

2002 U.S.-FLAG VESSEL UTILIZATION RATES

The year began with 27 U.S.-flag lakers in service, but the total quickly dropped as the January 15 closing of the Soo Locks approached. Once the Soo Locks closed, the active dry-bulk fleet consisted primarily of two vessels loading iron ore in Escanaba for deliver to Ispat Inland Steel in East Chicago and three cement carriers delivering product to various locations. By January 29, all but one had completed their tonnage commitments. The ITB JOYCE VANENKEVORT/GREAT LAKES TRADER (VanEnkevort Tug & Barge Inc.) continued to load iron ore in Escanaba throughout February. The cement-carrying barge SOUTHDOWN CONQUEST (Cement Transit Company) was in operation for 20 days in February.

The tanker fleet operated in January and February as needed to meet demand for heating oils and other liquid-bulk products.

The first quarter of 2002 was truly a winter of discontent, for as March began, no less than eight U.S.-flag lakers had no firm sail dates for the spring. Demand for iron ore was clouded by the uncertain fate of the former LTV Steel facilities in Cleveland and Indiana Harbor. A generally sluggish economy dampened demand for aggregate, so by month's end, the active fleet totaled only 34 vessels, representing less than 60 percent of available carrying capacity.

During April, the active fleet grew by 18 vessels, but unlike previous years, many sailed at mid-month or later, rather than the first week, which is the norm. A number of vessels still had no sail date.

May saw only two more vessels activated, but prospects improved when ISG resumed steel production in Cleveland late that month. During June, two mid-sized self-unloaders were activated (BUCKEYE and COURTNEY BURTON, both Oglebay Norton Marine Services Company), yet it was not until the end of that month (the 29th) that the 1,000-footer JAMES R. BARKER (Interlake Steamship) returned to service. By means of comparison, those vessels returned to service on April 19, March 29 and March 17 in 2001.

The resumption of steel production in Cleveland restarted the Lorain/Cleveland iron ore shuttle, which then prompted activation of the AMERICAN REPUBLIC (American Steamship) on July 8. The REPUBLIC was designed expressly to ferry iron to the steel mills along the twisting Cuyahoga River.

ISG's reactivation of the shuttered LTV blast furnaces in Indiana Harbor further bolstered demand for iron ore and fluxstone (a type of limestone used as a purifying agent in the steelmaking process). Nonetheless, the REPUBLIC's sailing represented the final activation for 2002. A quartet of U.S.-flag lakers sat out the entire year: EDWARD L. RYERSON (Central Marine Logistics); ELTON HOYT 2nd (Interlake Steamship); RICHARD REISS (Erie Sand Steamship Co.); and JOSEPH H. FRANTZ (Oglebay Norton Marine Services Company). In the case of the RYERSON, her inactive status dates back to late 1998. The HOYT has been idle since January 11, 2001. The REISS and FRANTZ were in service in 2001.

In what has become an unfortunately common development in recent years, the Duluth/Superior-Buffalo grain trade took a siesta in the summer and forced the idling of the KINSMAN INDEPENDENT from June 23 until September 16. Since the vessel is a straight-decker (i.e., requires shoreside equipment to be unloaded), it cannot compete for other cargos, so when demand for grain dries up, the ship is withdrawn from service.

The active fleet peaked with the October 1 survey, totaling 60 vessels representing 95.3 percent of available carrying capacity and basically held steady for the remainder of the year, with just the normal fluctuations in the cement and tanker fleets. The lay-up schedule in December was on a par with recent years. Many of the smaller and mid-sized self-unloaders arrived at their winter berths by Christmas, but three 1,000-footers also laid up before New Year's. As the year ended, the active fleet totaled 42 vessels.

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Calendar Year Navigation Season	Number of Vessels Available for Service	Number of Vessels Which Saw Service
CY 2002	66	62
2001 Navigation Season	67	63
2000 Navigation Season	69	66
1999 Navigation Season	70	67
1998 Navigation Season	69	67
1997 Navigation Season	69	66
1996 Navigation Season	70	66
1995 Navigation Season	69	66
1994 Navigation Season	69	66
1993 Navigation Season	73	67

The Number of Vessels Available for Service column counts vessels registered with LCA and hulls "in class" operated by non-members. A vessel that is "in class" has passed inspection by the American Bureau of Shipping and has a U.S. Coast Guard Certificate of Inspection (COI). Ships such as the JOHN SHERWIN, E.M. and J.B. FORDS, S.T. CRAPO and L.E. BLOCK are not currently in class, and therefore not considered available for service.