



Lake Carriers' Association

For Immediate Release

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Recession Trims 2009 U.S.-Flag Lakes Cargos Almost 35 Percent

CLEVELAND—The recession that engulfed the U.S. economy in 2009 significantly slowed the pace of U.S.-Flag shipping on the Great Lakes. The major U.S.-Flag carriers hauled 66.5 million tons of dry-bulk cargo in 2009, a decrease of 34.2 percent compared to 2008. The decline was even greater when compared to the industry's 5-year average: 37.8 percent.

The largest drop off came in iron ore cargos for the steel industry. The fleet moved only 24 million tons in 2009, a decrease of almost 50 percent compared to 2008. However, the 2008 total was deflated by the recession that began in the fall of that year. In times of booming demand for steel, such as 1998, the U.S.-Flag Lakes fleet hauled 63.5 million tons of iron ore. Compared to that year, the 2009 float was down more than 60 percent.

Coal cargos were down 17 percent compared to a year ago. In addition to the weak economy that lowered demand for electricity from industrial users, the coal trade was impacted by a generally cool summer and fewer exports to Canada. In 2009, U.S.-Flag lakers delivered 1.2 million tons of coal to Canadian customers. Just a few years ago - 2005 - coal exports to Canada in U.S. bottoms approached 5 million tons.

The 28-percent decrease in limestone cargos primarily reflects the struggles of the construction industry, but also reduced demand for fluxstone from the steel industry.

Two commodities actually registered tiny increases in 2009. The salt trade was up by 36,000 tons and grain cargos increased by 57,000 tons. Nonetheless, demand was so shaken by the recession that seven U.S.-Flag lakers never operated in 2009.

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: 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.lcships.com.

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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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