



Shipping Container Institute

NEWS

May – June 2007

SSCI NEWS

Brooks Elected SSCI Chairman for 2007; TPC, Board Meetings Set for Chicago

Douglas Brooks, president of CP Louisiana, Inc., was elected chairman of the Steel Shipping Container Institute for 2007 at the group's meeting last month in Phoenix. Joining Mr. Brooks on the elected slate of SSCI officers were Lester Trilla, Trilla Steel Drum Corp., vice chairman; Christopher Lind, Mauser Corp., treasurer, and Earnest Beardsley, North Coast Container Corp., secretary.

Mr. Brooks, who previously served as SSCI chairman from 1997 to 2000, succeeds Leonard Berenfield, Berenfield Containers, Inc., who completed the second of two successive years as SSCI chairman at the annual meeting in Phoenix.

Technical Projects Committee, SSCI Board Set for July Meetings in Chicago

The SSCI's Technical Projects Committee (TPC) and Board of Directors will conduct meetings in Chicago on July 17. The TPC will meet in the morning, followed by the Board meeting in the afternoon.

The TPC agenda includes a regulatory update focused on the Pipeline and Hazardous Materials Safety Administration's (PHMSA) ongoing efforts to encourage industrial packaging manufacturers who self-certify to adopt, on a voluntary basis, design test report form templates posted on the agency's web site. These templates seek a greater level of detail on design qualification testing than is currently required by the Code of Federal Regulations. Also on the regulatory agenda will be discussion of a pending OSHA proposal related to changes in its power presses regulations; developments related to Tobyhanna testing of open head

drums; and, disposition of a National Classification Committee item affecting steel and aluminum drums.

Also on the TPC agenda will be consideration of a new and expanded Buyer's/Shipper's Guide that incorporates information from the SSCI's brochure on certifiable UN marks as well as an update on two possible joint SSCI/PHMSA initiatives – one relating to customer education efforts on markings and the other involving a possible orientation visit to PHMSA's Tobyhanna testing facilities.

The SSCI Board, meanwhile, will be focused on finalizing the agreement on data collection efforts on new tight head and open head steel drums in keeping with IPANA's encouragement that all industry segments collect, aggregate, and provide such data. Also, the Board, under the leadership of newly-elected Chairman Doug Brooks, CP Louisiana, Inc., will set its agenda for the remainder of 2007 and into 2008.

The TPC meeting in Chicago is open to all members on a space-available basis while the Board of Directors meeting is closed.

IPANA NEWS

IPANA Sets Fall Conference for October 8-9 in Arlington

The IPANA Board of Directors has approved the selection of the Hyatt Regency Crystal City, Arlington, Virginia, as the location of its 2007 Fall Conference. The event is scheduled for October 8-9.

The Fall Conference is primarily a day and one-half session that provides a platform for more direct involvement by representatives of Washington regulatory agencies such as PHMSA, OSHA, and the

EPA. It also is a platform for focusing on political and economic developments that affect business.

IPANA's four affiliated organizations – the International Fibre Drum Institute (IFDI), the Plastic Drum Institute (PDI), the Rigid intermediate Bulk Container Association (RIBCA), and the Steel Shipping Container Institute (SSCI) – also conduct separate sessions to address technical and regulatory matters affecting their respective members.

Look for registration and program-related materials in your e-mail's inbox soon.

REGULATORY NEWS

PHMSA Chief Nominated as Deputy Transportation Secretary

The White House announced on June 8 that President Bush has nominated Admiral Thomas J. Barrett, USGC (Ret.) to the post as deputy secretary of transportation succeeding Maria Cino, who resigned the post in March. In recent months, Adm. Barrett has been acting deputy secretary of transportation while also serving as PHMSA administrator. He will continue in both posts until his permanent appointment is confirmed by the Senate.

Barrett, at PHMSA, has been viewed as a change agent during his short tenure. He has instilled in the agency an enterprise approach that is risk-based and data driven and focuses on finding solutions that satisfy the mutual objectives of the government and the regulated. He believes that transparency in enforcement leads to self-correcting activities by industry. He strongly preached this approach in his numerous appearances before industry groups.

Prior to joining DOT, Adm. Barrett served as vice president and chief operating officer of the Potomac Institute for Policy Studies. Earlier in his career, he served as vice commandant of the U.S. Coast Guard.

Senate confirmation hearings on his appointment are pending.

Edwards Appointed PHMSA Deputy Administrator

Krista L. Edwards recently was appointed by Secretary of Transportation Mary Peters to the post of deputy administrator of the Pipeline and Hazardous

Materials Safety Administration (PHMSA). Previously, Ms. Edwards served as the agency's chief counsel, a post she held since last May 2006.

Prior to joining DOT, Ms. Edwards was a partner in the Washington, D.C. law firm of Sidley Austin LLP, where she was a member of the firm's transportation, employment and labor practice. She received her J.D., with honors, from Northwestern University, and a B.A., with honors, from Northern Illinois University.

PHMSA First DOT Agency to Move to New Headquarters in D.C.

The Pipeline and Hazardous Materials Safety Administration (PHMSA) recently became the first U.S. DOT agency to move to the department's new headquarters in Washington, D.C. After decades at its 400 7th Street, S.W. location in the so-called NASSIF Building, DOT is moving in stages to a new building complex in Southeast Washington, off of South Capital Street, and near the new Washington Nationals baseball stadium that is under construction. The new DOT offices are served by the Metro's Green Line via the Navy Yard station.

PHMSA new address is 1200 New Jersey Avenue S.E. (East Building), Washington, DC 20003.

PHMSA Eliminates Phone Registry Option for HazMat Registration

The Pipeline and Hazardous Materials Administration (PHMSA) announced recently that it is eliminating the 24-hour, seven-days-per-week telephonic expedited registration option for persons who transport or offer for transportation certain categories and quantities of hazardous materials.

The agency said the change, which becomes effective on June 30, is precipitated by the availability of an internet registration option that, PHMSA observed, makes the telephonic expedited registration option obsolete. Moreover, the agency observed, only 194 persons out of a total of 35,005 registrants used the expedited telephonic registration option during calendar year 2006.

Also in this notice, PHMSA said it would not increase HM registration fees at this time. The agency,

last August, proposed to double for 2007-2008 the current fee of \$925, plus a \$25 administrative fee. For 2008-2009, the agency proposed to raise fees another \$1,000 to \$2,975, plus a \$25 administrative fee. These increases would apply to those registrants not qualifying as small businesses or not for profit organizations.

The agency is restrained from adopting the higher fees by provisions of the Continuing Resolution passed by Congress to fund much of the government after it failed last year to enact the various appropriations measures that fund the agencies of government. As part of the law that kept the government operating absent enactment of the various funding measures, PHMSA's obligations for Hazardous Materials and Emergency Preparedness (HMEP) grants this year were limited to the FY2006 level of \$14 million. For 2008, PHMSA noted, the Administration has requested \$28.3 million to fund the HMEP grants program. Should the Congress pass a budget and adopt an appropriations bill for that amount, the agency may initiate a future rulemaking to adjust the registration fees for 2008.

PHMSA Rescinds ANPRM on HM Transport Security

The Pipeline and Hazardous Materials Safety Administration, (PHMSA), DOT, has published a notice in the *Federal Register* withdrawing an advance notice of proposed rulemaking (ANPRM) in Docket No. HM-232A, *Security Requirements for Motor Carriers Transporting Hazardous Materials*.

This withdrawal advises the public that the Transportation Security Administration (TSA) of the Department of Homeland Security (DHS) has assumed the lead role from PHMSA for rulemaking addressing the security of motor carrier shipments of hazardous materials under Docket HM-232A. Accordingly, PHMSA explained, the agency is withdrawing the previously-issued ANPRM and closing its rulemaking proceeding.

PHMSA's notice states, "This action is consistent with and supportive of the respective transportation security roles and responsibilities of the DOT and DHS as delineated in a Memorandum of Understanding (MOU) signed September 28, 2004, and of TSA and PHMSA as outlined in an Annex to that MOU signed August 7, 2006. PHMSA will continue to consider alternatives for enhancing the safety of explosives stored during transportation under another rulemaking docket. PHMSA will consult and coordinate with TSA on

hazardous materials transportation security issues in accordance with the PHMSA-TSA Annex."

OSHA Proposes Changes to Power Press Standard

The Occupational Safety & Health Administration (OSHA) recently published in the *Federal Register* an advance notice of rulemaking in Docket No. OSHA-2007-0003, RIN 1218-AC22, *Power Presses*. In its notice, OSHA advises that it is considering changes to the current agency mechanical press standard adopted in 1971 and modified in 1988. The OSHA standard is based on ANSI B11.1, the industry consensus standard for mechanical power presses.

OSHA noted that it is seeking comment on whether and how the mechanical power press standard should be amended, including whether the requirements pertaining to the use of so-called presence-sensing device initiation (PSDI) systems should be revised and whether the scope of the standard should be expanded to cover other types of presses. Currently, the agency explained, hydraulic and pneumatic power presses are not covered by its mechanical power presses standard.

In 1988, OSHA authorized PSDI for mechanical power presses. However, its authorization required an OSHA-approved third party to validate the PSDI system at installation and annually thereafter. Since the adoption of this provision, the agency noted, no third party has sought OSHA's approval. Consequently PSDI systems are not being used with mechanical power presses in the U.S. although they have been used on presses in Europe for decades, the agency explained. OSHA has previously estimated that use of PSDI technology would increase productivity an average of 24.3 percent per press.

Comments on OSHA's June 4 proposal are due at the agency on August 3.

New FMCSA Truck Registration Program Ensnarers Private Fleets

Implementing legislation that directed the replacement of a program that most States participated in as a means of collecting and distributing registration fees and financial responsibility information from motor carriers, the Federal Motor Carrier Safety Administration (FMCSA), DOT, is finalizing rules and

charges associated with this Congressional mandate. This new program, called the Unified Carrier Registry (UCR), for the first time, includes operators of motor private fleets as well as common and contract motor carriers.

The Registry is administered by a 15-member board of directors appointed by the Secretary of Transportation and comprised of representatives of law enforcement, the trucking industry, and government entities. This board is authorized to set the fees associated with the program.

The UCR Agreement replaces the Single State Registration System (SSRS). Of the 39 States that participated in the SSRS, all but two, California and North Carolina, agreed to participate in the UCR in registration year 2007. Of the thirteen States, including the District of Columbia, that did not participate in the SSRS, only Oregon agreed to participate in the UCR.

Fees charged to a motor carrier, motor private carrier, or freight forwarder in connection with the filing of proof of financial responsibility under the UCR Agreement is based on the number of commercial motor vehicles owned or operated by the motor carrier, motor private carrier, or freight forwarder.

The board administering the Unified Carrier Registration Agreement has proposed a sliding scale of fees based on the number of trucks (power units) owned. Firms operating two or fewer trucks will pay \$39 per year. Those operating three to five commercial motor vehicles will pay \$116 annually, while companies operating between six and twenty vehicles will be required to pay \$231 per year. Fleets operating between 21 and 100 power units will have to pay \$806 and those operating from 101 to 1,000 trucks will pay \$3,840 annually. The top fee is \$37,500 for firms operating more than 1,001 trucks.

LEGISLATIVE NEWS

Senate Defeats “Card Check” Bill

The U.S. Senate, in a procedural vote, defeated the *Employee Free Choice Act of 2007* (H.R. 800 and S. 1639). The so-called “card check” bill would have allowed a majority of workers signing cards requesting a union to prevail without the current requirement for a secret ballot of affected employees in connection with efforts to unionize a business.

The Senate failed to invoke cloture on this legislation falling nine votes short of the required 60 votes, under Senate rules, to end debate on a measure and bring it to a vote. The likelihood that supporters of the legislation could garner the 60 votes needed for cloture means that this measure is dead in the Senate.

Previously, the U.S. House of Representatives had passed its version of the “card check” bill in a vote largely along party lines.

Bill Could Require Employers to Establish Automatic IRAs

U.S. Rep. Phil English introduced a bill that will encourage working Americans to save for their future and adequately prepare their nest egg so it can last throughout the span of their retirement years. H.R. 2167, the *Automatic IRA Act of 2007* would require employers without retirement plans to establish an automatic payroll deduction to an individual retirement account (IRA).

Specifically, employers with more than 10 employees that do not offer qualified retirement or pension plans would be required to allow all eligible workers the option to put a portion of their wages into an automatic IRA account through payroll deductions.

Employers would be able to choose the type of IRA option for their employees. According to the measure, employers could:

- Establish accounts for all employees at one institution;
- Allow the employee to establish their own account; or
- If the employer does not want use a regular, private provider IRA, they could opt to use the safety-net option: a private-sector provided contracted by the TSP II Board.

OTHER NEWS

Study Forecasts Growth of RIBCs

U.S. demand for rigid bulk packaging is expected to rise by 3.5% per year to \$6.6bn in 2011, according to a new study by the Ohio-based Freedomia Group.

Entitled *Rigid Bulk Packaging*, the study expects IBCs to witness the fastest growth as a result of their

"cost and performance advantages versus smaller, single-trip or shorter life alternatives", with the total market value for these units set to reach \$885m in 2011, up from \$660m in 2006.

While drums will experience slower growth, they will "remain a mainstay in bulk packaging" and are set to achieve a total market value of \$1.7bn in 2011, up from \$1.6bn in 2006. More information on the report, priced at \$4,500, is available at www.freedoniagroup.com.

Payroll Costs, Person Income Rise in First Quarter '07

Seasonally adjusted non-farm payroll employment by state increased in May in 38 states and decreased in 12 states and the District of Columbia, the Bureau of Labor Statistics (BLS) recently reported.

Compared to May 2006, employment expanded everywhere except in Ohio and Wisconsin, both -0.2%; and Michigan, -1.3%. The biggest year-over-year percentage gains were in Utah, 4.6%; Arizona, 3.4%; Louisiana, 3.3%; and South Dakota and Wyoming, both 3%.

Personal income in the first quarter of 2007 grew 2.2%, seasonally adjusted, up from 1.4% the prior quarter, the Bureau of Economic Analysis reported.

Total personal income grew in every state and DC, but earnings (wages, salaries, supplements, and proprietors' income) fell in New Hampshire and the Dakotas. Employer costs for employee compensation for private, state and local employers averaged \$27.82 in March, the BLS said. Wages and salaries averaged \$19.47 (70% of the total) and benefits, \$8.35 for the month.

The Difference in Age Cultures

[The following is re-printed from J.J. Keller & Associates, Inc., newsletter *HR Clicks*.]

The American workplace is as diverse a place as it has ever been. Part of the reason is the age differences of the workers, and the differences in age *cultures*. Younger workers are entering the workforce whose experience growing up was far different from that of the older workers, and there are differences in how each group approaches work.

It takes people of all ages to make up a workforce. At this point in time there are four generations working together in the workplace: The Veterans, who were born before 1945; The Baby Boomers, who were born between 1946 and 1964; Generation X, born between 1965 and 1978; and Generation Y, or the Millennials, who were born after 1979.

The Veterans grew up in time of war and scarcity, and learned how to be frugal with money. Many Veterans worked for only one or two companies for their entire careers.

Many Baby boomers are staying healthy later in life, and aren't retiring. In some organizations, this is causing a logjam, because this keeps the next generations from advancing into those positions. In order to advance, Xers and Millennials need to switch jobs. Often, this means loyalty is to themselves and not to the company they're currently working for, which is a foreign concept to some older workers.

The Generation Y lifestyle is much different from that of the three generations that went before them. Computers and hi-tech gadgets have always been a part of their lives. Compare that with the Veterans or the Baby Boomers, and it's easy to see why there may be conflict between the groups.

Younger workers need to realize that older workers retain valuable company knowledge and experience. Older workers need to realize that younger workers bring fresh ideas and new ways of doing things. With a labor shortage looming on the horizon, everyone has something to contribute in today's workforce.

CALENDAR OF EVENTS

SEPTEMBER 9 – 12

Asian Oceanic Steel Drum Association
6th Triennial Conference
Kuala Lumpur, Malaysia

SEPTEMBER 16 – 18

Petroleum Packaging Council
2007 Fall Meeting
Baltimore, Maryland

SEPTEMBER 19 – 21

National Association of Chemical Distributors
OPSEM 2007
Nashville, Tennessee

SEPTEMBER 24 – 27

Chemical Packaging Committee
Full & Sub-Committee Meetings
Alexandria, Virginia

OCTOBER 7 – 9

Association of Rotational Molders International
32nd Annual all Meeting & Technical Exhibits
Detroit, Michigan

OCTOBER 8 – 9

Industrial Packaging Alliance of North America
5th Annual Fall Conference
Arlington, Virginia

NOVEMBER 14 – 16

Dangerous Goods Advisory Council
29th Annual Meeting & Hazardous Materials Exhibition
Santa Fe, New Mexico

DECEMBER 1 – 5

National Association of Chemical Distributors
36th Annual Meeting
Scottsdale, Arizona

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