



## STB Schedules Hearing on Rail Consolidations, Rail Industry Structure

The federal Surface Transportation Board has scheduled a public hearing for March 8-9 in Washington to address the "major railroad consolidations and the present and future structure of the North American railroad industry."

The hearing, which the STB said is separate and distinct from its review of the proposed end-to-end consolidation of the Burlington Northern Santa Fe and Canadian National railways, could frame the legislative and regulatory debate for a wide range of rail policy issues.

*(Continued on page 7)*

### NGFA Meets with USDA on Ag Trade Issues



*NGFA President Kendell W. Keith (right) and Director of Legislative Affairs David C. Lindsay (left) are shown meeting with USDA General Sales Manager Richard G. Fritz (third from left) and Assistant General Sales Manager Dr. Asif J. Chaudhry recently in Washington on a wide range of agricultural trade issues.*

## EU Approves Regulations Governing Labeling of Biotech Foods

The European Commission has adopted rules that will require foods and food ingredients to be labeled if they contain individual ingredients that exceed a 1-percent threshold of biotechnology-enhanced components.

The EC formally adopted the regulations [*Commission Regulation No. 49/2000*] on Jan. 10, which were published on Jan. 11 in the EC's official regulatory journal. The regulations are scheduled to take effect on **Jan. 30**. The EC's Standing Committee on Foods drafted the rules, which were implemented pursuant to the European Union's Novel Foods Law.

Previously, the EC had not established a specific tolerance threshold for the presence of transgenic traits. Nor had foods containing additives or flavorings produced from biotech varieties previously been subject to the novel foods regulation's labeling requirements. That labeling exemption continues to apply to non-biotech additives or flavorings.

The new regulations directly apply to biotech-enhanced corn and soybeans used as ingredients in foods. But the EC regulations state that "the same approach is to be followed" for other biotech-enhanced food ingredients. The labeling rules do **not** apply to commodities or ingredients used in animal feed, although the EC is considering developing

companion regulations under its Novel Feed Law that would contain such a requirement.

*(Continued on page 4)*

### We've Moved!

By the time this edition of the *NGFA Newsletter* reaches your desk, the NGFA will have relocated to its new office at 1250 Eye St., N.W., Ste. 1003, Washington, D.C., 20005-3917.



The telephone numbers remain the same: Phone: 202-289-0873; Fax: 202-289-5388. So do the individual e-mail addresses of NGFA staff members, as well as the general e-mail address: [ngfa@ngfa.org](mailto:ngfa@ngfa.org).

Telephone and e-mail service to the NGFA were scheduled to be disrupted during the period **Friday, Jan. 28** through **Tuesday morning, Feb. 1** during the time that the telephone company reinstalled the lines. **Importantly, if you tried to fax a convention registration form or other information to the NGFA office during this period, please resend it, as it is likely that we did not receive it!**

We apologize for any inconvenience, and look forward to serving you at our new office! ***Stop by to visit if you are in the Washington area on business or pleasure!***



## NGFA's Agenda for 2000

The new year promises to bring as many challenges to our industry as any in recent memory.

Technology advances are pushing biotechnology into new frontiers, and with it, major shifts in the way grain traditionally has been handled and marketed to buyers. Communication and information technology are a driving force pushing electronic commerce into both cash and futures businesses. Another major rail merger has been proposed. And 1996's Freedom to Farm Act may be thoroughly evaluated and subjected to amendments.

Your Association is laying plans to address these and other important matters. Each January, a set of priorities for the coming 12 months is reviewed by the Executive Committee. At this year's meeting, the following "national agenda" was proposed:

► **Biotechnology:** The NGFA will continue to be the primary organization for the grain, feed and processing marketing industry in addressing biotech issues. We will urge development of quick and affordable tests that can be used to identify biotech traits, when necessary, to respond to customer preferences; encourage government to be supportive of tools needed by the market without being intrusive; and provide accurate, timely information to NGFA members on biotech developments.

NGFA has an outstanding "***Biotechnology Information Primer***" on its web site. I strongly encourage you to explore it for up-to-the-minute information on company-specific policy statements on purchase terms; testing technology and test kit availability; and many other useful topics.

► **Transportation Capacity and Efficiency:** As agriculture competes with other industries for transportation capacity in a rapidly expanding national economy, there are increasing concerns whether transportation could be a limiting factor for growth in U.S. agricultural markets. Issues now being raised include: optimal structure of the rail industry, for both major carriers and shortlines; truck size limits and whether expansion is justified; and the need for adequate public investment in inland waterways, highways and other infrastructure. The NGFA intends to move forward proactively in 2000 to ensure we can continue to have opportunities to grow the business.

► **National Grain and Feed Foundation-Sponsored Educational Program on Economic Growth in Agriculture:** Low commodity prices and temporarily soft international demand have dampened spirits in U.S. agriculture. Some of the public policy "solu-

tions" being proposed to address low farm price problems risk heavy loss in future U.S. market share of global markets. Conducted through the NGFA staff, this educational campaign will stress the importance of policies that permit continued growth and expansion of trade.

Other high-priority projects identified for the NGFA for the coming year include: 1) successful resolution of EPA's phosphine rules; 2) legislation reauthorizing the U.S. Department of Agriculture's Federal Grain Inspection Service; 3) advancement of self-regulation in the feed industry through a pilot program by FDA and several states on voluntary self-inspection; 4) legislation to reauthorize the Commodity Futures Trading Commission, a hurdle that will include a major discussion about how much regulation of futures markets really is needed in this era of electronic markets; 5) completing a research project on emissions of barge and vessel loading facilities to avert Environmental Protection Agency permitting constraints; and 6) marketing the NGFA to a broader array of industry companies that have a major interest in the outcome of national policy issues addressed by your Association.

While far from complete, this list of NGFA's objectives for the year ahead confirms that our volunteer committees (where much of this work is being accomplished), industry leaders and staff all have a full plate in 2000. Your Association takes pride in successfully representing your business interests.

**Give us your feedback.** We value and appreciate the advice and input received from member companies!

### **February Frenzy – Major Membership Contest!**

To help reach the goal of "104 by the 104<sup>th</sup>." Recruiter Network Chair JoAnn Brouillette has declared next month **February Frenzy**, a 29-day period of intensive membership recruiting activity.

Each sponsor of a new member during February will be eligible to win a fabulous travel prize, including airfare and hotel accommodations, to one of America's great cities (to be announced soon)!

The convention is just around the corner, and some serious work remains to be done to reach our membership-recruiting goal of "104 by the 104<sup>th</sup>" in San Diego. Our prize will provide added incentive for recruiters to pull out all the stops to meet that ambitious goal. And additional prizes and recognition will be forthcoming in San Diego.

Like the sound of a weekend for two in one of America's great cities? It could be you! Start warming up those membership prospects today!



## Agricultural Policy – A Look at Candidates' Proposals

As President Clinton prepares to deliver his final State of the Union address tonight, attention again is focusing on various agricultural policy proposals. The Clinton administration's proposals are expected to be summarized when the president's proposed budget for fiscal 2001 is forwarded to Congress in February. But proposals also are being advanced by presidential candidates. The following is a brief summary of the proposals emanating from three such candidates:

### Republican Presidential Candidate and Texas Gov. George W. Bush

- ▶ Support continued move toward market-oriented agriculture policy.
- ▶ Reinforce the farm safety net by reforming the crop insurance program to cover livestock and encourage further development of private-sector programs.
- ▶ Taxes: Reduce and eventually eliminate estate taxes, create tax-deferred farm risk-management accounts.
- ▶ Trade: Exempt agricultural products from unilateral sanctions, restore presidential fast-track trade negotiating authority, reduce unfair barriers to trade, grant China accession to WTO, pursue aggressive agenda in WTO talks.
- ▶ Provide regulatory relief for agricultural producers.

### Democratic Presidential Candidate and Vice President Al Gore

*[Several of these proposals also have emanated from Senate Minority Leader Sen. Tom Daschle, D-S.D., and Sen. Tom Harkin, D-Iowa:]*

- ▶ Create counter-cyclical income support mechanism for producers during periods of low prices.
- ▶ Expand the Conservation Reserve Program.
- ▶ Expand crop insurance coverage.
- ▶ Restore subsidies for construction of on-farm storage facilities.
- ▶ Create a conservation incentive program.
- ▶ Create a special counsel for agriculture at the Justice Department to monitor proposed agribusiness mergers.

The Senate Democrat Policy Committee is planning hearings on these issues at various locations in early 2000.

### Democratic Presidential Candidate and Former Sen. Bill Bradley

- ▶ Expand the Conservation Reserve Program.
- ▶ Create conservation incentive program.
- ▶ Shift the Packers and Stockyards Administration from USDA to the Department of Justice.
- ▶ Provide targeted payments to small farmers during times of low prices.
- ▶ Expand trade markets for U.S. producers.

## Congressional Hearings to Begin in February

Several congressional hearings of interest to the grain, feed and processing industry are scheduled for February:

- ▶ **Feb. 1:** The Senate Agriculture Committee is to examine agribusiness concentration and legislation to reauthorize the operations of the U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration.
- ▶ **Feb. 8:** The House Ways and Means Committee's Subcommittee on Trade is to review the WTO trade negotiations last fall in Seattle, and examine the outlook for future trade talks.

In addition, the House Agriculture Committee is scheduled to conduct a series of hearings on all aspects of the 1996 farm law this spring, as well as on proposals for changing it. A hearing schedule has not been announced yet.

## Futures/Commodity Exchange News

There were these developments concerning futures markets:

- ▶ **CBOT to Expand Project A Trading Hours for Ag Contracts:** The Chicago Board of Trade announced Jan. 26 that it will extend trading hours for agricultural contracts on its electronic trading platform, Project A, to 8 p.m. to 5 a.m., Central Time, effective Feb. 21. The current hours are 9 p.m. to 4:30 a.m., Central Time. The change was approved by the CBOT's Board of Directors on Jan. 18.
- ▶ **CFTC Extends Comment Period on Exempting Exchange Rules from Pre-Approval:** In response to a request from seven agricultural organizations, the Commodity Futures Trading Commission has extended to Feb. 24 the deadline for responding to its proposal under which futures exchanges could issue new rules and rule amendments and have them take effect without prior approval from the agency. *[See NGFA Newsletter, Dec. 16, 1999.]*



## ("Biotech" continued from page 1)

To avoid labeling a food product as "containing genetically modified organisms," a food company will be required to meet **both** of the following conditions:

- ◆ Demonstrate that the origin of the EU-approved biotech-enhanced ingredient was "accidental." In effect, the EC said, this means that food companies will be required to provide evidence that they have attempted to avoid the use of biotech ingredients as a source in their products.
- ◆ The quantity of EU-approved biotech ingredient "accidentally" present in the food or food ingredient cannot exceed 1 percent of each ingredient individually considered. The EC said that this means that the proportion of biotech ingredient in a product composed of several ingredients will be required to be less than 1 percent. As an example, it stated that in the case of a processed food containing corn starch, the percentage of allowable biotech ingredient is not 1 percent of the total product, but rather 1 percent of the starch. "Since starch usually represents only a fraction of the processed product it is contained in, the percentage of GM material in the processed product will be much lower than 1 percent," the EC said.

The 1 percent tolerance reportedly was chosen because it was the lowest level that currently available

tests reliably could detect. EC officials said they will consider reducing this threshold if technological developments enable reliable testing to levels of less than 1 percent.

The regulations do not address labeling claims for biotech-free products. The EC said it continues to examine potential legislation that would govern biotech-free labeling.

Concerning additives and flavorings, the EC's new regulations will require that all foodstuffs that contain biotech-derived additives or flavorings be labeled in the same way as those that contain other biotech-enhanced ingredients. Specifically, foodstuffs will be required to be labeled when:

- ◆ the additives or flavorings are, contain or consist of transgenic traits;
- ◆ they raise a particular safety (e.g., allergies) or ethical concern; and
- ◆ they are not equivalent to their conventionally produced counterparts, such as when they contain protein or DNA resulting from genetic modification.

The EU continues to prohibit the importation of certain "unapproved" varieties of transgenic corn.

## U.N. Attempts to Tackle Biotechnology Trade Issues

At a meeting this week in Montreal, more than 600 negotiators representing more than 130 countries (including the United States) are discussing the possibility of establishing a framework for trade of biotechnology-enhanced commodities under the United Nations treaty known as the "Biosafety Protocol."

The European Union, other non-exporting developing nations and food-importing nations are using the meeting as an attempt to convince the United States, Canada and other agricultural exporters to use the Biosafety Protocol – which historically has placed preeminence on environmental and ecological protection – rather than the World Trade Organization as the mechanism for establishing international rules governing labeling and other aspects of trade in biotech commodities. The EU also is arguing that the trading rules include its so-called "precautionary principle" that would allow countries to impede imports of biotech commodities based on moral, societal or other non-scientific grounds.

The WTO's Codex Alimentarius Commission also has established a Committee on Food Labeling that is discussing the labeling criteria that would govern trade in foods produced or derived from biotech commodities or ingredients. The Codex committee has met several times without reaching consensus, and has established a "working group" of 23 countries and 14 observer nations to meet in May in Ottawa, Canada. Established in 1962 – also under the auspices of the UN – Codex is the principal international organization for establishing health- and safety-related standards to facilitate fair international trade in food and agricultural products. It adopts food standards, codes of practice and other guidelines, and promotes their adoption by member governments.

Repeated attempts to reach accord on a Biosafety Protocol have stalled over the past five years. Negotiations conducted in Columbia about a year ago were suspended after several major grain exporting nations, including the United States, Canada, Australia and Uruguay, disagreed with a draft treaty.





# Country/Terminal Corner

## EPA Issues Requirements for Planting Buffer for *Bt* Corn

The Environmental Protection Agency on Jan. 14 issued its first formal requirements governing the planting of *Bt* corn.

EPA's requirements are patterned after existing recommendations made by seed companies and the National Corn Growers Association to "fully manage" potential insect resistance to *Bt* corn.

For the 2000 crop year, EPA said it will stipulate that:

▶ registrants (seed companies) require that growers plant a minimum structured refuge of at least 20 percent non-*Bt* corn. For *Bt* corn produced in cotton areas, EPA said registrants will be required to ensure that

producers plant at least 50 percent non-*Bt* corn; and

▶ registrants expand monitoring in the field as an "early warning system" to detect any potential insect resistance, and "communicate voluntary measures that will protect non-target insects, particularly the Monarch butterfly."

EPA also said it will impose sales and planting restrictions "in certain limited geographic areas for some products." No further information was immediately available as to the geographic areas affected by these planting restrictions.

The agency's announcement said that the industry had agreed to its conditions.

## NGFA Safety, Health and Environmental Quality Committee

*The Safety, Health and Environmental Quality Committee became the first NGFA committee to meet in the new millennium – and the last to meet at the association's New York Ave. office – when it convened on Jan. 18-19. The principal agenda item was to develop the NGFA's statement on the Occupational Safety and Health Administration's far-reaching ergonomics standard. The committee is shown meeting with OSHA officials. Pictured are (front row, from left): Stacy Schmidt, director of safety, health and environmental protection, The Andersons, Maumee, Ohio; Committee Chairman James E. Maness, assistant vice president, Bunge Corp., St. Louis, Mo., Marte Kent, director of OSHA's Directorate of Safety Programs, and Bob Burt, an OSHA economist. Also pictured are (back row, from left): NGFA Director of Technical Services Thomas C. O'Connor; Neil Turner, corporate safety director, Central Soya Co., Fort Wayne, Ind.; Dave Smith, manager of environmental services, Central Soya Co., Fort Wayne, Ind.; Roger L. Myrhe, senior vice president, Agrex Inc., Overland Park, Kan.; James L. Collins, General Mills Inc., Minneapolis, Minn.; Gary A. Ganson, manager, corporate health and safety, Farmland Industries Inc., Kansas City, Mo.; and Robert Henricks, engineering manager, GAI Consultants Inc., Fort Wayne, Ind.*



## NGFA Conducts 12<sup>th</sup> Feed Quality Assurance Workshop



*The NGFA on Jan. 12-13 conducted the 12<sup>th</sup> in an ongoing series of Feed Quality Assurance Workshops. The most recent workshop, conducted in Columbus, Neb., attracted 37 participants and marked the unveiling of the new fourth edition of the model NGFA Feed Quality Assurance Program notebook.*

*The workshop also featured a presentation by Nebraska Department of Agriculture officials on feed safety issues and compliance with the Food and Drug Administration's current good manufacturing practice regulations. The Nebraska Grain and Feed Association – the NGFA's affiliated state association -- joined in hosting and promoting attendance at the workshop.*

*Shown here is the workshop faculty (from left): David Prinz, vice president, Prinz Grain and Feed Inc., West Point, Neb.; Brad Gottula, quality assurance/regulatory manager, Land O'Lakes Feed, Fort Dodge, Iowa; Tom Young, agricultural inspector, Feed and Fertilizer Division, Nebraska*

*Department of Agriculture, Lincoln, Neb.; Ken Jackson, program manager, Feed and fertilizer Division, Nebraska Department of Agriculture, Lincoln, Neb., and Randall C. Gordon, NGFA vice president for communications and government relations. Gottula and Prinz are members of the NGFA's Feed Industry Committee, and Prinz chairs the Nebraska Grain and Feed Association's Feed Industry Committee.*





## USDA Biotech Advisory Committee Heavy on Organic, Farmer Reps

Representatives of consumer/organic interests, producers and universities landed the majority of the slots on the 38-member Advisory Committee on Agricultural Biotechnology announced Jan. 21 by Secretary of Agriculture Dan Glickman.

The committee is authorized for two years and has scheduled its first meeting for March 29-30 in Washington. It is charged with advising Glickman on policies regarding the creation, application, marketability, trade and uses of agricultural biotechnology.

Glickman appointed former **Rep. Dennis Eckhart**, D-Ohio, to be chairman of the advisory committee. He currently is an attorney with the Washington-based law firm of Baker and Hostetler LLP. Representatives of grain, feed and processing firms appointed to the committee were:

**Frank L. Sims**, president of Cargill Ag Producer Services, Minnetonka, Minn.; **Jerome B. Slocum**, president of North Mississippi Grain Co., Cold Water, Miss.; and **Austin P. Sullivan Jr.**, senior vice president for corporate relations, General Mills Inc., Plymouth, Minn., who also is chairman, Biotechnology Task Force, for the Grocery Manufacturers of America.

Others appointed to the committee were:

**Dale E. Bauman**, Liberty Hyde Bailey professor and professor of nutritional biochemistry, Department of Animal Science and the Division of Nutritional Sciences, Cornell University, Ithaca, N.Y.; **Daniel R. Botkin**, research professor, Department of Ecology, Evolution and Marine Biology, University of California, Santa Barbara, Calif.; **Carolyn Brickley**, executive director, National Campaign for Pesticide Policy Reform, San Francisco, Calif., and a member of the National Organic Standards Board; **R. Jeffrey Burkhardt**, professor of food and resource economics, Food and Resource Economics Department, University of Florida, Gainesville, Fla., and a member of the United States-European Union Committee on Ethics and Food Biotechnology; **R. James Cook**, endowed chair in wheat research, Department of Plant Pathology, Washington State University, Pullman, Wash.; **James F. Dodson**, a farmer and seed sales representative for Pioneer Hi-Bred International Inc., Robstown, Texas, who also is chairman of the National Cotton Council's Environmental Task Force; **Linda J. Fisher**, vice president for government and public affairs, Monsanto Co., Washington, D.C., a former top pesticide policy official with the Environmental Protection Agency; **Carol Tucker Foreman**, a consumer advocate and director of the Food Policy Institute at the Consumer Federation of America, Chevy Chase, Md.; **David J. Frederickson**, president, Minnesota Farmers Union, St. Paul, Minn.; **Rebecca J. Goldberg**, senior scientist, Environmental Defense Fund, New York, N.Y.; **Michael K. Hansen**, research associate, Consumer Policy Institute, Consumers Union, Yonkers, N.Y.; **Neil E. Harl**, professor of economics and Charles F. Curtiss distinguished professor

in agriculture, Iowa State University, Ames, Iowa.; **Thomas J. Hoban**, professor, Department of Sociology and Anthropology, North Carolina State University, Raleigh, N.C.; **Marjorie A. Hoy**, Eminent Scholar and Davies, Fischer and Eckes Professor of Biological Control, Department of Entomology and Nematology, University of Florida, Gainesville, Fla.; **Charles S. Johnson**, executive vice president, Dupont, Wilmington, Del., who also is a member of the Emerging Market Committee of USDA's Foreign Agricultural Service; **Anne R. Kapuscinski**, professor and extension specialist, Department of Fisheries and Wildlife, University of Minnesota, St. Paul, Minn.; **Edward L. Korwek**, attorney at Hogan and Hartson, LLP, Washington, D.C.; **Sharan A. Lanini**, producer and sales/marketing manager for Growers Transplanting Inc./Rocket Farms, Salinas, Calif., and a member of the California Department of Food and Agriculture's Organic Food Act Advisory Committee; **Mark Lipson**, organic farmer and policy program director for the Organic Farming Research Foundation, Davenport, Calif.; **Mary-Howell Martens**, organic farmer and adjunct biology instructor at Finger Lakes Community College, Penn Yan, N.Y.; **Marshall A. Martin**, professor, Department of Agricultural Economics, Purdue University, West Lafayette, Ind., and a member of the National Agricultural Biotechnology Council; **J. Calman McCastlain**, attorney at Pender, McCastlain and Pak, P.A., and a farmer and grain elevator operator; and director of the Arkansas Wheat Promotion Board, Little Rock, Ark.; **E. Bruce McEvoy**, chief executive officer, Sealed Sweet Growers, Inc., Vero Beach, Fla.; **Margaret G. Mellon**, director, agriculture and biotechnology program, Union of Concerned Scientists, Washington, D.C., a consumer activist organization.; **Lorraine D. Nakai**, entomologist and farmer, Navajo Agricultural Products Industry, Farmington, N.M.; **Philip T. Nelson**, farmer and chairman, Livestock and Dairy GRITS Committee, Illinois Farm Bureau; and chairman, American Farm Bureau Federation Swine Advisory Committee, Seneca, Ill.; **Carol Nottenburg**, attorney and director of intellectual property and principal scientist, Center for the Application of Molecular Biology to International Agriculture, Red Hill, Australia; **Roger C. Pine**, farmer and president, National Corn Growers Association, Lawrence, Kan.; **Channapatna S. Prakash**, professor of plant molecular genetics, College of Agriculture, Tuskegee University, Auburn, Ala., and a member of the U.S. Sweet Potato Crop Advisory Committee; **J. Michael Sligh**, director for sustainable agriculture, Rural Advancement Foundation International – USA, Chapel Hill, N.C.; **Virginia V. Weldon**, physician and director, Center for the Study of American Business, Washington University, St. Louis, Mo., and a member of the President's Committee of Advisors on Science and Technology; **David M. Winkles Jr.**, farmer and president, South Carolina Farm Bureau Federation, Sumter, S.C., and a member of the United Soybean Board, the soybean producer checkoff organization; **Margaret M. Wittenberg**, vice president of government and public affairs, Whole Foods Market Inc., Dripping Springs, Texas, and a member of the National Organic Standards Board; and **Michael W. Yost**, farmer and president, American Soybean Association, Murdock, Minn.





# Rails, Rivers and Roads

by David C. Barrett Jr.  
Counsel for Public Affairs

(“STB” continued from page 1)

The hearing announcement came on the heels of a Jan. 14 letter from House Transportation and Infrastructure Committee Chairman Bud Shuster, R-Pa., and Ranking Democratic Member James L. Oberstar, D-Minn., urging the agency to “explore all options to ensure an early and vigorous debate” on whether the “downstream” effects of the proposed BNSF/CN transaction are in the public interest. In addition, Oberstar sent a Jan. 19 letter to the STB in which he outlined “further concerns about the potential effects of such a merger” and cited examples of what he called “a more aggressive exercise of market power by BNSF since the merger that formed it in 1995.”

The STB outlined several issues about which the agency is seeking comment from railroads, rail shippers and other users, rail employees, and other elements of the rail sector during the public hearing. The issues included the following:

- ◆ What the evolving structure of the North American railroad industry is and should be.
- ◆ Rail shipper and other user views on the timing of any proposed large railroad consolidation.
- ◆ Whether further consolidation would be good for large and small railroads, and for their customers and employees, and, more broadly, whether it would be in the public interest.
- ◆ Effects of railroad consolidations on the financial condition of the railroad industry and the industry’s ability to provide responsive service at reasonable prices.
- ◆ Whether the railroad industry has or will have the necessary infrastructure, capacity and configuration to meet expected demand for freight service now and in the future.

**Registering/Submitting Comments:** The STB said persons wishing to speak at the hearing are to file a written

request by Feb. 8 with the agency signaling their intent to participate, and also are to indicate a requested time allotment. Each speaker or commenter is required to file the text of his/her anticipated written statement, and/or a summary thereof, by Feb. 29. An original and 10 copies of all submissions (along with an electronic copy) are required to reference STB Ex Parte No. 582 and be sent to: Surface Transportation Board, Office of the Secretary, Case Control Unit, Attn: STB Ex Parte No. 582, 1925 K St., N.W., Washington, D.C., 20423-0001.

A copy of the STB’s decision is available on the NGFA’s web site at [www.ngfa.org](http://www.ngfa.org). Click on the “Reference Desk” heading, then click on the “Transportation” icon to access the document. Members without Internet access may obtain a copy by contacting Jackie Congress at the NGFA at (202) 289-0873.

## NGFA Rail Shipper/Receiver Committee to Conduct Feb. 23-24 Meeting

In a related development, the NGFA’s Rail Shipper/Receiver Committee has scheduled a special meeting for Feb. 23-24 in Washington to discuss and develop the NGFA’s statement for the STB’s March 8-9 hearing.

Rail Shipper/Receiver Committee Chairman John L. Bratten is encouraging NGFA members to provide input to the committee prior to its February meeting concerning their views on the questions posed in the STB notice [*see previous article*]. Comments should be sent to David C. Barrett Jr., NGFA counsel for public affairs, at [dbarrett@ngfa.org](mailto:dbarrett@ngfa.org) or by fax to (202) 289-5388.

Thank you in advance for letting us hear from you on this important issue!

## House Plans Hearing on Ending Antitrust Immunity for Ocean Carriers

The House Judiciary Committee is developing plans for a March 22 hearing on legislation that would end the antitrust immunity currently granted to ocean carriers.

The hearing will focus on a bill (H.R. 3138) introduced in late October by House Judiciary Committee Chairman Henry Hyde, R-Ill., that would end the antitrust immunity of ocean carriers in the setting of rates. Current law allows ocean carriers to jointly set rates through conferences or recommend them through discussion agreements.

However, the 1998 Ocean Shipping Reform Act permits ocean shippers of containers to enter into confidential contracts with ocean carriers.

While this issue primarily affects shippers that use scheduled ocean carriers for container traffic, the legislation also could affect some grain firms that use ocean containers to ship specialty grains and products, as well as such grain users as poultry producers and processors who ship their products in containers.



## **Member Alert!**

# **NGFA Membership to Vote on Major Restructuring of Grain Trade Rules**

## **Companies May Wish to Delay Purchases of Existing Rulebook...**

During the March 31 annual business meeting at the National Grain and Feed Association's 104<sup>th</sup> annual convention, members are scheduled to vote on a major rewrite and restructuring of the NGFA's Grain Trade Rules.

The revisions have been developed over the past year by NGFA's Trade Rules Committee, chaired by James W. Keistler, marketing manager, Twomey Co., Smithshire, Ill. On Jan. 17, the NGFA's Executive Committee reviewed the proposed changes and approved forwarding the proposal to the entire membership for a vote. The proposed revisions are accessible for viewing and comment by all NGFA members on the association's web site at [www.ngfa.org](http://www.ngfa.org).

In accordance with the NGFA's Bylaws, the proposed changes will be sent to all Active and Affiliated members at least 30 days prior to the annual business meeting. The purpose of many proposed changes is to streamline existing rules and make them more user-friendly. For example, many of the rules will be reordered and renumbered. The number of the rules will be reduced from 45 to 30. Other

proposed changes will be to eliminate several rules that have become obsolete.

Because of this major rule restructuring, the NGFA plans to mail at least one **complimentary** copy of the new rules to every Active and Associate trading member company that actively uses the rules, prior to their effective date – which pursuant to the Bylaws is 30 days after adoption. Multiple complimentary copies of the rules will be sent to larger companies at a rate of one copy per \$2,000 in annual dues. Additional copies will be available for ordering for a charge.

**Because of the substantive changes being proposed to the Grain Trade Rules, the NGFA is advising companies that use the rules in contracts and trading to consider deferring further purchases of the existing Trade Rules booklet until the membership acts on the proposed new rules and a new edition of the booklet is published.** The booklet is scheduled to be available by mid-April.



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**TIME SENSITIVE**

