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October 13, 2005

The Honorable Roger P. Nober
Chairman, Surface Transportation Board
1925 K Street NW
Washington, DC 20423-0001

Ex Parte No. 658

Dear Mr. Nober,

I am writing in regards to the upcoming public hearing by the Surface Transportation Board (STB) in Washington D.C., to recognize the 25th Anniversary of the Staggers Rail Act of 1980.

Our company, GLOVIS America, is the exclusive logistics provider for new automobiles for Hyundai and Kia in the United States. Over the last 19 + years the railroads have been a major supplier of transportation for these companies as well as others in the industry.

Earlier this year Hyundai built its first U.S. Manufacturing facility in Montgomery, Alabama. At full capacity this operation will produce 300,000 units annually and 80% of the vehicles will be transported by rail. In addition, Kia is considering building a U.S. plant which also will be heavily supported by rail.

It is no secret that today's rail equipment capacity is undersized and we are seriously concerned that the future production increases will further tax this capacity. For companies like ours that are service providers, not being able to improve our service to our customers could be a detriment to our long term business relationships. As more U.S. plants are considered and sales volumes grow the need to keep pace with this growth is essential.

In short, the railroads need to be able to make the necessary investments to increase their capacity to keep pace with the planned growth. Therefore, I would strongly urge the STB to promote a federal regulatory policy that will allow the railroads to expand their infrastructure and rail capacity.

Thank you for your consideration of this very important matter.

Sincerely,

Marvin P. Baisden
Vice President & COO

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