear Assistant Secretary Dickon:

The Pacific Coast Council of Customs Brokers & Freight Forwarders Association (PCC) is pleased to respond to the Federal Maritime Commission (FMC) *Federal Register* notice published on December 28, 2016 concerning a petition for rulemaking from the Coalition for Fair Port Practices. The PCC fully supports the policy statement requested by the Coalition which would help bring about more reasonable demurrage and detention practices for cargo moving through our nation's seaports. We urge the FMC to begin a formal rulemaking on this matter as soon as possible.

The PCC represents hundreds of customs brokers and freight forwarders on the West Coast, as well as their clients who own the imported and exported cargo. It is the primary goal of the PCC to foster the unimpeded flow of international trade at West Coast ports and land borders. Each day, members of our association are responsible for the safe, efficient, and legal clearance of goods through our ports. Our members work closely with steamship lines, port terminal operators, and drayage providers in order to keep cargo moving.

We have experienced repeated incidents of severe congestion at container terminals in U.S. ports on the West Coast which have prevented us from picking up our cargo and returning empty containers within the "free time" allotted to us, resulting in costly detention and demurrage per diem penalties.

Whether those incidents involved weather, labor contract negotiations, the arrival of very large ships or other disruptions, the port delays were beyond the control of our membership. All too frequently shippers and truckers are being charged demurrage and detention penalties for late pickup or return of containers when it is not their fault. If the terminal is closed during normal working hours, or if a container is unavailable for pickup during the free time period due to congestion or other disruption at the port, carriers and terminals should not assess demurrage. The same is true for detention charges when attempts to return an empty container are frustrated. These are real costs that hurt our businesses and those of our clients.

The Coalition for Fair Port Practices has proposed a policy statement that would help to stop this unfair practice. The FMC has the authority to ensure that demurrage and detention practices are fair and reasonable and it needs to act to address this problem.

The FMC has taken important steps to examine port congestion issues challenging carriers, shippers, terminals and intermediaries. As the next step, we urge you to grant the petition and open a rulemaking on the Coalition's policy statement to ensure that U.S. imports and exports are not burdened with unfair demurrage and detention charges. Thank you for considering our views.

Respectfully,

A handwritten signature in black ink, appearing to read "Vince Iacopella". The signature is fluid and cursive, with a long horizontal stroke at the end.

Vince Iacopella
President
Pacific Coast Council of Customs Brokers and Freight Forwarders