

<u>NATIONAL FORWARDING CO., INC.</u>

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DATE: June 17, 2014

TO: Agents of National Forwarding Co., Inc. and Affiliates

FROM: Patrick C. Johnson, President

SUBJECT: Shipments Held Hostage due to TSP Non-Payment

The following is the text of an email sent to industry by SDDC regarding the above matter. Apparently, some agents are holding shipments hostage because of non-payment from the TSP. Taking such action is a violation of Federal law and may result in severe penalties imposed upon the agent.

Please note, however, that SDDC also states that "timely payment for agent and subcontractor services is a critical element of the TSP responsibilities."

We understand that our agent family depends upon us for prompt and dependable payment. That is a duty which we take very seriously.

We hope all of you have a busy and profitable summer season.

Very truly yours,

Later Char

PCJ/lg

Classification: UNCLASSIFIED

Caveats: NONE

SDDC-PP Advisory 14-0079

DATE: 17 Jun 2014

FROM: SDDC-PP SCOTT AFB, IL

TO: Military Service Headquarters Representatives, Worldwide Personal Property Shipping Offices (PPSO), and Transportation Service Providers (TSP) and Department of Defense (DOD) approved Non-Temporary Storage (NTS) and/or Storage-In-Transit (SIT) Warehouses/facilities

SUBJ: Shipments Being Held Hostage

- 1. We received notice of agents holding shipments hostage because of nonpayment for service performed on behalf of the TSP.
- 2. Per United States Code Title 37 Chapter 8, Subchapter I § 453 "No carrier, port agent, warehouseman, freight forwarder, or other person involved in the transportation of property may have any lien on, or hold, impound, or otherwise interfere with, the movement of baggage and household goods being transported under this section."
- 3. As a participating DOD approved TSP within the Personal Property Program, TSPs are required to provide responsible and reliable transportation on shipments tendered to them under the Government Bill of Lading (GBL). Timely payment for agent and subcontractor services is a critical element of the TSP responsibilities.
- 4. SDDC may implement an immediate non-use action and convene a Transportation Review Board (TRB) on all cases involving shipments being held IAW the 15-1, Appendix B "Procedure for Disqualifying and Placing Transportation Service Providers (TSP) in Non-Use". NTS TSP's and SIT facilities' punitive action will be IAW Appendix C of the 15-1 and Appendix E, Paragraph A.1 of Part IV of the DTR.
- 5. All PPSOs, TSPs/TSP agents and subcontractors, are asked to provide the below information to HQ SDDC-PP-QA, Quality Assurance office when you know of a shipment being held hostage:
 - a. TSP Name, SCAC.
 - b. Members name, GBL number, code of service, pickup date, RDD, origin and destination TOs
 - c. Name of agent, street address, city, zip code, and telephone number
 - d. Any written documentation from the agent related to the shipment held hostage
- 6. For questions/concerns on this matter contact army.sddc.safb.ppperf@mail.mil.

This message is approved for release by CAPT Stanley, USN, Director Personal Property, HQ SDDC.

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