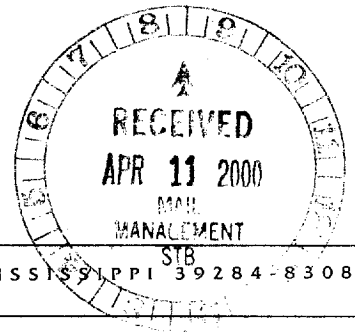




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April 6, 2000

The Honorable Linda Morgan
Chairman
United States Surface Transportation Board
1925 K Street N W
Washington, D C 20423-0001

ENTERED
Office of the Secretary

APR 12 2000

Part of
Public Record

Re: Section 5a Application No. 61 (Sub-No. 6)

Dear Chairman Morgan,

My name is Larry Kerr and I am President and CEO of Shippers Express, Inc. in Jackson, Mississippi. Shippers Express is a small carrier operating in the state of Mississippi. We also service points in the adjoining states of Alabama, Arkansas, Louisiana and Tennessee. We participate in the National Motor Freight Classification and are a member of the National Motor Freight Traffic Association, Inc. Shippers Express, Inc. operates under the authority of an ICC Certificate Number MC-66746.

I have been in the trucking business for over thirty years. In those years I have worked in every phase and department of our trucking company. I have worked my way up to President and part owner of Shippers Express, Inc. We have been a member of NMFTA since our inception in 1963. We have had a representative on the NCC for over twenty years and I am a member of NMFTA's Board of Directors.

I was elected to be a member of the National Classification Committee several years ago and have been an active participant in their activities. Because of this participation I am familiar with the process, procedures and regulations under which the group operates. I am filing personal comments in this proceeding because after reading the STB's decision served on 2-11-00, some truth needs to be told. I am not an attorney, so if my comments do not meet the form required, or if they are not as articulate as some you hear please excuse me. I am just a trucker trying to make a living while providing jobs for people who move the goods of this country.

I have read the decision several times and I wonder where some of the opinions come from. It is obvious to me that the people writing the decision have not been around or attended any of the NCC proceedings. If they had, the fabrication and false statements in the decision would be obvious to them. I have not been a member of the NCC but five years and I do not have a rate or classification background other than a general

understanding of both as they sometimes affected my particular job position. My background is in operations. In my years on the committee and my involvement in the panel meetings, I find it very surprising that a decision from a distinguished government agency can have misleading, false and exaggerated bias statements.

There are several items I would like to comment on very briefly while trying to add some facts that are truly relative. One is the negative feeling you get as you read this decision, especially if you are a member of the NCC. I do not mind being given suggestions on anything if it helps a situation. What I do have a problem with is someone telling me what should be done when they have never been involved in the process. This decision clearly gives that feeling.

To start with, how can it be said that the staff generates proposals? This is a glaring mistake on the Board's part. I wish you would just check your past records. Several years ago the ICC went through the NCC records looking for evidence that the NCC staff generates proposals. They found nothing and reported this back to the attorney requesting this investigation. The person writing this opinion must not know how the system or procedures work. Why can't some of these opinion writers actually attend the meetings and see how it works rather than depending on biased statements from the shippers associations and their attorneys that are misleading and not true.

All panel meetings I have participated in clearly reflect that the carrier members listen to the shippers and make their decision after everyone is heard. When shippers leave dissatisfied, it has been my experience that it is generally for two reasons. One is because they seek an unfair advantage over their competitors and the panel did not allow that to happen, or they have a bias against the facts. They decide to change their packaging, increase the size of the roll inside the carpet, increase the cost of their product, or make the material more fluffy and still expect to get the same or even a lower class. They want to have other shippers pay some of their way by trying not to be truthful in their statements, or sometimes just not understanding the four classification criteria. The Board seems to have lost sight of the purpose of the classification. Simply put, it assigns commodities with similar characteristics the same classes. Carriers are trying to fill up a box that travels down a highway. Each product must contribute its fair share to the load based on its characteristics. All other products with like characteristics are also travelling with the same class. This keeps products that are not like others from gaining an unfair advantage.

I feel I need to make a comment about the statement that the NCC was not willing to accept any change for improving the classification system. I have never heard anything about this in any meeting I have attended, and that includes the NMFTA's board of directors meetings, all the way to the panel meetings. In fact I can say that the opposite is true. Discussions have frequently occurred about how we can get more participation from the shippers. When questionnaires are sent to the shippers or they are requested to appear at meetings a response from shippers often is not forthcoming.

This decision also says that the shippers are not notified in time to reply to a proposal, but they get the same notice as the carriers. The docket is mailed to everyone who requests it. All they have to do is simply request to be placed on the mailing list. The docket also appears in the industry periodicals and the national trucking newspaper, Transport Topics. It is even on the Internet. It is ludicrous to say they don't know or don't get enough notice. It is sad but some do not seem to be very interested. This surprises me because I would think that if they thought the system unfair they would want more of a voice. Could it be that they know the process is fair? I know you have ample papers from shippers associations, consultants, and attorneys saying the opposite is true. Have you ever thought that this might be a self-serving opinion by these groups?

Even though I am not familiar with the evidence that was submitted earlier in this case, I do know that several groups filed comments in the original proceeding which were supportive of the classification system and they have actually participated in the process of the NCC. These were industry consultants, shippers, traffic leagues, and others who were familiar with and have seen the system work. Their favorable comments about the non-biased, thorough and fair treatment they have had in relating their experiences to their participation in the process is well documented. I don't see any mention of their position. Is it because they take an opposing view from the flag bearers that spread so much miss-information? I surely hope that is not the case.

How can it be said that the classification process predominately causes increases? Again, I ask you to please attend the meetings. You will see that this is not necessarily so. I personally do not know the percentage of increases to decreases, but my feeling is that if this were true, it is so small that the word predominately is an exaggeration. This goes with the other allegation that the carriers have a financial advantage over the shippers. The largest carriers participating in this process have revenues between one and two billion dollars. Look at the shippers in the associations with revenues many times higher than the largest carrier revenues. It does not cost the shippers anything to participate, but it does the carriers. Shippers Express would like to have the "financial limitation" you describe concerning the shippers. How can the Board justify their position with this statement?

One last item I can not let go by is the bill of lading issue. Why the change from what has already been approved by the Board on the bill of lading? I must not understand what the Board is asking. This bill of lading was put together by shippers and carriers. This was accomplished without the attorneys present and voted on by the membership of both NASSTRAC and the NCC. Is this not what you want and are asking for now? It might not be so in Washington, DC, but down here, this is the definition of cooperation. I thought this is what this decision is trying to accomplish; cooperation and more involvement with the process. Could it be that the problem lies with an attorney that did not participate and then could not stand seeing this type of cooperation? If you think about what is being done now, he is basically telling his own association members that he knows their business better than they do. It has been my experience that sometimes the legal profession likes to keep things stirred up so they will have something to do. I sense that most of this decision agrees with this attorney's opinion without regard for the facts,

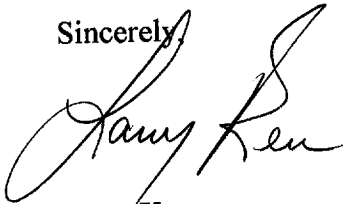
evidence and truth. Someone would have a hard time convincing me otherwise after the time and effort I have spent in the classification process, and then studying this decision.

Finally, I have had the distinct pleasure of hearing two of the present STB commissioners speak on their philosophy of government and the way the system works. They are very knowledgeable and articulate individuals. It is refreshing to hear some of their new ideas relating to our government. I know from listening to their speeches that these gentlemen want unbiased, fair and proper procedures where all are equal and no one is denied access to the process or the opportunity to be heard. From my experience this is the way it is now. I can not help but feel that if the STB's members, or its staff, would attend and observe even a few of the NCC or its panel meetings, I know you would have an entirely different opinion from the biased views expressed in this decision.

I understand that the motor carriage issues are only about ten percent or less of the agenda for the STB. I hope that just because of the small amount of time that you have for motor freight issues, that our cases are not looked upon as being very important. It might be only ten percent to the STB, but it is one hundred percent for Larry Kerr, Shippers Express, Inc., my employees, most shippers, consumers, and several thousands of people employed by our industry.

I ask that you please join me in the process and understand it for yourself before you make your final decision. Do not let the disgruntled attorneys and a very few biased shippers feeding you false information, half-truths, and out of context statements influence the STB by convincing you to rule without the true facts. The integrity of the three commissioners and the STB as an agency is more important than to let this happen.

Sincerely,

A handwritten signature in cursive script, appearing to read "Larry Kerr". The signature is written in dark ink and is positioned above the printed name and title.

Larry Kerr
President & CEO

cc: parties of record