



Lake Carriers' Association For Immediate Release

January 16, 2008

No Lightloads Could Have Offset Decline in 2007 Ore Trade

Cleveland--- Shipments of iron ore on the Great Lakes/Seaway system totaled 58.1 million net tons in 2007, a decrease of 3 percent compared to 2006. The trade was 1.5 percent behind its 5-year average.

While the decrease partially reflects lower demand from steelmakers, the shortfall in tonnage – 1.8 million tons – could have easily been carried if U.S.-Flag Lakers had been able to load to full capacity. By the end of 2007, the dredging crisis and falling water levels had some cargos in 1,000-foot-long vessels falling below 60,000 tons, effectively negating 15 percent of the ships' per-trip carrying capacity.

Vessel after vessel had to forfeit cargo to lack of adequate dredging and plunging water levels. An 806-foot-long vessel departed a Lake Superior loading dock with its holds only 83 percent full. A 767-foot-long vessel fared somewhat better, but still lost 12 percent of its carrying capacity. A ship sized to work an especially confined industrial river had to idle 10 percent of its capacity to maintain a safe draft.

Lake Carriers' Association represents 18 American corporations that operate 62 U.S.-Flag vessels on the Great Lakes. These vessels carry the raw materials that drive the nation's economy: Iron ore and fluxstone for the steel industry, limestone and cement for the construction industry, coal for power generation.... Collectively, these vessels can transport as much as 125 million tons of cargo a year when high water levels offset the lack of adequate dredging of Great Lakes ports and waterways. More information is available at www.lcaships.com.

Source: Lake Carriers' Association

Contact: Glen G. Nekvasil, Vice President - Corporate Communications: (216) 861-0592

-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.

Representing Operators of U.S.-Flag Vessels on the Great Lakes Since 1880