

**SURFACE TRANSPORTATION BOARD BEGINS REVIEW OF RATE BUREAUS,  
COLLECTIVE RATE SETTING IN THE MOTOR CARRIER INDUSTRY**

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Tuesday, May 20, 1997 (202) 565-1592  
No. 97-38 ADD: (202) 565-1695

**SURFACE TRANSPORTATION BOARD  
BEGINS REVIEW OF RATE BUREAUS, COLLECTIVE RATE SETTING  
IN THE MOTOR CARRIER INDUSTRY**

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has initiated a review of motor carrier rate bureaus and of collective rate setting in the motor carrier industry.

Under the law, interstate motor carriers may enter into agreements under which competitors may discuss certain matters related to rate setting, and the Board is directed to approve rate bureau agreements that it finds in the public interest. Activities conducted under such "rate bureau" agreements approved by the Board are protected from the application of antitrust laws. Under the ICC Termination Act of 1995, all existing rate bureau agreements will expire on December 31, 1998, unless their renewal is approved by the Board.

Except for consideration of issues relating to the

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"classification" of commodities that motor carriers will haul, motor carrier rate bureaus have operated only in particular geographic territories. Recently, however, several bureaus have requested authority from the Board to amend their agreements to allow them to operate nationally. One bureau, the Southern Motor Carriers Rate Conference, Inc., has requested Board authority to amend its agreement to allow noncarriers (such as shippers) to participate as members in rate bureaus.

The Board's decision seeks public comment on these proposed amendments. Additionally, in light of recent Congressional action eliminating tariff filing for most motor carriers and curtailing Federal authority over motor carrier rate reasonableness, the Board, as part of its analysis of the proposed amendments, also is seeking comments on whether it should renew the rate bureaus' antitrust immunity before it expires at the end of 1998. Noting in its decision that some of the functions performed by rate bureaus--for example, the setting of joint rate divisions (the division of rates covering transportation involving more than one carrier) and the publication and dissemination of rates--do not appear to require antitrust

immunity, the Board stated:

**We cannot responsibly address the territorial expansion issue without first addressing fundamental questions concerning the appropriate role for rate bureaus in the trucking industry, and the need for antitrust immunity, given today's regulatory environment. . . . [W]e seek information on what functions the rate bureaus now perform; which of their functions require antitrust immunity and why; and why it is in the public interest that they be immunized from the antitrust laws.**

The Board issued its decision in the proceeding entitled EC-MAC Motor Carriers Service Association, Inc., et al., Section 5a Application No. 118 (Amendment No. 1), et al., on May 20, 1997.

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