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 FEDERAL MARITIME SECRETARY
 FEDERAL MARITIME COMM

P3-03

July 23, 2003

Federal Maritime Commission
 800 North **Capitol Street**
 Washington, D.C. 20573
Attn: Hon. Steven R. **Blust**, Chairman

Re: UPS Application for Exemption

Dear Chairman **Blust**:

Grizzly Industrial, **Inc.** and its subsidiaries supports the petition of UPS for an exemption under **Section** 16 of the Shipping Act of 1984 for the purpose of offering service **contracts** to its shippers.

Grizzly Industrial, **Inc.** and its **subsidiaries are** engaged in the importation of woodworking and metalworking tools and accessories. We are purveyors of fine machinery. **In our** business we ship approximately 1000 **TEUs** of freight annually in international ocean **commerce**. Our freight consists **mainly** of machines, hand tools and parts thereof in full containers and LCL. Our shipments principally originate in Asia. Our most prominent destinations **are Washington, Pennsylvania and Missouri.**

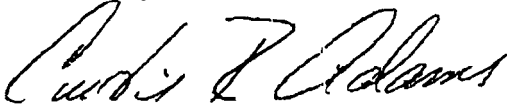
Our customers range from small home-shop tool lovers to thousands of schools, **hospitals** and large **industrial** users. To **remain** competitive in our industry, in addition to advantageous pricing, we offer our customers integrated logistics services including **delivery from** our warehouses **directly** to their door, parcel tracking, and inventory finance.

Grizzly Industrial, Inc. has been an UPS shipper for approximately **three years**. The UPS service features that are most valuable to **our business include** flexible shipping options, customs clearance and **delivery** coordination.

It would be beneficial to Grizzly **Industrial, Inc.** if UPS were able to offer service contracts, with **confidential** time-volume rates and enhanced service features customized to our particular needs. While UPS's existing service often presents the best **transportation** solutions, the ability to negotiate confidential rates for the ocean portion of our **freight** movements. This flexibility, coupled with UPS's **end-to-end** air or surface **services** in the USA, would enable us to get the most value for our shipping **expenditures** and enhance the specialized **value-added features** we could offer to our customers. This **would** allow us more flexibility in selecting suppliers and enable us to provide a more competitive product. This is very important to Grizzly Industrial, Inc. in light of the intense price and service **pressure** we face **from** our foreign and domestic competitors.

Accordingly, **we** support the UPS petition, and we request the Commission grant it.

Sincerely yours,



CURTIS R. ADAMS, LCB
Traffic Manager

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