



Lake Carriers' Association

For Immediate Release

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Sour Economy Takes Its Toll on U.S.-Flag Lakers in April

CLEVELAND—U.S.-Flag vessels working the Great Lakes saw their cargo totals plummet in April as steel mills, iron ore mines, and other industrial activities slumped from the weight of the recession. Cargo movement totaled only 5.1 million tons, a decrease of 45 percent compared to a year ago.

The April float was only half the month's 5-year average.

The biggest decline came in iron ore cargos. Shipments fell 62 percent to 1.7 million tons. When the steel industry is operating at or near capacity, just one large fleet can haul that much iron ore in a month. As of now, the steel industry is operating at less than 50 percent of capacity.

The limestone trade also struggled in April, with loadings in U.S. hulls falling 48 percent to 1.1 million tons. The pulse in the construction industry is weak and steel mills don't need much fluxstone.

In total, the coal trade – 1.9 million tons – was within striking distance of a year ago, but only because shipments of western coal from Lake Superior were strong. Cargos loaded at Lake Michigan and Lake Erie ports slumped badly.

Vessel operating rates are well below a year ago. On May 1, 46 U.S.-Flag lakers were in service, a decrease of 28 hulls compared to a year ago. Since then, two vessels have been withdrawn from service.

For the year, U.S.-Flag carriage stands at 6.6 million tons, a decrease of 59 percent compared to the same point in 2008. Shipments are down more than 61 percent compared to the 5-year average for the January-April timeframe.

Lake Carriers' Association represents 18 American companies that operate 65 U.S.-Flag vessels on the Great Lakes and 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 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.

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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.

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

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