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SURFACE TRANSPORTATION BOARD DECISION

Docket No. RR 999 (Amendment No. 5)

Comments by Patricia Jennings

228752

My name is Patricia Jennings and I am President of Moving Pros Network LLC. My company publishes interstate household goods tariffs as well as the military 400NG tariff. Additionally, we offer an arbitration program to interstate household goods carriers, managed by the National Arbitration and Mediation, Inc. (NAM).

Prior to starting my own company two years ago I worked for the American Moving and Storage Association (AMSA) as Senior Vice President, Programs and Services. I was responsible for developing and maintaining the former interstate 400N tariff which was used by approximately 2,000 interstate carriers and I worked with the Household Goods Carriers' Bureau Committee in developing and maintaining the rates contained in the tariff.

We support the recent decision issued by STB changing FVP valuation to \$6.00 per pound and \$6,000 minimum value, and making mandatory the changes to the inventory form which will help clarify for customers the difference between 60 cents per pound and FVP when there is a claim for damage. We would not support increasing the \$6.00 per pound to a higher amount because it would have the reverse effect of driving the customer to select the 60 cents per pound in order to avoid paying a high amount for FVP.

We cannot support the April 1, 2011 effective date because it does not allow sufficient time to make all the changes necessary to meet that date for compliance.

Tariff Publishers Implementation

There are about a dozen companies publishing interstate household goods carrier tariffs, all having the same issues relative to meeting a short implementation period. For our company, as well as the other companies, to make the tariff publishing changes that will be required to comply with the tariff changes the following will need to be done:

- the software program code itself needs to be changed, tested and verified.
- the written rules section of the tariff has to be updated to include the changes.
- New CD's have to be produced and mailed to each tariff client along with written explanation as to the changes and what must be done to comply.
- Movers will have to install their CD's; we have to provide software support during this procedure, which has proved to be somewhat difficult given the various operating systems used by our clients: windows 2007, windows 2010, vista, and XP, each of which has different security set within the software itself causing installation under each to be a different procedure.

- Our clients will have to obtain new forms, the estimate form at the very least, which have been updated to include the new change language. This of course means the companies producing the forms will need sufficient time to develop and make available the new forms.

Our carrier clients who are using the tariffs on an internal server have other back-end programs they run in conjunction with the tariff software, for example, accounting, billing and revenue distribution programs. When the tariff program itself changes it has a ripple effect on the other programs. These programs will all have to be reviewed to determine which will need changes to code. Again, program code will need changing, testing and verifying before being put in place.

When we make changes to our tariff being used on an internal system we have to make sure all the changes are reflected throughout their systems, including making sure all printed documentation coming from those system programs all reflect the updated valuation changes.

Arbitration Program Providers Implementation

In addition to publishing interstate tariffs, we offer an arbitration program for interstate moves, managed by the National Arbitration and Mediation, Inc., in NY. The program uses a network of retired judges to conduct the binding arbitration process and issue decisions based on regulations, the tariff, i.e. a decision based on the law. For changes that the STB is putting in place it will require our getting materials and information to the NAM so that they can get their network of arbitrators trained. The valuation item is probably the most important to understand because most decisions are based on the valuation level selected by the customer. The majority of cases submitted for arbitration are disputes where the customer has selected 60 cents per pound, had damage to the goods contained in the shipment, and then expected to be reimbursed for the entire damage amount.

The arbitration documentation, carrier and customer program information, will have to reviewed and changes made as necessary. This all takes time.

Other Suppliers Implementation

Other suppliers that will be impacted by the valuation changes include those providing claims settlement services, those producing forms like the estimate form and the bill of lading, and software companies that provide front end or back end programs that in some way interface with the interstate tariff. These companies will have to be made aware of the changes, be educated so they understand how to make the changes, and then will need sufficient time to put the changes in place.

Companies that supply industry forms will have to produce new forms that carriers can purchase. Before they make any changes they will want to be sure that any language in the STB attachments will not change based on comments during the 60 day comment period.

Sufficient Time to Make All Changes and Provide Training

STB is holding the comment period open before it confirms the effective date, meaning that industry will not know until March 15th at the earliest if the April 1st date will hold or be pushed back. That gives

us only 7 business days to make the changes noted above and get our clients in compliance. Software changes as well as rule item changes are all date specific, i.e. the rates change as of a specific date that is programmed into the software code. We cannot make program changes until a definite effective date is finalized by STB. Depending on the comments STB receives from industry and others the valuation amounts could change, the attachments language could change and the effective date could be pushed back to a later date.

I've kept my comments specific to industry suppliers and not included the impact to the van lines, their agents, sales people, internal computer systems, etc. because those comments will be provided by others. For suppliers like myself who publish interstate tariffs and provide technical support to many clients, suppliers that provide software that integrates with the interstate tariffs, suppliers that produce forms used by carriers for estimating and for companies offering arbitration services for movers, we cannot possibly meet the effective date of April 1, 2011 in just 7 business days.

We ask that STB delay the effective date to give sufficient time for it to receive comments, review them and make its final decision. Given the peak moving season begins April 15th we would ask that the changes not become effective until 30 days after the end of the peak season which is September 30th. That way, we can get the materials to our clients, train them on the new regulations, and give them time to get the new program in place.

Thank you,

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