



Feb 15<sup>th</sup> 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,

Solvay (Solvay entities in North America) 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. Solvay 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.

I am responsible for formulating the strategic direction for our ocean freight portfolio, the procurement of the services and the efficient operations of the services impacting our supply global chains. Solvay manufactures and distributes specialty chemicals which are key ingredients for many downstream industrial and retail products. We import materials for our manufacturing and distribution and at the same time export our US manufactured products globally. We support most of the major container shipping lines in the entire major of the trades into and out of the USA.

Our company has experienced and observed repeated incidents of severe congestion at container terminals in U.S. ports, on both the West Coast and East Coast, which have prevented us from picking up our cargo/returning empty containers. Whether those incidents involved weather, labor contract negotiations, the arrival of very large ships or other disruptions, the port delays were beyond our control or that of our draymen. In addition we are of the opinion that as consignees we should not be penalized for detention and demurrage should any government agency such as CBP or FDA etc. pull a container for inspection. Such an action for one container delays the delivery of the batch (as partial release is not common). With such an action we would have already suffered the extra cost of working capital due to product delay. In addition 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 American businesses and American competitiveness.



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 US 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 'Siva Narayanan', is written over a horizontal line.

Siva Narayanan,  
Director, International Operations & Warehousing  
Procurement & Supply Chain Excellence