

October 3, 2008

David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: CME Proposed Wheat Contract Changes: Official Comment

Dear Mr. David Stawick

The Andersons is appreciative of the opportunity to comment on the CME proposal to the wheat contract. We, as well as many in the industry, have found managing risk becomes much more difficult when the underlying futures contract is not discovering market price. Three points that we wish to make follow.

We could not find USDA or other published data to support the proposed 20 cent differential between Toledo and the 12 county Northwest Ohio territory. Based on truck freight rates we believe the correct differential is in a range of 25-32c cents. If the 12 county delivery points truly are supposed to be "safety valves," as presented by CME at industry meetings, then it is important that the differentials are reflective of market rates, else these facilities become primary.

Added delivery capacity at the correct differentials, as well the proposed increased storage charges are changes which we believe could impact convergence over time. We do caution that this approach will have minimal near-term affect on the underlying issues. This is, however, a good first step as it does not fundamentally damage the current contract and attempts to address the current situation. We believe that given the current market environment and market participants more deliveries may not achieve convergence because fixed carrying charges are not reflective of current cash economics.

If the CME proposal is approved it is our view that significant improvements will not seen within six months, and that the CME and CFTC need to look to make further changes, including but limited to limiting hedge exemptions, instituting some form of compelled loadout, and allowing the market to define carrying costs.

Thank you for your time,

Jim Banachowski
The Andersons, Inc
Grain and Ethanol Group

The Andersons, Inc. is a diversified company with interests in the grain, ethanol and plant nutrient sectors of U.S. agriculture, as well as in railcar leasing and repair, turf products production, and general merchandise retailing. Founded in Maumee, Ohio, in 1947, the company now has operations in 11 U.S. states and Puerto Rico, plus rail equipment leasing interests in Canada and Mexico.