



Lake Carriers' Association

For Immediate Release

September 15, 2009

Lakes Ore Trade Still on a Slow Bell in August

CLEVELAND—Shipments of iron ore on the Great Lakes totaled 3,251,657 tons in August, a decrease of 52 percent compared to a year ago. Although the steel industry was bringing some capacity back on line in August, stockpiles of ore were generally sufficient to meet immediate needs.

Assuming water levels have peaked for the year, then so have iron ore cargos. One cargo topped 68,000 tons in August. The record – set in a period of high water in 1997 – is 72,300 tons. Vessels won't be able to carry that much iron ore again until the U.S. Army Corps of Engineers restores the Great Lakes Navigation System to project dimensions. Dredging ports and channels to project dimensions will cost more than \$200 million.

Stimulus dollars will be of little help. The Corps only allocated 2 percent of the \$4.6 billion Congress gave it in the American Recovery and Reinvestment Act to Great Lakes projects. The dredging crisis on the Great Lakes will not end until the Harbor Maintenance Trust Fund spends rather than hoards the tax dollars industry pays in each year.

For the year, the Lakes iron ore trade stands at 16.1 million tons, a decrease of 59 percent compared to a year ago. The decrease is slightly less – 56.4 percent – when compared to the trade's 5-year average for the January-August timeframe.

Lake Carriers' Association represents 18 American companies that operate 55 U.S.-Flag vessels on the Great Lakes and carry the raw materials that drive the nation's economy, including iron ore and fluxstone for the steel industry, limestone, and cement for the construction industry, and coal for power generation. Collectively, these vessels can transport more than 115 million tons of cargo a year when high water offsets lack of adequate dredging. More information is available at www.lcaships.com.

Source: Lake Carriers' Association.

Contact: Glen G. Nekvasil, Vice President - Corporate Communications (440-333-9996).

-30-

Information based on data from knowledgeable sources. However, accuracy cannot be guaranteed. Lake Carriers' Association assumes no legal responsibility for the outcome of decisions or commitments made on the basis of this information. This report represents the views of Lake Carriers' Association and may not necessarily represent the views of its individual members.

Suite 720 ♦ 20325 Center Ridge Rd. ♦ Rocky River, Ohio 44116-3572 ♦ Fax: 440-333-9993 ♦
www.lcaships.com

The Association Representing Operators of U.S.-Flag Vessels on the Great Lakes

AMERICAN STEAMSHIP COMPANY • ANDRIE, INC. • ARMSTRONG STEAMSHIP COMPANY • BELL STEAMSHIP COMPANY • CENTRAL MARINE LOGISTICS, INC.
GRAND RIVER NAVIGATION COMPANY, INC. • GREAT LAKES FLEET / KEY LAKES, INC. • INLAND LAKES MANAGEMENT, INC. • THE INTERLAKE STEAMSHIP COMPANY
KK INTEGRATED LOGISTICS • LAKE MICHIGAN CARFERRY SERVICE, INC. • LAKES SHIPPING COMPANY, INC. • PERE MARQUETTE SHIPPING COMPANY
PORT CITY MARINE SERVICES • PORT CITY STEAMSHIP COMPANY • SOO MARINE SUPPLY, INC. • UPPER LAKES TOWING COMPANY, INC. • VANENKEVORT TUG & BARGE, INC.