

214995



October 17, 2005

Honorable Roger Nober, Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Staggers Act Review

Dear Chairman Nober:

It is our understanding that the Board is currently reviewing the Staggers Rail Act. Unfortunately, a representative of our company can not be present to participate in this process, but we would like to submit a few comments for your, and the Board's, consideration.

Conrad Yelvington Distributors, Inc. is the largest distributor of aggregate in the state of Florida, handling nearly ten million (10,000,000) tons of material each year. We currently operate 25 rail served distribution terminals in the Southeast (Florida, Alabama, Mississippi) and Michigan. In addition, we own, or lease, a fleet of 35 locomotives, 1,570 hopper rail cars, and 30 trucks in support of our operations. We are proud to have the most efficient and cost effective rail served distribution network currently available to consumers of construction materials in our market area.

As you may deduce from the description of our company, we are dependent on rail service for the movement of our inventory. By extension, the economics of a rail movement influences our ability to be competitive and make a reasonable return on our investment in our facilities. We believe that the Staggers Act has been an important component of our ability to fulfill these functions.

The growth of our company's rail operations coincides with the enactment of the Staggers Act in 1980. Deregulation removed the price barrier to our entry into the long haul rail market and provided an incentive for better service from the railroads. We believe there is room for more growth in our market; however, this will depend greatly on the ability of the railroads to maintain and upgrade their service and systems. From our perspective, the railroads need the continued support of federal policy that allows them to continue to compete in a free market environment if this is to occur.

Thank you for your time.

Sincerely,

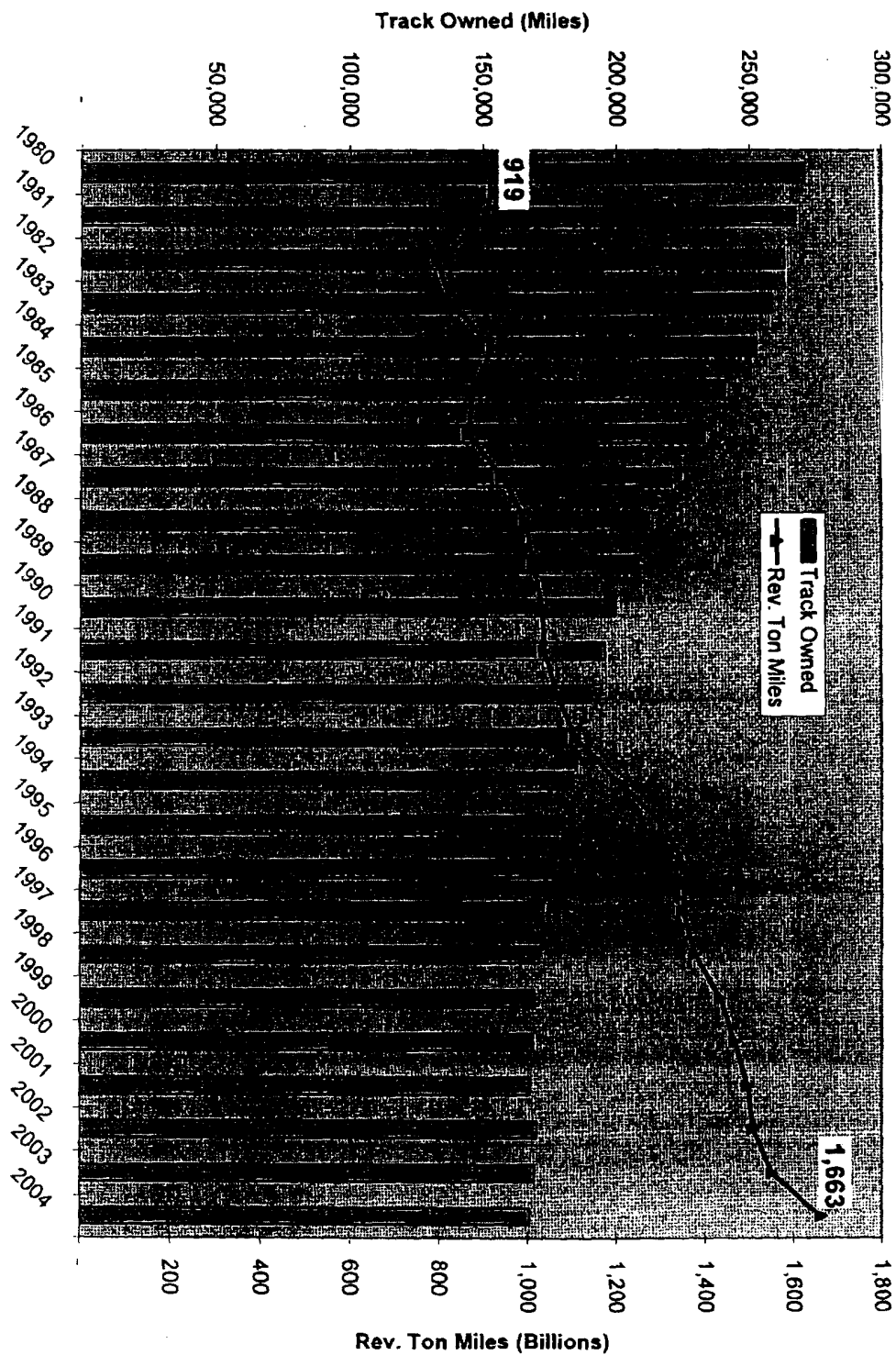
Mark W. Klebe
Chief Financial Officer

**Surface Transportation Board
Staggers Act Review Hearing
October 19, 2005**

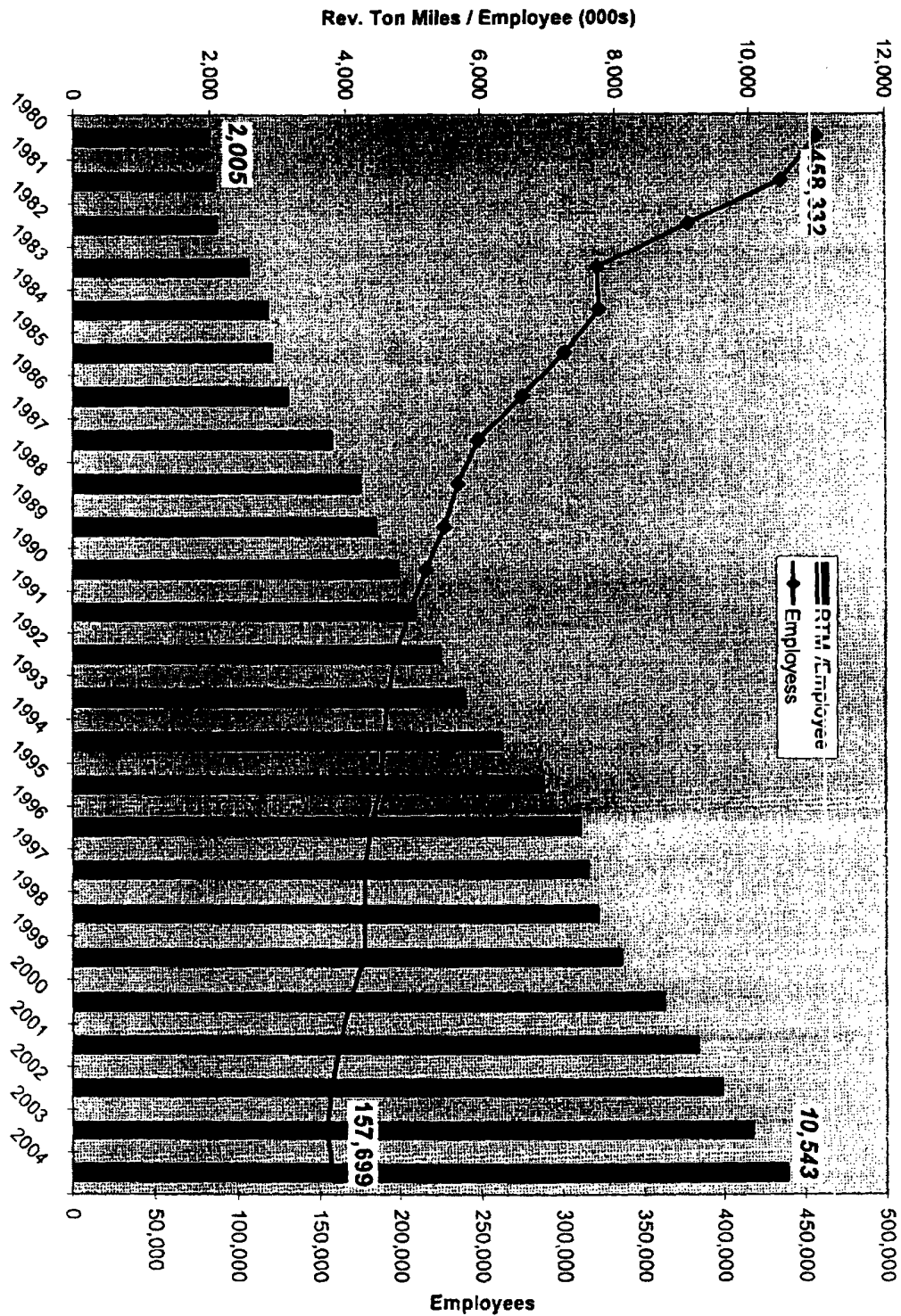
**Thomas R. Wadewitz
JP Morgan Securities**

Track Miles Owned and Revenue Ton Miles (Class I Rails)

Source: AAR and JP Morgan Estimates

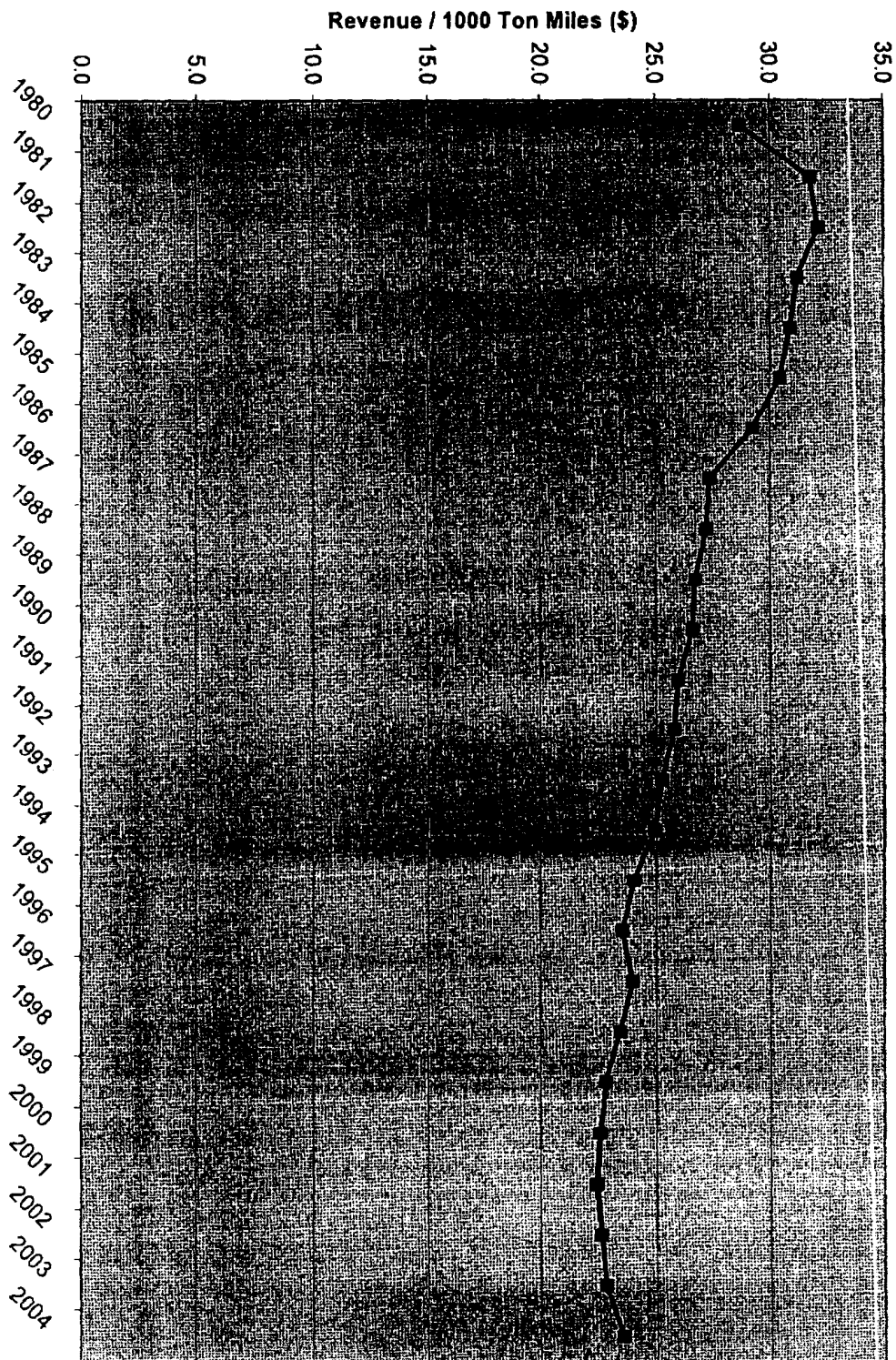


Revenue Ton Miles per Employee and Total Employee count



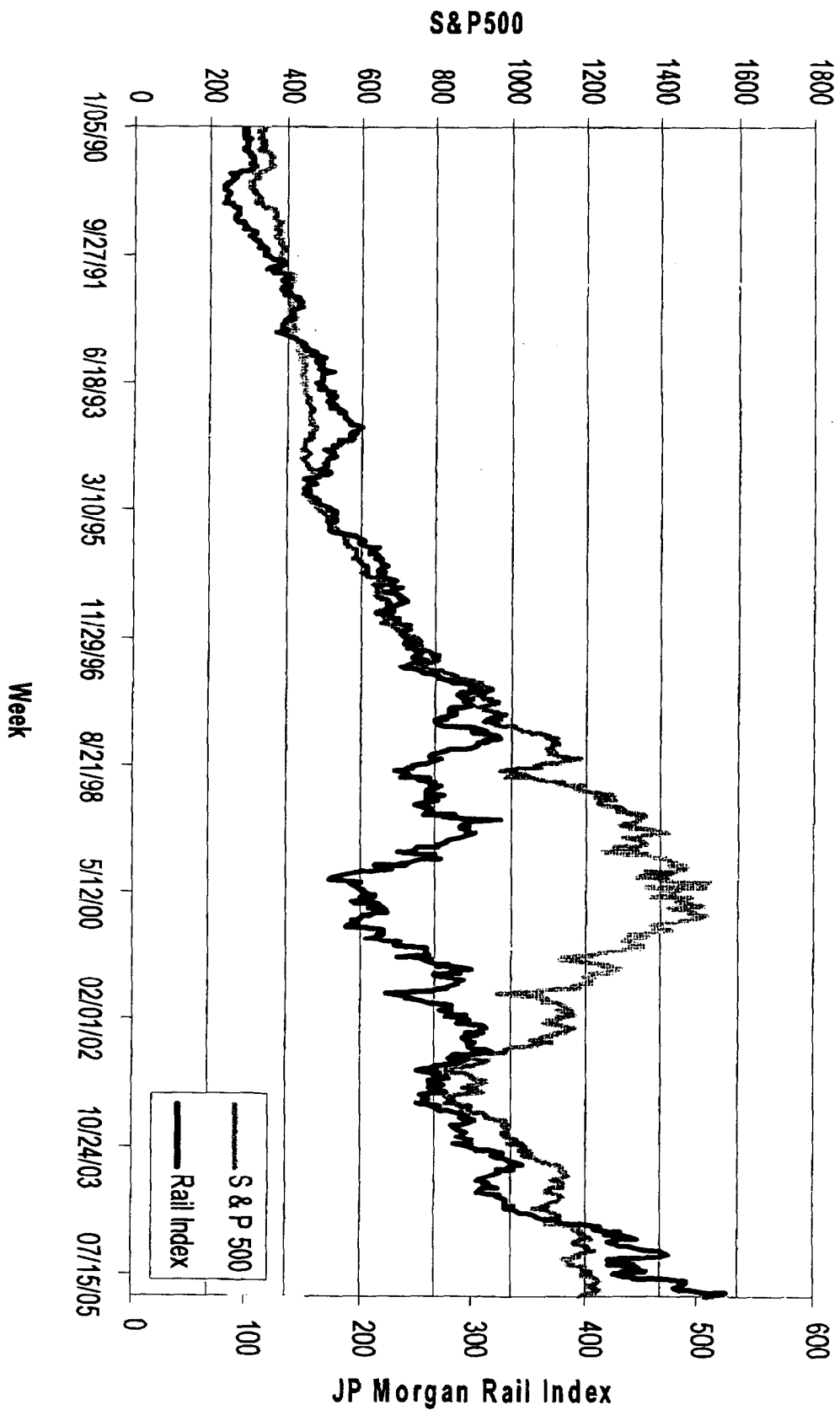
Source: AAR and JP Morgan Estimates

Revenue per 1,000 Ton Miles (\$)



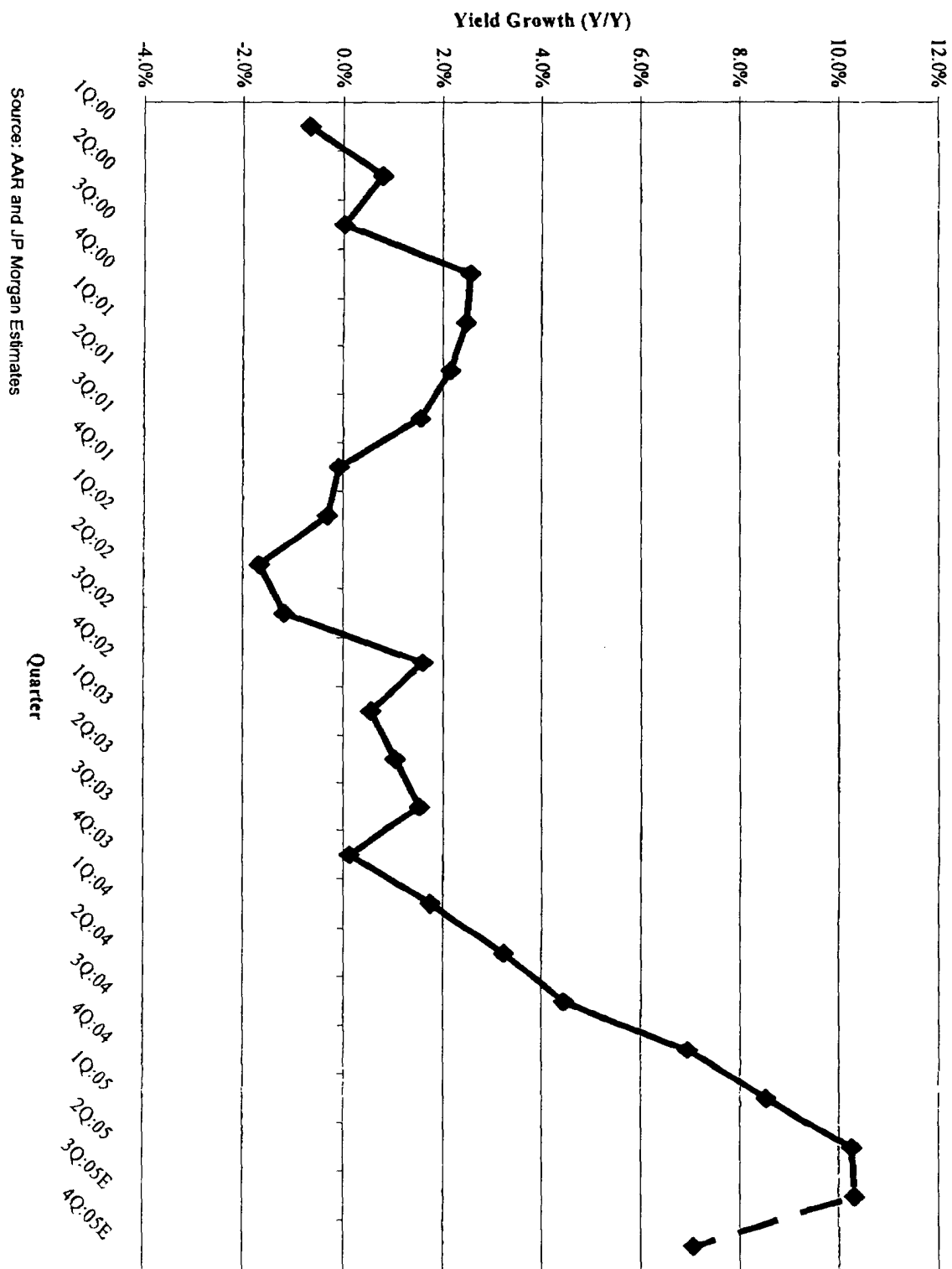
Source: AAR and JP Morgan Estimates

JP Morgan Rail Index and S&P 500

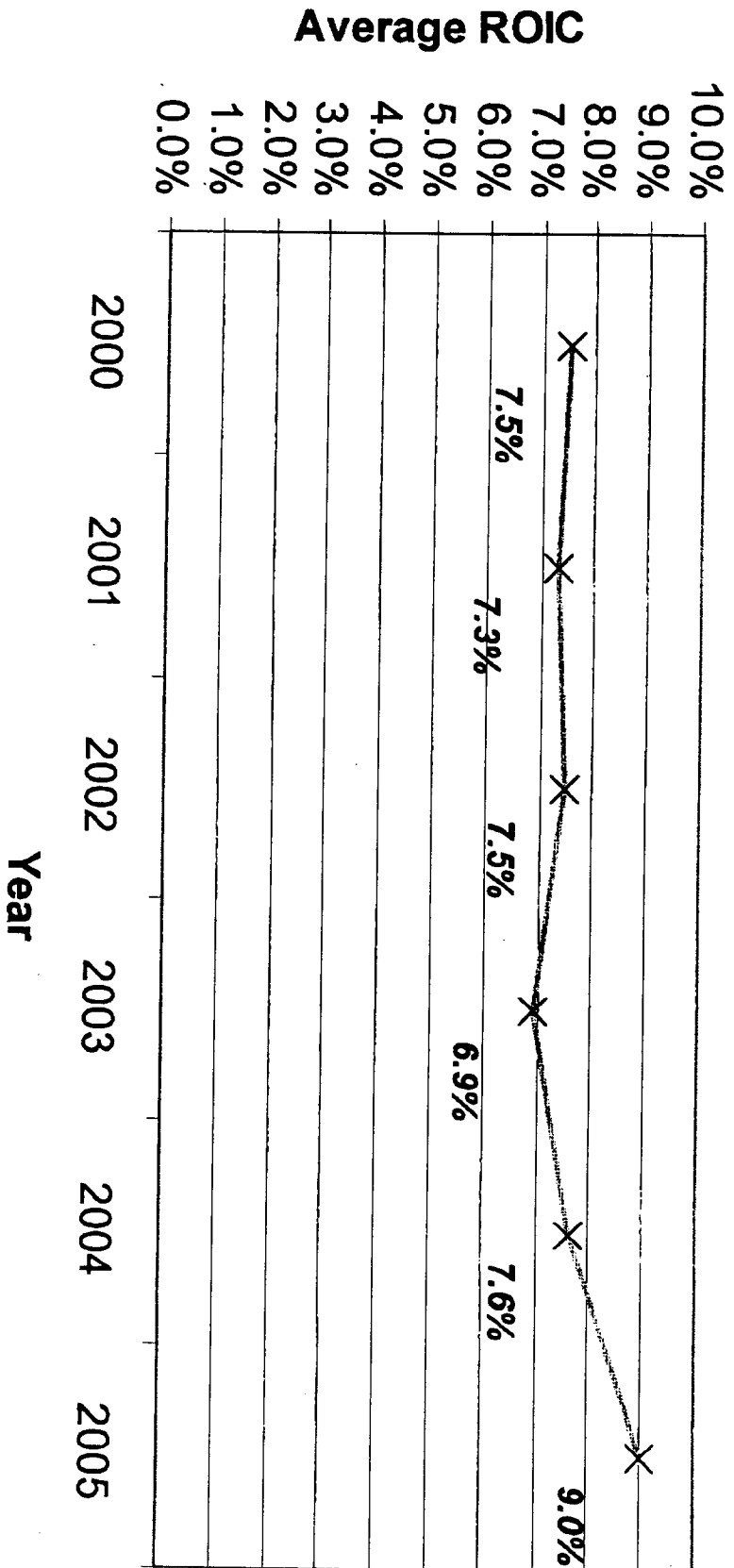


Source: Factset and JP Morgan Estimates

US Rail Average Y/Y Revenue per Car Growth

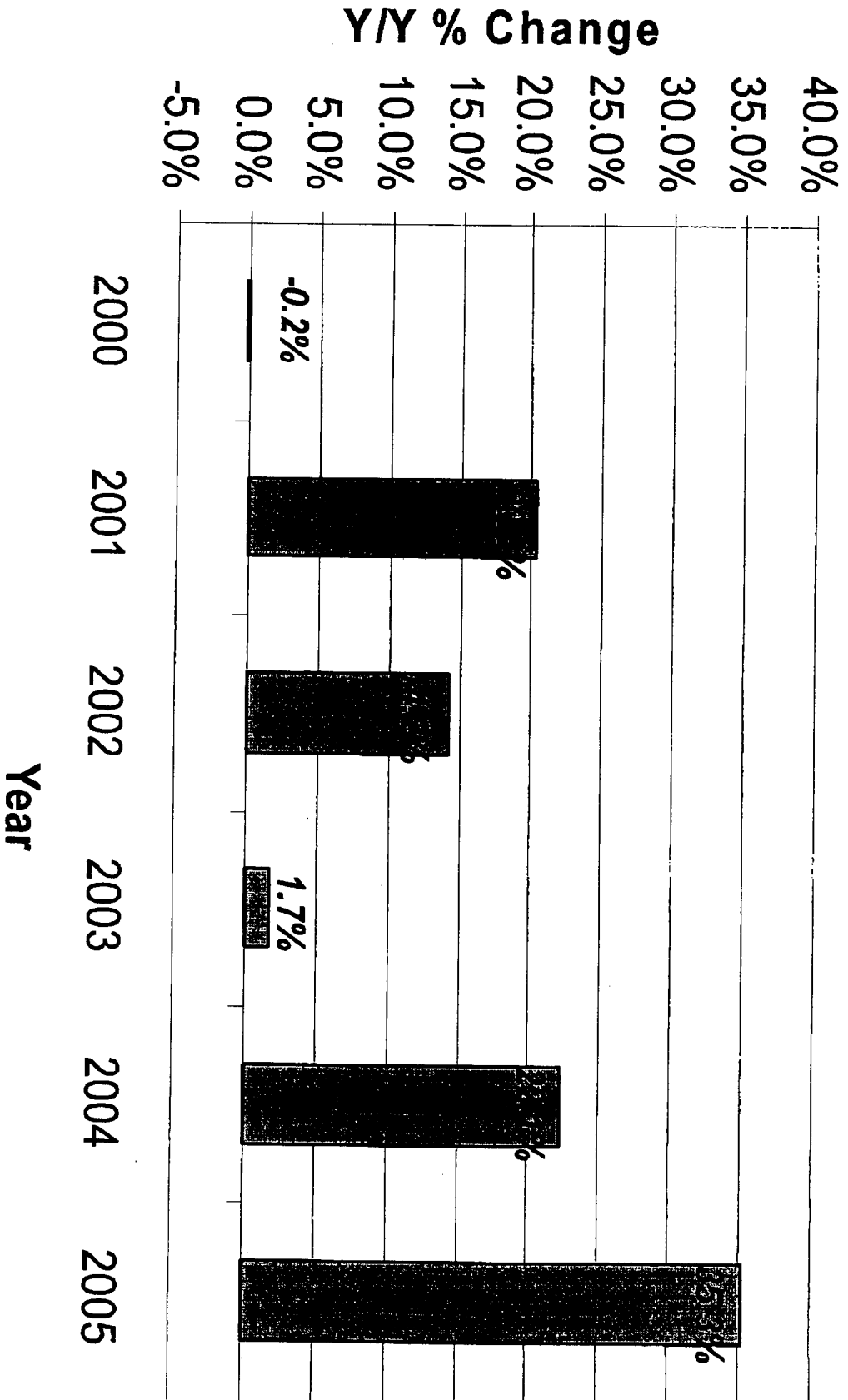


Rail Average Return on Capital



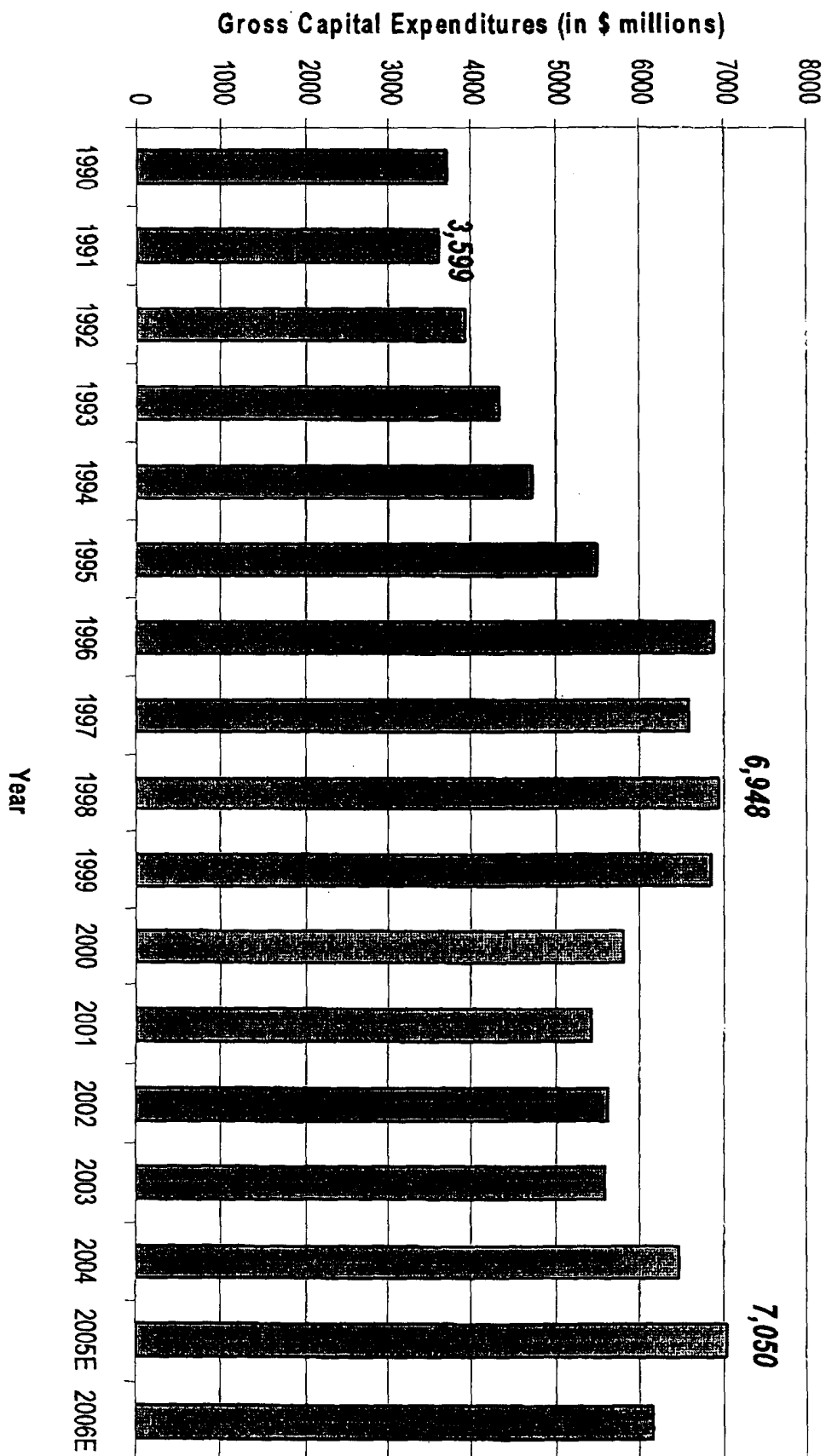
Source: AAR and JP Morgan Estimates

Rail Average EPS Growth



Source: Company Reports and JP Morgan Estimates

US Rails Total Capital Expenditures



Source: AAR and JP Morgan Estimates

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