



Dear Members:

As you are aware, on Monday, May 7, 2007, the Surface Transportation Board served its decision in Ex Parte No. 656, Motor Carrier Bureaus - Periodic Review Proceeding, and related cases. In its decision (effective September 4, 2007), the STB withdrew approval of all outstanding Section 5a Agreements, including the National Classification Committee's, thus eliminating antitrust immunity for the NCC's classification-making activities as well as other motor carrier bureau activities.

Many of you may be asking what this decision means for the future of the *National Motor Freight Classification*. In the decision the STB says, "It is not our intent to discourage the classification process. We recognize that there are significant benefits associated with having a classification system." It is important for you to know that the decision, if allowed to stand, would affect how the *NMFC* is maintained, but not the *NMFC* itself. Nor was it intended to.

The STB's decision also would not, and does not, alter the statutory requirement that carriers who use or refer to provisions of the *NMFC* must participate in the *NMFC*.

Nevertheless, we believe the STB has issued an unprecedented and flawed decision that lacks a basis on the record of this proceeding and is inconsistent with its administrative authority and responsibilities under the Interstate Commerce Act. We are in the process of preparing our response to their decision.

The NCC's antitrust immunity remains in effect, and the NCC's meetings on June 4 and 5, 2007, will be held as scheduled.

Moreover, regardless of the outcome, the importance of the *NMFC* to the transportation community-carriers and shippers alike-demands that it continue. And it will continue.

Bill Pugh