



Lake Carriers' Association

For Immediate Release

February 27, 2007

Low Water Levels, Lack of Dredging Take Their Toll Again

U.S.-Flag Carriage on the Lakes Slips 20 Percent in January

Cleveland—Inadequate depths in Great Lakes ports and waterways again robbed U.S.-Flag vessel operators of hundreds of thousands of tons of cargo January. The fleet moved only 3.3 million net tons during the month, a 20-percent decrease compared to a year ago. The January float was, however, marginally ahead of the month's 5-year average.

The month's largest iron ore cargo tells the story. The top load was 62,438 net tons. Yet when high water levels masked the effects of lack of adequate dredging in the late 1990s, 1,000-foot-long vessels carried as much as 72,300 net tons in a single trip. Therefore, January's largest iron ore cargo represented only 86 percent of the capacity that is available when vessels can load deep.

Only one commodity, limestone, registered a noticeable increase in January, and that was because mild weather at the beginning of the month allowed some quarries to continue shipping a bit later than normal.

U.S.-Flag Dry-Bulk Carriage on the Great Lakes: January 2002-2007 and 5-Year Average (net tons)

Commodity	2002	2003	2004	2005	2006	2007	Average 2002-2006
Iron Ore							
Direct Shipments	1,422,395	2,099,821	3,264,388	2,383,500	2,758,675	2,215,465	2,385,756
Transshipments	0	0	286,765	222,382	330,491	99,140	167,928
Total - Iron Ore	1,422,395	2,099,821	3,551,153	2,605,882	3,089,166	2,314,605	2,553,683
Coal							
Lake Superior	0	19,499	298,817	438,905	420,158	476,892	235,476
Lake Michigan	103,852	74,184	182,194	46,038	289,810	121,214	139,216
Lake Erie	95,849	44,522	171,457	0	179,752	49,439	98,316
Total - Coal	199,701	138,205	652,468	484,943	889,720	647,545	473,007
Limestone	0	24,245	80,626	195,387	5,000	188,303	61,052
Cement	174,040	94,309	134,690	184,644	143,504	159,971	146,237
Salt	0	50,212	11,946	13,801	61,194	22,566	27,431
Sand	0	0	0	0	0	0	0
Grain	0	0	0	0	0	0	0
Totals	1,796,136	2,406,792	4,430,883	3,484,657	4,188,584	3,332,990	3,261,410

Lake Carriers' Association represents 18 American corporations that operate 63 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 transport as much as 125 million tons of cargo a year when high water levels offset lack of adequate dredging. More information is available at www.lcaship.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.

Suite 915 • 614 West Superior Avenue • Cleveland, Ohio 44113-1383 • Fax: 216-241-8262 • Web site: www.lcaships.com

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

AMERICAN STEAMSHIP COMPANY • ARMSTRONG STEAMSHIP COMPANY • BELL STEAMSHIP COMPANY • CENTRAL MARINE LOGISTICS, INC.
 GLF GREAT LAKES FLEET CORP. • GRAND RIVER NAVIGATION COMPANY, INC. • GREAT LAKES FLEET, INC. / KEY LAKES, INC. • HMC SHIP MANAGEMENT LTD.
 INLAND LAKES MANAGEMENT, INC. • INTEGRATED SHIPPING, LLC • THE INTERLAKE STEAMSHIP COMPANY • LAKE MICHIGAN CARFERRY SERVICE, INC.
 LAKES SHIPPING COMPANY, INC. • PERE MARQUETTE SHIPPING COMPANY • SOO MARINE SUPPLY, INC. • UPPER LAKES TOWING COMPANY, INC.
 VANENKENVORT TUG & BARGE, INC. • WISCONSIN & MICHIGAN STEAMSHIP COMPANY