

STANDARD TRANSPORTATION COMMODITY CODE POLICIES AND PRACTICES

August 1960 - The President of Chesapeake & Ohio, Mr. Tuohy, proposed a new commodity code in a letter to AAR President Loomis. This code would be compatible with government compiled production statistics and could be made applicable to the entire transportation industry.

AAR President Loomis directed AAR Vice President Irwin to form a small inter-departmental group of accounting, rate and research authorities from representative railroads which would provide a report at the next AAR Board meeting.

May 26, 1961 - The AAR Board approved the report of the Special Commodity Code Committee (later referred to as the 'parent committee') and the subcommittee (later the STCC Technical Committee) for development of a standard code classification and approved AAR budget augmentation of \$75,000 to carry out the project.

September 28, 1962 - The AAR Board approved the report of the Special Commodity Code Committee to adopt the proposed code for use within the railroad industry.

October 26, 1962 - The AAR Board approved a special budget appropriation of \$100,000 in 1963 to cover cost of implementation of the new STCC.

January 30, 1963 - The ICC issued a proposed rule making for a new commodity classification for transportation.

June 28, 1963 - The AAR Board augmented its budget by \$50,000 for work on the new STCC system.

September 30, 1963 - The ICC issued Docket No. 34206 adopting a new commodity classification effective January 1, 1964, identical with AAR's STCC.

January 1, 1964 - The STCC is issued by the AAR.

March 1965 - The Technical Subcommittee agreed that no changes would be made to the STCC during a calendar year. Only additions of new code numbers for new products would be accepted. These additions would be limited to those inaugurated by industry representatives and would continue to be announced in the "Service Letter." Revised pages incorporating such additions were to be issued to replace the appropriate pages.

July 1965 - The Technical Subcommittee agreed that the integrity of STCC should be preserved as a matter of policy. Solutions to problems involving renumbering of new descriptions were to be maintained on a universal basis and would be accomplished through the regular established procedures for restructuring STCC and/or SIC.

November 16, 1966 - The AAR decided that the STCC should remain at the AAR and that Accounting and Finance staff should be augmented by additional full-time personnel.

January 13, 1967 - The AAR Board approved recommendations for enlargement of the STCC staff and authorized augmentation of the budget of the Finance and Accounting Department (the forerunner to the Economics and Finance Department). The budget increases were to cover expenses involved in expediting the assignment of STCC's, the continued maintenance of the data base and to permit the broadest use of the code for tariff and electronic media.

February 1968 - The Subcommittee authorized removal of the "T" reference for "Truck" items in the published STCC, but directed its continuance in the master file.

March 7, 1968 through July 11, 1969 - Use of the STCC by traffic officers in tariff publications was granted with the understanding that the price of the tariff would be set to meet the level of STCC activity.

September 1968 - The Subcommittee decided that "interpretation of coding principles means that unique seven-digit numbers will be assigned on request if the item is published in NMFC or UFC, and that requests based on differing descriptions in commodity tariffs will be granted only when conditions involved fully justify." The Subcommittee instructed that in the future each key word should be alphabetically indexed only once followed by a logical listing of the other words in the description.

February 1969 - Concluding an investigation which determined that coke--the product of coal--moved in transportation was not a product of the iron and steel industry, the Technical Subcommittee directed that identification of petroleum coke be moved from the iron and steel industry in STCC 33 to the petroleum industry in STCC 29.

April 1969 - To facilitate the development of railroad tariff data files, STCC Code assignment was transferred to the Commodity Code Group of the Uniform Classification Committee, with maintenance of the master Code files continuing at the AAR.

April 1969 - The Technical Subcommittee concurred on a definition for a commodity description It "is the term which is generally used to identify and distinguish a specific article, common to all transportation modes, not inclusive of qualifying language appurtenant to specific considerations or interests such as transportation, inventory control, or manufacturing process."

May 1969 - The Technical Subcommittee authorized elimination of the "DA" (Dangerous Article) symbol from the STCC effective with the January 1970 reissue.

July 1969 - In initial coding, STCC numbers were assigned to descriptions carried in the Index to the Uniform Freight Classification with an asterisk as information only, but not carried in the tariff itself. Questions arose as to whether an item added to the UFC index qualified it as being a commodity in view of the practice of assigning STCC numbers only when there was a tariff authority. The Technical Subcommittee concluded that tariff authority for STCC descriptions should be a rate naming description which would not include tariff interpretation as found in the Index to the UFC and, further, that no attempt would be made at the time to remove those already in the STCC.

July 11, 1969 - Under direction by the AAR Board, the master STCC files would be maintained at AAR by the Economics and Finance Department under the auspices of the Special Commodity Code Committee and its STCC Technical Subcommittee.

January 1970 - It was understood that although previous coding had covered values, in the future values were to be subcoded.

January 1, 1970 - The AAR copyrights the STCC.

March 1970 - The Technical Subcommittee delegated authority to the Commodity Code Group to assign a specific seven-digit number to a current header description, that the number be "00," and that the description carry the abbreviation "NMSI" to indicate "not more specifically identified".

March 1970 - After a review of the recommendations by Mr. Frank Cisar of the U.S. Bureau of the Budget (now Office of Management and Budget) who advised transfer of 775 codes and deletion of 8 others, the Technical Subcommittee concurred in 423 such recommendations which would be effective with the 1971 reissue of the STCC.

November 1970 - The STCC Audit Committee was established.

November 1970 - The Technical Subcommittee directed that there be no further self-generated action by the Committee or the Commodity Code Group on coding of airline tariffs. If an airline made a specific request, the Audit Committee would review it and make a determination at the seven-digit level. A six and seven-digit assignment would be made when the airline determined whether it would adopt the code. All pending codes assigned identification at the six and seven-digit level would remain unpublished.

July 1972 - The AAR granted copyright permission to railroad traffic officers to publish the STCC as a tariff and discontinued its publication of the Code manual.

July 1972 - Following revised tariff procedures and reorganization of the STCC Technical Subcommittee, STCC code assignments reverted to the AAR staff.

July 1972 - The STCC Financial Review Committee was formed to determine annual budget needs for STCC maintenance.

November 3, 1972 - The Special Commodity Code Committee authorized implementation of recommendations of the STCC Technical Committee in its special report of July 10, 1972, as follows:

1 - The name of the STCC Technical Subcommittee was changed to the STCC Technical Committee.

2 - Technical Committee membership would be expanded by and increase in non-railroad representation. (Seats were created for representation of individual motor carriers, motor carrier tariff bureaus, air, and water carriers.)

3 - A program was implemented for Code revision and maintenance which contained the following elements:

a) The removal of transportation modifiers.

e.g. 26 469 22, Flower pots, nec, paper, pulp-board, or woodpulp, not nested.

26 469 23, Flower pots, nec, paper, pulpboard, or woodpulp, nested.

b) Review for revision or removal of dimensional descriptions and percentage ingredients.

e.g. 34 931 15, Springs, nec, steel, other than wire, less than 5/16 inch thick.

c) Conformity of each "AAO" entry to its initial entry.

e.g. 24 919 30, Vehicle woods, nec, in the rough,
creosoted, or treated. (aao. gear woods, nec.)

(NOTE: aao = "Also applies on" which denotes a synonym or subdivision of
description first identified with a seven-digit number.)

d) Addition of any omitted National Motor Freight Classification entries.

e) Removal of code entries whose original source was the "Red Book" (90),
the Bureau of the Budget (91) or rail carrier request (100) and for which no
tariff reference has been found.

e.g. 24 416 25 Box shooks, wooden 90
28 129 10 Alkalies, nec 91
32 961 87 Coke, rock wool 100

f) Examination to determine if code entries are superfluous, repetitive or
obsolete.

g) Review of the location of individual commodities at the seven-digit level.

e.g. 20 711 30, Mints, anti-acid, was determined to have
been incorrectly classified as "Candy" and was
subsequently moved to 28 311 87 in the "Drug" category.

November 1972 - The Technical Committee agreed that identification of commodity descriptions moving on
FAK rates beyond STCC 46 11 10 involved tariff commodity identification and accounting and billing
procedures which went beyond STCC identification capabilities.

November 1972 - The Technical Committee authorized continuance of Section 44, identification of "Freight
Forwarders".

January 1, 1973 - STCC Tariff 1-A was published on behalf of railroad traffic officers by the Eastern Railroad
Association, with the Western Railroad Association sharing cost of funding STCC Technical Committee
activities.

July 1973 - The Technical Committee authorized deletion of so-called "90" and "91" items covering
descriptions identified from the former Freight Commodity Statistics Classification (Red Book) and former
Bureau of the Budget Product Classes which had no specific tariff authority.

The Committee also approved cancellation of so-called "100" items covering descriptions with no specific tariff
authority which had been identified at individual railroad request when the STCC was under development.

September 1973 - In response to reported deficiencies in the STCC as set forth in Phase III of the Department of Transportation's report on development of a Standard Description and Commodity Code System, the Technical Committee began review of the STCC Numeric Section for selection of descriptions with unnecessary transportation modifiers.

September 1973 - The Committee consensus that a code tariff should be self-contained without reference to another tariff, resulted in its directing that the first line of a mixed load tariff description would be sufficient for a STCC identification without naming the list of commodities referred to in the (rate) tariff description. The Committee also directed that the staff be instructed not to refer in the future to any other tariff publication or commodity list in assigning a seven-digit number.

January 1974 - The Special Commodity Code Committee authorized expansion of the Technical Committee and the Audit Committee to include representatives from each of the three major territorial freight traffic associations.

February 1974 - The Technical Committee concluded that its past coding instructions recommending use of unpublished "99" as sixth and seventh digits for mixed loads identification, as well as use of unpublished "00," should not be included in proposed updated coding instructions.

February 1974 - The Technical Committee continued publication of Section 45, "Shipper Association Traffic".

February 1974 - Railroad traffic officers indicated there would be an assessment of STCC tariff users for year 1974 to cover either a published 1975 edition or supplemental service in 1975, and that pricing procedures had been changed to insure monies would be available for future Code revision and maintenance.

April 1974 - Representatives of each of the three major freight traffic associations assumed Technical Committee membership.

December 1974 - The Technical Committee recommended that a new code be developed to designate hazardous commodities.

January 15, 1975 - The Operations and Transportation Department's General Committee unanimously recommended to the AAR Board that it request the STCC Technical Committee to work with the Bureau of Explosives, its Steering Committee, and other interested parties to promptly develop and implement any necessary modification to the current STCC in order to insure the proper identification of all hazardous commodities moving in rail transportation.

January 31, 1975 - The AAR Board endorsed the recommendation of the O/T General Committee that it would be impractical to devise an entirely new code for identifying hazardous materials since current management information systems are tied closely to the present STCC. In addition, it was agreed that an additional code would create further confusion in an area that was already extremely complex.

February 19-20, 1975 - At a joint meeting between the STCC Technical Committee and the Bureau of Explosives (BOE) and its Steering Committee, it was decided that to ensure identification of hazardous commodities there should be a continuing dialogue between BOE and the Economics and Finance Department.

March 21, 1975 - The AAR Board approved the report on the proposed STCC 49 identification for hazardous materials and substances.

April 1975 - The Technical Committee authorized STCC identification of TTX cars in STCC Industry 43, and amended the header accordingly.

May 8-9, 1975 - The STCC Technical Committee went on record as opposed to any proposal whereby commodity statistics would be reported to the ICC using 49 numbers. The Committee directed that the STCC Tariff carry a notation that the 49 series STCC numbers are not to be used in the determination of ratings, rates, or charges.

September 29, 1975 - The AAR Revenue Committee approved use of the 49 STC codes for the interline settlement abstract.

January 1, 1976 - Effective date of the newly established STCC Section 49 identifying hazardous materials or substances from DOT's Hazardous Materials Table, and published in STCC Tariff 1-D.

April 1, 1976 - Section 49 Coding Information Letter No. I.

October 1, 1976 - Section 49 Coding Information Letter No. II.

December 1, 1976 - Section 49 Coding Information Letter No. III.

February 1978 - The Technical Committee directed that abbreviations in the STCC Numeric Section be converted to complete words except for those abbreviations listed in the UFC and the NMFC.

January 1, 1979 - Initial publication of the STCC numeric section with unabbreviated descriptions.

May 1979 - The Technical Committee ruled that seven-digit identification is subject to the provisions of the header under which it is classified. If a seven-digit description has been improperly grouped or does not follow the language of the tariff item being identified, the particular seven-digit identification would be controlled by the provisions of the header pending correction.

August 1979 - The Committee gave tacit approval to Section 49 identification of commodities not specifically named in tariff items but moving under "nec" descriptions. (The specific commodity is included in parentheses following the appropriate DOT generic description, and bridged to STCC 28 999 91.)

April 1980 - The Committee accelerated its review and removal of transportation modifiers identified for possible consolidation or deletion.

July 1980 - The Committee authorized inclusion of DOT Hazardous Materials identification numbers in Section 49 and the 49 bridge table.

February 1981 - The Committee reaffirmed its coding policy which provides that when product identification crosses two five-digit headers in the STCC, identification is assigned in the so-called "NEC" category.

July 1, 1982 - Effective date of STCC Section 50, identifying bulk commodity shipments in boxcars, established as an aid in the AAR's National Car Grading System, and published in Supplement 3 to STCC Tariff 6001-J.

August 1982 - Western Railroad Traffic Association assumed STCC tariff publication and total responsibility for STCC funding.

January 1984 - The Technical Committee directed that beginning April 1, 1984, STCC Section 44 would be updated quarterly.

May 1984 - The Technical Committee agreed that the framers of the Code used the term "Similar Traffic" in STCC Section 45, "Shipper Association or Similar Traffic", for identification of shipper cooperatives, shippers' agents, pool car operators, consolidators, distributors, and other nonprofit groups exempt from regulation under Part IV of the Interstate Commerce Act covering for-hire and for-profit freight forwarders.

June 1985 - The Committee agreed that a reverse STCC 49 bridge table would be of assistance in hazardous materials identification and should be published.

February 1987 - The Committee approved establishment of STCC product class Section 48 to stand alone for identification of hazardous wastes, without bridging to other product class groups, and for ICC reporting purposes.

February 1988 - The Technical Committee authorized the addition of synonyms to STCC identifications and a proposal to this effect was issued.

July 1988 - The Technical Committee agreed to issue a "Code Announcement" letter which would advise what STCC identifications had been approved. Publication would also be in the Western Railroad Traffic Association's "Information Digest".

April 1989 - The Committee published a white paper "The Key to Hazardous Materials Identification" because of questions and misunderstandings concerning what the codes actually identified. (See Appendix A)

November 1989 - The Committee directed that when an identification of a product for specific application is entered in the Code, any corollary product descriptions should be amended accordingly.

March 1990 - The Committee, concerned about the depletion of numbers in STCC product classes, began a review of STCC industry groups for possible obsolete descriptions.

February 1991 - The Technical Committee agreed to Operations and Maintenance (O&M) handling of all aspects of STCC 48/49 code assignment directly, with E&F still being responsible for all STCC processing including assignment of all STCC's other than hazardous material, and the production of both volumes of the STCC Tariff.

June 1991 - The Technical Committee officially opened a seat on the Committee for a full-time liaison member from the Bureau of Explosives Steering Committee.

June 1991 - The Technical Committee endorsed bringing the current STCC data base into compliance with EDI Standards.

March 1992 - As a vital corollary to the establishment of an "error free" Interline Settlement System (ISS) and Rate EDI Network (REN), an effort is underway to establish a new centralized STCC data base. This new data base (product class, hazmat and hazmat emergency response) will include several additional commodity related codes. In keeping with intermodal and international goals, these enhancements will include: (1) the International Harmonized Code; (2) the Standard Industrial Classification; (3) the International Standard Industrial Classification; (4) the commodity deregulation indicator; (5) the three-digit Dominion of Canada commodity code; (6) the CS-54 commodity group number; and (7) the Minimum Car-grade designation.

In addition, several obsolete or superfluous items will be eliminated from the STCC data base at the industry's request. These include the obsolete (since 1954) three-digit "Red Book" number, the Transportation Mode, and several obsolete data processing fields. The revision year field will be replaced with new effective/expiration date fields.

June 1992 - The Technical Committee agreed to have the Code announcement letter, advising what STCC identifications have been approved, published in the Railroad Publication Services' "Weekly Docket".

November 1992 - The Technical Committee agreed that when a STCC number is deleted but a new or current description exists for the commodity, reference should be made to the new commodity in the text of the deletion. Such additions should be included only in the supplement in which the deletion occurs and not on the magnetic tape. This procedure will commence with the 1994 STCC Tariff.

January 1993 - The STCC Technical Committee began an obsolescence program which will remove up to one-third of the nearly 15,000 STC Codes from the data base. This program is expected to be completed before the publication of the 1994 tariff.