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## **RAIL SHIPPERS VOICE SUPPORT FOR BEGEMAN NOMINATION TO SURFACE TRANSPORTATION BOARD**

**WASHINGTON** – Organizations of railroad shippers today voiced their support for the nomination of Ann Begeman to serve on the Surface Transportation Board. The U.S. Senate Commerce, Science and Transportation Committee is scheduled to hold a hearing on Begeman's nomination today. She was first nominated by the Obama Administration in December.

"We believe that Ann Begeman would make an excellent addition to the Surface Transportation Board," said Glenn English, chairman of Consumers United for Rail Equity, a coalition of freight rail customers. "We believe she understands the many challenges currently facing railroad customers and the railroads themselves and will be fair in her judgments as a Commissioner."

The freight railroad monopoly has come under increased scrutiny recently. In February, a report by the U.S. Department of Transportation concluded that many commodities shippers are facing an increased risk of service/delivery problems because railroads are cutting back on service guarantees. Last fall, a Senate Commerce, Science and Transportation Committee staff report found that the freight railroads are downplaying their financial success to the federal government in order to preserve their monopoly and antitrust exemptions.

"Ann Begeman has a tremendous background in rail policy and is ideally suited to join the STB and work for the public interest. We look forward to working with her at the STB," said Kendell Keith, President of the National Grain and Feed Association. "The railroad industry has had a very successful decade financially, but there is a need to look beyond financial performance -- at ways we can all make the rail industry more competitive and responsive to the American economy and the need for job creation. The shipping industry wants production to increase, exports to expand and employment to grow as quickly as possible. We need the railroads to assist us in making economic growth a reality."

Begeman's nomination comes in the midst of a busy period for the STB. Last November, the STB announced that it would review the many commodity exemptions to see if adjustments should be made. In January, the Board announced that it would hold a hearing this summer examining the current state of competition in the railroad industry. Last month, the STB proposed a new system to dramatically reduce filing fees for all complaint cases made to the Board. The proposed change had been long sought by rail shippers because overly expensive filing fees were making the STB inaccessible to many shippers.

"Ms. Begeman is an exceptionally well qualified nominee for the STB," said Bruce Carlton, President & CEO of The National Industrial Transportation League. "She has substantial experience, and she would bring a deep understanding of the freight rail industry to the Board. This is a critical time at the STB and a critical time for railroad customers. As the STB continues to step up its activities this year, Ann Begeman will be an important voice in developing policies to ensure our nation has a competitive freight rail system that allows U.S. companies to better compete in the global market."

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