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July 23, 2005

U.S. FIRST CLASS MAIL
Andrew J. Heimert
Executive Director & General Counsel
Antitrust Modernization Commission
1120 G Street, N.W.
Suite 810
Washington, D.C. 20005

Re: AMC Request for Comments - Immunities and Exemptions

Dear Mr. Heimert:

Southern Motor Carriers Rate Conference, Inc. (SMC) is an association of motor carriers which collectively establishes class rates pursuant to procedures approved by the Surface Transportation Board in SMC's Section 13703 agreement. Those activities are conducted with antitrust immunity conferred by virtue of its approved Section 13703 agreement. SMC has some 130 motor carrier members, and over 1,200 associate members including principally shippers, as well as transportation intermediaries and motor carriers.

The National Small Shipments Traffic Conference, Inc. (NASSTRAC) submitted comments on item t, Motor Transportation exemption, 49 U.S.C. § 13703. That provision, as pertinent, enables motor carriers, with Surface Transportation Board approval, to enter into agreements to collectively establish through rates and joint rates and rate adjustments of general application based on industry average costs with antitrust immunity. While NASSTRAC correctly points out that all Section 13703 agreements currently are undergoing the five-year periodic review by the Surface Transportation Board required by the Motor Carrier Safety Improvement Act of 1999, several of the allegations made are incorrect.

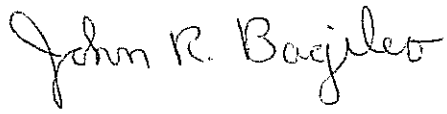
1. NASSTRAC's contention that many shippers oppose continued antitrust immunity is inaccurate. Other than the institutional objections of NASSTRAC and several other parties, not a single shipper statement is of record in the Surface Transportation Board's proceedings opposing the renewal of the Section 13703 agreements.

2. A substantial number of NASSTRAC shipper and associate members have, in fact, supported a pending SMC application for expanded collective rulemaking authority.

3. The self-serving contention that some shippers "with less marketplace leverage or sophistication are more vulnerable to rate increases based on collective carrier action " has not been substantiated by any record evidence in any of the Section 13703 reviews which have occurred over the past decade. Moreover, SMC provides an automatic 20 percent discount off base class rates for any shipper that does not have a higher discount in place.

It is noted that the Communion has scheduled a hearing for November 3, 2005 on the Immunities and Exemptions issues. SMC would appreciate the opportunity to appear and present testimony to ensure that the record accurately reflects its collective rulemaking activities and the benefits those activities confer on the public interest.

Respectfully Submitted,



John R. Bagileo
Counsel for Southern Motor
Carriers Rate Conference, Inc.

cc: Jack E. Middleton
President and CEO
Southern Motor Carriers Rate Conference, Inc.