

June 17, 2013

Chad T. Privett
SDDC G9, Transportation Policy and Procedures Branch
1 Soldier Way
Scott AFB, IL 62225-5006

Dear Mr. Privett:

The National Motor Freight Traffic Association, Inc. (NMFTA) is a non-profit trade association, the membership of which includes approximately 775 motor carriers of property authorized to transport commodities in intrastate, interstate and/or foreign commerce. Its members are participants in the National Motor Freight Classification (NMFC) which is utilized in identifying the transportation characteristics of the goods they transport. Many of our member motor carriers provide transportation services to the Department of Defense (DOD).

NMFTA submits these comments in response to the Military Freight Traffic Unified Rules Publication-1 (MFTURP-1) issued on June 3, 2013. We specifically direct these comments to the revised weight verification rule found in Section A. VI.M on page 72. NMFTA filed comments on the previous rule and acknowledges the changes made. However the rewritten measure remains problematic.

It appears that the revision attempts to craft a rule that is functional for the truckload (TL), less-than-truckload (LTL) and household goods segments of the motor carrier industry. These industry components have their own unique operating processes which are geared to the considerably different types of transportation services provided. Attempting to produce an overarching rule for all has resulted in wording that is incompatible with LTL operations.

As an example, paragraph 2 of the rule describes the weight verification accessorial as applicable to "per vehicle", when, in the LTL industry, the weight of individual shipments will be verified, not the weight of the entire vehicle. Thus, as regards the LTL industry, the language should appropriately apply to shipments rather than vehicles. Additionally in paragraph 2, part a., the provision requires the use of the eBill process and the Third Party Payment System (TPPS) as a standard for settlement of the accessorial charges. We believe this process should be used throughout the rule to allow the use of electronic records and images as an optional way to satisfy all notification and record production requirements. Further, we find the requirements of part b. of this paragraph to be misplaced. Rather than placing the responsibility on the TSP to secure a bill of lading correction, it should be mandated that the shipper or receiver produce the correction, as they are the parties that control the process.

The provisions of paragraph 3 establish an "option" for the TSP to reweigh shipments, but remove that option by stating in the rule: "This option does not apply if scales for weight verification are available and furnished by shipper or consignee." In typical LTL cross dock operations, it is customary for most TSPs to routinely weigh as many customer shipments as possible, using scales that are legal for commerce. Carrier billing accuracy, which is based on shipment rates per hundredweight, is directly impacted by the correctness of shipment weight. Moreover, shipment weight is a critical safety measure and also impacts TSP responsibility to comply with gross weight limit laws. The Department of Defense should not negate the utility of a TSP's normal business process of weighing shipments.

Furthermore, paragraph 3, part b., again assumes a single industry model and process. The provision mandates the production of a scale ticket that contains a "van or trailer number, name of driver and BL number." Once again, the LTL industry will be verifying shipment weight as cargo moves across a freight dock. Therefore, shipments are not assigned to an individual trailer or driver and the typical re-weigh record will reference a TSPs freight bill or "pro" number rather than a bill of lading number. Moreover in part c., presentation of a "reweigh ticket at destination for their record" by a driver is not standard operating procedure in LTL operations. As previously mentioned, we believe this rule is trying to apply standards appropriate to TL and household goods operations whereby re-weighing involves weighing the entire loaded trailer at an off-site scale. LTL carriers re-weigh individual shipments on their docks as a part of the cross dock operation when transferring shipments from one trailer to another. The weight verification is typically done while the shipment is handled by a forklift utilizing a forklift scale. Moreover, many of the larger LTL carriers have closed loop electronic systems that utilize a key pad on the forklift. The operator enters the pro number of the shipment being weighed which is then linked to the weight result. The resulting record is used to automatically produce a supplemental freight bill if the weight exceeds the tolerance established by the carrier. Typically a "weight ticket" is not produced...just a record of the weighing event and a supplemental bill if appropriate. The delivery drivers only have a delivery receipt. Some of the more sophisticated carriers do not use paper but simply get a signature on a digital device.

In Paragraph 3, part e, it is impractical in LTL service to mandate the TSP provide a weight verification ticket through the mail to a shipper within 3 business days. At a minimum, this provision warrants an electronic option. If notification by mail is required, we recommend ten (10) days.

The difficulty already expressed is culminated in part f of paragraph 3, whereby the rule states..."If the TSP fails to meet the notification requirements outlined above, the TSP will not be paid for the extra weight and/or size." There is no foundation to deny payment by not adhering to the notification provisions, because, as codified the ICC Termination Act of 1995 provides, the payer of freight charges and TSPs up to 180 days to make billing dispute claims [see 49 USC § 13710 (a)(3)]. This the standard commercial practice in the LTL industry.

Throughout this rule, there are mandates for the shipper and receiver to receive notification from the TSP. NMFTA believes it is essential that an electronic process of notification be established in the rule. Thus, before enforcing the notification provisions, SDDC should mandate that e-mail addresses for shippers and receivers be provided on the bill of lading. It is not uncommon for the shipper and the origin of the shipment to be two different locations, as well as for the consignee and the delivery destination to be two different parties.

We believe the revisions to the Weight Verification rule do not follow best business practices in the LTL industry. NMFTA requests that the changes to this item be suspended until they are reconsidered. NMFTA invites further dialog with SDDC with respect to all provisions.

Paul G. Levine General Manager

NATIONAL MOTOR FREIGHT TRAFFIC ASSOCIATION, INC.