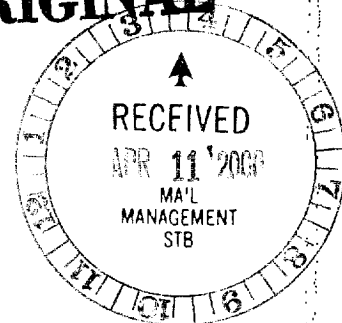


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RE: Section 5a Application 55, Amendment No. 2, MCTA

STATEMENT OF RAYNARD F. BOHMAN JR.
IN SUPPORT OF CONTINUED ANTI-TRUST
IMMUNITY FOR THE MOTOR CARRIERS
TRAFFIC ASSOCIATION (MCTA)



My name is Raynard F. Bohman Jr. I am president of Bohman Industrial Traffic Consultants, Inc., a transportation consulting firm, in business since 1943, which represents seven national trade associations on a continuing basis. I also act as managing director for the International Furniture Transportation and Logistics Council, Inc. (formerly named the National Furniture Traffic Conference Inc., from June, 1926 to December 31, 1999).

I am a graduate of the Wharton School of Finance and Commerce of the University of Pennsylvania where I majored in transportation. Since my graduation I have served as a transportation consultant and writer in the transportation field. For the past 13 years I have served as lead columnist for LOGISTICS MANAGEMENT magazine and am editor of three monthly transportation newsletters.

The comments and opinions expressed in this statement are my own and do not necessarily reflect the views of any of my clients.

The Motor Carrier Traffic Association is a small rate bureau, representing a number of small for-hire motor common carriers, some of which transport new furniture. It is MCTA's work in behalf of its furniture carrier participants that has brought me into contact with the Association over the years.

Since the enactment of the Motor Carrier Act of 1980, the functions of MCTA - and other motor carrier rate bureaus - has been dramatically diminished. For example, member carriers may no longer collectively establish single-line rates or interfere in any way with a carrier's right of independent action.

About the only activities of any importance they can now perform are:

- collectively set general rate increases, and these are subject to review - and possible suspension - by the Surface Transportation Board (STB)
- collectively set fuel surcharges, also subject to STB review
- collectively set general rules and packaging requirements, likewise subject to STB review.

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Because of intense competition in the trucking industry, any collective action by all - or a group - of members of MCTA - or other bureaus - that is way out of line will clearly not realistically prevail for any length of time.

To small carriers, however, MCTA's scaled down functions are still vital, such as collective action on general rate increases, which now happen only about once a year. MCTA develops cost data to help its small carriers more accurately determine what level of general rate increases they may need. If approved by its General Rate Committee, small businesses go forward for publication.

It is my strongly held view that without this type of approach in handling general rate increases, fuel surcharges, etc., many small carriers would have a very, very difficult time implementing badly needed increases or surcharges - that they'd be browbeaten by many shippers and receivers, lacking the clout that major national LTL carriers have (and incidentally, many of those larger carriers no longer belong to any regional rate bureaus).

Even with bureaus such as MCTA still in operation, many of the smaller furniture carriers that the furniture industry depends on are struggling financially. Just recently, for example, the International Furniture Transportation and Logistics Council reported in its monthly newsletter - THE FURNITURE TRANSPORTER - the closing of three specialized furniture carriers in the South.

No one today, in my opinion, can make a strong case that the collective activities of regional rate bureaus, such as MCTA, are unduly enriching its member carriers, or are effectively anti-competitive. As it is, most bureaus are steadily losing members, and few new members are coming along to take their place.

With the ability of shippers and shipper groups to seek review, through suspension by the STB of any bureau actions that may be considered unreasonable, plus the strong competition that prevails, I see no sound reason, at this time, why the status quo should not be continued insofar as the currently allowable collective activity is concerned.

Respectively submitted,

BOHMAN INDUSTRIAL TRAFFIC CONSULTANTS, INC.

Raynard F. Bohman Jr.

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Dated - April 11, 2000