

BLOG



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Last week, the <u>National Industrial Transportation League</u> and other shipper groups put the carrier community on notice that they will continue their campaign to repeal U.S. liner antitrust immunity into the 112th Congress. The shippers sent letters to the chairmen and ranking members of the Senate Commerce Committee, Senate Judiciary Committee, House Judiciary Committee, and House Committee on Transportation and Infrastructure arguing for repeal and touching upon familiar themes regarding service problems and the competitiveness of U.S. exports.

Under U.S. law, ocean liner carriers are shielded from antitrust legislation, but subject to regulation and oversight by the <u>U.S. Federal Maritime Commission</u> ("FMC"). Shipper groups and exporters have long pushed to repeal the antitrust immunity, and succeeded in having legislation introduced early in the last decade by Republicans and again late last year, when then-Chairman of the House Transportation and Infrastructure Committee, Rep. Jim Oberstar (D-MN), introduced the <u>Shipping Act of 2010</u> which would have stripped away the immunity.

This latest effort by the shippers shows that Rep. Oberstar's loss in the midterm elections is not the end of their campaign to repeal the immunity, and that they are in search of a new champion for this issue. Contributing to the debate, the FMC is in the process of conducting a detailed investigation into the effect of liner antitrust appeal in Europe in 2008. It remains to be seen where this issue will end up, but it appears that it will remain active in the near term.

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