

Congress of the United States

Washington, DC 20515

December 4, 2013

The Honorable Mario Cordero
Chairman
Federal Maritime Commission
800 North Capitol Street, N.W.
Washington, D.C. 20573

Dear Chairman Cordero:

We are writing in reference to the announcement by three of the largest shipping companies in the world – Maersk Line, MSC, and CMA-CGM – regarding the creation of a new vessel sharing agreement, the P3 Alliance. We understand these companies notified the Commission of their intent to provide shipping services to the United States via this vessel sharing agreement on October 24, 2013, and that the statutory limit in which the Commission must decide on a course of action (including taking no action) ends on Friday, December 6, 2013.

It is our understanding that under this agreement, the P3 Alliance will operate 29 loops and deploy a fleet of 225 container vessels with a nominal capacity of approximately 2.6 million twenty-foot equivalent units (TEU). Given its current makeup, the Alliance will control fifty-eight percent of vessels with greater than 10,000 TEU capacity, and eighty percent of vessels over 16,000 TEU.

At this time, we neither support nor oppose the concept of the P3 Alliance. Yet, the State of Hawaii and the Pacific territories rely more heavily on ocean shipping for food, medicine, fuel, and other life-sustaining goods than perhaps any other region of these United States. We are hopeful that the Commission will have the opportunity to research and review the proposed Alliance specifically pertaining to: (i) choice, the frequency of services, and number of stops for shippers, (ii) the financial viability of independent (“common user”) terminals; (iii) the terminals and prices available to competing shipping lines; and (iv) the long-term ramifications on competition for new terminal concessions.

The creation of the P3 Alliance marks a significant change in the structure of the container shipping market, and is likely to seriously impact shippers, terminal operators, and port authorities. We are hopeful that, in consideration of the sheer size and scope of market share represented by the P3 Alliance, the Commission will take the time necessary to fully explore, at the very least, the issue areas outlined above.

Sincerely,



MAZIE K. HIRONO
U.S. Senator



DON YOUNG
Member of Congress



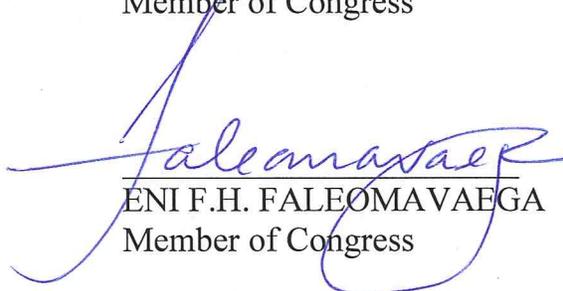
MADELEINE Z. BORDALLO
Member of Congress



DONNA M. CHRISTENSEN
Member of Congress



GREGORIO SABLAN
Member of Congress



ENI F.H. FALEOMAVAEGA
Member of Congress