



# UNION HIDE COMPANY<sup>SM</sup>

Since 1912

PROCESSING PLANT • CROWS LANDING ROAD • MODESTO, CALIFORNIA

February 7, 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:

Union Hide Company is pleased to respond. I am writing in response 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. Union Hide Company 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 President of Union Hide Company with more than 30 years in the shipping industry of oceanborne import and/or export containerized cargoes. My company exports cattle hides all over the world. I deal directly with ocean carriers and terminal operators every day.

Our company has experienced 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. And to add insult to injury, in circumstances beyond our control, we are still being charged for detention and demurrage fees.

Whether those incidents involved weather, labor contract negotiations, the arrival of very large ships or other disruptions, the port delays were beyond our 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



# UNION HIDE COMPANY<sup>SM</sup>

*Since 1912*

**PROCESSING PLANT • CROWS LANDING ROAD • MODESTO, CALIFORNIA**

not burdened with unfair demurrage and detention charges. Thank you for considering my views.

Respectfully,

C. Kelly Meine

President/CEO

UNION HIDE COMPANY

(T)925-935-9550

*Since 1912*

2125 Oak Grove Road

Suite No. 121

Walnut Creek, CA 94598



Member of The United States Hides, Skins & Leather Association