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The Honorable Chairman Ann D Begeman
 The Honorable Vice Chairman Patrick Fuchs
 The Honorable Marty Oberman

Surface Transportation Board
 395 E Street, SW
 Washington, DC 20423

RE: Docket No EP 759 DEMURRAGE BILLING REQUIREMENTS

Dear Chairman Begeman, Vice Chairman Fuchs, and Board Member Oberman

As President and CEO of Lansdale Warehouse Company and a member of the International Warehouse Logistics Association, I support the Surface Transportation Board's proposed changes to the regulations governing demurrage liability detailed in EP 759. The Oversight Hearing on Demurrage and Accessorial Charges this past May produced abundant evidence of unfair demurrage billing practices by the railroads and I believe the new rules will go a long way in creating a more fair demurrage billing process.

Demurrage is identified in railroad tariffs as an incentive for shippers to quickly return cars to the car supply and encourage car availability for use by the railroads. Demurrage + Availability = Productivity... it hasn't happened. In the 1960s the number of revenue trips per railcar was 1 per month; today the number of revenue trips per railcar is still 1 per month.

The railroads move over 2 billion tons of freight annually and are key to the success of our national economy but the "perception of rail being a slow, inflexible, and inconsistent mode of transportation are challenges that must be overcome if the industry is to compete for higher-value, more profitable freight".
(Supply Chain Management - Coyle)

Precision Scheduled Railroading implemented by most of the Class 1 railroads has produced impressive results for investors by lowering operating ratios and increasing stock prices. For shippers and warehousemen, these operating improvements came with a price tag of increased demurrage charges and reduced service. EP 759 is a good first step to ensure demurrage rules and charges are reasonable and transparent and hopefully, the railroads will figure out service.

Sincerely,

A handwritten signature in dark ink, appearing to read "W Paul Delp", is written over a faint, larger signature.

W Paul Delp
 President & CEO
 Lansdale Warehouse Company