

1 **Transportation, Documentation and Insurance Committee**  
2 **Adopted at the 97<sup>th</sup> Annual Convention**  
3 **May 21, 2021**

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6 The Transportation, Documentation and Insurance Committee recommends that ACSA:

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8 **OCEAN TRANSPORTATION:**  
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- 10 1. Continue to work with like-minded agricultural organizations to focus on maintaining U.S. cotton  
11 competitiveness, and continue to work with Agriculture Transportation Coalition to monitor, highlight  
12 and oppose legislative and regulatory actions, port container fees, port terminal access and fluidity,  
13 labor stability, and truck compliance, which would make U.S. cotton less competitive compared with  
14 foreign cotton growths;  
15
- 16 2. Continue to work on behalf of the membership to support the elimination of antitrust immunity for  
17 ocean carrier discussion agreements, which continues to consolidate and concentrate access to foreign  
18 market to significantly fewer options, and continue to work directly with other organizations; to  
19 provide guidance to Congress on appropriate actions for merchants to ensure competitive capacity,  
20 timely execution from the ocean transportation industry, systemic alignment, and resilience from all  
21 the ocean container transportation industry segments;  
22
- 23 3. Support local, state, and national efforts to review, prioritize and fast track port and intermodal  
24 infrastructure projects, including but not limited to: terminals, roads, bridges, and other physical  
25 capacity to support interior and near port physical movement of U.S. cotton exporters;  
26
- 27 4. Support all legislative, regulatory, and administrative initiatives to enhance visibility, review and drive  
28 improvements in port labor productivity and overall daily marine terminal velocity, and help ensure  
29 future port labor stability necessary to support U.S. cotton exports;  
30
- 31 5. Noting that in the current marketing year, overall service levels are the lowest since U.S. cotton started  
32 moving in ocean containers including rail line haul and vessel schedule integrity, little or no Early  
33 Return Date (ERD) changes notice, cargo splits and rolls, long documentation turn times, and freight  
34 invoice inaccuracy, and noting further that in order to be competitive in highly dynamic global  
35 markets, merchants require that:
  - 36 a) All members of the cotton supply chain need to maintain sufficient trained personnel to expedite  
37 and efficiently handle the physical logistics and documentation volumes, and expand beyond the  
38 traditional Monday to Friday operating model in place for most segments today;  
39
  - 40 b) Ocean carriers must provide sufficient cargo worthy “wind and watertight” and clean containers  
41 to minimize merchants’ cargo risks and damage during transportation; and additionally, merchant  
42 members’ overseas buyers should not be charged for cleaning and/or cosmetic repairs on wear  
43 and tear damage that does not affect the “wind and water” standard;  
44
  - 45 c) Sufficient drayage capacity in all loading areas of the United States must meet peak export  
46 shipping demand periods;  
47
  - 48 d) Ocean carriers need to work with intermodal equipment providers (IEPs) and respective chassis

1 pool managers to ensure sufficient U.S. Department of Transportation road worthy supply and  
2 efficient pick-up locations in all loading areas of the United States to meet peak shipping demand  
3 periods; and further that

- 4 i. Ocean carriers should not designate chassis provider for container yards (CY) bookings;
- 5 ii. Shippers and their truckers should be allowed to decide where to pick up chassis; and
- 6 iii. When no good order chassis are available, chassis provider shall perform chassis repair  
7 within three (3) hours;

8  
9 and, support shipper choice in all key cotton markets for merchant haulage moves and support the  
10 work of the Federal Maritime Commission's supply chain innovation teams;

- 11  
12 e) Ocean carriers' designated CYs must handle peak volumes and turn drivers quickly to ensure  
13 sufficient daily pickup velocity, and in further noting that in the current crop marketing year,  
14 container yards and ports remain critical choke points in key loading areas:
  - 15 i. CYs should offer extended operating hours Monday through Friday;
  - 16 ii. CYs should offer Saturday gates;
  - 17 iii. CYs should mount chassis in one hour or less; and,
  - 18 iv. CYs need to communicate operational problems – container lift, system down, etc. to  
19 shipper and trucker communities quickly and consistently;
- 20  
21 f) Local labor and equipment should handle the increase in "live" chassis swings at rail ramps and  
22 port terminals, based upon the ocean carrier industry's movement away from own chassis fleets and  
23 shifting of chassis provisioning burden to merchant members;
- 24  
25 g) Rail appointment systems similar to CSX Intermodal Memphis should be in alignment with specific  
26 ocean carrier booking quantity and vessel cutoffs for the calendar, given that the lack of current  
27 alignment is adding an additional layer of complexity that can result in missed intermodal cutoffs  
28 since containers cannot be returned within Earliest Return Date (ERD) and cutoff, such that truckers  
29 cannot rail bill to get an appointment until loaded and the trucker is ready to head to the ramp, with  
30 failure to get same day appointment after loading is resulting in holds on trucker yards and  
31 additional and unplanned merchant costs; and, further that there is a match between railroad  
32 reservations and ocean carrier booking quantities for the same calendar week;
- 33  
34 h) Ocean carriers and their designated international intermodal rail carriers must maintain the integrity  
35 of containers moving together from interior ramp of receipt to port of loading to reduce splits and  
36 rolls;
- 37  
38 i) Ocean carriers must load shipments to booked vessels without splits or rolls when cargo received  
39 by port cutoffs and/or intermodal cutoffs; noting that in the event a split or roll is unavoidable, ocean  
40 carriers should offer merchants the option to combine bookings at no additional charges –  
41 administrative, equipment and terminal - to reduce collective rework, number of OBLs, document  
42 sets, and LC negotiation delays to improve overall shipper trade-to-cash cycle;
- 43  
44 j) Ocean carriers within the same alliance and at the same ports and rail ramps need to implement  
45 uniform and consistent standards on inland, vessel and documentation cutoffs;
- 46  
47 k) Ocean carriers should recognize that changes in coastal vessel schedules and first cargo receiving  
48 days directly impact the merchants and the truckers with whom they are working, which imposes  
49 higher utilization and increasing costs; further; ocean carriers and marine terminals must find

- 1 systematic ways to communicate schedule changes to merchants and the trucking community to  
2 reduce delays and dry runs; and, noting that Earliest Receiving Date (ERD) changes have increased  
3 significantly in the current crop-marketing year resulting in delays and extra costs to merchant  
4 members:
- 5 i. ERD should be indicated on all booking confirmations;
  - 6 ii. ERD changes need to be communicated with 2 hours to the booking party and their trucker;
  - 7 iii. No ERD should be changed within 2 working days of the original booking confirmation ERD  
8 date;
  - 9 iv. Ocean carriers and marine terminals should allow original empty equipment release even  
10 when ERD changes to allow planned pickups to take place;
  - 11 v. ERD aligned between ocean carriers and the marine terminals used and shippers should  
12 not be held accountable for demurrage and per diem charges as a result of the difference;
  - 13 vi. Ocean carrier e-business sites should always have the most recent information; and,
  - 14 vii. Members should review ERD commitments within their ocean carriers;
- 15
- 16 6. Acknowledge that merchants need consistent and competitive pricing due to the nature of how export  
17 sales are made relative to other agricultural exports based upon:
    - 18 a) Annual agreement and rates;
    - 19
    - 20 b) All-inclusive ocean container freight rates: otherwise, there must be full transparency on  
21 underlying cost components that impact merchant member's total landed costs to foreign  
22 market, noting that full transparency means that all applicable fees and surcharges are  
23 expressly identified on per container or per shipment basis and include the ocean carrier's  
24 tariff and so-called "Pass Through Costs" identified tariff section and underlying charge  
25 information for which they are merely the collection agent for future review; and,  
26
    - 27 c) Minimum ninety (90) days notification of planned increases in ocean rates, bunker charges,  
28 any applicable surcharges and/or the imposition of new surcharges, noting that annual or bi-  
29 annual negotiations remain preferred since merchants bear all supply chain risks;
    - 30
  - 31 7. Work with the Senate Commerce Committee and the Federal Maritime Commission (FMC) to create a  
32 permanent working group and subgroups comprised of ocean container shippers, ocean carriers,  
33 railroads, ports, truckers, chassis providers, terminal labor and other essential organizations and  
34 personnel work in collaboration with Congress and appropriate federal, state, and local departments and  
35 agencies on strategic supply chain priorities;
  - 36
  - 37 8. Urge merchants to review how to improve commitment visibility and forecasting with ocean carriers  
38 within the FMC service contract process to help support sufficient equipment, chassis, truck power and  
39 vessel space when needed, noting that ocean carriers should allow merchants to make bookings further  
40 forward than allowed today at least eight (8) weeks from current calendar week;
  - 41
  - 42 9. Work with U.S. Coast Guard and FMC to create uniform fuel models at the alliance level;
  - 43
  - 44 10. Work with the FMC and the Surface Transportation Board (STB) to enforce the aims of the U.S.  
45 Shipping Act including to promote the growth and development of U.S. exports through competitive  
46 and efficient ocean transportation through market-based review of ocean carrier vessel sailing  
47 cancellations which significantly impede U.S. exports;
  - 48
  - 49 11. Oppose the imposition of harbor maintenance fees and urge Congress to fund the dredging and

1 maintenance of U.S. rivers and harbors from the general funds of the U.S. Treasury; noting that  
2 currently harbor maintenance fees are collected on imports and funds held by the federal government;  
3

4 **MEXICO**

5  
6 **EXPORTS/TRANSPORTATION**

- 7
- 8 1. Continue to support the goals of USMCA and urge the free flow of goods between all of the signatory  
9 nations, and the elimination of trucking restrictions that impede flow or reduce industry capacity;  
10
  - 11 2. Engage with all appropriate parties within Mexico to identify ways to implement a lasting enhanced  
12 security agreement to improve shipment reliability for mill deliveries at their facilities including extended  
13 receiving hours, secure drop yards and local security personnel;  
14
  - 15 3. Urge members to work with Mexico mill buyers to provide longer receiving hours in recognition of  
16 changing traffic conditions between the border crossings and delivery locations, urging further that mill  
17 contact information include alternative secure parking for carriers arriving outside of receiving times;  
18

19 **DOMESTIC TRANSPORTATION**

20  
21 **TRUCKING**

- 22
- 23 1. Recognize the importance of the trucking industry across all lines of business;  
24
  - 25 2. Urge members to continue to vigorously oppose any proposed legislation or regulatory rule changes  
26 that would effectively ban owner-operators at U.S. ports and establish a unionized port trucking regime;  
27
  - 28 3. Work with affiliated organizations to monitor the on-going impacts of regulatory changes for the  
29 trucking industry that will affect trucking capacity and cost, including:  
30 a) Hours of Service rules and electronic logging effect on service and capacity effective January 2018;  
31 and,  
32  
33 b) Federal Motor Carrier Safety Administration proposed rules against truck Driver “coercion”;  
34
  - 35 4. Noting the importance of timely pickup and delivery to meet customer commitments, and further  
36 noting that truck transportation is a key part of the process, and that timely pick up remains essential  
37 for ACSA members to ensure consistent service performance to meet port and/or intermodal cutoffs  
38 for exports, mill delivery appointments for domestic customers and to reduce late warehouse pick up  
39 charges, expect truckers to:  
40 a) Adhere to scheduled load dates and mill delivery dates;  
41  
42 b) Confirm ready date with warehouse operators via electronic portals, warehouse website and/or other  
43 digital methods at least forty-eight (48) hours in advance of scheduled pick up date;  
44  
45 c) Notify the shipper or warehouse on schedule changes within forty-eight (48) hours that impact  
46 planned pick up at the warehouse, and the recovery plan; and,  
47  
48 d) Provide equipment that is clean, free of contaminants and leakage;  
49

- 1 5. Urge ACSA members to:
- 2 a) Request ready dates to be the same day as the earliest return date to the marine terminal for port
- 3 bookings, sufficiently prior to intermodal cutoffs;
- 4 b) Understand that extra movements (split pickups, holding trailers, containers, chassis splits, etc.)
- 5 reduce driver utilization and effective available capacity in a given location and time period to meet
- 6 member needs;
- 7
- 8 c) Recognize that the overall supply of drivers in the United States continues to decline and therefore,
- 9 driver recruitment and retention are key issues for trucking companies today that directly affect
- 10 their ability to serve member needs;
- 11
- 12 d) Recognize and be aware of pending regional legislation that may hold importers and exporters
- 13 liable for monetary damages when using trucking companies that are misclassifying drivers as
- 14 independents/owner operators' rather than employees; and,
- 15
- 16 e) Recognize that "IsMyLoadReady" access that does not need to be assigned by a respective
- 17 merchant similar to other cooperative web sites;
- 18
- 19 6. Recommend warehouse operators review and adjust their operating hours to accommodate trucking
- 20 community service changes and impacts coming from the Federal Motor Carrier Safety
- 21 Administration's (FMCSA's) electronic driver log regulation/requirements;
- 22
- 23 7. Recommend domestic mills review and adjust their operating hours to accommodate trucking
- 24 community service changes and impacts coming from the FMCSA's electronic driver log
- 25 regulation/requirements;
- 26
- 27 8. Urge that merchant members clearly identify which party – warehouse or trucker - will be responsible
- 28 for supplying and applying high security bolt seals when required by the country of destination and
- 29 that the industry move towards standard bolt seal process to allow for flexibility in rerouting freight;
- 30
- 31 9. Work with other like-minded organizations to oppose ocean carrier implementation of import
- 32 container "street turn" fees for members and their truckers, noting that the proposed charges that
- 33 create increased costs despite cost and effectiveness benefits for the ocean carriers and overall export
- 34 supply chain velocity;
- 35
- 36 10. Noting that fuel is a concern for both shippers and truckers, advise that current weekly notification
- 37 changes are sufficient;
- 38

39 **RAIL (CARLOAD)**

40

- 41 1. In light of the challenges within the trucking industry, urge merchant members to actively solicit
- 42 railroads to strengthen ties with warehouses who maintain open rail sidings, to help preserve rail as a
- 43 viable and competitive means of transportation;
- 44
- 45 2. For rail served warehouse locations, recognize that merchants need the railroads to provide the
- 46 following:
- 47 a) Service design for the location;
- 48
- 49 b) Switch plan;

- 1 c) Equipment availability and lead time;  
2  
3 d) Acceptable equipment dwell time; and,  
4  
5 e) Assistance in preventing railcar “bunching” on delivery to the destination warehouse or  
6 mill;  
7  
8 3. Urge merchant members to take a more direct and active role with their railroad service  
9 representatives to manage agreed service commitments, identify problems and jointly work toward  
10 problem resolution;  
11

12 **DOCUMENTATION**

13  
14 Since timely, complete, and accurate document preparation remains an essential service from industry  
15 suppliers, essential for letters of credit and a key part of Merchant members’ trade-to-cash cycles for  
16 export shipments, ACSA members need:

- 17  
18 1. USDA-APHIS support to meet the United States export initiatives and help ensure U.S. cotton  
19 competitiveness by:  
20 a) Maintaining current fee structure;  
21  
22 b) Ensuring correct interpretation of regulations and requirements by foreign governments and  
23 agencies; and,  
24  
25 c) Managing manpower to produce phytosanitary certificates within 2 working days after PCIT entry;  
26  
27 2. Noting that the U.S. cotton industry must maintain a post-departure filing option with the Automated  
28 Export System (AES), which is currently under review by U.S. Census Bureau, stay engaged with  
29 U.S. Census Bureau and provide input into the final approved regulations for post-departure to U.S.  
30 cotton;  
31  
32 3. Collaborate with USDA-APHIS and appropriate USDA officials to resolve outstanding issues that  
33 impede the flow of U.S. cotton in the export markets, including full implementation of electronic  
34 phytosanitary certificate issuance for all merchant members, including:  
35 a) Cumbersome phytosanitary regulations that impede timely flow of export shipments by reducing  
36 length of days for submission against vessel departure date, with respect to which ACSA members  
37 should facilitate dialogue with USDA and foreign countries to eliminate;  
38  
39 b) 14-day phytosanitary certificate window;  
40 i. Bangladesh; and  
41 ii. Turkey;  
42  
43 c) Acceptance of electronic signatures on phytosanitary certificates;  
44 i. Brazil; and  
45 ii. Nicaragua;  
46  
47 d) Roller gin / Acala shipment rejections in Turkey due to seed content;  
48  
49 4. Recognizing that accurate and timely shipment information ensures timely and accurate export

- 1 documentation, urge:
- 2 a) Warehouses and truckers to consistently provide and affix their seal, in accordance with regulatory
- 3 guidelines, to loaded trailer(s), railcar(s), or container(s); and,
- 4
- 5 b) Warehouses, truckers and/or ocean carriers to consistently provide accurate and timely reporting
- 6 of load details to the Merchant Shipper or their agent including but not limited to bales, mark(s),
- 7 trailer(s)/ railcar(s)/container number(s), seal number(s) to shippers;
- 8
- 9 5. Urge ocean carriers to implement more uniform and consistent standards for their interpretation of
- 10 regulatory and legislative mandates for data and cargo cutoffs across their industry, specifically:
- 11 a) Timelines for No Doc / No Load. Dates and times must be noted in the initial booking
- 12 confirmation from the ocean carrier;
- 13
- 14 b) SOLAS VGM submission should be aligned within existing exporter Shipper Letter of
- 15 Instruction (SLI) “No Doc / No Load” process and timelines including late gate requests;
- 16
- 17 c) Notifications of earlier deadlines should meet EU rules and regulations;
- 18
- 19 d) Clearly identify required information and eliminate any additional information required by ocean
- 20 carriers to create a uniform standard; and,
- 21
- 22 e) Country regulation changes should be documented, and substantiated by accountable agency
- 23 and/or governmental body;
- 24
- 25 6. Urge that EDI between shipper, industry portals and/or ocean carriers be utilized as intended, noting that:
- 26 a) The current shipment EDI process is not working as intended for shippers and ocean carriers
- 27 resulting in an unacceptable amount of re-work for all parties - above fifty percent (50%) of all
- 28 original bill of lading releases;
- 29
- 30 b) The incomplete use of electronic shipment data causes delays in document turn times and
- 31 unnecessary re-work;
- 32
- 33 c) Resulting amendment fees add unplanned costs to merchants and mask a broader industry data
- 34 integrity issues; and,
- 35
- 36 d) The failure of ocean carriers and their industry portals to systematically communicate when EDI
- 37 mapping changes can affect the data transmission integrity;
- 38
- 39 7. Urge the continued support of on-going stakeholder efforts to improve existing documentation
- 40 processes and performance, including by:
- 41 a) Establishing a cotton industry standard with the ocean carrier industry for clean and expedited
- 42 document release according to which 80% of total documents are produced and released within two
- 43 (2) working days after vessel sailing and proofs are received at least two (2) working days before
- 44 vessel sailing, and with respect to which:
- 45 i. Merchant members should work with available data portals and ocean carriers supporting the
- 46 cotton industry to identify and seek final and permanent remedies for specific high frequency
- 47 documentation errors that prevent the timely release of original bills of lading; and,
- 48 ii. ACSA members should endeavor to ensure ocean carriers satisfy commitments to work through
- 49 identified issues to resolve with their Documentation and IT teams;

- 1 b) Engaging AgTC's continued focus on the issue of ocean carrier industry documentation  
2 performance as part of their Ocean Carrier Performance Survey;  
3  
4 8. Urge ACSA members to work with appropriate stakeholders to digitize exit, entry, shipping and  
5 payment documents to expedite current processes and reduce costs;  
6

7 **INSURANCE**  
8

- 9 1. Urge ACSA merchant members and ginning associates to maintain sufficient general liability  
10 insurance, including products liability and recall coverage;  
11  
12 2. Notes that cotton warehousemen are responsible to issue EWRs on receipt of clean and  
13 merchantable cotton and that this duty extends to maintaining and shipping in merchantable  
14 condition regardless of storage location, further noting that:  
15 a) Merchant members should clearly understand their responsibility for country damage under ICA  
16 regarding insurance and review their insurance coverage annually; and,  
17  
18 b) Shippers should work closer with mill buyers in all markets, to facilitate the claims process for  
19 damaged cotton and include photographic evidence from a neutral third party;  
20  
21 3. In view of price volatility, and noting the importance that state governments, USDA, and merchant  
22 members review warehouse tariffs and/or obtain evidence of coverage with policy limits in line with  
23 projected bale capacity and on conditions minimum fire and lightning from warehousemen and transit  
24 points; urge that warehouse tariffs should reflect the actual coverage in place for goods stored in that  
25 facility; and urge further that ICE should ensure the amount of insurance coverage provided by approved  
26 and/or licensed warehouses will fully cover the interests of the holders of EWRs and extend property  
27 coverage to "all risks";  
28  
29 4. Urge ACSA members to carefully review warehouse tariffs and practices for compliance with these  
30 duties, with special attention on the time limitation for the presentation of damage claims, noting that  
31 unreasonably short periods, although stated, may be legally unenforceable and further that if damage  
32 is suspected ACSA members should give immediate notice;  
33  
34 5. Given the recent rescission of the BMC-32 (the mandatory insurance requirement for motor carriers for  
35 interstate shipping), urge that now more than ever merchant members to require proof of full cargo and  
36 liability coverage from the truckers hauling their cotton and cotton samples and further require that all  
37 policy exclusions and deductibles should be identified by the motor carriers' insurance provider;  
38  
39 6. Urge that members using third party warehouses in foreign countries fully review, verify, and maintain  
40 a copy of the consignment warehouse's insurance policy and title documentation;  
41  
42 7. Urge merchant members to be aware of the financial health of their ocean carrier partners and the threats  
43 of bankruptcy on Merchant marine coverage; and,  
44  
45 8. Recommend that members be aware of the potential problems with bandless bales and in particular the  
46 responsibility and/or liability in the event of mishandling or opening, and further recommends that  
47 further study be done with respect to these bales.  
48  
49

1 Respectfully submitted by:  
2 Michael Symonanis, Chairman  
3 Amy Bain  
4 Liz Chandler  
5 Brian Lucas  
6 Krista Rickman  
7 John Michael Ruder  
8 Brett Anderhub  
9 Linda Davis  
10 Donna Lemm  
11 Les Lewis  
12 Mark Pryor  
13 Ty Reasonover  
14  
15 Guests:  
16 Pat Allred  
17 Daniel Austin  
18 Mary Margaret Behnche  
19 Phil Bogel  
20 Will Brooks  
21 Ron Brown  
22 Jody Campiche  
23 Steve Chandler  
24 Max Chen  
25 Sam Clay  
26 Mike Collins  
27 Jose Conception  
28 Brian Comerford  
29 Jake Considine  
30 Brian Dierlam  
31 Debbie Dowdle  
32 Woodson Dunavant  
33 Commissioner Rebecca Dye  
34 Darryl Earnest  
35 Jeff Elder  
36 Keith Elzie  
37 Lou Essex  
38 Raymond Faus  
39 Wendy Fung  
40 Van Grundmann  
41 Barbara Guzman  
42 Eric Holbik  
43 Leslie Hurt  
44 Fran Jackson  
45 Chris Keach  
46 John King  
47 Nick King  
48 Jordan Lea  
49 Alex Lee

- 1 Kevin Letbetter
- 2 Wesley Livermore
- 3 Lori Louvierre
- 4 Brian Lucas
- 5 Richard Mallory
- 6 Janine Mansour
- 7 Thomas McMeekin
- 8 Barbara Meredith
- 9 Gregg Mitchell
- 10 John Mitchell
- 11 Lori Myers
- 12 Jim Nickels
- 13 David Overcash
- 14 Khris Pallone
- 15 Scott Parsons
- 16 Mara Peltz
- 17 Matt Pesavento
- 18 David Porter
- 19 Jennifer Pruitt
- 20 Mark Pryor
- 21 Juergen Pump
- 22 Heejoo Ramsey
- 23 Charles Rape
- 24 Ted Rekerdres
- 25 Adam Rekerdres
- 26 Wesley Rentz
- 27 Todd Rives
- 28 John Michael Ruder
- 29 Laura Salazar
- 30 Tony Salino
- 31 Jenelle Schuler
- 32 Christine Stavropoulos
- 33 Beau Stephenson
- 34 John Stevens
- 35 Gina Stone
- 36 Marcel van Dijk
- 37 Jim Wein
- 38 Andy Wells
- 39 Neil Woods