



PRODUCERS
rice mill, inc.

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C.F.T.C.

Keith Glover
President & CEO

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COMMENT

November 29, 1999

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Ms. Jean A. Webb, Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
21st Street
NW Washington, DC 20581

Dear Ms. Webb:

Producers Rice Mill, Inc., supports the proposed amendments to the Chicago Board of Trade Rough Rice Futures Contract that is currently being reviewed by your agency.

For years both domestic and export buyers of U. S. rough rice have demanded a product that contains no heat or stain. Unfortunately, our current rough rice futures contract allows for the delivery of a product that is unwanted or unacceptable to most domestic and export buyers of U. S. rough rice.

By limiting the stained and lightly stained kernels to no more than 10 kernels in a 500-gram sample, the quality of the rough rice delivered on the Chicago Board of Trade contract would more closely reflect the quality that is traded daily in the cash market. The 10-kernel limit would give the warehouseman some cushion in the event an unexpected pocket of rough rice contained some light stain. The 10-kernel limit would also prevent a warehouseman from intentionally blending inferior product with good rice. We believe the 10-kernel limit will be a positive move for our contract and will not significantly impact the quantity of rough rice delivered against the contract.

U. S. rice has the reputation of being the highest quality around the world. It is only appropriate our rough rice futures reflect that same high standard.

Sincerely,

Keith Glover
President & CEO

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