

NMFTA Charts New Course, *continued from page 1*

can appeal a decision on a classification proposal to an independent third-party arbitrator.

We are also working on a program geared to the specific needs of our members that will help them to better use the NMFC and verify the accuracy of shipping documentation supplied by those with whom we do business.

On a lighter note, in an effort to make our meetings more educational and enjoyable for all of our members, we are adding more entertainment, speakers, and a number of new features and attractions. For example, at our February 2004 meeting, we held our first Super Bowl party, and at our upcoming August meeting we are featuring a speaker who will motivate us to take advantage of available technology.

As far as outreach to regulators and legislators, we were very proud that Roger Nober, the chairman of the Surface Transportation Board, accepted our invitation to speak at a recent meeting (see article on his keynote address in this issue), and we were honored when Mr. Nober extended a personal invitation to us to attend the Surface Transportation Board's Open House in December. For our upcoming meeting in August, I am happy to report that Congressman Nick Rahall (D-W.VA), who serves on the House Committee on Transportation and Infrastructure, will be our keynote speaker and we have plans to expand our contacts with others on the Hill.

I look forward to the challenges ahead in which we will continue to work toward improvement in all aspects of our activities while promoting our main goal, the classification making process. We, of course, welcome your comments and suggestions.

Carriers Can Reap Many Benefits, *continued from page 1*

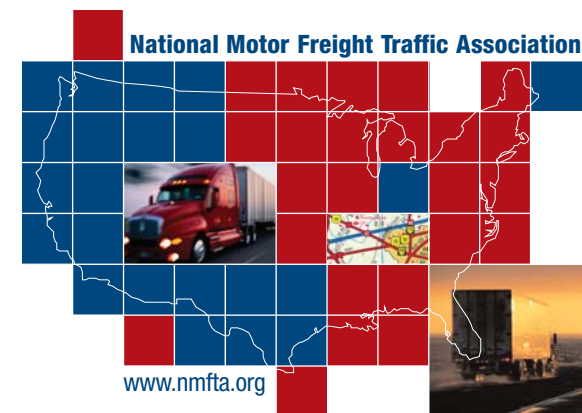
Meeting locations vary and have included historic Old Town in Alexandria, Virginia, a suburb of Washington, D.C. where NMFTA is located; Ft. Lauderdale, Florida; and San Diego, California. Committee and Panel members are encouraged to attend as many meetings as they can.

The NMFC provides both carriers and shippers with a standard by which to begin pricing negotiations and greatly simplifies the comparative evaluation of the many thousands of products moving in today's marketplace.

While motor carriers can participate in and use the classification system after completing a power-of-attorney and paying an annual fee, only carriers that sign the NMFC Agreement can become a member of the National Classification Committee and one of its Panels and have a voice in classification issues — and do so at no extra cost above its annual fee to be a participant in the NMFC.

The National Classification Committee's responsibilities include oversight of the NMFC rules, individual commodity classifications and packaging specifications, and it considers proposals for making changes and additions to the provisions of the NMFC. Members of the Committee and its Panels vote on these matters which affect the content of the National Motor Freight Classification. Changes to the NMFC are made in open public meetings by the Committee or one of its Classification Panels.

If you are interested in becoming a member of the National Classification Committee and one of its Panels, please call Joel Ringer, Manager of Classification Development, at 703-838-1826.



NMFTA Charts New Course

By Bill Pugh, NMFTA Executive Director



Welcome to the first issue of our new newsletter! I'm very excited about this and a number of other initiatives we are undertaking as part of a new push here at NMFTA to improve outreach to our members and participants in the National Motor Freight Classification, prospective participants, as well as the regulators and legislators with whom we work.

Our goals include increasing the number of carriers that participate in the classification system, boosting the number of members on the National Classification Committee, and in general, providing an opportunity for more carriers and shippers to work with us to keep the classification system in tune with the times, better serving the public interest and helping to assure a competitive and open marketplace.

For example, we have begun posting all proposed classification changes, including the staff analysis and supporting data, on our web site 60 days in advance of our meetings. This will provide a better opportunity to inform and get input from the public. Interested parties can submit additional facts, data or evidence up to 30 days before the meeting and that information will be posted on the web site as well. Written comments from the public concerning a proposal will also be published on the web site and accepted up to 15 days prior to the meetings. In addition, for the first time, parties of record

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Classification Matters

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Carriers Can Reap Many Benefits by Signing the National Motor Freight Classification Agreement

By Joel Ringer, Manager of Classification Development

Carriers who sign the National Motor Freight Classification Agreement not only benefit from participation in the National Motor Freight Classification (NMFC), they can also have a major voice in shaping classification policy as well as increasing the visibility of their companies in the industry — and have a bit of fun to boot.

Any motor carrier of property with interstate authority can establish participation in the NMFC. Carriers who also sign the NMFC Agreement are eligible to have representatives on the National Motor Freight Traffic Association's National Classification Committee (NCC) and its Classification Panels, which have decision-making authority over changes and additions to the NMFC. They also have a vote on who serves on the NCC. The Agreement sets forth the procedures for handling classification proposals and other operational matters.

The NCC, its Panels and the NMFTA meet quarterly — providing members with opportunities to work with and get to know colleagues they might not otherwise have the opportunity to meet. To facilitate attendance, the NMFTA reimburses members for their transportation to the meetings and many of the meals are also covered.

It is at these quarterly meetings that the NCC and a Classification Panel discuss and vote on proposed changes and/or additions to the NMFC. There are four panels and each meets once a year at one of the quarterly meetings. The NMFTA also meets to consider other business and industry matters, and various networking and social activities are scheduled.

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Speakers Selected for August Meeting!
See details on page 3.



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NMFTA Creates New Outreach Committee

NMFTA established an Outreach Committee at its May meeting and is already seeing results. The purpose of this new committee is to establish a pool of “NMFTA Ambassadors” to help recruit new participants and members, provide them with mentors to help them get acclimated to NMFTA processes, and to keep current members interested, informed and enthused about NMFTA.

Seventeen people immediately signed up for the committee when it was announced at the May meeting. In just the first few weeks since the creation of the committee, NMFTA has five new members as a result and a number of referrals for potential members.

One of the committee’s principal goals is to recruit members to serve on the National Classification Committee, which has oversight of the National Motor Freight Classification (NMFC) system and has authority to make changes or additions to the NMFC. Currently, there are 81 members serving on the NCC, with room for up to 100 committee members.

NMFTA Establishes New W&R Program; Hires Don Newell

The NMFTA has just announced that it was adding Weighing & Research (W&R) to its Classification Training Program. It is appointing Don Newell to head up the effort, which was developed to help motor carriers more accurately weigh, measure and classify freight.

Mr. Newell, who joins NMFTA from Roadway Express, said that the new W&R element to NMFTA’s Classification Training Program can be customized for a particular business need—whether it’s starting a W&R program, wanting to make an existing program work better, or providing additional training for W&R personnel. The new W&R component will be designed to compliment the association’s extensive freight classification training workshop expertise. For more information, contact Don Newell at 703-838-1890.

Surface Transportation Board Chairman Says Classification System Working Well

Surface Transportation Board Chairman & Commissioner Roger Nober, speaking at a recent National Motor Freight Transportation Association meeting, observed that the motor carrier market is working well and that the National Motor Freight Classification (NMFC) system is serving the public interest as well as playing an important role in helping companies compete in the motor freight transportation industry.

Mr. Nober pointed out that the vast majority of the motor freight industry, comprised of small- and medium-sized companies, doesn’t have the resources to set up their own classification systems. Consequently, he recognized that these companies rely on the NMFC to help them in the decision-making process used to determine what the charges should be for hauling different commodities. It was his view that as long as the NMFC helps facilitate the market and encourages competition, the classification system works in the public interest and ought to be continued.

He understood the similarity of the motor freight industry’s use of the classification system to how automotive repair shops establish fees charged for different types of repairs, and how a home remodeling and renovation business comes up with an estimate when they bid on a project.

If you go into an automobile repair shop, they open a *Chilton’s Auto Repair Manual* and see how many hours an automobile repair job will take and they then multiply that by their hourly labor rate, add parts and come up with an estimate. Or, with a home renovation, the contractor opens a guide to get an idea for pricing based on the amount of time and labor the guide says it takes to do certain jobs. In addition, these repairmen and contractors then factor in other conditions, such as how busy they are and their own labor situation. He said that the National Motor Freight Classification functions very much in the same way.

Concerning the antitrust immunity given to the classification system, Mr. Nober believes the right approach is to continue to require periodic reviews to assess whether the classification system is facilitating markets, as it should, or promoting price setting. However, his philosophy is that ideally there really shouldn’t be any regulatory body involved at all.

NMFTA, NCC Meeting Attendees Hear Keynote Address on Federal Highway Issues from Capitol Hill Staffer

Attendees of the May NMFTA and National Classification Committee (NCC) meetings were able to take advantage of plenty of networking opportunities as well as hear a keynote speech on highway transportation issues by Dawn Levy, who assisted Senator Max Baucus (D-MT) as Tax Counsel on the Senate Committee on Finance and as Professional Staff Member/Staff Director on the Senate Subcommittee on Transportation and Infrastructure.

Early arrivals to the meeting were treated to a sightseeing trolley tour of nearby Washington, D.C., Saturday, May 1st, followed by dinner at Laporta’s, an Italian restaurant located in the Old Town historic district of Alexandria, Virginia, close to the meeting location and near NMFTA’s headquarters.



NCC members discuss classification issues at May meeting.

Sightseeing and other social activities were intermingled with the NMFTA Board of Directors meeting, the general NMFTA meeting, National Classification Committee executive session and

Next Meeting Features Congressman Nick Rahall and “TechnoMotivator” Bill Metcalf as Keynote Speakers

The next NMFTA and NCC meetings are set for August 2-4 at the Rancho Bernardo Inn, a resort in San Diego, California, that features lush, tranquil surroundings with world-class recreation and fine dining. Spouses are invited to attend this meeting at no charge, and attendees will have the chance to participate in a Sunday golf tournament.



Dawn Levy, a transportation expert, addresses NMFTA meeting attendees.

public meeting, NMFTA Government Relations Committee meeting and Classification Panel meetings. The meetings took place at the Holiday Inn Hotel & Suites in Old Town, which is known for its array of museums, authentic eighteenth-century buildings, fine restaurants, and its picturesque waterfront on the Potomac River.

The meeting took on a solemn note Sunday evening at a memorial dinner suggested by NMFTA members in honor of Jerry Stone, who passed away in February following an extended illness. For most of his 32 years of employment, Mr. Stone was the National Motor Freight Traffic Association’s principal authority on packaging and an internationally recognized packaging expert. NMFTA Executive Director Bill Pugh, on behalf of NMFTA and the NCC, presented Mrs. Karen Stone with a crystal award in honor of Mr. Stone’s dedicated service and outstanding contributions to NMFTA and the transportation industry.

Congressman Nick Rahall (D-WV), the second senior Democrat on the House Transportation and Infrastructure Committee, will be a featured speaker at the Sunday evening dinner at which time he will provide a legislative update regarding transportation issues. Prior to the Tuesday luncheon, Bill Metcalf, who bills himself as “the nation’s TechnoMotivator,” will deliver an uplifting motivational talk peppered with humor that connects the dots between emerging technology, existing technology, and your “life.” For details, contact Sandy Bryant at NMFTA at 703-838-1818 or at sandy.bryant@nmfta.org.