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**NATIONAL CLASSIFICATION  
COMMITTEE  
POLICIES AND DIRECTIVES  
PERTAINING TO THE NATIONAL MOTOR  
FREIGHT CLASSIFICATION**

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**Revised August 9, 2005, by the  
National Classification Committee  
at its open meeting in  
San Francisco, California**

**National Classification Committee Policies and Directives**  
**Pertaining to the National Motor Freight Classification**

**I. National Classification Committee Policies**

Following are the policies of the National Classification Committee (NCC or Committee) for maintaining the descriptions, classes, packaging requirements and specifications, rules, and other provisions of the National Motor Freight Classification (Classification). These policies are intended to be used by the NCC and its Classification Panels as a guide; but the Committee and Panels must, at all times, act in full accord with the National Motor Freight Classification Agreement, the Motor Carrier Act of 1980, and all other applicable laws and regulations.

A. Transportation Characteristics - When evaluating commodities in connection with the assignment of classes, the NCC and its Classification Panels must consider the four transportation characteristics of density, stowability, handling and liability, as set forth in the decisions in Ex Parte No. MC-98 (Sub-No. 1), *Investigation Into Motor Carrier Classification*.

1. Density - It has been well established through numerous administrative decisions that, absent any unusual or significant stowability, handling or liability characteristics, density is of prime importance in the assignment of classes. The NCC has developed density guidelines that are based on the precedent of pertinent administrative decisions as well as the Committee's own past dispositions. The present guidelines are attached hereto.

The density guidelines are used in the assignment of classes where the average density of a particular commodity or group of commodities is representative or reflective of the range of densities exhibited by that commodity or commodity group. Furthermore, the density/class relationships set forth in the guidelines presume that there are no unusual or significant stowability, handling or liability characteristics, which would call for giving those characteristics additional or different "weight" in determining the appropriate class.

Commodities or commodity groups exhibiting a wide density range not accurately reflected by a single, overall average density may be assigned density-based classes; particularly where there are no unusual or significant stowability, handling or liability characteristics and where there is no other feasible means of effectively narrowing the range. And where densities are distributed throughout the range, commodities or commodity groups may be assigned classes predicated on a full density scale. In this regard, unless a substantial percentage of the densities involved exceeds 20 pounds per cubic foot, full-scale density classifications should generally provide the following standard progression:

Less than 1 .....	400
1 but less than 2 .....	300
2 but less than 4 .....	250
4 but less than 6 .....	150
6 but less than 8 .....	125
8 but less than 10 .....	100
10 but less than 12 .....	92.5
12 but less than 15 .....	85
15 or greater .....	70

When a substantial percentage of the densities involved exceeds 20 pounds per cubic foot, full-scale density classifications should generally provide the following, alternative standard progression:

Less than 1 .....	400
1 but less than 2 .....	300
2 but less than 4 .....	250
4 but less than 6 .....	150
6 but less than 8 .....	125
8 but less than 10 .....	100
10 but less than 12 .....	92.5
12 but less than 15 .....	85
15 but less than 22.5 .....	70
22.5 but less than 30 .....	65
30 or greater .....	60

Where the NCC or a Classification Panel directs that full-scale density provisions be developed or docketed, such provisions will provide the progression of density groups set forth herein—including references to Item (Rule) 170, the inadvertence clause, and Item (Rule) 171, the "bumping" privilege—unless the NCC or Classification Panel instructs otherwise.

2. Stowability - The majority of shipments tendered to general commodities carriers are comprised of packaged freight that stows well in carriers' equipment. Some articles, however, present additional stowability considerations, including, but not limited to: 1) loading restrictions necessary to comply with government regulations or carrier policies, such as coload prohibitions in connection with the transportation of hazardous materials; 2) loading restrictions arising from practical considerations, such as excessive weight or excessive length; 3) difficulty in loading other freight adjacent to the commodity due to protrusions and the like; 4) the inability to tier the commodity in carriers' equipment; and 5) the inability to load other freight on top of the commodity due to the absence of load-bearing surfaces.

In evaluating docket proposals or classification reports involving the assignment of classes, the NCC and Classification Panels must examine stowability and its impact on the transportability of the involved commodity or commodity group. Unusual or significant stowability considerations may warrant deviation from the Committee's density guidelines. In this connection, where loaded density provides a quantifiable measure of the stowability problems associated with a particular commodity or commodity group, such loaded density is to be evaluated by the Committee or Panel in relation to the density guidelines.

3. Handling - As with stowability, most freight tendered to general commodities carriers does not present substantial handling problems. The packaged freight that comprises the majority of shipments is readily handled by dock personnel, often with the aid of mechanical handling equipment. Some articles, however, due to their size, weight, configuration, hazardous nature, fragility, etc., pose additional handling difficulties, whether or not mechanical equipment is used, and may necessitate special care or attention.

In evaluating docket proposals or classification reports involving the assignment of classes, the NCC and its Classification Panels must consider ease or difficulty of handling and the impact of such on the transportability of the involved commodity or commodity group. Unusual or significant handling characteristics may warrant deviation from the Committee's density guidelines.

4. Liability - Pursuant to the MC-98 (Sub-No. 1) decisions, the liability characteristic includes susceptibility to theft, liability to damage, propensity to damage other freight with which transported, perishability, propensity to spontaneous combustion or explosion, and value per pound. Value per pound provides a measure of carriers' potential liability, and the NCC has established value guidelines to assist in the assignment of classes. The present guidelines are attached hereto.

It is the NCC's policy that the value guidelines be reviewed biennially at the Committee's summer meeting to compensate for the impact of inflation. This is accomplished using the Producer Price Index (PPI).

Unlike density, however, value per pound is not in and of itself a transportation characteristic. As set forth in MC-98 (Sub-No. 1), it is only one component of the liability characteristic, and accordingly, information relating to value per pound must be analyzed in conjunction with an analysis of the other liability elements. Where the other liability elements are found to present no substantial problems or concerns, value per pound is of less significance.

Consequently, the attached value guidelines cannot be viewed as forming a matrix with the density guidelines, where one is measured against the other to arrive at the appropriate class. Rather, the value guidelines provide an indication of the upper value limits associated with the various classes, as determined using the density guidelines.

As with stowability and handling, where unusual or significant liability characteristics are revealed, the NCC may deviate from the density guidelines.

- B. Class Floor and Ceiling - The NCC has established class 50 as the lowest class in the Classification and class 500 as the highest. (For a complete listing of the classes assigned in the Classification, as established by the NCC, see the attached density and value guidelines.)
- C. Classification Updating - The provisions of the Classification are to be kept up-to-date with respect to the commodities moving in commerce. Included in this policy is the: 1) establishment of classifications for new commodities; 2) amendment of existing classifications to reflect changes in transportation characteristics; 3) establishment of classifications for commodities classed by analogy, in keeping with the requirements of Item (Rule) 421 of the Classification; and 4) establishment or amendment of classifications for commodities that are a source, or potential source, of interpretation disputes so as to eliminate or avoid those disputes.
- D. Clarification, Simplification and Uniformity - Generally speaking, the policies grouped under this heading pertain to "housekeeping" matters necessary to improve the usability of the Classification and to ensure compliance with regulations. The following activities are to be conducted to implement these policies: 1) adding commonly used terminology to item descriptions to identify commodities (including trade names, properly noticed, where a commodity is essentially known by a trade name); 2) replacing outdated terminology in item descriptions with current terminology; 3) combining item descriptions embracing related commodities, including the combining of subclassifications having the same class; 4) eliminating excess or unclear wording, and employing language that is concise and clear as to intent; 5) structuring item descriptions so as to foster clarification and simplification; 6) listing item descriptions alphabetically by noun or compound noun, as the case may be; 7) replacing broad, indistinct nouns (e.g., assemblies, devices, units) with more specific, definitive nouns wherever appropriate and practicable; 8) listing items under appropriate generic headings; 9) providing uniformity in provisions addressing the same or similar circumstances published in conjunction with different items; and 10) removing obsolete provisions.
- E. Classification Index - The index is typically the Classification user's "first step" when determining the applicable provisions. Accordingly, the NCC has developed policies to improve the index and, thus, the usability of the Classification. As index listings are generally derived directly from the item descriptions, these policies are closely related to those established for "Clarification, Simplification and Uniformity." The policies are as follows:
- The index should list commodities by their commonly recognized names in addition to their technically correct names. Where a commodity is essentially known by a trade name, the index should include that trade name. (The trade name should be properly noticed.)
  - Where commodities may be looked up in more than one way, the index should be cross-referenced. This includes adding index listings that are keyed to adjectives as well as to nouns; particularly where the noun is broad and indistinct.

- Index listings should be as specific and definitive as practicable.
- Index listings that can be consolidated should be consolidated, and unnecessary listings should be removed.

F. Packaging - The NCC is to establish packaging rules and specifications as necessary to ensure that freight is adequately protected in the motor-carrier environment, and can be handled and stowed in a manner that is reasonably safe and practicable.

In considering docket proposals or classification reports involving packaging, the NCC and its Classification Panels are to evaluate prospective packagings against established performance criteria, as reflected by the packaging provisions published in the Classification. Generally speaking, prospective packaging materials or methods are considered consistent with NCC packaging policy when their performance is demonstrated to be as good as, or better than, currently authorized materials or methods.

G. Rules - The rules published in the Classification are to be: 1) consistent with current law as well as applicable decisions of the Surface Transportation Board of the U. S. Department of Transportation (STB) and its predecessor, the Interstate Commerce Commission (ICC); 2) consistent with NCC precedent and current motor carrier practice; 3) clear as to intent; and 4) otherwise up-to-date.

H. Other Policies -

1. Members of the Committee are not to divulge the identity (number) of a Classification Panel or the names of individual members of a Classification Panel prior to the meeting of that Classification Panel.
2. Members of the Committee may furnish copies of classification reports, analyses, studies, work papers or supporting raw data to any interested person. However, the NCC will continue to honor its commitment to protect the confidentiality of commercially sensitive information that it receives from shippers and others on the assurance, expressed or implied, that disclosure will be limited. Therefore, confidential information such as market data and data on specific, identified products of a particular shipper, as well as the names of data sources or information that could lead to the names of data sources—the dissemination of which might be detrimental to a company or individual that has chosen to participate in the classification process—should not be released. Similarly, privileged information or material, such as attorney-client work products prepared by Counsel, should not be released.

## II. Role of the Staff

Pursuant to the aforementioned policies, and in strict accord with the National Motor Freight Classification Agreement, the Motor Carrier Act of 1980 and all other applicable laws and regulations, the NCC charges the staff with three primary responsibilities: 1) to receive on behalf of the NCC information from shippers, carriers and other sources pertaining to commodities moving in commerce, including their transportation characteristics, as well as packaging and other classification-related matters; 2) to report that information to the NCC or one of its Classification Panels for their consideration and appropriate action; and 3) to be responsive to directives from the NCC and its Classification Panels, as well as from individual member carriers, in connection with classification matters.

- A. Classification Reports - Where the staff receives information indicating that the classification of a particular commodity or group of commodities is inconsistent with NCC policies or precedent, pertinent STB/ICC decisions, current motor carrier practice, or the law, the NCC directs the staff to report on such commodity or commodity group. The reports are to relate the information received to the NCC's policies. Density data are to be compared to the NCC's density guidelines, and stowability, handling and liability must be analyzed with respect to their impact on the transportability of the involved commodity or commodity group and related to applicable NCC and STB/ICC precedent. In connection with stowability, reports are to include information regarding loaded density, where relevant, and how that density relates to the density guidelines.

To enable the staff to adequately perform this function, the staff is directed to keep apprised of new commodities and technologies, as well as changes in existing commodities.

The staff is also directed to report on classification descriptions that are inconsistent with NCC policies or precedent respecting clarification, simplification or uniformity. Reports pertaining to such "housekeeping" matters may include possible language that would bring the involved classification description(s) into conformance with NCC policies and precedent. And the staff shall report on provisions published in the Classification that are indicated to be obsolete.

The NCC directs the staff to report on rules published in the Classification where such rules are inconsistent with current law, applicable STB/ICC decisions, NCC precedent or current motor carrier practice, or where they lack clarity or otherwise require updating. Reports of a clarification nature may include possible clarifying language for consideration.

Generally, reports prepared by the staff are to be presented to any one of the NCC's Classification Panels. It is the Panel's responsibility to determine what action, if any, is appropriate. Upon consideration of a classification report, the Panel may vote to: docket a proposal; direct the staff to institute a research investigation (project) into the transportation characteristics of the involved commodity(ies)\*; or refer the matter to the full NCC. It may also decide to take no further classification action.

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\* Research investigations (projects) may also be initiated at the direction of an individual member carrier, and on a direct-cost reimbursement basis, at the request of shippers.

The staff shall advise the full NCC of matters having broad-based interest or implications for the Classification, such as those involving significant STB decisions or changes in law.

**All determinations respecting the appropriate course of action in connection with staff-prepared reports rests solely with the NCC or Classification Panel, as the case may be. The staff may not docket, direct the docketing or recommend the docketing of any classification proposal, nor may the staff on its own initiative conduct research investigations on commodities. Indeed, without expressed, specific direction or instruction from the Committee or Panel, the staff may not act in any way on the reports.**

Where research is directed, the staff is to make every effort to identify and contact potential shippers of the involved commodity(ies). It is to consult all available sources in this regard, including the *Thomas Register of American Manufacturers* and the NCC's files. The staff shall also contact trade associations to request their assistance in identifying potential shippers and obtaining relevant information.

- B. Packaging - The NCC directs the staff to: 1) receive information pertinent to the efficacy of currently authorized packaging materials or methods; 2) keep apprised of new packaging materials and methods; and 3) develop, in cooperation with shippers, packaging manufacturers and packaging professionals, improved packaging.

The staff is further directed to report problems and other information concerning packaging to any one of the Classification Panels or, with respect to packaging matters having industry-wide interest or implications, to the Packaging Subcommittee of the NCC.

- C. Analysis of Classification Proposals - The NCC directs the staff to collect pertinent information in conjunction with docketed proposals, including proposals under reconsideration. The staff is further directed to prepare written analyses of such pertinent information, which are to be submitted to the NCC or its Classification Panels, as the case may be, for the Committee's or Panel's consideration and action, subject to the deadlines set forth in the National Motor Freight Classification Agreement.

The analyses are to relate the information of record to the NCC's policies, and analyses of proposals involving the assignment of classes are to include a discussion of all four transportation characteristics, as set forth in the Ex Parte No. MC-98 (Sub-No. 1) decisions. Density data are to be compared to the NCC's density guidelines, and stowability, handling and liability must be analyzed with respect to their impact on the transportability of the involved commodity or commodity group and related to applicable NCC and STB/ICC precedent. In connection with stowability, proposal analyses are to include information regarding loaded density, where relevant, and how that density relates to the density guidelines.

**The staff, however, is not to make any decisions or recommendations with respect to the disposition of any classification proposal.**

D. Other NCC Directives to the Staff -

1. Providing Assistance to Interested Persons - The staff shall assist interested persons, including shippers, in the development of classification proposals or amendments (modifications) to proposals already docketed, when so requested. And when requested the staff shall assist shippers, on a direct-cost reimbursement basis, in conducting research on classification matters and report the results to the NCC when the research reveals that a classification change may be warranted. With respect to proposals and other classification matters, the staff is directed to make itself available to receive on behalf of the NCC comments and statements of position from interested persons, answer questions from interested persons concerning classification principles and procedures, and be responsive to requests for information pertaining to the background of a proposal or the facts of record. In this connection, the staff shall provide copies of classification reports, analyses, studies, work papers or supporting raw data to any interested person, upon request. However, the NCC will continue to honor its commitment to protect the confidentiality of commercially sensitive information that it receives from shippers and others on the assurance, expressed or implied, that disclosure will be limited. Therefore, the staff is not to release confidential information such as market data or data on specific, identified products of a particular shipper, nor the names of data sources or information that could lead to the names of data sources—the dissemination of which might be detrimental to a company or individual that has chosen to participate in the classification process. Similarly, the staff is not to release any privileged information or material, such as attorney-client work products prepared by Counsel.
2. Providing Notice to Interested Persons – The public should be as fully informed as practicable with regard to the National Motor Freight Classification and the work performed by, or on behalf of, the NCC. Toward that end, the staff shall provide notice of proposals and other classification matters in accord with the National Motor Freight Classification Agreement. At a minimum, notice shall be given to all shippers who have expressed an interest in the matter being considered, including shippers who have participated in NCC research by submitting relevant information, and trade associations that may represent shippers of the involved commodity(ies).
3. Classification Interpretations - On request of any interested person and upon receipt of the requisite information, the staff shall research and issue nonbinding, informal opinions (interpretations) as to the classification provisions applicable to any particular commodity.
4. Defending Classifications and Interpretations - The staff shall prepare and submit defenses to appropriate regulatory or judicial bodies where published classification provisions, or interpretations, are contested. The staff shall also report to the NCC the status of these administrative or judicial proceedings at the Committee's regularly scheduled meetings.

5. Miscellaneous -

- a. In preparing NCC docket bulletins, the staff may suggest technical amendments to proposals, provided such amendments are nonsubstantive and do not alter the intent or spirit of the proposal. These amendments include bringing proposals into conformance with accepted convention regarding Classification language and format.
  - b. The staff is directed to issue and publish whatever dispositions may be established by vote of the NCC or its Classification Panels.
  - c. The staff is not to divulge the identity (number) of a Classification Panel or the names of individual members of a Classification Panel prior to the meeting of that Classification Panel.
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At least once a year, the NCC shall review these policies and directives, including the density and value guidelines, in view of current NCC dispositions, STB decisions, changes in law, and the like. When the staff receives information indicating that any of the policies or directives are no longer consistent with NCC precedent, STB decisions or the law, or otherwise may be in need of revision or updating, the staff is directed to bring such information to the NCC's attention for the Committee's review.

<b>NATIONAL CLASSIFICATION COMMITTEE DENSITY GUIDELINES</b>	
<b>Minimum Average Density (in pounds per cubic foot)</b>	<b>Class</b>
50	50
35	55
30	60
22.5	65
15	70
13.5	77.5
12	85
10.5	92.5
9	100
8	110
7	125
6	150
5	175
4	200
3	250
2	300
1	400
Less than 1	500

The density guidelines are used in the assignment of classes where average density is representative or reflective of the range of densities exhibited. Furthermore, the density/class relationships set forth in the guidelines presume that there are no unusual or significant stowability, handling or liability characteristics, which would call for giving those characteristics additional or different "weight" in determining the appropriate class.

NATIONAL CLASSIFICATION COMMITTEE VALUE GUIDELINES	
Class	Maximum Average Value Per Pound
50	\$ 0.99
55	\$ 1.93
60	\$ 2.93
65	\$ 4.85
70	\$ 7.32
77.5	\$ 9.75
85	\$ 14.65
92.5	\$ 19.50
100	\$ 24.39
110	\$ 26.84
125	\$ 30.49
150	\$ 36.61
175	\$ 42.71
200	\$ 48.81
250	\$ 61.01
300	\$ 73.20
400	\$ 97.61
500	\$122.02

Unlike density, value per pound is not in and of itself a separate transportation characteristic. Pursuant to the decisions in Ex Parte No. MC-98 (Sub-No. 1), *Investigation Into Motor Carrier Classification*, value per pound is only one component of the liability characteristic. Accordingly, information relating to value per pound must be analyzed in conjunction with the other liability elements, i.e., susceptibility to theft, liability to damage, propensity to damage other freight, perishability, and propensity to spontaneous combustion or explosion. Where those other liability elements are found to present no substantial problems or concerns, value per pound is of less significance.

**Consequently, the value guidelines cannot be viewed as forming a matrix with the density guidelines, where one is measured against the other to arrive at the appropriate class representing an "average" of the two factors. Rather, the value guidelines provide an indication of the upper value limits associated with the various classes, as determined using the density guidelines.**