



April 17, 2014

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

235925
ENTERED
Office of Proceedings
April 17, 2014
Part of
Public Record

RE: Finance Docket No. 27590 (Sub-No. 4) TTX Company—Application for Approval of Pooling of Car Service With Respect to Flatcars

Dear Ms. Brown:

The National Industrial Transportation League (NITL or League) is pleased to submit these comments in STB Finance Docket 27590 (Sub-No.4) regarding the application of the TTX Company for reauthorization of their flatcar pool. The League supports the Board's approval of TTX's application, without changes or conditions.

The League is one of the oldest and largest national associations representing companies engaged in the transportation of goods in both domestic and international commerce. The League was founded in 1907 and currently has over 500 company members. These members range from some of the largest users of the nation's and the world's transportation systems, to smaller companies engaged in the shipment and receipt of goods. The majority of the League's members include shippers and receivers of goods; however, third party intermediaries, logistics companies, and other entities engaged in the transportation of goods are also members of the League. Many members of the League are engaged in transportation of goods via rail subject to the jurisdiction of the Board and therefore have a strong interest in the matter that is the subject of this docket. In particular, League members use flatcars supplied by TTX.

The League very much agrees with the legal approach that the STB has taken in evaluating pooling agreements in the past, including prior applications of TTX for extended pooling authority. In the Board's evaluation of the subject application, we believe that same analysis should again be undertaken. As a general rule, and as the Board knows well, the League strongly favors competition in the provision of transportation services generally and rail services in particular. The League believes that antitrust immunity should be granted only where a clear public benefit is manifestly demonstrated; where the benefit of antitrust immunity clearly outweighs the anticompetitive effects of granting such immunity; and the proposal is narrowly drawn to achieve those benefits.

The fact that the Board has previously approved this pooling agreement does not mean that the standards for review and approval should be relaxed. The Board should examine this request for renewed approval in light of the status of competition and the needs of the public as they exist today. Likewise, if the competitive landscape changes in the future the Board should consider whether this agreement, if approved, merits a thorough review.

Our review of the TTX application was based on these demanding principles and high standards. The TTX pool manifestly benefits the nation's rail system, including both carriers and users of that system.

The League observes that TTX manages its fleet to minimize nonproductive empty miles and maximize loads. The result of these efficiencies is significant cost savings for railroads and potentially in turn to their customers. Coordinated maintenance and repair of the pool flatcars, improved asset utilization, synchronous car deployment throughout the rail network and TTX's own substantial investment in flatcars all indicate

there are significant public benefits from TTX operation and management of this pool. Moreover, the TTX pooling agreement does not unreasonably restrain competition.

Accordingly, the League believes and recommends that the subject TTX application should be approved by the Board, without changes or further conditions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bruce J. Carlton". The signature is fluid and cursive, with a prominent initial "B" and a long, sweeping underline.

Bruce J. Carlton
President and CEO
The National Industrial Transportation League