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**Farmers  
Rice Milling  
Company**

A Member of The  
Powell Group

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To Whom It May Concern:

Sent via Facsimile (202) 418-5521

RECEIVED  
C.F.T.C.

'99 NOV 29 PM 5 20  
OFFICE OF THE SECRETARIAT

November 29, 1999

Ms. Jean A. Webb  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
Washington, DC

COMMENT

Re: Rice Futures

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RECORDS SECTION  
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This letter is written in support of the proposed modifications to the *Rice Futures Contract Quality Specifications*. The proposed changes are needed and if adopted will result in a better contract that represents a product which will more accurately reflect the commercial market for rice. It is our opinion this change will not negatively impact deliveries, but will allow a purchaser of a rice contract the assurances that the product he is buying is commercially marketable. Heat and stain damage to rice is controllable through good handling practices and the Chicago Board of Trade should not be an outlet for damaged commodities. The current rice contract allows this to happen even though the majority of rice traded in Commercial Markets does not contain heat or stain.

Additionally the proposed changes, if adopted, will bring a closer correlation between the cash and board price along with more stability to the basis for hedging rice.

Please consider these views in your decision to adopt the proposed changes to the Rice Futures Contract.

Sincerely,

Farmers Rice Milling Company, Inc.

James W. Warshaw  
Chief Executive Officer

JWW:gfd