

FEDERAL MARITIME COMMISSION



ANNUAL PROGRAM PERFORMANCE REPORT

FOR FY 2001

March 2002

INTRODUCTION

This document comprises the Federal Maritime Commission's Annual Program Performance Report for Fiscal Year 2001, as required by the Government Performance and Results Act ("GPRA"). It has been prepared in accordance with OMB Circular No. A-11, Part 2. This progress report describes the Commission's actual performance in FY 2001 compared with the projected levels of performance we established in our FY 2001 Annual Performance Plan.

This is the third progress report the Commission has prepared pursuant to GPRA. It covers the Commission's second full year operating under the new business environment and regulatory changes resulting from the Ocean Shipping Reform Act of 1998 ("OSRA"). In FY 2001, the Commission issued a comprehensive two-year study of OSRA, which examined several key issues and assessed industry operations under the operational framework established by this statute. We also implemented a refined and enhanced Alternate Dispute Resolution ("ADR") program so as to provide the ocean shipping industry with a forum for resolving disagreements in a less costly and less litigious manner. In this vein, our enforcement program also focused on assisting the industry in voluntarily complying with applicable statutory requirements. And, we made significant strides in facilitating the public's access to pertinent Commission information -- far more Commission documents and issuances have been made available on our Internet website.

While the foregoing occupied a good deal of our attention, we are pleased to report overall success in achieving our stated goals and objectives. With the continuing efforts of our dedicated staff, we were able to accomplish most of our goals and exceed several. We continue to find that the planning and direction required by the GPRA process facilitates our efforts to perform as we envisioned. Our processes remained appropriate, our productivity high, and we were successful in achieving the results-driven objectives of GPRA. Despite specific obstacles and an extensive workload, we are gratified by our accomplishments. Under the guidelines and framework of our GPRA planning process, we look for continuing results in the future.

This report has been forwarded to the President, with a copy to the Director, Office of Management and Budget. We also have furnished copies to all those in Congress required to receive the report, who are the same individuals who previously have received copies of our Strategic Plans and Annual Performance Plans. Additionally, we have placed this report on our Internet website to ensure that it is readily accessible to interested parties, and have advised all Commission employees to take the time to review it.

We believe this report appropriately communicates the results of our programs and activities. We have attempted to be direct and concise in the manner in which we have conveyed the information. For organizational purposes, and to facilitate review, we have repeated the mission statement from our Strategic Plan and briefly summarized it. We then have listed the strategic goals we identified as necessary to accomplish our mission. In order to demonstrate the linkage between our strategic goals and performance goals, we have organized this report by the five program activities under which we operated in FY 2001. For each of these activities, we begin by stating the specific strategic goals that are directly related to the performance goals attendant to that activity. We then state each performance goal with the target level of performance for each, and then describe our actual level of performance regarding that goal.

FMC MISSION

The Commission established its mission as follows:

Ensure the Nation's interests are met through an efficient, competitive, market-driven, and nondiscriminatory ocean transportation system that is free of unfair foreign maritime trade practices.

The Commission acknowledged in its Strategic Plan that the basic principles of liner shipping were being modified. The shipping industry continued to restructure itself while shippers were placing an increasing importance on rates and services. International trade remained dependent upon an efficient and economic ocean transportation system. Given the extremely significant issues the agency was facing, it identified the actions necessary to ensure that its oversight and legislative initiatives produced a competitive and nondiscriminatory trading environment in the U.S. ocean commerce that was in harmony with and responsive to international shipping practices. The Commission set out to focus its energies and efforts on its mission and to ensure that it was organized and managed in a manner best suited to accomplish its mission with a minimum of government intervention and regulatory costs. It also recognized that its actions must encourage the development of a sound U.S.-flag liner fleet.

FMC STRATEGIC GOALS

In recognition of its stated mission, and in conformity with the Shipping Act of 1984, the FMC established the following four strategic goals:

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
2. *Balanced Enforcement:* Foster economic efficiencies and reliance on marketplace factors by administering U.S. shipping statutes in a balanced and equitable manner that redresses excessive anticompetitive actions and restrictive practices of foreign governments.
3. *Compliance:* Promote the development of U.S. exports and the efficiency of ocean shipping by monitoring and assisting stakeholders in achieving compliance with shipping statutes administered by the FMC.
4. *Internal Capabilities:* Ensure the FMC has the organizational ability and the managerial leadership necessary to meet its industry assistance, enforcement and educational responsibilities.

These strategic goals addressed all important FMC programmatic, policy, and management responsibilities. They were developed with a specific focus on accomplishing the basic thrusts of our mission. The Commission determined that achieving its mission-driven goals would enable it to address effectively the external factors it faced, while assuring an equitable and efficient administration of the shipping statutes under its jurisdiction.

PROGRESS IN ACHIEVING PERFORMANCE GOALS

The Commission identified specific means to enable it to achieve its goals in the most cost-efficient and least disruptive manner. The performance goals of the Commission's FY 2001 Annual Performance Plan were directly linked to the Commission's strategic goals. They were identified as the appropriate means for accomplishing our mission.

This section of the report assesses our actual performance in FY 2001. As previously mentioned, we have organized this report according to our five budget program activities. The specific strategic goals related to each activity are cited. The three performance goals under each activity then are succinctly described, followed by a description of our performance under each goal. For any goal that was unmet, we have provided a specific explanation why the goal was not met, along with the actions and schedule for meeting the goal in the future.

Budget Program Activity: Formal Proceedings Related Strategic Goals

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
2. *Balanced Enforcement:* Foster economic efficiencies and reliance on marketplace factors by administering U.S. shipping statutes in a balanced and equitable manner that redresses excessive anticompetitive actions and restrictive practices of foreign governments.

Performance Goal 1:

By 6/30/01 increase information/data distributed through the Commission's homepage to include, at a minimum, ALJ initial decisions, significant Commission & ALJ interlocutory decisions, and all Commission Orders of Investigation, Show Cause Orders or similar documents.

Progress: The Commission achieved its goal of posting all ALJ initial decisions, significant Commission and ALJ interlocutory decisions, and all Commission Orders of Investigation, Show Cause orders and similar documents on the Commission's home page during the fiscal year. The Commission also posted other documents relating to formal proceeding activity, such as Press Releases, Notices of Commission Sunshine Act meetings and documents relating to judicial review of Commission orders. To further improve information/data distribution, the Commission also began providing opportunity for the e-mail distribution of documents that otherwise would not have been placed on the Commission's website. These efforts have reduced the Commission's annual reproduction cost by reducing the number of reproduced copies by 71% (from 70 to 20 copies) with regard to Commission issuances and by 31% (from 65 to 45 copies) for ALJ issuances. The Office of the Secretary regularly receives favorable comments from the legal community concerning the ease of access, utility and timeliness of Commission and ALJ issuances on the home page. At the end of this fiscal year, the Office of the Secretary, in conjunction with the Office of the Administrative Law Judges, was finalizing a plan to enable parties to formal proceedings to voluntarily serve and receive procedural filings via e-mail.

Performance Goal 2:

Continue to streamline responses to FOIA requests, with average response time no greater than 15 working days from date of receipt (5 days less than the statutory requirement).

Progress: The Commission exceeded this goal by a significant extent. FOIA response procedures were streamlined to the extent that the average response time was 10.2 working days from date of receipt, 9.8 days (or 49%) less than the 20 working day statutory requirement and 4.8 days (or 32%) less than the Performance Goal. The Commission was able to achieve this result even though FOIA requests increased from 53 to 83 this fiscal year. Moreover, two of the requests this fiscal year involved the review of over 5000 pages of records from the Commission's files. Although there were two complex FOIA requests during the year and the

number of overall requests increased, the Commission still exceeded its projected goal. This resulted in a benefit to the public and several compliments from requesters given the timely, efficient handling of FOIA matters.

Performance Goal 3

Ensure that the Permanent Task Force on International Affairs identifies both foreign laws and practices that disadvantage U.S. shipping and other foreign or multilateral developments that may impact the Commission's programs, and provides appropriate analysis, options, or recommendations to the Commission or program offices.

Progress: The Permanent Task Force on International Affairs represents the formalization of what previously had been informal interaction between relevant bureaus and offices regarding the Commission's international affairs functions. This performance goal was advanced through regular meetings of the Task Force, comprised of attorneys, economists, and transportation specialists, and headed by the General Counsel. Task Force meetings and ongoing dialogue facilitated the exchange of information and enhanced the research and analysis of issues presented to the Commission. During FY 2001, the Task Force apprised the Commission of the issues addressed in its meetings by formal memoranda of October 10, 2000, February 23, 2001 and June 13, 2001. Issues discussed included developments potentially affecting unfair non-market barriers in China, Japan, Brazil, Guatemala, Honduras, Nigeria, Russia, and the Dominican Republic, as well as controlled carrier-related issues. Memoranda addressing specific issues regarding developments in China and Japan also were issued by the Office of the General Counsel -- Task Force members provided information and valuable insights to assist in the preparation of these memoranda. Also, in the interval between formal meetings, Task Force members continued to informally confer with each other on an ad hoc basis, and share information and concerns which had been raised to them by members of the shipping public and U.S. executive agencies, or by issues reported upon in the trade press which raised potential concerns. Additionally, the Task Force has promptly responded to all requests for information from the Commission. The Task Force has considerably benefitted the Commission's international affairs program, as reflected in the agency's budget submission and our Annual Report to Congress.

Budget Program Activity: Operational and Administrative Related Strategic Goals

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
3. *Compliance:* Promote the development of U.S. exports and the efficiency of ocean shipping by monitoring and assisting stakeholders in achieving compliance with shipping statutes administered by the FMC.
4. *Internal Capabilities:* Ensure the FMC has the organizational ability and the managerial leadership necessary to meet its industry assistance, enforcement and educational responsibilities.

Performance Goal 1:

Prepare a report on the impact of OSRA identifying industry practices since the passage of that Act, and evaluating effects of those practices on U.S. ocean commerce. Final report with findings and any recommendations to be issued by 7/30/01.

Progress: The Commission completed the report envisioned under this goal, although its issuance was delayed several weeks to allow for final editing and Commission review. The final report was issued in September 2001, after thorough consideration and deliberation by the Commissioners. The process for preparing the report operated as planned, with a small working group within the agency responsible for the bulk of the involved research, analysis and drafting. Informal consultations and discussions took place with all sectors of the industry, and a Notice of Inquiry was issued to solicit the views of all interested parties. The report covered the key areas of service contracting, agreements and voluntary service contract guidelines activities, OTI licensing and bonding, and tariff publication. Other noteworthy issues also were discussed, and the study concluded by identifying issues meriting continuing attention and offering several suggestions for possible legislative consideration. The Commission received a number of compliments on the quality and depth of analysis of the final report. The report achieved its purposes of advising Congress and the Administration of the impact of the changes resulting from OSRA, while enabling the Commission to recommend changes that potentially could more effectively achieve Congressional policy directives. Additionally, the industry was provided with a comprehensive review of the impact of OSRA to enable it to better plan its operations and business decisions. The report was made available on the Commission's Internet website.

Performance Goal 2:

Develop by 3/31/01 a competitive SES Candidate Development Program to be used for selecting qualified employees to fill future leadership positions in the agency's SES corp.

Progress: While all work necessary to implement the Commission's SES Candidate Development Program was completed in FY 2001, actual initiation of the program was deferred in light of the hiring controls imposed by the Administration. Upon relaxation of these controls, and necessary updating and refinement of the involved Commission Order and vacancy announcement, the program was announced in the second quarter of FY 2002. The program was the result of the research and analysis by the agency's Executive Resources Board, with the extensive assistance of our Director of Human Resources. The Chairman approved the final plan, and OPM approved both a revised Commission Order and the proposed vacancy announcement, as originally contemplated.

The Commission intends to expedite completion of this program so as to accomplish the objectives of this performance goal. All applications will be reviewed by the ERB, and those applicants considered most highly qualified will be interviewed. The ERB then will make its recommendations to the Chairman, and we plan to select candidates by the 3rd quarter of FY 2002. Necessary funding for appropriately training selected candidates has been allocated in FY 2002. Upon selection and training of all candidates, the Commission will be in a position to fill impending executive vacancies with properly trained and well-qualified successors. The delay in completing this goal has not produced any problematic situations, and we believe our SES Candidate Development Program will be very successful in preparing competent individuals to fill future leadership positions at the FMC.

Performance Goal 3:

By 3/31/01, assess agency's February 2000 reorganization to determine if it is facilitating accomplishment of OSRA's objectives, resources continue to be allocated to obtain optimal efficiency, and further streamlining or organizational changes dictated by current industry circumstances or Administration/Congressional policy directives are necessary.

Progress: The agency completed its assessment of its 2000 reorganization in FY 2001. Preparation of the assessment initially was deferred so as not to duplicate the ongoing efforts of our two-year OSRA impact study. Subsequently, it was decided to complete this assessment in order that it could be used to help frame issues that might result from the OSRA study.

The report was prepared by the agency's Executive Director, in consultation with senior agency managers. The report focused on: the extent to which the reorganization was facilitating the agency's accomplishment of OSRA's objectives; whether resources were being allocated to obtain optimal efficiency; and areas for further potential changes. All program operations were reviewed, with an eye toward assessing the timeliness and quality of staff efforts. From an overall perspective, it was determined that the agency's organizational structure, general allocation of resources, and basic policy thrusts clearly were enhancing its efforts to achieve the policy objectives of OSRA. Based on this report, certain resources were reallocated, and it was decided to advertise for additional staff in several units. Additionally, areas where the Commission could provide effective assistance to the industry, e.g., ADR efforts and helping the industry to achieve compliance with statutory requirements, received additional focus and attention. Other suggestions were proposed in the report that will be considered in conjunction with the results of the two-year OSRA study. Certain of these proposals should enable the agency to further streamline or implement other organizational changes to better adapt to current industry practices. Such changes can be effectuated in FY 2002.

Budget Program Activity: Consumer Complaints and Licensing Related Strategic Goals

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.

4. *Internal Capabilities:* Ensure the FMC has the organizational ability and the managerial leadership necessary to meet its industry assistance, enforcement and educational responsibilities.

Performance Goal 1:

By 6/30/01, ensure accurate/useful listing of licensed/bonded OTIs on homepage.

Progress: While the Commission has made progress towards placing a list of licensed/bonded OTIs on its homepage, we were unable to fully achieve this goal. Currently, the Commission is in the audit phase, ensuring the accuracy of the database containing OTI information. Delays in listing the information on the homepage are due to several factors. The audit has uncovered a greater number of discrepancies between paper files and the database than anticipated. Resolving these discrepancies may require contacting the OTI, the surety, and the tariff publisher to request clarification and documentation. This is extremely time consuming. Nonetheless, it is essential that the information posted on the website be accurate so that the industry will have more certainty in determining that OTIs are compliant. Accordingly, we are making this time investment, aware that it delays ultimate completion of the project.

Achievement of this goal also was affected by unexpected issues that arose in the passenger vessel operator program, which necessarily involved resources dedicated to the OTI data initiative. This resulted in a slowdown of the audit. Additionally, these same resources are addressing GPEA issues for the OTI program, and also are involved in a systems redesign of the primary database containing the OTI licensing and bonding information.

The Commission is revising its target date to a more realistic date of September 30, 2002, given the time required to review pertinent information. Also, resources conducting the audit are faced with steadily increasing day-to-day activities. As aforementioned, we have made a conscious decision to expend the time needed to ensure the integrity of the involved data. We anticipate that completion of this goal in FY 2002 will produce the outcomes and positive results we initially projected.

Performance Goal 2:

By 9/30/01, enhance consumer guidance and assistance via e-mail and Homepage improvements.

Progress: The Commission received and communicated with the public via e-mail regarding consumer complaints and licensing matters on an increasing basis. The creation of an e-mail address solely dedicated to consumer complaints, which was created early in FY 2001, facilitated direct receipt and corresponding timely responses by the Commission. This avoided misrouting of the complaint and ensuing delays in providing assistance. The Commission continued in FY 2001 to provide extensive information to the public on several quickly developing situations regarding the suspension of cruise operations by Commodore Lines and American Classic Voyages. We provided information on our homepage and links to applicable sites for further information, such as claims procedures. Not only did this expedite receipt of information by passengers and their representatives, but the resulting fewer calls to the Commission enabled us to assist those with inquiries that were more complex. To further assist the cruising public, the Commission recently posted a Cruise Advisory on its Homepage which provided information and advice on the most common questions and concerns tendered to the agency.

Performance Goal 3:

By 9/30/01, develop and implement an enhanced ADR program.

Progress: The Commission fully achieved the objectives of this performance goal. Effective August 20, 2001, based on a recommendation from the involved task force, new regulations were issued to expand our ADR services. These new rules addressed guidelines and procedures for arbitration, mediation, and other ADR services. A program was established to train those who would be involved in ADR activities, and a significant amount of training was accomplished. Our lead mediator completed all training necessary to attain official certification. We also actively marketed this program to ensure that all in the industry were aware of the readily accessible means we were offering to provide more cost-effective resolution of disputes. In FY 2001, Commission ADR staff successfully resolved three significant cases, achieving substantial litigation savings; our involvement in Commission proceedings is increasing. The Commission plans to continue its efforts to encourage all parties to take advantage of its dispute resolution services, given the savings the agency experiences in processing formal complaints, and the positive service it provides to the industry.

Budget Program Activity: Trade Analysis Related Strategic Goals

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
2. *Balanced Enforcement:* Foster economic efficiencies and reliance on marketplace factors by administering U.S. shipping statutes in a balanced and equitable manner that redresses excessive anticompetitive actions and restrictive practices of foreign governments.

Performance Goal 1:

By 12/31/2000 institute software enhancements to the agency INTERNET service contract filing system to assure the long term viability of the system which receives the service contracts required to be filed by OSRA.

Progress: This goal was substantially completed in FY 2001. The Commission entered into a contract with the developer of its automated internet service contract filing system to refine the system's filing and search-and-retrieval capabilities, as well as to enhance security and address privacy concerns. As an interim step in implementing a new automated password-generation system, new passwords were issued to all users of the system, and the Commission's OIRM staff assumed the function of issuing and changing passwords. The automated system for password generation remains in development, along with additional refinements to the system. Pursuant to an extension of the involved contract, it is anticipated that the automated password system, along with other enhanced security and search-and-retrieval capabilities, will be completed, tested and online by the Summer of 2002. Also in FY 2001, we ensured that filers have the ability to file service contract notices via the Commission's Internet website, and that enhancements to the system are immediately visible to filers and users as the contractor makes them available. These efforts have served to facilitate contract filing and improve certain system security features.

Performance Goal 2:

Develop and implement by 1/31/01 a more efficient review process to analyze confidentially filed service contracts for competitive problems, potential malpractices, and evidence of a liberalized contracting process.

Progress: This goal was exceeded in FY 2001 through the development of two program initiatives: one that dealt with the review of service contract technical compliance, and the other that dealt with an assessment of the degree of competitiveness and liberalization in the service contracting process. The review process for technical compliance, based on a random sample of service contracts, is designed to ensure that service contracts contain the essential terms required by OSRA and the Commission's regulations. The process for evaluating competitive service contracting and for obtaining evidence of liberalized service contracting initially relied on confidentially filed data with the Commission, *i.e.*, service contracts, agreement service contract guidelines, quarterly monitoring reports, and minutes. It subsequently was broadened to include information contained in responses provided by commenters in the Commission's Notice of Inquiry related to its two-year OSRA Study (Docket No. 01-01). The study includes a confidential internal report that provides the Commission with insight on the impact the guidelines have on the industry. The service contract agreement guidelines and compliance programs are ongoing. Based on our review, to date, activities under service contracts are consistent with OSRA's policy objectives.

Performance Goal 3:

By 3/31/01 propose amendment to Commission's regulations for agreement minutes reporting to clarify filer's responsibility, and to develop and implement an alternative reporting requirement for carrier alliances.

Progress: Significant steps in achieving this goal were completed in FY 2001. The activities leading to presentation of a draft proposed rule to the Commission have been accomplished. However, it was determined that it would be more effective to combine the subject proposed rulemaking with other agreement-related proposed rule changes which will be completed in the summer of 2002. The initiative to consider a proposed rulemaking to amend the current regulations is not only the result of the changes in behavior of members of agreements since the effectiveness of OSRA, but also is necessary to address some inconsistencies in the present regulations. A primary objective of the rulemaking would be to establish an obligation for carrier alliances to file periodic reports of their activities. This proposal, rather than the traditional requirement of filing minutes for all types of meetings, would help avoid both filers and the Commission being burdened with extrinsic information and data. The staff met with carrier representatives and their counsel in an effort to establish an understanding of the issues that would be contained in the proposed rulemaking. The proposed rulemaking dealing with the filing of minutes will be combined with proposed amendments to related regulations applicable to quarterly monitoring reports required by various types of agreements, described in the Commission's regulations as agreement types A, B, or C. These proposed rulemakings deal with agreement activity before and after the effectiveness of agreements. These initiatives are consistent with the policy objectives of OSRA in that they seek to remove any burdensome regulations, while streamlining others.

Budget Program Activity: Enforcement Related Strategic Goals

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
2. *Balanced Enforcement:* Foster economic efficiencies and reliance on marketplace factors by administering U.S. shipping statutes in a balanced and equitable manner that redresses excessive anticompetitive actions and restrictive practices of foreign governments.
3. *Compliance:* Promote the development of U.S. exports and the efficiency of ocean shipping by monitoring and assisting stakeholders in achieving compliance with shipping statutes administered by the FMC.

Performance Goal 1:

By 3/31/01, create a program to more effectively identify unlicensed, untariffed or unbonded entities and promote compliance by OTIs with OSRA's licensing, bonding and tariff requirements.

Progress: Based on efforts initiated late in FY 2000, the Commission was able to address this goal early in FY 2001. By Order to Show Cause, issued December 7, 2000 (Docket No. 00-12), the Commission acted to terminate the licenses, issue cease and desist orders, and take other steps to resolve the legal status of ocean transportation intermediaries which had not complied with the new regulatory requirements brought about by the enactment of OSRA. The proceeding was successful in eliminating more than twenty-five OTI's who failed to comply with OSRA consumer protections and new FMC regulations. Twenty-six OTI's responded by bringing themselves into compliance with new bonding and tariff requirements, or by otherwise resolving their legal status for the future. OTIs which complied with OSRA's mandates during the pendency of the docketed proceeding were not penalized. Prior to initiation of the Show Cause, over 500 OTI entities were contacted. Most voluntarily complied with the new OSRA requirements or chose to terminate their activities. In addition to the Show Cause proceeding, OTI application packets were sent to over 80 entities. We also received 275 new applications, and new OTI licenses were granted to 221 entities.

Performance Goal 2:

Initiate at least 3 actions during FY 2001 to address significant market distorting activities by VOCCs.

Progress: The focus of this goal was not so much to target VOCCs, but to address and deter malpractices which impede equitable trade. We were successful in initiating a number of actions in FY 2001, certainly exceeding the goal of three, to address market distorting activities by

VOCCs. Actions were taken with regard to several VOCCs for the failure to follow lawful service contract practices. These included contracting with improper entities, not filing service contracts, filing incomplete contracts, utilizing unlawful shipper certifications and allowing the use of service contracts by non-signatories or unnamed affiliates. In addition, actions were initiated against carriers for distorting the market by offering and providing rebates or other concessions or rates not provided for by tariff or service contract. The other area of significance related to VOCC activity was the provision of transportation services pursuant to agreements by or among ocean carriers without filing such agreements with the Commission or providing service prior to the effectiveness of such agreements. In all instances, the Commission considered the involved circumstances and pursued a course of action to best deter activities that improperly distort the U.S. ocean shipping market.

Performance Goal 3:

Throughout FY 2001, when possible, resolve issues of compliance and informal complaints by providing regulatory assistance and encouraging voluntary compliance and use of ADR resources.

Progress: The Commission's five Area Representatives located in port cities, and its enforcement personnel, consistently provided information and assistance in complying with Commission regulations, particularly concerning OTI licensing and tariff requirements. Entities or individuals were provided applications and copies of regulations and, in many instances, direct personal assistance to comply with these regulations. Post-licensing audits of OTIs established areas of non-compliance in 70% of the cases. All issues of non-compliance were corrected voluntarily and without enforcement action. Matters of informal complaints were routinely referred to the agency's Office of Consumer Complaints. In at least 10 instances, investigative and possible enforcement matters were resolved through voluntary compliance actions. The Commission utilized specific ADR techniques in dealing with regulated entities to encourage them toward voluntary compliance. The use of ADR also was considered in all formal proceedings in which the Commission had initiated enforcement action for alleged malpractice activity. Overall, efforts under this goal increased industry understanding of applicable requirements, and established an atmosphere for achieving OSRA's market-driven objectives.