

Tea Association[®] of the U.S.A. Inc.

362 5th AVENUE, SUITE 801, NEW YORK, NY 10001
TEL: 212-986-9415 • FAX: 212-697-8658 • www.teaUSA.org

ORIGINAL

FILED

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

FEB 14 2017

January 30, 2017

Federal Maritime Commission
Office of the Secretary

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

Dear Assistant Secretary Dickon:

The Tea Association of the U.S.A., Inc., 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 Tea Association of the U.S.A., Inc., 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.

Many of our members are involved with the importation of containerized freight from around the world and have experienced instances of delays, demurrage and excessive charges driven by situations that are completely out of their control. This has occurred at U.S. ports on both East and West Coasts..

Whether those incidents involved weather, labor contract negotiations, the arrival of very large ships or other disruptions, the port delays were beyond our members' control. 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 blue ink, appearing to read "Peter F. Goggi".

Peter F. Goggi
President

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of the U.S.A. Inc.