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TROUTMAN SANDERS LLP
ATTORNEYS AT LAW
A LIMITED LIABILITY PARTNERSHIP

401 9TH STREET N.W.
SUITE 1000
WASHINGTON, D.C. 20004-2134
TELEPHONE: 202-274-2950
FACSIMILE: 202-274-2994

WRITER'S DIRECT DIAL:

202-274-2880
Fax: (202) 654-5647

jonathan.benner@troutmansanders.com

October 10, 2003

BY HAND

Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001



**RE: DHX, Inc. v. Matson Navigation Company, Inc. and Sea-Land
Service, Inc., Docket No. WCC-105**

Dear Mr. Williams:

We enclose for filing in this proceeding an original and 10 copies of a Reply of Sea-Land Service, Inc. to Plaintiff's Motion Seeking Stay of Procedural Schedule and Other Relief.

Yours very truly,

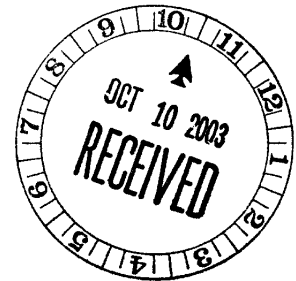

C. Jonathan Benner

**ENTERED
Office of Proceedings**

OCT 10 2003

**Part of
Public Record**

**Before the
SURFACE TRANSPORTATION BOARD**



DHX, Inc.

Complainant,

v.

Matson Navigation Company, Inc. and
Sea-Land Service, Inc.,

Defendants.

Docket No. WCC-105

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**REPLY OF SEA-LAND SERVICE, INC.
TO PLAINTIFF'S MOTION SEEKING STAY OF
PROCEDURAL SCHEDULE AND OTHER RELIEF**

By motion dated October 3, 2003, plaintiff DHX, Inc. ("DHX") seeks leave from the Board to renew or reactivate certain discovery requests, seeks a stay of proceedings until 30 days following receipt of the requested documents, and seeks permission to declassify DHX's direct case submission only after defendant carriers file their responsive direct case submissions. Defendant Sea-Land Service, Inc. ("Sea-Land") opposes DHX's last request, but respectfully suggests, after consultation with the parties, that DHX's other stated concerns can best be resolved by a minor (seven day) procedural extension of the current schedule. In suggesting this resolution, Sea-Land does not acquiesce in DHX's contentions or allegations concerning legal principles governing disposition of this matter or DHX's allegations concerning the quality or quantity of Sea-Land's document production. Rather, Sea-Land believes the interests of all parties and the Board are best served by modest adjustment of the procedural schedule to accommodate DHX's concerns about its use of recently produced Sea-Land documents.

Following receipt of DHX's motion, counsel for defendant Sea-Land conferred with counsel for DHX and endeavored to resolve DHX's concerns in a manner that does not do violence to the substance of the procedural schedule negotiated by the parties and adopted by the Board's Order of September 4, 2003. Based on these discussions, Sea-Land, with the consent of DHX and fellow defendant Matson Navigation Company ("Matson") respond as follows to those elements of DHX's motion that address scheduling and discovery issues:

1. Sea-Land has provided DHX counsel with correspondence and related documents that are representative of exchanges between Sea-Land and certain of its shipper customers who solicit rate quotations from ocean carriers. These documents were provided pursuant to agreement of counsel during depositions of Sea-Land witnesses. Because some of these documents have been located and provided DHX only within the last week, Sea-Land has agreed with DHX that the parties should seek approval of the Board to defer the filing dates for all parties for seven days. If the Board approves of this resolution of DHX's motion of October 3, 2003, the revised procedural schedule for filings would be as follows:

October 28, 2003: DHX Opening Statement Due

December 12, 2003: Matson Navigation Company and Sea-Land
Reply Statements Due

January 14, 2003: DHX Rebuttal Statement Due

Counsel for Matson Navigation Company has authorized us to state that Matson does not object to this revision of the procedural schedule.

2. Sea-Land also has undertaken to provide DHX with a stipulation confirming the representative nature of documents provided.

3. DHX, based on these undertakings and Sea-Land's agreement to a seven-day extension of the procedural schedule, authorizes us to state that DHX withdraws those portions of its October 3, 2003 motion requesting re-activation of earlier discovery requests and seeking a stay of proceedings pending production of additional documents.

Despite general agreement on these document production and scheduling issues, Sea-Land opposes DHX's request that it not be required to file a public, declassified version of its initial, direct case submission at the same time it files the highly confidential version of it. Sea-Land's defense would be severely hampered if its attorneys were obliged to treat the substantive entirety of DHX's direct case as a "black box," thus precluding meaningful consultation with operational personnel when constructing a responsive presentation. Sea-Land concurs with the position taken by Matson Navigation Company on this point.

Respectfully submitted,



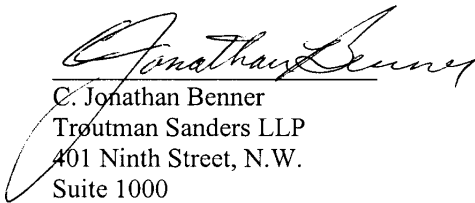
C. Jonathan Benner
Leonard Fleisig
Troutman Sanders LLP
401 Ninth Street, N.W.
Suite 1000
Washington, D.C. 20004
Telephone: (202) 274-2880

CERTIFICATE OF SERVICE

I hereby certify that on October 10, 2003 a copy of the foregoing pleading was served by hand delivery or facsimile transmission the following parties of record:

Rick A. Rude
Attorney At Law
207 Park Avenue
Suite 103
Falls Church, Virginia 22046

Richard A. Allen
Attorney At Law
888 Seventeenth Street, NW
Washington, DC 20006


C. Jonathan Benner
Troutman Sanders LLP
401 Ninth Street, N.W.
Suite 1000
Washington, D.C. 20004
Telephone: (202) 274-2880