



**CUSTOMS BROKERS & FREIGHT
FORWARDERS ASSOCIATION
of Charleston, S.C., Inc.**



AGENDA

June 11, 2009

Meeting of Regular & Affiliate Membership

- I. Call to order**
- II. May Minutes**
- III. President's report:**
 - Local Issues:**
 - National Issues:**
 - NCBFFA National Conference- Recap**
 - 2008 Audit**
 - Farm Bill**
- IV. Treasurer's report**
- V. Committee reports**
 - Customs – Wallace Hester**
 - Port – Jack Daniel**
 - Automation – Doug Smith**
 - Education – Rick Jones**
 - Membership – Pat Fosberry**
 - Social Planning – Alicia Medeiros**
 - Carrier/Forwarding: Scott Kates**
- VI. Other reports**
 - Maritime – Cathy Smuniewski**
 - NTW – Barbara Locklear**
- VII. Old Business**
 - 2nd reading Carrier International Freight Services**
- VIII. New Business:**

Door Prize- Sponsored by: Reco Transportation
Adjourn

Barbara Locklear

From: Scott.Larson@mol-logistics.com
Sent: Wednesday, June 10, 2009 10:48 AM
Subject: NCBFAA Alert!!! Immediate Action Required

Forwarding this information on behalf of the NCBFAA office.

The House Energy and Commerce Committee last week released a "Discussion Draft" of a comprehensive bill to enhance food safety. For the first time, the bill calls for registration and payment of an unspecified annual fee by customs brokers as a precondition to process imports of FDA-regulated products. The annual fee could potentially be several thousand dollars per year. Further, the FDA is empowered to suspend or cancel the registration and/or impose a civil penalty of up to \$500,000 for *each* time a customs broker makes "an inaccurate or incomplete statement or submission of information relating to the importation of food, drugs, or devices."

This standard is significantly disproportionate to the knowledge and responsibility of the customs broker, who is not in a position to guarantee the entire supply chain of each one of its customers.

Unfortunately, the Discussion Draft is on a fast track, with the **Subcommittee mark-up likely to be scheduled for Wednesday or Thursday, June 10 or 11**. We need you to do the following:

1. **Cont** act any of these members/staff of the Energy and Commerce Subcommittee if you have a facility in or near their district. Send a fax or an email, or both, as soon as possible - but no later than C.O.B. Monday June 29.
2. **A** sample letter is provided for your convenience. Please compose an original letter on your letterhead, with appropriate changes to adapt the sample letter to your situation.
3. **P**lease also fax or email a copy of your letter to Jon Kent at 202-785-0687 or JHKent6306@aol.com.

Tom Mathers
Communications Director
NCBFAA
1200 18th St., NW, Suite 901
Washington, DC 20036
Phone (202) 466-0222
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Don't forget to mark your calendar and join us for our NCBFAA Government Affairs Conference
September 13-15, 2009 Westin City Center.
Washington, DC
Check www.ncbfaa.org for upcoming information



NCBFAA--Clearing The Way For Trade

6/11/2009

Targeted Members of House Energy and Commerce Subcommittee on Health

Henry Waxman, Committee Chairman – D-CA [Los Angeles]

Staffer: Karen Nelson

FAX: 202-225-4099

Dear Chairman Waxman:

Frank Pallone, Jr., Subcommittee Chairman – D-New Jersey

Staffer: Elana Leventhal

Email: elana.leventhal@mail.house.gov

FAX: 202-225-9665

Dear Chairman Pallone:

Eliot Engel – D-NY [Bronx]

Staffer: Emily Gibbons

Email: Emily.gibbons@mail.house.gov

FAX: 202-225-5513

Gene Green – D-TX [Houston]

Staffer: Abigail Pinkele

Email: Abigail.pinkele@mail.house.gov

FAX: 202-225-9903

Jan Schakowsky – D-IL [Chicago]

Staffer: Megan Shannon-Winterson

Email: megan.shannon-winterson@mail.house.gov

FAX: 202-226-6890

Anthony Weiner – D-NY [Brooklyn/Rockaway]

Staffer: Tiffany Guarascio

Email: tiffany.guarascio@mail.house.gov

FAX: 202-226-7253

Jane Harman – D-CA [El Segundo]

Staffer: Linda Shim

Email: linda.shim@mail.house.gov

FAX: 202-226-7290

Charles Gonzalez – D-TX [San Antonio]

Staffer: Julie Hart

Email: julie.hart@mail.house.gov

FAX: 202-225-1915

Kathy Castor – D-FL [Tampa]

Staffer: Nathan Taylor

Email: nathan.taylor@mail.house.gov

FAX: 202-225-5652

John B. Sarbanes – D-MD [Annapolis]

Staffer: Delicia Reynolds

Email: delicia.reynolds@mail.house.gov

FAX: 202-225-9219

Joe Barton, Committee Ranking Member – R-TX

Staffer: Sarah Whiting

Email: sarah.whiting@mail.house.gov

FAX: 202-225-3052

Nathan Deal, Subcommittee Ranking Member – R-GA [north of Atlanta]

Staffer: Blake Fulenwider

Email: blake.fulenwider@mail.house.gov

FAX: 202-225-8272

John Shimkus – R-IL [Springfield]

Staffer: Chris Sarley

Email: chris.sarley@mail.house.gov

FAX: 202-225-5880

SAMPLE LETTER RE: FOOD SAFETY BILL
[Compose letter on your letterhead]

The Honorable _____
U.S. House of Representatives
Washington, D.C. 20515

Attention: [insert name of staffer]

Dear Representative _____:

As a licensed customs broker in your state, I wish to express my deep concern about a provision in the Energy and Commerce Committee's Discussion Draft of food safety legislation relating to customs brokers who process entries for importers of FDA-regulated products. Essentially, the draft bill treats customs brokers as if we are importers, imposing standards, fees and penalties that are significantly disproportionate to our role in international trade.

Customs brokers serve a unique and highly regulated role in the import process. Customs law already contains a comprehensive and carefully crafted licensing and regulatory framework governing all aspects of a customs broker's business, including due care responsibilities for *all* import entries we process.

Customs brokers are *not* importers. Confusing the two is like confusing the travel agent with the traveler. A customs broker formalizes and processes the declarations made by the U.S. importer of record, our client. We do not have a relationship with the foreign supplier or producer. Nor does the broker have a financial interest in the commercial shipment other than the fee we receive for processing the entry. As customs brokers, we do not take physical or legal possession of the product and we do not distribute the product in U.S. commerce. Customs brokers simply do not possess the same level of visibility into the commercial transaction as the importer of the product, nor do we have the ability to gain such visibility.

Yet, the draft food bill empowers the Secretary of HHS to revoke a customs broker's ability to process FDA imports and impose penalties of up to \$500,000 if a customs broker makes an "inaccurate or incomplete statement or submission of information relating to the importation of food, drugs, or devices." Completely overlooked is the fact that we must rely on the commercial documentation and other information provided by our customer, the importer, to prepare the entry documents. We cannot, as a practical matter, independently verify the supply chain of the hundreds of importers we assist. And yet the committee's draft holds the customs broker strictly liable for the importer-supplied information – with truly debilitating fines and consequences if the information turns out to be inaccurate in any respect.

These provisions – with such a profound impact on my business – were only released last week and did not benefit from consultation with anyone in our industry. Yet, we understand it will be rushed to Subcommittee mark-up this week. This is a serious flaw in the committee's draft and we ask for your help in deleting these provisions.

Thank you for your attention to this matter.

Sincerely,



**CUSTOMS BROKERS & FREIGHT
FORWARDERS ASSOCIATION
of Charleston, S.C., Inc.**



Treasurer's Report

June 11th, 2009

Checking Account Balance as of 5/14/09:	\$	13,007.86
Deposits:		
2009 Dues	\$	1,785.00
April Seminar	\$	50.00
May Seminar	\$	540.00
Total Deposits:	\$	2,375.00
Disbursements:		
Barbara-2009 NCBFFA Conf.	\$	1,204.64
Karen A Quinn-Acct. Services	\$	150.00
Radisson-April Seminar	\$	362.73
Total Disbursements:	\$	1,717.37
Checking Account Balance as of 6/10/09:	\$	13,665.49

Respectfully Submitted,
Robert Simpson
Treasurer

Port Committee Meeting of May 15, 2009

S C S P A:
John Hassell

C B F F A:
Alicia Medeiros
Ricky Martin
Jack Daniel

- 1) The S C State Port Authority board of directors is scheduled to meet in Charleston on May 19, 2009. The board will be reviewing financial results year to date and discuss business volume based on reports of cargo throughput, vessel activity, and various productivity measures.
- 2) The association asked for a status report on the search for a new SPA president. The search committee has narrowed their focus to five (5) viable candidates. At present, it appears a new SPA president will not be on board until sometime in late summer or possibly early Fall.
- 3) The SPA management team and staff are still working on their long term plan. Guidance is being provided by Norbridge & Associates. This strategic plan will show where the SPA needs to put its emphasis over the next five (5) years and beyond. Management has been impressed with the insight Norbridge has brought to the task.
- 4) There are conflicting bills in the state legislature which deal with a reorganization of the SPA board of directors. The house bill differs greatly from the senate version. A conference committee will attempt to resolve differences. The net result could be a veto from the Governor with no changes being made and the status quo going forward. The next few weeks may result in major changes at the SPA or no changes.
- 5) There was a discussion of Union Pier redevelopment plans and the Cruise Terminal. The SPA will be looking for a consulting & engineering firm to update the master plan for Union Pier and the surrounding area. SPA management intends to involve the City of Charleston and their planning staff in this effort. Hiring a consultant for this project is still several months away. The SPA does not envision moving the cruise terminal to Mount Pleasant as suggested by a recent article in the News & Courier.
- 6) As you know, a contract has been let for construction of the containment wall for the Navy Base Container Terminal. The local contractor involved in the project is Cape Romain Construction. Cape Romain is a sub contractor to Jay Cashman Inc. Work has not begun but contractors have started marshaling their resources for the project including getting various construction equipment and material in place. The Coastal Conservation League (CCL) has written to the SPA asking them not to begin construction

on the project until after resolution of their law suit. At this point, the CCL has not sought an injunction to stop the work.

- 7) SPA management and Maersk Lines have been involved in negotiations aimed at keeping Maersk Lines at Charleston. As of our meeting, SPA management has no final decision from Maersk.
- 8) Port management indicates they are not behind recent attempts in the South Carolina General Assembly involving the rail line through the former Naval shipyard. A bill was passed and included in the state budget giving the rail line through the base to the S C Department of Commerce and S C Public Railways. Ownership of the rail through the base is already the subject of a lawsuit involving the Noisette Company and the Navy Yard re-development authority.
- 9) There was a general discussion of business conditions at the port. Container traffic at Charleston is down about 16% for the fiscal year. There does not seem to be any substantial increases on the horizon in the next few months. Other container ports in the United States and overseas are reporting very slow economic activity.

CBFFAC 2009 Educational Seminars

JUNE	6/17/2009	9:00am-11:30am	CBP's Agriculture Program	Steve Switzer	Supervisory Agriculture Specialist
JULY	7/22/2009	9:00am-11:30am	ADD/CVD	Brian McKenzie	Supervisory Import Specialist
AUGUST	8/19/2009	8:30-12:00 or 1:00-4:30	US Trade Agreements	Jonathan Fee	Alston + Bird LLP
SEPTEMBER	9/17/2009	9:00am-4:00pm	Duty Drawback Seminar	Maryanne Carney	Chief, Trade Operation Branch IV, CBP, New York (National Field Drawback Specialist)
OCTOBER	10/23/2009	9:00am-5:00pm	HAZMAT Training	Pat Fosberry	John S James Co.
NOVEMBER	11/4/2009	9:00am-11:30am	TSA-Security Of Freight (Air/Trucking/Rail)	Sabrina Plowden-Greene	Transportation Security Inspector (Cargo)
DECEMBER	12/2/2009	9:00am-11:30am	FP&F/Prior Disclosures	Karen Brown & Brian McKenzie	F. P. & F. Officer & Supervisory Import Specialist



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Maritime Meeting Report:

The meeting was held May 20th, 2009

The Maritime Association hosted a reception for Paul McClintock, the new Senior Vice President/Chief Commercial Officer at the Port Authority on May 28

There is nothing new on the Maersk discussions. There have been a number of proposals and counter proposals. So far there has been no response as yet from the most recent Port Authority proposal. John Hassell is optimistic and feels what they have offered is fair and workable.

Port business is still low, but there are signs for an upturn in the coming months. Med Shipping announced a new service into Charleston from S. America.

John Hassell reported there are five finalists for the CEO position at the Port Authority. Recent news articles have indicated Jim Newsome, Pres. of Hapag LLOYD/USA is the front runner for the position. John Hassell stated they hope to make a decision so that the person chosen can take office in September.

Kevin Baltimore of the N. Charleston Planning Commission spoke on behalf of Mayor Sumney of N. Chas. and asked where the Maritime Association stood on the rail question at the North end of the Navy Base. He was informed the Maritime Association was not taking a stand. Mayor Sumney has asked the Governor's office to get involved.

Tall Ships/Harbor Fest 6/25 through 6/29. There will be 19 tall ships in Charleston including the USCG training ship Eagle.

The Maritime Association Annual Golf Tournament will be held on Friday, June 26 at Dunes West Golf Club...registration at 8 a.m.

Next meeting will be June 17th, 2009

The Architects of Transportation

35Th NCBFAA ANNUAL CONFERENCE

Exhibitor Marketplace- Items presented in Binder

NCBFFA Annual Meeting- Dues Increase, New By-Laws, Need Young Members, ISF
Lacey Act, Full report will be posted on Website

Attorney Advantage- FMC Hearing to select new Chairman
Lacey Act- Problems with the Statue of the law. National legal
Counsel will focus on this. FMC- do away with Tariff filings for
NVOCC. Ed Greenberg was on Obama's transition committee.

Sureties Strategies- Full slide show on all three presentations
Safety Act- Company must apply for this under a separate policy.
Be careful on how you Market your companies expert abilities.

Guest Speaker; Jay Ahern, Acting CBP Commissioner

He assures that there will be a smooth transition until new Commissioner
Is selected and approved. Canadian aircraft was high jacked and CBP and military
worked together. \$420 million approved for installment on Modernization and \$300
million for GSA building upgrades. Stimulus Money to CBP \$100 million.
Mexico is a high level of concern, but a tremendous amount of effort to secure our
borders. Long term goal is to help Mexico have the capacity to secure their border.
Informed compliance- ISF, commissioner wants to see that progress is being made, CBP
may extend the time frame for penalties. 100% scanning – does not equal 100% security,
he has addressed Congress that they need to look at the Law. Ace- Behind Schedule.
Accountability has had a renewed attention within CBP. Import safety- CPSC and FDA
are all working as partners. Broker Self Assessment- signed Pilot Program in Federal
Register. Broker Licenses- Badly Broken Process. Port Directors are doing their job, but
other agencies are backlogged. CBP wants to do more training from the NCBFAA on
how we work and how we can assist CBP. Supply Chain- Background checks- TSA +
CPB have 2 separate background checks.

APN Lunch- Most of discussion was on National and Education.

Certified Cargo Screening: Scott Case & Mr. Siro . Independent Cargo Screening. Air
carriers are responsible for all penalties. Safetyact.com is good for information. SSI-
Shipper Security Initiative.

DOC Outreach to forwarders- Slide show

Keynote address- instead of a paid speaker- each Vendor had a 3 minute opportunity to
give a sales pitch. It was a great way to start the day. Roanoke Trade won, with a 3
minute Broadway tune.

OGA- New and OLD- FDA Import Alerts- they are looking at all alerts to delete and update these with good information. CBP should be held accountable for bad MID's. Filer Evaluations are on the increase. CPSC- Certification and third party testing. New Deadline 2/10/2010. Enforcement will be through CPB. Full review on slide show.

CPB five year strategy- Full slide show

ACE- Slide show