



NCBFAA

The National Customs Brokers & Forwarders Association of America, Inc.

News Release

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For Immediate Release

NCBFAA Urges Federal Mediation in Congestion Crises

Washington, DC: In a letter to several federal government officials, the National Customs Brokers and Forwarders Association of America, Inc. (NCBFAA) President Geoffrey Powell has urged them to use their good offices to “appoint a mediator for the purpose of helping to resolve the outstanding issues that separate labor and the ocean carriers on the West Coast.”

“Without your assistance, the unsettled ocean shipping situation together with its costly surcharges being imposed on US importers will be extraordinarily disruptive and result in significant economic damage to large and small companies alike,” he noted.

The issue being confronted involves virtually all of the ocean carriers servicing the West Coast imposing “congestion surcharges” on cargo headed to these ports. “With one exception, each of these ocean carriers are foreign owned and in each case the surcharge, which has been uniformly established by those carriers at the level of \$1,000 per 40-foot container (with some adjustments for differing size containers) would be imposed on and collected from US importers and NVOCCs,” President Powell wrote.

In his letter, President Powell cites inadequate notification in apparent violation of the US Shipping Act, possible collusive behavior in light of surcharge amount similarities, uncertainty created by the on again and off again imposition of the charges, and the possibility that much of the congestion is attributable to the carriers’ own conduct and inefficiencies.

“For our part, the NCBFAA has brought these specific issues to the attention of the Federal Maritime Commission and we hope to work with that agency to address those issues that are within its jurisdiction,” he said.

Headquartered in Washington, DC, the NCBFAA represents more than 970 member companies with 110,000 employees in international trade - the nation's leading freight forwarders, customs brokers, ocean transportation intermediaries (OTIs), NVOCCs and air cargo agents, serving more than 250,000 importers and exporters. Established in 1897 in New York, NCBFAA is the effective national voice of the industry. Through its various committees, counsel and representatives, the Association maintains a close watch over legislative and regulatory issues that affect its members. It keeps them informed of these and other related issues through its weekly Monday Morning eBriefing, and various meetings and conferences throughout the year.

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