

**FEDERAL MARITIME COMMISSION**

[Docket No. 99-06]

**Direct Container Line Inc. and Owen Glenn, Possible Violations of Section 10(a)(1) of the Shipping Act of 1984; Order of Investigation and Hearing**

Respondent Direct Container Line Inc. ("DCL") is a tariffed and bonded non-vessel-operating common carrier ("NVOCC") based in Carson, California. DCL holds out to furnish transportation services worldwide, including NOVOC services, *inter alia*, from ports and points in the United States to ports and points in South America. According to DCL's webpage, DCL operates 13 offices and 25 receiving terminals in the United States and Canada, with branches or subsidiaries in 86 countries worldwide. DCL claims to have over 500 employees, with over 350 based in the United States.

Respondent Owen Glenn is Chairman and Chief Executive Officer of DCL. Mr. Glenn is a resident of California.

It appears that subsequent to October 1994, DCL, by receiving rebates and other freight rate concessions, knowingly and willfully obtained transportation for less than applicable tariff or service contract rates from one or more ocean common carriers providing service to Chile, Peru and destinations on the East Coast of South America. The receipt of these alleged rebates appears to have been arranged by DCL's principal, Owen Glenn.

Now therefore, it is ordered, That pursuant to sections 10, 11, 13 and 23 of the 1984 Act ("1984 Act"), 46 U.S.C. app. 1709, 1710, 1712 and 1721, an investigation is instituted to determine:

(1) Whether Direct Container Line, Inc., either alone or in conjunction with other persons, violated section 10(a)(1) of the 1984 Act by obtaining or attempting to obtain ocean transportation of property at less than the rates and charges shown in applicable tariffs or service contracts;

(2) Whether Owen Glen, either alone or in conjunction with other persons, violates section 10(a)(1) of the 1984 Act by obtaining or attempting to obtain ocean transportation of property at less than the rates and charges shown in applicable tariffs or service contracts;

(3) Whether, in the event violations of section 10(a)(1) of the 1984 Act are found, civil penalties should be assessed against DCL and Owen Glenn and, if so, the amount of such penalties;

(4) Whether, in the event violations of section 10(a)(1) of the 1984 Act are found, the Commission should cancel or suspend any or all tariffs of DCL or revoke any Commission issued license

authorizing DCL to operate as an Ocean Transportation Intermediary; and (5) Whether, in the event violations of section 10(a)(1) of the 1984 Act are found, an appropriate cease and desist order should be issued.

*It is further ordered*, That a public hearing be held in this proceeding and that this matter be assigned for hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges at a date and place to be hereafter determined by the Administrative Law Judge in compliance with Rule 61 of the Commission's Rules of Practice and Procedure, 46 CFR 502.61. The hearing shall include oral testimony and cross-examination in the discretion of the Presiding Administrative Law Judge only after consideration has been given by the parties and the Presiding Administrative Law Judge to the use of alternative forms of dispute resolution, and upon a proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matters in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record;

*It is further ordered*, That Direct Container Line Inc. and Owen Glenn are designated as Respondents in this proceeding;

*It is further ordered*, That the Commission's Bureau of Enforcement is designated a party to this proceeding;

*It is further ordered*, That notice of this Order be published in the **Federal Register**, and a copy be served on parties or record;

*It is further ordered*, That other persons having an interest in participating in this proceeding may file petitions for leave to intervene in accordance with Rule 72 of the Commission's Rules of Practice and Procedure, 46 CFR 502.72;

*It is further ordered*, That all further notices, orders, and/or decisions issued by or on behalf of the Commission in this proceeding, including notice of the time and place of any hearing or prehearing conference, shall be served on parties of record;

*It is further ordered*, That all documents submitted by any party of record in this proceeding shall be directed to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, in accordance with Rule 118 of the Commission's Rules of Practice and Procedure, 46 CFR 502.118, and shall be served on parties of record; and

*It is further ordered*, That in accordance with Rule 61 of the

Commission's Rules of Practice and Procedure, 46 CFR 502.61, the initial decision of the Administrative Law Judge shall be issued by April 20, 2000, and the final decision of the Commission shall be issued by August 18, 2000.

By the Commission.

**Bryant L. VanBrakle**,  
Secretary.

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BILLING CODE 6730-01-M

**FEDERAL RESERVE SYSTEM****Formations of, Acquisitions by, and Mergers of Bank Holding Companies**

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than May 21, 1999.

**A. Federal Reserve Bank of Atlanta**  
(Lois Berthaume, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303-2713:

1. *Banco Espirito Santo e Comercial; Espirito Santo Financial (Portugal) Sociedade Gestora de Participacoes Sociais, S.A.; Bepar Sociedade Gestora de Participacoes Sociais, S.A.*, all of Lisbon, Republic of Portugal, and E.S. Control Holding S.A.; Espirito Santo Financial Group, S.A.; E.S. International