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## Comments on P3 Network Vessel Sharing Agreement

1 message

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**Clif Hasegawa** <clifhasegawa@gmail.com>  
To: Secretary Mailbox <secretary@fmc.gov>

Thu, Nov 21, 2013 at 9:13 PM

Agreement No.: 012230

Title: P3 Network Vessel Sharing Agreement

Parties: A.P. Moller-Maersk A/S trading under the name Maersk Line; CMA CGM S.A.; and MSC Mediterranean Shipping Company, S.A. [Hereinafter referred to as "The Parties"]

### Comments

1. Article 4: Geographic Scope of the Agreement, Footnote 1. "The P3 network vessel sharing agreement also includes the Asia-Europe trade, which is not subject to the Shipping Act or FMC jurisdiction. Accordingly, the Asia-Europe trade is not reflected in this Agreement. Similarly, inclusion of non-U.S. trades in Article 4 does not bring such trades within the scope of the U.S. Shipping Act or the FMC's jurisdiction."

a. Jurisdiction as being beyond that of the FMC is dependent on whether the FMC The Parties have submitted a "merger" or "charter-merger" agreement for review and approval.

Recommendation: Clarification. When read in context of Article 4 in toto, the statement in Footnote 1 is misleading at best. See also paragraph 4, below.

b. The inclusion of Alaska as part of the Pacific Coast by definition overlooks Alaska is a non-contiguous state that by definitions also includes and Hawaii, all off-shore U.S. territories and possessions - American Samoa, Guam, the Northern Mariana Islands, Puerto Rico and the United States Virgin Islands. Recommendation: Clarification. This appears to be acknowledgment and statement by The Parties that the Trans-Pacific backhaul route, that is, U.S. Mainland west to Asia-Pacific is a controlled, closed market.

c. The "vessel sharing agreement", "vessel sharing" and "slots" require further specificity. Recommendation: Use of: Cooperative Working Agreement, Non-Rate Discussion Agreement, Rate Discussion Agreement, Vessel Sharing Agreement, Slot Charter Agreement, Space Charter Agreement, and/or Consolidated Chassis Management Pool Agreement.

2. Article 5: Agreement Authority, 5.3 Dealings with Third Parties, (a) "All arrangements for the sale or sub-chartering of slots to third-party vessel operators on any trade lane which are legally valid and binding as of the effective date of this Agreement shall be permitted to continue and the relevant Party may allocate slots to the relevant third-party ocean common carrier from that Party's capacity allocation on the relevant service in order to satisfy its contractual obligations." Recommendation: The FMC require The Parties to identify and provide a list of all legally valid and binding arrangements that apply to the Agreement, that the FMC validate and certify that OTIs and/or NVOCCs listed have current filings with the FMC. The FMC shall publish such list..

3. Article 5: Agreement Authority, 5.4 Terminals, Stevedores and Other Services, (a) "The Parties are authorized

to discuss and agree upon the terminals to be called by the vessels operated hereunder. Terminals shall be selected on the basis of such objective operational criteria as the Parties may agree from time to time, and such selection will also take into account any financial interest of a Party in a terminal.” Recommendation: The FMC require The Parties to identify and provide as an enclosure a list of all terminals that The Parties have a financial interest in and the extent of such financial interest. Filings to the United States Securities and Exchange Commission provide that shippers provide detailed information on terminal operations and extent of financial interest. Further, that the FMC validate and certify that the terminals listed are statutorily and regulatory compliant. The FMC shall publish such list.

4 Article 6: Agreement Administration. 6.1 Network Centre. (a) “The Parties are authorized to form, own, utilize, and dissolve a legal entity to act as a network centre (“NC”) for purposes of the joint coordination and management of the P3 network.” Recommendation: FMC closely examine and investigate the impact on the entire maritime industry and competition.

5. Article 6: Agreement Administration. Recommendation: Add paragraph 6.5 FMC Oversight. “The Parties agree to annual audit and/or inspection of records by the FMC by delivery of records to the FMC at a date, time, and location designated by the FMC or making such records available at a situs in the United States. All records requested shall be provided. Identification and request for records to be designated as “financial confidential” or “protected” shall be made prior to delivery. A determination shall be made by the FMC after examination in camera. The FMC may make in addition to an annual request, the Commission may require additional disclosure(s) as determined necessary by the Commission.”

6. Article 9: Applicable Law and Dispute Resolution. Discussion: This “Choice of Law” provision is vexing as The Parties list as addresses and places of business in Denmark, France, and Switzerland. The Parties have submitted the P3 Network Vessel Sharing Agreement and the Agreement has been filed as FMC Agreement No. 012230. FMC Chairman, Mario Cordero, has issued a call to fellow regulators in the European Union and the People’s Republic of China to a Global Regulatory Summit on the proposed P3 Global Alliance. Recommendation: “Choice of Law” be an agenda and discussion item.

7. Article 10: Miscellaneous. 10.1. “The rights and obligations of each Party hereunder shall not be assignable without the unanimous consent of the other Parties, save that a Party may transfer its rights and obligations to an affiliate provided that: (a) the transferor Party provides written notice of such assignment to the other Parties and the NC; (b) there is a corresponding transfer of such Party’s direct or indirect ownership of vessels (including contractual rights under charters), its ownership interest in the NC and its rights and obligations under the corporate documents of the NC ... “ Recommendation: Specific language be inserted to mandate USCG inspection, documentation and registration of vessels.

8. Article 11: Compliance. Recommendation: a. An inclusive list of all laws, statutes, regulations be stated, e.g., IMO, IMO accepted by the US, Treaties and Conventions, FMC policy letters and regulations, USCG regulations, applicable Federal, and State laws. b. A proviso be made for changes, amendments, supplements, new laws and regulations.

Thank you for the opportunity to submit my comments.

#### Submitter

Clifton M. Hasegawa

1044 Kilani Avenue 12

Wahiawa, Hawaii 96768

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Mobile: (808) 463-1057

Email: [clif.hasegawa@gmail.com](mailto:clif.hasegawa@gmail.com)

Web: <http://www.linkedin.com/in/cliftonhasegawa>



**CMH Signature.jpg**  
280K

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**FMC Public Comments on P3**

1 message

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**Yaskavich, Kathleen** <kyaskavich@saramax.com>  
To: "secretary@fmc.gov" <secretary@fmc.gov>

Fri, Nov 22, 2013 at 11:38 AM

Friday, November 22, 2013

Saramax Apparel Group Inc.  
1372 Broadway  
New York, NY 10018

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of garments moving 1000 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings
- More competitive pricing

I support P3 as a positive step for the industry and my business and hope you consider it as a viable asset to increasing productivity in the global industry.

Thank you,

Kathleen Yaskavich – Director of Imports Saramax Apparel Group Inc.

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**Fwd: P3 Vessel Cooperative Working Agreement**

1 message

**Clif Hasegawa** <clifhasegawa@gmail.com>

Fri, Nov 22, 2013 at 12:26 PM

To: Secretary Mailbox &lt;secretary@fmc.gov&gt;

Dear Commissioners,

On November 21, 2013, my comments on the **P3 Vessel Cooperative Working Agreement** were submitted to the FMC. The forwarded email, that follows, was sent directly to the representatives for A.P. Moller Maersk, CMA-CGM, and MSC. Additionally, by way of separate email the letter was provided to the General Manager for Pasha - Hawaii.

Relevant is Paragraph 3 of the forwarded email and Paragraph 1a. of the Comments submitted to the FMC on November 21, 2013 as they relate to the Trans-Pacific backhaul route, west from the U.S. Mainland to Hawaii.

To date no response has been received from any of the corporate representatives. My recommendation is an inquiry be conducted into this area and full disclosure be made by all parties.

The introduction of roll-on/roll-off shipping to Hawaii is not a new concept, though the technology has made utilization safer and more efficient. Specifically,

While Kaiser [Henry J. Kaiser] and Dillingham [Walter F. Dillingham] exchanged verbal blows, the *kamaaina* [long time resident] industrialist's son Benjamin Dillingham prepared for battle over containerization with the Matson Navigation Company. Recognizing that loading and unloading freight is a major cost in sea transportation, several companies had experimented with various forms of containerization -- the loading and unloading of the whole freight car and cargo onto and off specially designed ships. Matson planned a \$4,000,000 investment in a lift-on, lift-off, container system aimed at stabilizing the cost of moving Hawaii's annual cargo of 4,000,000 tons. Its aluminum container, with plywood-lined inside walls, could hold 42,000 pounds of cargo, and forty of these containers could be carried on each of the six freighters scheduled for conversion to containerization. At the Oahu Railroad and Land Company, run by young Dillingham, studies indicated that they were in a position to challenge Matson, which for years had been the only major carrier operating between the mainland and the Territory, by beginning a roll-on, roll-off containerization system. Ben Dillingham planned to make the company the western railroad and trucking terminal of the United States and spent over \$2,000,000 in capital expansion for the company's yards and terminals on Oahu. Great Dillingham barges would unload containers at Pier 26 in Honolulu, where trains would transport the containers from the waterfront back to a terminal over land owned by the Dillinghams.

The Dillinghams' railroad company had been looking for additional transportation activities to replace the revenue lost from the decrease in railroad traffic after World War II. The Young Bros. Barge Line was acquired in 1952, but the company, owning a number of piers and strategic parcels in the harbor area as well as a tract of land granted by King Kalakaua for railroad operations, was ready for a major new venture. Additional incentive to go into the freight-carrying business through containerization came from a legal stipulation in the Kalakaua grant that the company use the King's land only for railroad purposes. From an economic point of view, some in the company were satisfied. Others on the Board of Directors were more skeptical and could not be persuaded by Dillingham that the roll-on, roll-off system could be made to work. Even if the engineering problems could be licked, government financing obtained, and Matson underpriced, there still might be formidable political problems. Even for the Dillinghams, competition with the Matson Navigation Company might prove more difficult than contending with Henry Kaiser. More than 40 per cent (it would be up to 73 per cent by 1961) of Matson was owned by local companies, primarily Alexander & Baldwin and Castle & Cooke.

Matson, through its virtual monopoly of mainland freight shipping, influenced policies of many Hawaiian companies. The strong political influence of Matson and the companies which it was associated would make itself felt in Honolulu, San Francisco, and Washington. [Clarification Supplied]

Source: Fuchs, Lawrence H. (1961). *Hawaii Pono - An Ethnic and Political History*. (pp. 395-396). Honolulu, Hawaii: Bess Press. [Print] Library of Congress Catalog Card Number: 92-75297 ISBN: 1-880188-48-1. [Lawrence H. Fuchs (1927-2013) was the Meyer and Walter Jaffe Professor of American Civilization and Politics, Brandeis University from 1952-2002]

There is a clear link between ocean shipping and terminal/port operations. The reason for my recommendation that The Parties provide a full list of agreements, per Paragraph 1c. of the Comments and a full list and ownership interest in terminals per Paragraph 3 of the Comments is to provide transparency and oversight into the proposed operations of the P3 signatories.

The P3 has opened the door and extended an open invitation to to the FMC to inquire and investigate by submitting the Vessel Sharing Agreement for review and approval. FMC Chairman, Mario Cordero has called for a Global Summit. Diplomacy is an essential element in international matters. National interests of the European Union, the People's Republic of China, and the United States need to be considered. Further, the conduct and progress of the Trans-Pacific Partnership negotiations should be examined in detail as to the current viability of reaching consensus.

Thank you very much.

### **Electronically Signed**

Clifton M. Hasegawa  
1044 Kilani Avenue 12  
Wahiawa, Hawaii 96786  
Telephone: (808) 622-8968  
Email: [clifhasegawa@gmail.com](mailto:clifhasegawa@gmail.com)  
Web: [www.linkedin.com/in/cliftonhasegawa](http://www.linkedin.com/in/cliftonhasegawa)

----- Forwarded message -----

From: **Clif Hasegawa** <[clifhasegawa@gmail.com](mailto:clifhasegawa@gmail.com)>  
Date: Thu, Nov 21, 2013 at 9:02 AM  
Subject: P3 Vessel Cooperative Working Agreement  
To: [vincent.clerc@maersk.com](mailto:vincent.clerc@maersk.com), [caroline.pontoppidan@maersk.com](mailto:caroline.pontoppidan@maersk.com), [ho.rjsaade@cma-cgm.com](mailto:ho.rjsaade@cma-cgm.com),  
[ho.pblanchet@cma-cgm.com](mailto:ho.pblanchet@cma-cgm.com), [daponte@mscgva.ch](mailto:daponte@mscgva.ch), [fsanford@mscgva.ch](mailto:fsanford@mscgva.ch)

### A.P. MOLLER MAERSK

50 Esplanaden

Copenhagen

Denmark

Corporate Representatives: Mr. Vincent Clerc and Ms. Caroline Pontoppidan

CMA-CGM Compagnie Maritime d'Affretement-Compagnie Generale Maritime

4 Quai d'Arenc

13235 Marseille

Cedex 02, France

Corporate Representatives: Mr. Rodolphe Saade and Mr. Philippe Blanchet

MSC MEDITERRANEAN SHIPPING COMPANY S.A

12-14 Chemin Rieu

1208 Geneva

Switzerland

Corporate Representatives: Mr. Diego Aponte and Mr. Frank Sanford

Dear Representatives of P3 Vessel Cooperative Working Agreement,

Individually each shipping company has established a global presence and high standards for the shipping industry. Collectively, the efficiencies and effectiveness of each will be greatly enhanced.

My reason for corresponding with you is to suggest making the Trans-Pacific backhaul route more profitable for P3, manufacturers of European and U.S. products, businesses, and consumers.

Each of your companies may be precluded from entry into the Trans-Pacific backhaul route trade given predetermined arrangements with Matson Navigation Company (Matson) and Horizon Lines covered by Cooperative Working Agreement, Non-Rate Discussion Agreement, Rate Discussion Agreement, Vessel Sharing Agreement, Slot Charter Agreement, Space Charter Agreement, and/or Consolidated Chassis Management Pool Agreement. Please advise.

The Port of Dubai was transformed into a major shipping hub and distribution center by Sultan Ahmed Bin Sulayem by the establishment of the Jebel Ali Free Trade Zone. Dubai has become the center of trade for the Middle East, Europe, Africa, Australia, Americas, Asia Pacific and Indian Subcontinent. Absent is a link for the Trans-Pacific trade, that is, on return from primary routes to Europe from the hub and distribution center at the Port of Dubai and the Jebel Ali Free Zone .

Hawaii has an established Free Trade Zone – FTZ9 <http://ftz9.org/>

United States Senator Maize Hirono recently stated that manufactures, businesses, and the shipping industry need to place higher priorities in maximizing the use of FTZ9.

The economics of utilizing FTZ9 and connecting with other U.S. and Foreign Trade Zones will multiple the

efficiencies and maximize returns. Please refer to Attachments 1 and 2.

A response from your company is greatly appreciated.

As Hawaii further develops its commercial ports, your thoughts and comments will provide a more accurate forecast for global shipping needs and enhance design of a port and trade zone that will make the Trans-Pacific backhaul route the Trans-Pacific Western Trade Route.

Best regards,

### Electronically Signed

Clifton M. Hasegawa

Clifton M. Hasegawa

President and CEO

Clifton M. Hasegawa & Associates, LLC

1044 Kilani Avenue 12

Wahiawa, Hawaii 96786

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### 3 attachments



**CMH Signature.jpg**  
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**Hawaii - Imports and Exports - 2013.pdf**

1062K



**Business Round Table - State-Study\_Hawaii\_International Trade and Investment .pdf**

1141K

**Federal  
Maritime  
Commission**

Secretary Mailbox &lt;secretary@fmc.gov&gt;

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**P3 Alliance**

1 message

**Dennis Wilkinson (DHL US)** <Dennis.Wilkinson@dhl.com>

Fri, Nov 22, 2013 at 9:36 AM

To: "secretary@fmc.gov" &lt;secretary@fmc.gov&gt;

Please find our letter in support of the P3 Alliance. We truly believe this will be a benefit to the industry in providing service stability as well as offering competitive pricing.

Best Regards,

Dennis Wilkinson

General Manager Transpacific Services

DHL Global Forwarding

33 Washington Street, 16th Floor

Newark, NJ 07102

United States

Tel : [1-973-848-7332](tel:1-973-848-7332)

Mobile : [1-973-432-7982](tel:1-973-432-7982)

[Dennis.Wilkinson@dhl.com](mailto:Dennis.Wilkinson@dhl.com)

[www.dhl-dgf.com](http://www.dhl-dgf.com)

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**P3 Letter to FMC.docx**

18K

Friday, November 22, 2013

DHL Global Forwarding  
550 Washington Ave.  
Newark, NJ

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (insert commodity) moving (insert number) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Dennis J Wilkinson

General Manager Transpacific Services

DHL Global Forwarding

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**P3 Network VSA (the P3") Comments**

1 message

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**Hal Levy** <halevy1@nyct.net>  
To: secretary@fmc.gov

Thu, Nov 21, 2013 at 9:29 AM

ATTENTION: Karen V. Gregory, Secretary, Federal Maritime Commission, Wash. D.C.

Dear Ms Gregory:

It is most submitted that the P3 would provide important public benefits, serve valid regulatory purposes and promote the foreign commerce of the U.S. This is so because the P3 would reduce costs of its parties and enhance their efficiency. Other carriers serving the trades covered by the P3 will, consequently, be motivated to emulate those cost reductions and enhanced efficiencies, all to the benefit of the shipping public, consumers and U.S. foreign commerce. In brief, the P3 would not, by a reduction in competition, produce an unreasonable reduction in transportation service or an unreasonable increase in transportation cost but, rather, increase competition and decrease costs. Since the proof is in the eating of the pudding, the Commission ought not seek to enjoin its operation but allow it to enter into effect pursuant to the provisions of the Shipping Act, as amended, on December 8, 2013.

Respectfully submitted,

Howard A. Levy  
80 Wall street, Suite 1117  
New York, NY 10005  
Tel: [212 269 2415](tel:2122692415)  
Fax [212 269 2418](tel:2122692418)  
Email: [halevy1@nyct.net](mailto:halevy1@nyct.net)

**Federal  
Maritime  
Commission**

Secretary Mailbox &lt;secretary@fmc.gov&gt;

**RE: FMC accepting public comments on P3**

1 message

**Steve Li** <qtplastics@yahoo.ca>  
Reply-To: Steve Li <qtplastics@yahoo.ca>  
To: "secretary@fmc.gov" <secretary@fmc.gov>

Fri, Nov 22, 2013 at 11:50 AM

Friday, November 22, 2013

Steve Li  
QT PLASTICS 14906 Southmere Place  
Surrey BC Canada 4A 6P8

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of plastic scrap moving 1200 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Best Regards,

Steve Li  
QT Plastics Trading Inc.  
14906 Southmere Place, Surrey BC, V4A 6P8 Canada  
Cell: [604-616-2123](tel:604-616-2123) Tel & Fax: [604-542-8868](tel:604-542-8868)



Feed to Feed the World™

15500 SOUTH COMMERCIAL, BLYTHE, CA 92225

TEL 760-922-4713

FAX 760-922-6579

Thursday, November 21, 2013

Hayday Farms, Inc.  
15500 South Commercial  
Blythe, CA 92225

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of Hay (for animal feed) moving 3,950 FFE per year I certainly appreciate the opportunity to comment. I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Sincerely yours,

---

Kaz Akiya  
Sales Manager  
Hayday Farms, Inc.

Friday, November 22, 2013

Intertrans Express NY Inc  
10 East Merrick Road, Suite 203  
Valley Stream, NY 11596

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of ( General goods, House hold goods, Machinery, furniture, food item, animal feed, ) moving ( over 300) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Tony Meng

Office Manager

Friday, November 22, 2013

Kerry Weirich  
Essex Manufacturing Inc.  
350 Fifth Avenue  
New York, NY 10118

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of Umbrellas and Dinnerware moving 500 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Kerry Weirich

Friday, November 22, 2013

Pexim International  
15 The Circle  
Easton, CT 06612

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of plastic scrap moving 1100 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Bharat Shah

Pexim International

Friday, November 22, 2013

Total Cargo Logistics Inc.  
Trans Container Line  
52 Butler St.  
Elizabeth, NJ. 07206

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (FAK, AUTOS ) moving (450-500) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Mark Ventura



Winners of the 2011  
HSBC *International*  
BUSINESS AWARDS

November, 22 2013

**From**  
**Maria Fortuna,**  
**Bassett & Walker International INC**  
**2 Berkeley Street Suite 303**  
**Toronto, ON Canada**

**To**  
**Karen V. Gregory**  
**Secretary, Federal Maritime Commission**  
**800 North Capitol Street, NW**  
**Washington, DC 20573**

**RE: FMC accepting public comments on P3**

**Secretary Karen V. Gregory:**

**In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.**

**As a shipper of frozen cargo moving 1000 FFE per year I certainly appreciate the opportunity to comment.**

**I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:**

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

**I support P3 as a positive step for the industry and my business.**

**Thank you,**

**BASSETT & WALKER  
INTERNATIONAL INC.**

Maria Fortuna  
Bassett & Walker International  
Logistics Director

Friday, November 22, 2013

Jeffrey M Stanes  
Baillie Lumber Co.  
4002 Legion Dr.  
Hamburg, NY 14075

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of Hardwood Lumber moving 14,500 FFEs per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Jeffrey M. Stanes



Karen V. Gregory,  
Secretary,  
Federal Maritime Commission  
800 North Capitol Street, N.W  
Washington, D.C. 20573

26 November 2013

By Email and post

Dear Ms Gregory,

Please find enclosed a series of questions prepared by Global Shippers' Forum in response to the Commission's Notice of November 19, 2013 accepting further public comment on the P3 Network Sharing Agreement.

The questions raise a number of concerns by shippers on the potential competitive effects of the P3 which in our view may affect the commerce of the United States in its import and export trades.

The P3 Network Agreement is unprecedented in its scale and scope. In light of this we believe the Agreement warrants very careful scrutiny. We sincerely hope these questions will assist FMC Commissioners and FMC staff in its evaluation of the P3 Agreement.

If the FMC requires further information or clarification on the questions posed by the GSF we would be delighted to assist with any queries or questions the Commission may have.

Yours sincerely

Chris Welsh  
Secretary General  
Tel: +44 (0)1892 552384  
Mob: +44 (0) 7818 450556  
Email: [cwelsh@globalshippersforum.com](mailto:cwelsh@globalshippersforum.com)  
Web: [www.globalshippersforum.com](http://www.globalshippersforum.com)

Global Shippers' Forum  
Hermes House  
St Johns' Road  
Tunbridge Wells  
Kent TN4 9UZ  
United Kingdom

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and General Secretariat  
Global Shippers' Forum Association Ltd  
Hermes House, St Johns' Road,  
Tunbridge Wells, Kent TN4 9UZ,  
United Kingdom

Registration no: 766177



## **GSF PROPOSED QUESTIONS FOR THE FMC TO ASK THE P3 LINES ON THE P3 AGREEMENT**

The following are some potential questions for the FMC to pose to the P3 carriers on the P3 agreement filed with the FMC:

The London network centre is a major example of an area where the P3 will not compete because of the "commonality of costs" which are recognised by economists generally as strong grounds for assuming common pricing. The more costs are reduced by not competing and making them common, the greater the need for the carriers to demonstrate why and how they are going to compete on price (and quality of service which is also being standardised in a way that does not match shippers' requirements for different quality services at different rates). This aspect of the P3 agreement gives rise to the following primary question: are the P3 carriers able to demonstrate that the items that the carriers refer to in the P3 Agreement filed with the FMC (sales and marketing, EDI, back office, paperwork, customs etc) are sufficiently significant to allow competitive pricing, especially when the European Commission has initiated formal proceedings against a wider group of carriers for operating a price fixing concerted practice in the form of price signalling?

Against that background, the following questions concern specific provisions in the P3 agreement:

1. Article 2: the purpose of the P3 Agreement is stated to include "co-operative working arrangements" - should that co-operation between three major competitors be defined in order to prevent it being open-ended and extended to produce an unreasonable reduction in transportation service or an unreasonable increase in transportation cost, by a reduction in competition, including price fixing or discrimination against US ports and EU ports on the EU/US trades?
2. Article 4: the scope of the P3 Agreement filed with the FMC does not cover the EU/Asia trades, as confirmed by Footnote 1 to Article 4 – do the P3 lines accept that the FMC should take into account the "co-operative working arrangements" applied to the EU/Asia trades excluded from the P3 agreement filed with it but notified to the Chinese and German

competition authorities as a merger? In particular, do the P3 carriers agree that the FMC should host a global regulatory summit as it has announced it will do, especially as these regulators may block the merger?

3. Article 5(1)(a): under its authority over "vessels" the P3 carriers may agree future new buildings and "the possible withdrawal of their deployed capacity in the event of such deployment" (of agreed new buildings) – does this agreement to manage future investment and capacity and limit capacity overall not amount to an agreement to support price fixing, and thereby to produce an unreasonable increase in transportation cost?
4. Article 5.1 (c): Vessels, authority covers phasing-in and phasing out of tonnage with reallocation costs shared pro-rata to overall capacity allocation – is this not an agreement to manage or limit capacity and share costs, being evidence of a price fixing arrangement, and thereby to produce an unreasonable increase in transport cost?
5. Article 5.1(d): authority to agree that the Network Centre control "blanking" of vessels by the P3 carriers – does this not amount to capacity management or limitation evidencing price fixing, and thereby to produce an unreasonable increase in transportation cost?
6. Article 5.2(b): Slot Capacity Allocation and use of slots, limitation of capacity within the consortium through the system for internal slot sales – does not allowing any increase to overall capacity available constitutes the limitation of capacity in support of price fixing, with a consequent unreasonable increase in transportation cost?
7. Article 5.2(i) and (j): Slot capacity allocation and use, agreement on price of slot sales to third parties and restriction to sell slots only to third parties in accordance with agreement on amount to be paid - is this not a price fixing agreement, and a reduction of competition that should be prohibited?
8. Article 5.3(c): Dealing with third parties, authority for sale of unused and unsold slots to third parties by the Network Centre at the expiry of the Article 5.2(e) time limit at cost - is this not a price fixing agreement, and a reduction of competition that should be prohibited?
9. Article 5.4(a): Terminals, Stevedores and other services, authority to take into account any financial interest of a Party in selection of terminals, otherwise selection to be on the basis of agreed objective operational criteria - will this not discriminate against US or EU ports and

terminals, and thereby, by a reduction in competition, produce an unreasonable reduction in transportation service and an unreasonable increase in transportation cost?

10. Article 5.4(b): Parties, all or any two, may jointly agree terms with terminals and stevedores (if lawful and subject to US antitrust law) – can the P3 carriers demonstrate that these terms do not include a reduction in competition in the form of price fixing?
11. Article 5.5: Transshipment and Feeder Services - does the joint agreement require a reduction of competition in the form of price fixing?
12. Article 5.6(a): Separate Identities and Sensitive Information, how can the P3 carriers claim to have "fully separate and independent sales, pricing and marketing functions" in the light of the extent of their common costs and the price fixing and capacity limitation obligations above, all resulting in a reduction of competition that the FMC is obliged to prohibit ?
13. Article 5.6(b): authority to" obtain, compile, maintain and exchange Information related to any aspect of operations in the Trade, including but not limited to, forecasts/projections, records, statistics, studies. compilations, costs, cargo volumes, market share information and other data" unless information is commercially sensitive – does not the exchange of such an extensive category of information extend beyond the scope of the co-operation that may be lawful and in particular exchange of information on costs and future forecasts designed to facilitate price fixing, including the reduction of competition in the form of price signalling, that the FMC should prohibit?

Chris Welsh  
Secretary General  
Global Shippers' Forum  
Tel: +44 (0)1892 552384  
Mob: +44 (0) 7818 450556  
Email: [cwelsch@globalshippersforum.com](mailto:cwelsch@globalshippersforum.com)  
Web: [www.globalshippersforum.com](http://www.globalshippersforum.com)

**Federal  
Maritime  
Commission**

Secretary Mailbox &lt;secretary@fmc.gov&gt;

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**LOGISTICS INTERNATIONAL SERVICE//P3 NETWORK**

1 message

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**Jonathan Crestot\_Bansard** <jonathan.crestot@bansard.com.cn>  
To: secretary@fmc.gov

Tue, Nov 26, 2013 at 4:20 AM

Dear Ms Karen Gregory,

My name is Jonathan Crestot, I am the Sea freight Manager of the NVOCC "Logistics International Service" (holding of Bansard Group) based in Shanghai P.R. China and operating on the transpacific trade (Bond No.: IT1127).

I would like to submit to the Federal Maritime Commission, the attached letter, in order to give our strong support to the implementation of the P3 Network. As a professional of the Logistics industry, I believe that our view point might interest the commission in charge of studying the compliance of the P3 Maritime Alliance.

I remain at your disposal, should you need me to provide any further details.

Sincerely,

**Jonathan Crestot – Seafreight Manager**

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Central Plaza Room 901

No 227 Huangpi North Road

SHANGHAI 200003, P.R. CHINA

Tel: +86-21 6405 6026

SH Mobile: +86 135 017 12 010

HK Mobile: +852 95 455 955

E-mail: [jonathan.crestot@bansard.com.cn](mailto:jonathan.crestot@bansard.com.cn)Website: [www.bansard.com](http://www.bansard.com)

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 **FMC LETTER LIS.pdf**  
60K

LOGISTICS INTERNATIONAL SERVICE (BANSARD GROUP)

Ms. Karen V. Gregory  
Secretary  
Federal Maritime Commission  
800 North Capitol Street, N.W.  
Washington, D.C. 20573

Shanghai, November the 25th of 2013

Object: P3 Network Vessel Sharing Agreement

Dear Ms. Gregory:

My name is Jonathan Crestot, I am the Sea freight Manager of LOGISTICS INTERNATIONAL SERVICE (LIS) based in Shanghai P.R.China and I am submitting the below comments in support of the P3 Network Vessel Sharing Agreement ('P3').

Our company is a registered NVOCC (Bond No.:IT1127), operating on the transpacific trade. I would like to put forward to your knowledge some arguments that, I believe, will be beneficial for our industry if the P3 Network abides by your regulation.

The first benefit is the service improvement. From an NVOCC point of view, this means that we will have a new advanced shipping product to sell to our U.S. consignees that are in need of more reliable and stable services to satisfy their final customers.

We also believe that the P3 will be beneficial to our company and our clients because of the vessel capacity increase and additional direct calls. This will significantly expand the port coverage and service options available to us and decrease the transit time from ports that are served through transshipment at the moment.

Finally, from the steamship lines' view point, there seems to be no evidence that the P3 Network will reduce the competition between them. Previous alliances such as 'G6' and 'CYKH' have not resulted in higher prices on the freight market. Contrarily, this has induced more competition thus lower prices and more services on the transpacific trade. This has directly benefited the final U.S. customer.

For the above mentioned reasons, we kindly request that the Federal Maritime Commission does not delay the entry into effect of the P3 Network Vessel Sharing Agreement.

Sincerely,

Jonathan Crestot



Monday, November 25, 2013

Tumi, Inc.  
2501 Matthews Industrial Circle, Suite 1  
Vidalia, GA 30474

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of luggage and travel accessories moving 1,000 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,



M. Denise Stephens  
Logistics Manager

Monday, November 25, 2013

William Walters  
Ahlstrom Nonwovens LLC  
2 Elms St  
Windsor Locks Ct  
06096

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of paper and nonwoven related goods, moving approx. 1500 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

William R Walters



**Federal  
Maritime  
Commission**

Secretary Mailbox &lt;secretary@fmc.gov&gt;

---

**P3 Alliance comments from Intermodal Tank Transport**

1 message

**Matt Caldwell** <mcaldwell@intermodaltank.com>

Fri, Nov 22, 2013 at 6:48 PM

To: "secretary@fmc.gov" &lt;secretary@fmc.gov&gt;

Good evening,

I was told by Maersk that we could send our comments directly to you concerning the upcoming P3 alliance. We are an NVOCC based in Houston, TX and operate a fleet of roughly 4,500 isotanks. We specialize in shipping bulk liquid chemicals for many of the world's largest chemical companies. We have an annual volume of about 16,000 TEU. From everything that I am hearing and seeing, the P3 alliance is taking the 3 largest shipping lines in the world and creating a monopolistic setting for shipping for Asia, Europe, and the U.S. We do not feel that this is necessarily a good idea. From what I can tell this will reduce vessel capacity and drive pricing up. This is neither good for my company or our customers. In the end this will raise shipping costs for all parties and will have to be passed on to the ultimate end users of all products globally. I have discussed this with many of my customers and they also feel that this will not be beneficial to anyone in the long run except the 3 shipping lines that are associated with it.

Rgds

*Matt Caldwell**Commercial Vice President**2537 S. Gessner, Suite 108**Houston, TX 77063**O: (713) 888-0501**C: (832) 421-3882**F: (713) 888-0684*

Tuesday, November 26, 2013

Valerie Nelson  
OTS Astracon  
3115 Beam Rd.  
Charlotte, NC 28217

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of GDSM moving 15,000FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Valerie Nelson

Tuesday, November 26, 2013

Mega Shipping and Forwarding Ltd  
301 Penhorn Avenue Unit #4  
Secaucus, NJ 07094

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (insert commodity) moving (insert number) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Levent Akcay

Traffic Manager

Tuesday, November 26, 2013

Total Cargo Logistics Inc.  
Trans Container Line  
52 Butler St.  
Elizabeth, NJ. 07206

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (FAK, AUTOS ) moving (450-500) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Mark Ventura

Tuesday, November 26, 2013

Jeff Ross  
One Bowerman Drive  
Tigard, OR, 97005

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of Athletic footwear and apparel moving over 80,000 FFE globally per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Jeff S. Ross

Director, Global Transportation

Nike, Inc.

Tuesday, November 26, 2013

Allison LaMothe  
Terra Nova Trading Inc.  
Oakland, CA 94607

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (insert commodity) moving (insert number) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Allison LaMothe

CAPITOL OFFICE  
STATE CAPITOL, ROOM 305  
SACRAMENTO, CA 95814  
TEL (916) 651-4029  
FAX (916) 324-0922

DISTRICT OFFICE  
20888 AMAR RD., SUITE 205  
WALNUT, CA 91789  
TEL (909) 598-3981  
FAX (909) 598-6459

WEB  
WWW.SENATE.CA.GOV/HUFF

COMMITTEES  
EDUCATION

# California State Senate

SENATOR  
BOB HUFF

SENATE REPUBLICAN LEADER  
TWENTY-NINTH SENATE DISTRICT



Tuesday, November 26, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC Accepting Public Comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

I see the P3 as potentially positive for my state and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

Again, I support P3 as a positive step for the industry and the State of California. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bob Huff".

BOB HUFF  
Senator, 29<sup>th</sup> District

# Transportation Committee

LAWRENCE K. GROOMS  
CHAIRMAN



DAVID J. OWENS  
RESEARCH DIRECTOR

LILY COGDILL  
ADMINISTRATIVE ASSISTANT

November 22, 2013

The Honorable Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

## **RE: P3 Vessel Sharing Agreement**

Dear Secretary Gregory:

As Chairman of the Senate Transportation Committee and Chairman of the Review & Oversight Commission on the South Carolina Ports Authority, I appreciate your call for public comment on the proposed P3 Vessel Sharing Agreement. Please accept this letter as indication of my full support for the development and implementation of the P3 Network.

The P3 Network is a potentially positive development for South Carolina's ports in Charleston and Georgetown, and the container shipping industry in general. The network would bring increased market and service stability, enhanced ocean services including greater port coverage, consistent and competitive transit times, and increased number of weekly sailings.

Because P3 is a positive step for the industry and our state's ports, it is also good for the economic well-being of the people of South Carolina. Again, the P3 Network concept has my full support.

Thank you for your interest in this matter and for your service to our nation's maritime community. Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Lawrence K. Grooms".

Lawrence K. Grooms, Chairman



## Atlantic Container Line AB

A Grimaldi Group Company

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50 Cardinal Drive • Westfield, New Jersey 07090 • Tel.: 908-518-5300

Andrew J. Abbott  
President / CEO

Writer's Direct Number:

Phone: 908-518-5352  
Fax: 908-518-7320  
E-mail: aabbott@aclcargo.com

Karen V. Gregory, Secretary  
Federal Maritime Commission  
800 North Capitol Street, N.W  
Washington, D.C. 20573

November 25, 2013

### **Comments on P3 Network Vessel Sharing Agreement**

#### **Who we are:**

Atlantic Container Line (ACL) is an ocean carrier that operates 5 x container/RORO vessels in the North America – North Europe liner trade. The company has been in business since 1967. ACL is owned by the Grimaldi Group of Naples, Italy. ACL is headquartered in Westfield, NJ and all operations are run from there.

#### **What we do:**

ACL does not belong to any consortium agreement. ACL has had a simple container slot exchange with Hapag Lloyd on the North America - North Europe trade since 1984. It is simply an exchange of space on each company's vessels and nothing more. Each party's vessels are managed and operated independently with no input by the other party. Each party can cancel the slot exchange on 6 months' notice.

The companies advise their voyage TEU volume, container weights, hazardous cargo details and load port / discharge port information to the vessel operator's marine operations department in order to stow the ship. No other operational, commercial, financial or other data is exchanged.

There is no coordination of schedules or ports. Each party decides their schedule and ports unilaterally with no consultation. ACL and Hapag Lloyd exchange approximately 550 TEUs per week in each direction. There is no pooling of vessels or terminals. There are no joint operations offices. Each company manages its own ships and equipment unilaterally, with no consultation or agreement of the other party.

There is no joint ownership or joint leasing of containers, chassis or other equipment. Each company separately manages its own equipment fleet. No equipment is exchanged or shared.

There is no coordination of capacity or provision for capacity adjustments. Each party manages its own vessels unilaterally with no discussions with any other party. ACL's vessel capacity has never been cut since its vessels entered service in 1984. ACL has never adjusted its schedule or capacity because of slow steaming.

There is no coordination of ports or terminals – Each party makes its own individual contracts with terminal operators for stevedoring of their cargo.

## Atlantic Container Line

There is no obligation to use any carrier's vessels and each party may buy, sell or exchange space to anybody else they choose. There are no joint services offered in any area and no joint ownership of anything and no joint purchasing of anything. There is no cost sharing, no cost data exchange and no cost discussions of any kind.

There are no joint contracts and no commercial discussions of any kind. ACL is not a member of any shipping conference, anywhere in the world.

The ACL-Hapag Lloyd slot exchange works very well for both the carriers and our customers without any joint carrier activities and without any joint purchasing or joint operations. The customer gets the benefit of better service from each carrier. The ports, terminal operators and truckers negotiate with each carrier separately as before.

### **P3 Comments:**

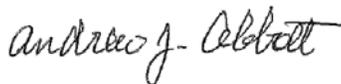
ACL is very concerned about the significant buying power granted to mega-constellations like P3 and other large consortia. We believe that a consortium's ability to negotiate and buy products and services as a bloc greatly distorts the market, and makes it impossible for non-consortium carriers to compete with them.

In granting carrier consolidations like P3 authority to operate as a bloc, you give this mega-consortium the upper hand in every trade lane, because independent carriers do not have the buying power of a large consortium. Furthermore, the rise of large consortia worldwide will eventually bring about the demise of the smaller ports, the smaller terminals, the smaller stevedores, the smaller truckers and the smaller logistics suppliers of every type. With more and more cargo being handled by a few large consortia, they will use their volume to select those vendors who marginally price their products and services at the lowest levels, putting all smaller enterprises out of business.

If P3 is approved by the FMC, then you will force every remaining carrier to join forces in a similar bloc to be competitive. The single, independent carrier will go out of business. American exporters will no longer have a large portfolio of carriers to choose from. Instead, he will have only 2 or 3 big consortia to choose from, with service one or two days per week instead of 7 days per week as today. The smaller terminal operators, smaller truckers, smaller logistics vendors and smaller ports will quickly disappear. American manufacturers will eventually pay the price as both choice and service deteriorates.

We hope that the FMC will carefully review the overwhelming advantages of coordinated carrier groupings like P3 vis a vis the single operators.

Sincerely,



Andrew J. Abbott

# Atlantic Container Line

KCL Logistics Inc.  
2225 W Commonwealth Ave, Suite 209  
Alhambra, CA 91803

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (GDMS) moving 100 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

*For and on behalf of*  
**KCL LOGISTICS INC.**

*Catherine L.*

.....  
Authorized Signature(s)

11/25/2013

# BMT Commodity Corporation

530 Fifth Avenue 24<sup>th</sup> Floor, New York, NY 10036  
Telephone: 212-302-4200, Fax: 212-302-0007  
E-mail: [fiber@bmtny.com](mailto:fiber@bmtny.com) Web: [www.bmtny.com](http://www.bmtny.com)



Friday, November 22, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

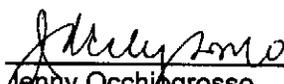
As a shipper of jute/polyester staple fiber/textiles/food/plastic/hardwoods and moving in excess of 3000 FEUS per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

  
\_\_\_\_\_  
Jenny Occhiogrosso  
Operations Manager  
BMT Commodity Corporation



Harold J. Daggett  
International President

November 26, 2013

Federal Maritime Commission  
800 North Capital Street, N.W.  
Washington, DC 20573  
Attn: Karen V. Gregory, Secretary

Re: P3 Network Vessel Sharing Agreement  
FMC Agreement No.: 012230

Dear Commissioners:

I write on behalf of the International Longshoremen's Association, AFL-CIO, and in opposition to the P3 Vessel Sharing Agreement (the "Agreement") referenced above. The parties to the Agreement, CMA CGM S.A. ("CMA CGM"), A.P. Moller-Maersk A/S trading under the name of Maersk Line ("Maersk"), and MSC Mediterranean Shipping Company SA ("MSC") (hereinafter "Parties" or "P3 Carriers"), are three of the world's largest container lines. The Agreement, if approved, would be the largest of its kind and would present an unprecedented risk of anti-competitive practices.

While vessel-sharing agreements are not a new development, the Agreement entered into by the P3 Carriers would bring much of the shipping industry's capacity and vessels under the auspices of the P3 Carriers. Such a drastic consolidation of capacity naturally leads to questions as to the long-term impact of such an agreement upon the industry as a whole. Having reviewed the agreement, I believe that there exists a great danger that the P3 Carriers could use the Agreement in such a manner so as to squeeze out competitors and, eventually, non-carrier entities such as shippers and terminal operators.

According to the Journal of Commerce, the P3 Carriers combined represent 27.1% of all U.S. laden container trade in the first half of 2013 and 28% and 26% of the U.S. import and export volume, respectively, for the same period. In addition to their sizeable combined market share, the Journal of Commerce has also reported that the P3 Carriers are the top three fleet operators in terms of existing capacity with an overall 36.9% market share as of September 23, 2013. Unlike vessel-sharing agreements between smaller carriers that are designed to enable those carriers to compete in the marketplace, the P3 Agreement represents an attempt by three of the largest carriers in the industry to dictate the marketplace.

Clearly, an agreement of this magnitude must be carefully scrutinized not only to weigh its effect on competition, but also to consider the ancillary effect(s) that such an agreement will have on other markets – namely, labor. As President of the largest labor organization representing longshore workers in the country, I can assure you that the Agreement presents a clear danger to workers and their families.

Entitled “Agreement Authority,” Article 5 of the Agreement contains language that permits the P3 Carriers to go beyond the efficiencies considered organic to a vessel-sharing agreement by permitting a degree of collusion among the parties to achieve operational and cost efficiencies. Specifically, Article 5.1(b) and (c) allow the P3 Carriers to use their newly found collective scale not only as a shield against market volatility but as a sword against their competitors and other entities within the chain. If not ultimately deemed illegal, these provisions certainly demand clarification.

Article 5.1(b) authorizes the Parties to assign contributed vessels to trade lanes and services “in a manner that is expected to maximize operational and cost efficiencies.” Article 5.1(c) authorizes the Parties to “discuss and agree on the ports to be called, port rotation itineraries, service speed, and all other aspects of the structure and scheduling of the services to be operated hereunder.” It does not require much imagination to read Article 5.1(b) and 5.1(c) to enable the P3 Carriers to use their collective power to engage rivals in a bidding war or to extort terminal operators and even local governmental agencies for preferential treatment.

Further evidence of the Agreement’s offensive nature can be found in Article 5.1(a) which sets forth a stipulation among the Parties to increase the number and capacity of P3 Carrier operated vessels from approximately 130 vessels with capacities ranging from approximately 4,000 TEUs to approximately 12,250 TEUs to up to 180 vessels, each with capacity up to 19,200 TEUs. While the Parties’ agreement to increase average ship capacity is certainly the definition of “efficiency,” such an agreement raises the bar for all competitors – even those who may not be able to make the capital investments necessary to keep up with the P3 Carriers. Playing such a scenario out to its logical conclusion, one can easily foresee the formation of numerous other carrier alliances created for the sole purpose of distributing the capital costs associated with increasing vessel capacity in an effort to stay competitive with the P3 Carriers. However, perhaps the most apparent effect of the P3’s drive towards increased capacity is that other small carriers will simply be forced out of the market. While the P3 Carriers may be reacting to present market conditions, it is clear that they are setting out to define and control the future marketplace.

As individual members of the United States Maritime Alliance, Ltd. (“USMX”), the collective bargaining representative for carriers, terminal operators and port associations along the Eastern and Gulf Coasts of the United States, the P3 Carriers have designated USMX as their bargaining agent. In so doing, the P3 Carriers have agreed to have a certain portion of their operational costs – namely, labor – bargained for by USMX. As the collective bargaining agent of its members, USMX negotiates a collective bargaining agreement known as the Master Contract with the ILA which governs the terms and conditions of employment (including hourly wages) for longshore workers in the Ports along the Atlantic and Gulf Coasts of the United States. There are some 14,000 workers currently employed in crafts governed by the Master Contract.

The P3 Carriers are also members of various local employer associations such as the New York Shipping Association, Inc. and the Steamship Trade Association of Baltimore, Inc. Like USMX, the local employer associations negotiate and enter into local collective bargaining agreements with the ILA and/or the ILA’s local affiliates that supplement the Master Contract by providing for certain terms and conditions of employment that are unique to that port.

The diverse interests and economics of its member-employers, including the P3 Carriers, largely dictate the position that a multiemployer bargaining representative such as USMX assumes during negotiations. It goes without saying that employers that agree to bargain collectively do so with the understanding that their interests are being largely represented by the collective strength of the other employers in the association. Furthermore, the terms and conditions agreed upon on their behalf reflect certain assumptions regarding the performance of each employer in the future marketplace. The viability of the collective bargaining process rests upon the assumption that both sides bargain in good faith. When parties on the same side of the bargaining table choose to bargain collectively through a common agent such as in the case of the Maersk, CMA CGM and MSC, the integrity of the resulting agreement is especially dependent on good faith dealings as labor rates established by the agreement are applicable to all parties.

In April 2013, USMX and the ILA agreed to terms on a new six-year Master Contract. The Master Contract included wage increases for workers within the jurisdiction of the Master Contract – increases that are applicable to all members of USMX regardless of market share or capacity. If the proposed Agreement is approved by the Federal Maritime Commission, the P3 Carriers will be able to coordinate with shippers and offer increased services on routes or in Ports that are currently being serviced by carriers that cannot achieve the same efficiencies as the P3 Carriers.

Federal Maritime Commission  
Attn: Karen V. Gregory, Secretary  
November 26, 2013  
Page 4

For example, if the P3 Carriers allocate slot capacity and use slots in the manner prescribed in Section 5.2, a member-carrier may be able to eliminate the need to call at a particular port by renting slots on a vessel with a higher TEU from a fellow P3 Carrier thereby reducing the demand for terminal operations and labor in that port. Correspondingly, the ability of each terminal operator or other company obligated to make payments to fringe benefit funds via local contracts will also decrease.

The integrity of the Master Contract and the local collective bargaining agreements will be undermined if signatories are rendered unable to satisfy their obligations thereunder. The revenues generated by a robust and competitive shipping industry support several thousand longshore families and retirees. The P3 Agreement stands to create efficiencies of labor for the Parties that simply cannot be matched by many of the Master Contract signatories. As a result, the Agreement presents an alliance that threatens not only the business interests of the Parties' competitors, but also the livelihoods of their employees.

Very truly yours,



Harold J. Daggett  
*President*



Med-America  
Shippers  
Association inc.

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Secretary

Federal Maritime Commission

Washington, D.C. 20573

Livorno, Italy, November 27<sup>th</sup> 2013

Re: Comments on Agreement No. 012230 (P3 Network Vessel sharing Agreement)

Dear Madam Secretary:

I am submitting these comments on behalf of Med-America Shippers' Association, Inc. ("Med-America"). Med-America is a non-profit shippers association formed under the auspices of the Shipping Act of 1984 for the purpose of negotiating volume rates and enhanced services for its members with various ocean carriers. Med-America was formed in 1992 and its membership is comprised of a cross section of the wines and alcohol industry including major U.S. importers, distributors as well as major European producers and suppliers of wines and spirits.

Med-America prides itself on developing strong and enduring relationships with its ocean carriers whom it considers to be valuable strategic partners. Med-America recognizes that its carrier partners need to be successful and profitable in order to continue to provide the high quality services upon which its members depend.

It also is vitally important, however, that a fairly balanced marketplace for transportation services continues to exist in the ocean trades so that shippers can obtain services from a variety of carriers at reasonable rate levels to the benefit of both U.S. and global trade.

Med-America fears that operation of the P3 Agreement by the three largest container shipping companies in the world will ultimately destabilize the marketplace and lead to unreasonable increases in rates and reduction of services.

./.



**Med-America  
Shippers  
Association inc.**

-pag. 2-

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In the first place, the size of the proposal agreement calls for a high degree of regulatory caution and serious, in-depth analysis of its potential effects: once implemented, it will control very large percentages of capacity in the major U.S. trade lanes. For example, according to published reports, the P3 carriers represent 55.4% of eastbound transatlantic capacity to the Mediterranean and 58% westbound.

These are Med-America's core trade lanes. Moreover, the P3 carriers currently operate the largest container vessels in the world; since one of the purposes of the P3 Agreement is to rationalize capacity and reduce costs, it is expected that these carriers will focus on operating only the very largest, most cost efficient vessels in the trades, which will increase the use of Hub port, with consequent transshipment which will influence the transit time and expose the containers to temperature variations, seasonally extreme, with negative effects for the shelf life of the wines transported. So the P3 Agreement creates a situation which we believe is qualitatively different than what has existed previously.

Med-America understands and acknowledges that the P3 Agreement does not permit the parties to agree on rates and, in fact, ensures that they market their services separately. Since the P3 carriers have such an extraordinarily high market percentage, however, these protections may prove to be of limited value. Since the three carriers will be meshing their services operationally and providing space on the same vessels, they will ultimately all be selling the same service, which will be hard to differentiate simply by marketing different brands. Thus, as their operations converge more and more, it is likely that they will be capable of influencing the competition in the market.

Thank you for consideration of these comments. Med-America will be happy to cooperate with the Commission in any manner to further its assessment of this extremely important agreement.

Sincerely,

Angelo Nino Caponi

President

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**FMC accepting public comments on P3**

1 message

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**george.nakad@mdlz.com** <george.nakad@mdlz.com>  
To: secretary@fmc.gov

Tue, Nov 26, 2013 at 5:57 PM

November 26, 2013

Attention:

Ms. Karen V. Gregory

Secretary, Federal Maritime Commission

800 North Capitol Street, NW

Washington, DC 20573

Secretary Karen V. Gregory,

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network. As a shipper of packaged biscuit and confectionary product, raw material to produce food products and MRO equipment moving over 60,000 FFE per year, I certainly appreciate the opportunity to submit to your office the following remarks:

The P3 is a potentially positive development for not only my company, Mondelēz International, because it provides two important components to our business:

- 1) Consistent and added commitment to vessel voyages' transit times
- 2) Improved Data Quality including milestones, alerts and notifications to help us proactively manage our seaborne outbound and inbound freight

In addition, we see the P3 network offering the container shipping industry additional benefits namely greater port coverage and service stability

For these reasons, we support the P3 as a positive step for our business as well as the industry as a whole.

Thank you,

**George A. Nakad**

Mondelēz International

*Snr Manager Global Logistics Procurement*

*+1.914.325.5466 (Cell)*

*Based in East Hanover, NJ (USEST)*



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**P3 Comments**

1 message

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**Alan Baer** <alan.baer@tts-worldwide.com>  
To: "secretary@fmc.gov" <secretary@fmc.gov>

Tue, Nov 26, 2013 at 4:34 PM

Good afternoon Ms. Gregory and Happy Thanksgiving,

I read recently that your office was seeking input on the new P3 alliance comprised of CMA, Maersk and MSC. From our position as an NVOCC holding contracts with nearly all of the top 15 to 20 carriers including the 3 proposed members of this alliance, we see little to no reason to prevent the alliance from commencing operation. Over the past 20+ years as an NVO I have found that carriers act in their own self-interest first, and then in the interest of the conference or alliance. This self-interest philosophy should protect the bulk of the shipping public from the danger of escalating pricing, shortage of equipment and shortage of space. In fact a streamlined approach to port calls, vessel rotation and relay hubs should lead to higher levels of schedule integrity, shorter transit times and increased box turns all of which should help shipper's supply chains reduce costs, and provide the carriers with improved operating margins.

Other alliances including the Grand Alliance and the G6 have had little if any negative impact on the USA exporter or importer, and we would expect the same to continue when the P3 comes to life. From an FMC enforcement viewpoint I think it is important that the commission insure that customer pricing data remains confidential while allowing the 3 member lines to optimize their operational requirements.

From our side we give it a thumbs up!

Thank you,

Alan

Alan Baer

President

TTS Worldwide

265 Post Ave

Suite 333

Westbury, NY 11590

516 519 8200 EXT 227

917 836 2473 Cell

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November 27, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, N.W  
Washington, D.C. 20573

Dear Ms. Gregory:

The National Industrial Transportation League (League or NITL) appreciates the opportunity to comment on the pending “P3 Network Vessel Sharing Agreement” (P3 Agreement) filed with the Federal Maritime Commission (Commission) on October 24, 2013 and assigned FMC Agreement Number 012230. The League has represented the views of its member companies in all modes since 1907; that representation extends to proposed legislation, regulations and the policy decisions of federal government agencies which affect the movement of freight in domestic and foreign commerce, including in particular the Federal Maritime Commission. Many League members are U.S. importers and exporters that use the ocean shipping services of the three carriers which have proposed to participate in this vessel sharing agreement (VSA): Maersk Line, Mediterranean Shipping Company (MSC) and CMA-CGM. In addition, these League member companies also utilize the services of the three carriers’ competitors.

In announcing the establishment of the present comment period on the P3 Agreement, the Commission directed the public to address data and information related to the legal standards embodied in Section 6(g) of the Shipping Act of 1984, as amended by the Ocean Shipping Reform Act of 1998. Those standards require the Commission to demonstrate that the P3 Agreement “is likely, by a reduction in competition, to produce an unreasonable reduction in transportation service or an unreasonable increase in transportation cost....”

The League does not have access to the data and information necessary to perform an analysis of the impact on competition which might result from the operations of the P3 Agreement. However, League members have expressed their concern about the potential for competitive impact due to the size and operational scope of this VSA. At the same time, the League and its members fully understand that well-structured VSAs and other forms of carrier joint operating agreements can result in greater efficiency, lower carrier operating costs and enhanced service offerings to shippers such as extended port ranges and more frequent sailings.

The League is well aware that these three carriers are already engaged in a large number of VSAs covering a wide range of existing services. We understand that these existing VSAs will be extinguished if the P3 Agreement goes into effect. With its global reach and relatively large market shares resulting from the combined operations of the three carriers, the P3 Agreement represents a new level of cooperative behavior among competitors. Moreover, the creation of a “Network Center” to coordinate and manage a large range of operational aspects of the P3 Agreement is unprecedented.

The potential impact of the P3 Agreement on competition between these three carriers (and all other carriers serving the trades covered by the P3 Agreement) is not readily apparent to the League and its members. The League believes that the central issue to be evaluated in this matter is the degree to which the three partner carriers will operate independently of each other in pricing and service offerings. As with other VSAs which the League and its members have supported in the past, shippers in large part are indifferent toward the identity of the vessel carrying its cargo. At the same time, shippers demand that all carriers, including in particular VSA partners, operate as bona fide competitors in all regards. We recognize and respect the different legal regimes governing competition in which ocean shipping companies operate. We would therefore ask that the Commission focus its assessment of the P3 Agreement on any and all aspects which might have an impact on competitive behavior and/or competitive results in the U.S. markets covered by the P3 Agreement. We believe the Commission and its professional staff are well experienced in this regard.

Indeed, the P3 Agreement clearly is designed to permit future agreements between the carriers on a wide variety of matters that have the strong potential to impact competition and the rates and services provided to shippers. These matters include, by way of example, vessel capacity (Art. 5.1(a)); “ports to be called, port rotation, itineraries, service speed, and all other aspects of the structure and scheduling of the services” (Art. 5.1(c)); “rules governing the time and place of phasing-in and phasing-out of tonnage” (Art. 5.1(c)); and vessel utilization thresholds (Art. 5.1(d)); among many other issues.

We further note that under the terms of the P3 Agreement filed with the Commission, a significant number of future decisions and actions of the Network Center remain undefined at this time and subject to a grant of broad authority to the management of the Network Center to establish decision-making processes and procedures. Based on the substantial number of future decisions and agreements yet to be determined by the P3 carriers on a host of important matters, we would ask the Commission to obtain additional information from the carriers on those issues that are most likely to impact competition and the rates and services offered to shippers, and to “test” each such element of the P3 Agreement under different scenarios to determine what if any impact on competition between the cooperating carriers may result.

The League respectfully offers the following questions which we believe the Commission should pursue with the P3 Agreement partners to discern what if any competitive impacts may result from the Agreement.

1. Will the Network Center engage in any aspect of setting or negotiating member carrier freight rates?
2. Will the operations of the Network Center in any way impact on the rates charged shippers by the member carriers?
3. What protections are or will be in place to assure that the Network Center cannot in any way influence the pricing decisions of the member carriers?
4. What impact will the member carriers’ membership in the Transpacific Stabilization Agreement have on their joint operation of the P3 Agreement?
5. How will decisions be made to change available vessel capacity in the trades covered by the Agreement, and what criteria will govern those decisions?

6. What operational aspects of the three partners will not be conducted jointly under the P3 Agreement?
7. Will the combined operations of the three carriers result in a dominant position in any U.S. market such that they will be able to influence pricing and service levels to an extent they could not achieve in the absence of the P3 Agreement?
8. When compared to the overall measures of vessel capacity offered by the three partner carriers in the U.S. transpacific and transatlantic as of the date of filing this agreement, will the offered capacity of the P3 Agreement be greater, lesser or about the same?
9. Across the range of U.S. ports and terminals, will the P3 Agreement offer more, less or about the same level of service to U.S importers and exporters as measured by Agreement member vessel calls (both inbound and outbound)?

Based on the foregoing, the League believes that the Commission should carefully analyze the P3 Agreement and obtain the necessary additional information required to determine its impacts on competition, service and rates in the affected trades.

We appreciate this opportunity to address these questions and concerns to the Commission.

Respectfully submitted,



Bruce J. Carlton  
President and CEO  
The National Industrial Transportation League

Wednesday, November 27, 2013

Wayne Kaminski  
5950 W. 51<sup>st</sup> Street  
Chicago, IL 60638

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (insert commodity) moving (insert number) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Wayne Kaminski



Martin O'Malley  
Governor  
Anthony G. Brown  
Lieutenant Governor

**Maryland Port Commission**  
James T. Smith, Jr.  
*Secretary*

Wednesday, November 27, 2013

Maryland Port Administration  
401 E Pratt St  
Baltimore, Maryland, 21202

William Dockser  
Donald C. Fry  
Dr. Donté L. Hickman, Sr.  
Peta N. Richkus  
Theodore G. Venetoulis  
Charles H. White, Jr.

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

James J. White  
*Executive Director*

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share our support for the development and implementation of the proposed P3 Network.

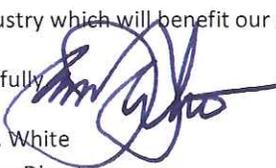
As a one of only two Ports on the US East Coast already prepared for the expansion of the Panama Canal and the delivery of super sized container vessels, we feel the P3 Alliance will be the catalyst for significant positive change to the container shipping industry and have spent many years and significant capital preparing for this day.

We see the P3 as potentially providing significant positive advantages for our Port and our customers. Some of these benefits are listed below;

- Introduction of two additional ocean carriers to a constrained market which will increase competition and potential reduce ocean rates
- Provide additional service / trade lane options with access to new shipping networks
- Enhance access to our large and robust consumer market with direct ocean services that will in turn reduce truck traffic on interstate highway systems that are currently being used to access the Port's market from competing ports.
- Provide market stability and possibly spur additional alliances which will foster the potential for additional competition in our Port.
- Increase environmental effectiveness of ocean shipping compared to other modes of transportation by providing additional direct vessel calls to the third largest combined metropolitan market in the country

In conclusion, we urge the FMC to provide approval to the P3 Alliance and see this as a natural progression of our industry which will benefit our efforts as a Port Administration as well as the industry as a whole.

Respectfully,

  
James J. White  
Executive Director  
Maryland Port Administration

JAMES I. NEWSOME, III  
*President and Chief Executive Officer*

P.O. Box 22287  
CHARLESTON, S.C. 29413-2287 USA  
(843) 577-8600  
FAX: (843) 577-8626

November 27, 2013

The Honorable Karen V. Gregory  
Secretary, the Federal Maritime Commission  
E-mail: [secretary@fmc.gov](mailto:secretary@fmc.gov)

Dear Secretary Gregory:

We note the FMC's call for public comment on the P3 Vessel Sharing Agreement and would offer our comments with this letter.

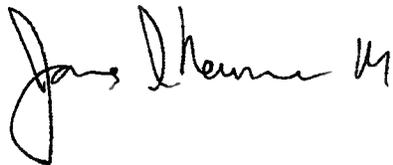
Vessel Sharing Agreements have been the dominant form of vessel provision in the U.S. trades for almost twenty years and have positively contributed to improvements in service frequency, schedule reliability, port coverage and ship system economics. With the number of Very Large Container Ships (VLCS as defined by Alphaliner) that will be in operation by the end of 2015, they will continue to be a necessary vehicle to assure that such efficiencies can be achieved. According to Alphaliner, 58 percent of the global container ship fleet capacity which will be in operation by the end of 2015 will be larger than can go through the Panama Canal today. This is a dramatic development and can only yield benefit to the U.S. container trades through the intelligent formation of operational alliances such as the P3 and, for that matter, the G6. Competition is well-preserved by the fact that each alliance member maintains its separate marketing and pricing activities. We understand that within the P3 Agreement, each line will maintain its own separate arrangements for terminal facilities, a facet which mitigates the anticompetitive impact of this large of a combination as it affects ports in the United States. To the extent there is any ambiguity about carriers not contemplating collective decisions on port arrangements in this or any other carrier agreement, the Commission should require, as a condition of allowing the agreement to take effect without exercise of the Commission's powers under section 6(g) of the Shipping Act of 1984, as amended, that the members of the agreement expressly undertake to negotiate port and terminal arrangements separately.

It may be prudent, however, for the FMC to consider in light of the mega-alliance development above the following two aspects:

- 1) Whether voluntary talking or stabilization agreements covering pricing activities such as the TSA are justified. Such agreements have been banned in trades serving the European Community and seem to have vague value at best. While large combinations such as P3 and G6 may offer the shipping public benefits in terms of certain vessel efficiencies and economics, this increasing concentration of the industry militates against the FMC continuing to permit discussion of pricing issues between alliance members.
  
- 2) The Commission should undertake a detailed study of the impact of increasing concentration in the carrier segment of the industry on ports. It is likely in the near future that three mega-alliances will control 90 percent of global container capacity. Even if it is clear that the individual members of these alliances must separately and independently procure port and terminal services, the alliances will jointly determine which ports are served. This gives carrier alliances tremendous leverage over port economics at a time when major port and connecting infrastructure investments are essential for the future prosperity of US trade. In some cases, the answer may be increased countervailing authority for coordination of port marketing and pricing decisions, at least on a regional basis. Another possibility is that the FMC agreement process as it affects ports should be completely eliminated, with ports left to address their issues constrained only by applicable antitrust principles. We make this point here, however, to alert the Commission that, whatever the merits of carrier agreements like the P3 Network, its implications extend to all segments of the maritime commerce of the United States and that changing conditions in international shipping require constant attentiveness to the issue of whether current statutory and regulatory provisions are adequate to promotion of commerce.

Secretary Gregory, we are grateful for the opportunity to comment and stand ready to answer any questions that you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "James I. Newsome III". The signature is fluid and cursive, with a large initial "J" and "N".

James I. Newsome, III

JIN, III/mar

29 November 2013

Karen V. Gregory, Secretary  
Federal Maritime Commission  
800 North Capitol Street, N.W.  
Washington, D.C. 20573

**RE: P3 ALLIANCE**

The announcement of the formation of the P3 Alliance by MAERSK, MSC, and CMA-CGM has been both applauded as the solution to the over-capacity situation in the global ocean liner trade and despised as a monopoly cartel devised by the world's three largest container carriers. In reality, it is neither, but somewhere in between those two extremes. However, it holds the potential to fulfill either role.

Having said the above, it is still unclear if the P3 is indeed an "alliance for commercial co-operation" or is it a creation of an operating platform to be independent of the three participating companies. We have heard conflicting information from the market place. We have heard that it is the latter with governing offices in London and in Singapore. We raise this point because if the P3 is indeed an operating platform to be independent of the three participating companies, then the status of MAERSK, MSC and CMA, in the trades operated by the P3, will be that of a "non-vessel operating common carrier" (NVOCC) who provide containers for the carriage of cargo. If it is determined that they are NVOCCs in the trades operated by the P3 then there will be major implications for the contract and rate filing requirements with the FMC.

As Shippers, USSA and its Members welcome the cost savings that this alliance can potentially produce, with the hopes that those savings would be passed on to the Shippers in the form of lower rates. However, the mere fact that cost savings become a reality does not mean the Carriers will forfeit that income to the Shippers. Service efficiencies have the potential of enhancing existing service quality. At this time, at least two of the Carriers have frequent skipped ports and cancelled sailings, resulting in frustrating last-minute juggling of pending shipments to find suitable service. The P3 Alliance is saying that the joint strings will eliminate those service disruptions and restore confidence of Shippers in the Carriers' ability to provide consistent on-time liner service.

So the advantages to the Shippers boils down to the *possibility* of lower rates, and the *possibility* that service quality enhancements will appear across all three Carriers. Again, if the P3 is an independent ship operating concern, then it is expected that the P3 will be the principal in the terminal contracts for the trades in which they operate. Today the Shippers' requests for late gates and top stow (to name a few) are evaluated through their Carrier relationships, as it is the Carriers that make the decision for the ships that they operate. In the future with the P3, these

kinds of requests may not be available to the Shipper or the three Carriers may not be able to differentiate themselves individually through these service offerings to the Shipper. So the concept of “segment and serve” which is essential to the success of any commercial relationships will be greatly diluted .

The fear among Shippers is that the negative consequences of the P3 Alliance will substantially offset any gain, and will lead, in the near future, to Shippers being caught in the P3 Carriers’ vise grip, resulting in sliding quality service, higher rates, and fewer available liner choices. Anticipated problems:

1. **Monopoly development.** Currently, the P3 Alliance market share in the various trades in which they operate is 42% Asia-Europe, 24% Transpacific, and 40% Transatlantic, with the latter two being the pieces being considered by the Federal Maritime Commission (FMC). In the case of the Transatlantic, it is a short step to the 50% mark and beyond, where the P3 would have a controlling share of the market, which would be a very dangerous and detrimental situation for the U.S. Shippers. There can be no doubt that the intention of the P3 is to drive the weaker Carriers out of the market, thus raising their market share in the process. It is just a matter of a short time before the P3 controls the Transatlantic market.
2. **Reduced port call option.** The P3 has published their proposed service routes, which naturally concentrates port calls at major hubs and eliminates direct calls at side ports. The P3 explains that service to side ports via their hub and spoke operation would still be available thru individual Carrier feeder operations. However, from a Shipper perspective, the P3’s explanation is not a realistic option. Such a side port feeder setup requires transshipment, resulting in additional delays, additional risk of mis-handling, additional risk of delays dues to missed feeder connection, and additional ocean freight cost [that feeder operation won’t be handled for free]. The Shipper has no gain from the hub port plan, but suffers from the feeder-to-side-port plan.
3. **The incremental steps fear.** Using the frog in the boiling pot analogy, there is a substantial fear that this P3 Alliance is just the first step in a much more exaggerated coalition that would be a major detriment to the shipping public both here and abroad. If the P3 is approved for operation, then smaller, less-offensive steps can be implemented one at a time, each producing negative impact to the Shipper, but no one step being enough to nullify the agreement on its own, until the Alliance has become powerful enough to substantially affect the competitiveness of the ocean shipping industry and the overall cost of foreign trade. For example, it is already being hinted that the P3 may expand to the P5 or the P8, which would definitely then give the Alliance a controlling market share and rate-setting power.

4. **Can P3 get China's approval without a China Carrier being included?** China is well-known for requiring a China connection in order to do business in that country. Good protectionism on their part. There is no real reason to expect that their consideration to approve the P3 will be any different. China's state-owned vessel operations are heavily in red ink, without any global terminal or hub concept in their pocket. If China does require a national Carrier to be included in the P3, that automatically raises the P3 market shares. What if Korea does the same thing to protect their Carriers?
5. **Will P3 Carriers expand their sharing to include feeder operations and U.S. rail services?** The hub-and-spoke concept under which the P3 will operate will require separate feeder operations provided by each Carrier. But will this operation be added as an incremental step, combining their assets and abilities and taking more control of the total ocean transport piece? And what about U.S. inland rail services? Will MSC and CMA soon have access to MAERSK's Flagship BNSF rail service to Los Angeles? Will the P3's involvement with the duopoly of the BNSF & UPRR squeeze out any current leverage that the other carriers have with the railroads, thus limiting options for the US shippers?
6. **Our existing Carriers will be negatively impacted by the P3.** Some of our existing Carriers are currently slot chartering on P3 Carrier vessels, but it is our understanding that when the P3 starts, they will lose their slots completely, thus either putting them out of business, or so negatively impacting their service offerings that we cannot justify utilizing them. The P3 will limit and reduce competition in global ocean transportation.

The result of these concerns is that the P3 threatens the standards of Section 6(g) of the Shipping Act of 1984, as amended:

- A. The agreement is likely, by a reduction in competition, to **produce an unreasonable reduction in transportation services**. Certain port-pairs are unique to particular Carriers that will no longer be able to provide the service we need. An example in this case is service to Israel, offered by ZIM LINE, riding on P3 Carrier vessels. The P3 will not offer a realistic quality service to Israel, but will force out the competition currently servicing that area. The U.S. Shipper and Importer will suffer, while the European-based Carriers will profit.
- B. The agreement is likely, by a reduction in competition, to **produce an unreasonable increase in transportation cost**. Again, using service to/from Israel as an example, reduction of competition will raise rates, combined with the hub-and-spoke system that

will require transshipment to Israel at substantially increased rates due to feeder costs. The U.S. Shipper and Importer will suffer, while the European-based Carrier will profit.

We believe that the P3 Alliance is a game-changer in the shipping industry. It will change the face of the industry, it will change the makeup of the industry, and it will change the Carrier-Shipper relationship. These three mighty Carriers would not be even considering the Alliance if the changes that it will bring about would be in any way detrimental to themselves. They are only proposing it because it will give them power and control over the competition and over the beneficial cargo owners that they do not now hold.

We have always relied on the FMC to look out for the interests of the American shippers over the interests and profits of foreign ship owners, and we ask for that now.

Sincerely,

Beverly Altimore, Executive Director  
USSA (U.S. Shippers Association)

USSA Members:

Air Products & Chemicals, Inc., Allentown, PA  
Amcol International Corporation, Hoffman Estates, IL  
FMC Corporation, Philadelphia, PA  
LyondellBasell Industries, Wilmington, DE  
Guardian Industries Corp., Auburn Hills, MI  
Phibro Animal Health, Teaneck, NJ  
Sekisui Specialty Chemicals America, LLC, Dallas, TX  
Solvay Chemicals, Inc., Houston, TX



November 27, 2013

Chairman Mario Cordero  
Federal Maritime Commission  
800 North Capitol Street NW  
Washington, DC 20573

**RE: Fed Reg Vol. 78, No. 210, Notice of Agreements Filed - P3 Network Vessel Sharing Agreement (Docket Number FMC-2013-0144)**

Dear Chairman Cordero,

On behalf of the Fashion Accessories Shippers Association (FASA), I am writing in response to the request for comments by the Federal Maritime Commission regarding the P3 Network Vessel Sharing Agreement (Agreement No. 012230) filed October 25, 2013 and published in the Federal Register Vol. 78 No. 210 on October 30, 2013. Thank you for this opportunity to submit comments, and for extending the comment period.

FASA is the national association of the fashion accessories - handbag, belt, small leather goods, glove, umbrella and luggage accessory - businesses. The U.S. fashion accessories industry directly employs 100,000 workers in the United States. By our estimation, 95 percent of fashion accessories sold in the U.S. are imported, and with 95 percent of US-international trade passing through our country's ports, oceanic shipping issues are extremely important to our industry.

We first wish to stress our association's and our industry's strong support for the Commission and Chairman Cordero's call for a regulatory summit between the United States, European Union, and China to discuss the P3 Network Vessel Sharing Agreement filing, and consider the impact of the proposed alliance of the world's three largest ocean carriers.

The sheer amount of market control afforded by such an agreement is extremely alarming to FASA and shippers in general. If ratified, the carriers would control 40-42 percent of vessels operating within the trans-Atlantic routes, and 24 percent of those within the trans-Pacific routes. Additionally, the fact that the carriers will operate through a single legal entity (Article 6, P3 Network Vessel Sharing Agreement), as opposed to previous collaborations between carriers, is alarming as well.

It is of great concern to FASA that such an agreement will trigger necessary civil action by the Commission, as outlined in the legal standards within Section 6(g) of the Shipping Act of 1984, as amended by the Ocean Shipping Reform Act of 1998, (46 U.S.C. §41307(b)(1)). The market control present in the agreement may eventually lead to an unreasonable reduction in transportation service, or an unreasonable increase in transportation cost. The former could occur if the P3 network, with massive market control, chooses to remove a trade lane or reduces capacity. At the same time, if the P3 Network chooses to place more capacity in a specific trade lane, other carriers may be driven out of business. A situation where other carriers are driven out of business could then result in the latter increase in transportation cost. As an additional example, according to the recently-released May 2014 service schedule for the Network, the P3 carriers plan to increase speeds, which will force other carriers to do the same in order to retain market share. This will drive up their costs, which will either result in higher rates or carrier default.

Last but not least, at a basic level, the fact that liner conferences remain legal within the jurisdiction of the U.S. is nothing but disappointing. The antitrust immunity allowed to ocean carriers often leads to anti-competitive shipping practices on maritime cargo, and drives up the cost of transport while hindering international trade. We fundamentally believe that ocean carriers should not be allowed an antitrust exemption denied to other types of industries, and urge the Federal Maritime Commission to influence the removal of this antitrust protection.

Thank you for your time and consideration in this matter. Should you require additional information on this submission or in connection with these industries, please contact Nate Herman at 703-797-9062 or via email at [nherman@geminishippers.com](mailto:nherman@geminishippers.com).

Sincerely,

A handwritten signature in black ink that reads "Sara L. Mayes". The signature is written in a cursive, flowing style.

Sara Mayes  
President



ITF House  
49 - 60 Borough Road  
London SE1 1DR

Telephone +44 207 403 2733  
Fax +44 207 357 7871

國際運輸勞連

International Transport Workers' Federation  
Federación Internacional de los Trabajadores del Transporte  
Fédération internationale des ouvriers du transport  
Internationella Transportarbetarefederationen  
Internationale Transportarbeiter-Föderation  
Международная федерация транспортников  
التنظيم عالمياً، النضال من أجل حقوقنا

**Attn: Karen V. Gregory, Secretary**

Federal Maritime Commission  
800 North Capital Street, N.W.  
Washington, DC 20573

**By email: Secretary@fmc.gov**

Our ref: D/PC/SJ/ch

29 November 2013

Dear Commissioners,

**Re: P3 Network Vessel Sharing Agreement FMC Agreement No. 012230**

I write on behalf of the International Transport Workers' Federation ("ITF"), and to raise our concerns over the P3 Network Vessel Sharing Agreement (the "Agreement") referenced above. The ITF is an international trade union federation of around 700 unions representing over 4.5 million transport workers from some 150 countries, including the United States of America. It is one of several Global Union Federations allied with the International Trade Union Confederation ("ITUC").

The parties to the Agreement, CMA CGM S.A. ("CMA CGM"), A.P. Moller-Maersk A/S trading under the name of Maersk Line ("Maersk"), and MSC Mediterranean Shipping Company SA ("MSC") (the "P3 Carriers"), are three of the world's largest container lines. If approved without careful consideration of all its potential impacts, the Agreement would be the largest of its kind and could present a huge risk of anti-competitive practices on a global scale.

We note recent reports that the European Union is investigating more allegations of competition-distorting activities and concerted price announcements by container carriers. In Europe, price-setting conferences were banned in 2008. A recent analysis from Drewry shows that the total cargo volumes grew significantly for Maersk Line and CMA CGM in the 3rd quarter of 2013, while smaller Asian carriers such as Japanese K Line's volumes declined 6.3 percent, APL's decreased 5.4 percent, and OOCL noted a decline of 0.9 percent. SeaIntel reported in October that this Agreement will lead to economies of scale so massive and so many direct port to port combinations that none of the nearest rivals to the alliance will be able to keep up with the three shipping companies.

Vessel-sharing agreements are not a new development. However, this Agreement entered into by the P3 Carriers would bring much of the shipping industry's capacity and vessels under their auspices. Deploying 28 services in the three east-west trades, the P3 Carriers would control 42% of capacity in the Asia-Europe trade, 40-42% of capacity in the trans-Atlantic and 24% in the trans-Pacific market. Such a far reaching consolidation of capacity leads us to question the long-term implications of such an agreement on the industry as a whole.

With specific regard to the Americas and according to the Journal of Commerce, the P3 Carriers combined represent 27.1% of all U.S. laden container trade in the first half of 2013 and 28% and 26% of the U.S.

import and export volume, respectively, for the same period. In addition to their large combined market share, the Journal of Commerce has also reported that the P3 Carriers are the top three fleet operators in terms of existing capacity with an overall 36.9% market share as of September 23, 2013. The P3 Agreement could allow three of the largest carriers in the industry to dominate the marketplace.

The ITF's primary concern is obviously the effect that this Agreement could have on workers, and many of our affiliated unions see the collective power of the P3 Carriers as a significant threat to their industry if there are no safeguards in place to protect employment and labour standards.

We are particularly worried about the potential under the Agreement for collaboration among P3 Carriers to achieve operational and cost efficiencies; the use of their collective scale not just to protect themselves against market volatility but against their competitors; and the pressure that can be exerted on terminal operators and government agencies for preferential treatment. Some ports may also suffer a loss of demand for terminal operations and labour if member-carriers are able to rent slots on vessels from a fellow P3 Carrier.

Furthermore our experience is that where economies of scale similar to those suggested here are achieved in the industry, the benefits are not passed through the supply chain to contractors, customers or the workforce, but are retained within the company accounts or in shareholder dividends. This provides no real benefit to the global economy.

In conclusion, we wish to register our very grave concern over the negative impact that this Agreement poses particularly to the port industry and its employees, if approved without further consideration of all its potential effects and without proper consultation with stakeholders, including trade unions.

Yours faithfully,



Paddy Crumlin  
Chair, Dockers' Section and President of the International Transport Workers' Federation

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**FMC invitation for comments regarding P3**

1 message

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**Sean Healy** <SHealy@scoular.com>  
To: secretary@fmc.gov

Fri, Nov 29, 2013 at 1:39 PM

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share our comments for the development and implementation of the proposed P3 Network.

The Scoular Company's BCO group and NVOCC (TSC Container Freight) combine to export over 100,000 TEU's annually of agricultural commodities and other products. We certainly appreciate the opportunity to comment.

Here are some of our thoughts/concerns regarding the P3 alliance :

- We support operational efficiencies and other actions being taken by carriers which will allow them to be profitable. We understand the ocean carrier industry can't continue to suffer large financial losses and still provide the services we need to run our business.
- Carrier alliances (such as the current G6 and CKYH alliances) are a part of our industry and perhaps a necessity for carriers to reduce costs. We believe the P3 is different from these existing alliances on 2 critical aspects:

I. combined, the P3 would control approximately 25% of the transpacific trade capacity

II. more importantly, they intend to operate and price this capacity as one independently operated entity at a centralized operations center. This is substantially different from other alliances that collaborate on vessel slots and capacity, but compete individually on pricing in the market place.

As one of the largest exporters in the USA, we cautiously await the outcome of the service and pricing of the new competitive landscape of this proposed alliance. Individually we have very good relationships with all 3 ocean carriers.

Best regards,

**Sean Healy**

BCO GROUP



612-851-3736 | [www.scoular.com](http://www.scoular.com)

250 Marquette Ave, Suite 1050 | Minneapolis, MN 55401



**P3 letter.docx**

22K

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**P3/ Comments**

1 message

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**Christian Mogelvang, Shipco Transport, Hoboken** <cmogelvang@shipco.com> Wed, Nov 27, 2013 at 4:01 PM  
To: secretary@fmc.gov, "Kjepsen@shipco.com" <Kjepsen@shipco.com>

November 27th - 2013

To.: Karen V. Gregory, Secretary, Federal Maritime Commission  
Fr.: Klaus H. Jepsen/ Group CEO , Shipco Transport / Christian Mogelvang , President USA, Shipco Transport

Ref.: P3-Alliance

Dear Karen V. Gregory,

We have learned that the Federal Maritime Commission ( FMC ) has allowed for comments from the public with regards to the proposed formation of the P3 alliance between MSC/ CMA CGM and Maersk Line. We have followed the news releases with great interest, and would like to provide our input on this initiative.

From all reports we have obtained, we believe that creating this alliance the shipping public in general, and the NVOCC field in particular, which is what we represent, would benefit from such collaboration amongst the carriers. It would solidify transit time, the overall on time departure and arrivals, and make the carriers more responsive and cost effective, all of which, not necessarily by increasing rates. Further it is our understanding that the three carriers, who makes up the P3, will continue to conduct sales, marketing and customer services completely independent from one another, which will continue to ensure the individual approach and specificity that these carriers has developed over their many years in the business.

It is therefore our recommendation that the Federal Maritime Commission grant P3 and the individual carriers approval to move ahead with this alliance.

We will of course be available for additional comments should you request same.

Sincerely,

Klaus H. Jepsen / Christian Mogelvang

Christian Mogelvang  
Shipco Transport Inc. (Corporate Office)  
Direct Phone - 201 459 4410  
Direct Fax - 201 798 5900  
Email Address - [cmogelvang@shipco.com](mailto:cmogelvang@shipco.com)  
WebSite - [www.shipco.com](http://www.shipco.com)

Shipco is a member of the WorldWide Alliance - [www.wwalliance.com](http://www.wwalliance.com)

Monday, December 02, 2013

Mark Lones  
Owens Corning Sales, LLC.  
One Owens Corning Parkway  
Toledo, OH 43659

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of glass fiber insulation, glass fiber composites, and shingles, moving 5,000 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

*Mark Lones*

**Transportation Sourcing Leader**

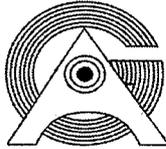
**Ocean, Rail, Bulk and Tanker**

**Owens Corning Sales, LLC.**

**Office: 419-248-7395 | Cell: 419-297-0426 | Fax: 419-325-3395**

**E-mail: [mark.lones@owenscorning.com](mailto:mark.lones@owenscorning.com)**





## G.A. PAPER INTERNATIONAL

327 Renfrew Drive, Suite 102  
Markham, Ontario, Canada L3R 9S8  
Tel: (905) 479 7600 Fax: (905) 479 8714

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Thursday, November 28, 2013

G. A. Paper International Inc.  
327 Renfrew Drive,  
Suite 102, Markham, Ontario  
Canada L3R 9S8

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (Kraft Linerboard & Bleached Pulp) moving about (3000) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

G. A. Paper International Inc.


Mohamed Abdi – Export & Sales Manager



# COASTER CO. OF AMERICA

6753 Mowry Avenue  
Newark, California 94560  
TEL: (800) 221-9651  
FAX: (800) 221-9229

255 Wille Road  
Des Plaines, Illinois 60018  
TEL: (800) 221-9654  
FAX: (800) 221-9273

14901 Grand River Road  
Fort Worth, Texas 76155  
TEL: (800) 262-9770  
FAX: (800) 262-9016

12928 Sandoval Street  
Santa Fe Springs, California 90670  
TEL: (800) 221-9699  
FAX: (562) 903-0839

20300 Business Pkwy  
City of Industry, California 91789  
TEL: (888) 256-9013  
FAX: (888) 256-9012

45 Stults Road  
Dayton, New Jersey 08810  
TEL: (800) 221-9656  
FAX: (800) 221-9286

4300 S. Fulton Parkway  
College Park, Georgia 30349  
TEL: (800) 221-9658  
FAX: (800) 221-9287

10700 Enterprise Way  
Miramar, Florida 33025  
TEL: (800) 221-9659  
FAX: (800) 221-9382

11/27/13

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of furniture moving 17,000 FFE per year I certainly appreciate the opportunity to comment. I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,  
COASTER COMPANY OF AMERICA, INC.

Gene Korbut  
V.P. Transportation

Monday, December 02, 2013

Samson Investment Holding  
2575 Penny Rd  
High Point, NC 27265

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of furniture moving about 7,500 FFE per year, I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Davis Lee



RECEIVED  
UNITCARGO CONTAINER LINE, INC.

Phone 713-728-3585  
unitcargo@unitcargo.com

2013 NOV 25 AM 9:05  
4544 Post Oak Place, Suite 180  
Houston, Texas 77027

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMM

Friday, November 22, 2013

William M. Staib  
Unitcarga Container Line, Inc.  
4544 Post Oak Place Drive, Suite 180  
Houston, TX 77027

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

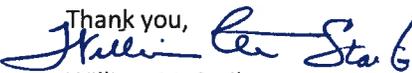
In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of plastics and industrial raw materials moving 30,000 FFE per year, I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,  
  
William M. Staib



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2013 DEC 2 PM 2:23

**NEW JERSEY GENERAL ASSEMBLY**

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION

COMMITTEES  
STATE GOVERNMENT  
TELECOMMUNICATIONS AND  
UTILITIES

**DONNA M. SIMON**  
ASSEMBLYWOMAN 16TH DISTRICT  
57 MAIN STREET  
FLEMINGTON, NJ 08822  
PHONE: (908) 968-3304  
Fax: (908) 824-7287  
AswSimon@njleg.org

November 26, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

**Re: FMC accepting public comments on P3**

Dear Secretary Gregory:

I am writing to you today in response to your public call for comment on the proposed P3 Vessel Sharing Agreement. I would like to share my support for the development and implementation of the proposed P3 Network.

I see the P3 as potentially having positive impacts for my state and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and the State of New Jersey.

I appreciate your consideration of my letter of support for the proposed P3 Vessel Sharing Agreement.

Sincerely,

Donna Simon  
Assemblywoman  
16<sup>th</sup> Legislative District



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RECEIVED

NEW JERSEY GENERAL ASSEMBLY  
2013 DEC 2 PM 2:23  
16TH LEGISLATIVE DISTRICT

ASSEMBLYMAN  
**JACK M. CIATTARELLI**  
asmciattarelli@njleg.org

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION  
100 NORTH CAPITOL STREET, SUITE 200  
SOMERVILLE, NJ 08876  
TEL: (908) 450-7064  
FAX: (908) 450-7067

Tuesday, November 26, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

I see the P3 as potentially positive for my state and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,



NEW JERSEY SENATE

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2013 DEC 22 PM 2:23

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION

COMMITTEES

JUDICIARY

ENVIRONMENT

LAW AND PUBLIC SAFETY

DEPUTY CONFERENCE LEADER

**CHRISTOPHER "KIP" BATEMAN**

SENATOR, 16<sup>TH</sup> DISTRICT

36 EAST MAIN STREET

SOMERVILLE, NJ 08876

908 526-3600

FAX 908 707-4578

email: SenBateman@njleg.org

Tuesday, November 26, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

I see the P3 as potentially positive for my state and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

  
Senator Kip Bateman



NEW JERSEY GENERAL ASSEMBLY

RECEIVED

2013 DEC 2 PM 2:23

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION

DISTRICT 21  
MORRIS, SOMERSET AND  
UNION COUNTIES

**JON M. BRAMNICK**  
ASSEMBLY MINORITY LEADER

November 26, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Dear Members of the Commission:

In response to your request for comments on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

I believe the P3 will be a positive initiative for my state and the constituents that I represent. The cooperative agreement among shippers will increase stability in transatlantic and transpacific trade. Increased shipping reliability would benefit our ports and the businesses in our state that rely on international trade.

I appreciate your attention to this letter. If I can provide any additional support, please do not hesitate to contact me.

Sincerely,

Jon M. Bramnick  
Assembly Minority Leader

251 NORTH AVENUE W., 2ND FLOOR  
WESTFIELD, NJ 07090  
TEL: (908) 232-2073  
FAX: (908) 232-2741  
asmbramnick@njleg.org



NEW JERSEY SENATE

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2013 DEC 2 PM 2: 23

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION  
425 NORTH AVENUE EAST  
WESTFIELD, NEW JERSEY 07090  
(908) 232-3673  
(908) 232-3345 FAX  
senkean@njleg.org  
www.senatenj.com

SENATE MINORITY LEADER  
**THOMAS H. KEAN, JR.**  
SENATOR - DISTRICT 21  
MORRIS - SOMERSET - UNION COUNTIES  
HIGHER EDUCATION COMMITTEE  
COMMERCE COMMITTEE

November 26, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

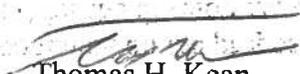
Dear Secretary Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

I see P3 as potentially positive for my state and the container shipping industry overall because it provides: enhanced ocean services including greater port coverage; increased overall stability in the market; service stability; consistent and competitive transit times; and an increased number of weekly sailings.

As a New Jersey state legislator who truly understands and appreciates the importance of a vital shipping industry, I support P3 as a positive step for the industry and my state.

Sincerely,

  
Thomas H. Kean



RECEIVED

**EXPORT PACKERS COMPANY LIMITED**

2013/11/22 PM 2:23  
OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMM

November 22, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

Re: FMC accepting public comments on P3

Secretary Karen V. Gregory,

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of Frozen Meat moving 6000 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you.

Werter Mior  
Executive Vice President  
EXPORT PACKERS CO. LTD.

**EXECUTIVE OFFICES**

107 WALKER DRIVE, BRAMPTON, ONTARIO, CANADA L6T 5K5  
TELEPHONE (905) 792-9700 • FAX (905) 792-7421



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2013 DEC 2 PM 2: 22

OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMM

Monday November 25, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

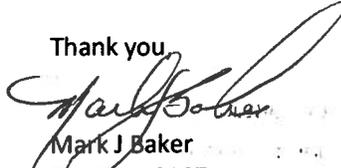
As a Stevedore/Terminal operating company at PortMiami, moving 165,000 FFE per year I certainly appreciate the opportunity to comment.

As an employer of union labor I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased labor hours to our port
- Increased number of weekly sailings giving better service to our customers
- More competition helping lower the cost of consumer goods

I support P3 as a positive step for the industry and my business.

Thank you,



Mark J Baker  
Director, SFCT  
2299 Port Blvd  
Miami, FL 33132



36 Vanderbilt Avenue  
Pleasantville, NY 10570  
Tel : 914-741-1332  
Fax : 914-769-0064  
Email : [steve@certifiedinternational.com](mailto:steve@certifiedinternational.com)

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2013 DEC -3 PM 1:36  
OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMM

Tuesday, November 26, 2013

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of (insert commodity) moving (insert number) FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability
- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

Stephen Santulli

Vice President

---

**Public comments on P3**

1 message

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**Sullivan, Asa** <Asa.Sullivan@cevalogistics.com>  
To: "secretary@fmc.gov" <secretary@fmc.gov>

Mon, Dec 2, 2013 at 12:52 PM

Monday, December 02, 2013

Asa Sullivan

Western Regional Ocean Director

CEVA Logistics Limited

19600 S. Western Ave

Torrance, CA 90501

Karen V. Gregory

Secretary, Federal Maritime Commission

800 North Capitol Street, NW

Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement (VSA), I would like to share my support for the development and implementation of the proposed P3 Network.

As an NVOCC moving over 350,000 FEU per year globally, I certainly appreciate the opportunity to comment.

I have a strong free market perspective. In an ever growing/shifting industry and navigating the various international markets, I see no benefit to limiting the P3 VSA. Unless the VSA exceeds a significant market

share that can unduly influence a market, I see no need for government intervention. At this time, I support the P3 and allowing open markets to support or reject the new service offerings.

I support P3 as a positive step for the industry and my business.

Thank you,

Asa

Asa Sullivan

West Region Ocean Director

19600 S. Western Ave

Torrance, CA 90501

O: [310-972-5638](tel:310-972-5638)

M: [310-707-7952](tel:310-707-7952)

[Asa.Sullivan@CEVALogistics.com](mailto:Asa.Sullivan@CEVALogistics.com)

[www.CEVALogistics.com](http://www.CEVALogistics.com)

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**Federal  
Maritime  
Commission**

Secretary Mailbox &lt;secretary@fmc.gov&gt;

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**P3 Alliance**

1 message

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**Pete Ziegler** <petez@rabweb.com>  
To: secretary@fmc.gov  
Cc: Frances.Angelo@maersk.com

Tue, Dec 3, 2013 at 2:09 PM

Tuesday, December 03, 2013

RAB Lighting  
170 Ludlow Avenue  
Northvale, NJ 07647

Karen V. Gregory  
Secretary, Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

RE: FMC accepting public comments on P3

Secretary Karen V. Gregory:

In response to your public call for comment on the proposed P3 Vessel Sharing Agreement, I would like to share my support for the development and implementation of the proposed P3 Network.

As a shipper of Outdoor commercial lighting moving 800 FFE per year I certainly appreciate the opportunity to comment.

I see the P3 as potentially positive for my company and the container shipping industry overall because it provides:

- Enhanced ocean services including greater port coverage
- Increased overall stability in the market
- Service stability

- Consistent and competitive transit times
- Increased number of weekly sailings

I support P3 as a positive step for the industry and my business.

Thank you,

**Pete Ziegler**

Logistics Specialist

**RAB Lighting**

170 Ludlow Ave. Northvale, NJ 07647

888 722-1000 | 888 722-1232 (fax)

[www.rabweb.com](http://www.rabweb.com)