Exchange, ISM, Villanova partner to digitize ship records

What’s the one thing all members know about the Maritime Exchange? According to Exchange VP Lisa Himber, everyone recognizes that monitoring ship traffic is the organization’s raison d’etre. “Even those who don’t use the services know the Exchange collects information about ships arriving and departing Delaware River ports — that it’s our tradition and a fundamental part of our mission,” she said.

When it was incorporated in 1875, the Maritime Exchange accepted the responsibility not only to gather and share ship movement information but also to maintain those records for posterity. For the next 100 years, Exchange personnel painstakingly noted each arrival, departure, and shifting in large, leather-bound volumes. Information collection eventually transitioned to typewritten reports, and it moved into a fully electronic environment.

“Needless to say, storing those handwritten ship logs was a challenge,” Himber said. Not only did they take up a great deal of space, but the books require a controlled environment to ensure they are adequately preserved.

The optimal solution to solve both problems was readily apparent. In 1973, the Exchange donated a significant portion of its historical documents, including the massive ship logs, to the Independence Seaport Museum. Additional records followed in 2009.

“Along with we received 324 bound volumes in addition to 134 boxes of loose records from the Exchange,” said Independence Seaport Museum Chief Curator Craig Bruns. “It’s a huge collection, and it forms the core of the museum’s collections documenting the region’s maritime trade during the mid-19th to the early-20th centuries.” The records have been available to researchers for many years, but now the Museum and the Exchange wish to increase their accessibility.

Earlier this year the Seaport Museum delivered the first group of six logs to Villanova University for its Digital Library initiative, which creates and preserves digital collections that support teaching and research at the campus and for the global community of scholars.

According to Villanova’s Director of Distinctive Collections and Digital Engagement Michael Foight, the initiative is all about collaboration. “We have about 20 partners, and ISM is the largest by far,” he said. Through its relationships with other organizations, Villanova is able to make massive amounts of data available in perpetuity under a creative commons license. “Our goal is to provide this information for free and for the public good — the costs are built into our annual operating budget for special collections. While the purpose is to support our own students and researchers around the world, it’s not just about altruism. It benefits the university and the city to be collaborative, and it certainly provides a certain prestige for us all. I just wish more people would avail themselves of this resource.”

What is most interesting, according to Bruns, is how the Exchange collection links with others held by the museum, from the John Barry-Simon Himber Steel archives, to the late-18th and early-19th century ship manifests. What is most interesting, according to Bruns, is how the Exchange collection links with others held by the museum, from the John Barry-Simon Himber Steel archives, to the late-18th and early-19th century ship manifests.

“I am proud to represent the home to the largest by far,” he said. Through its relationships with other organizations, Villanova is able to make massive amounts of data available in perpetuity under a creative commons license. “Our goal is to provide this information for free and for the public good — the costs are built into our annual operating budget for special collections. While the purpose is to support our own students and researchers around the world, it’s not just about altruism. It benefits the university and the city to be collaborative, and it certainly provides a certain prestige for us all. I just wish more people would avail themselves of this resource.”

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Interview with

Jefferson Van Drew

On November 6, 2018, constituents in New Jersey’s Second Congressional District elected Jeff Van Drew to represent them in the U.S. House of Representatives. Van Drew, who previously served four terms in the New Jersey State Senate, was appointed to the Committee on Natural Resources and on Agriculture. We asked the newly elected Congressman to share his thoughts on several issues key to Delaware River ports.

Q: First off, please tell us a little about the ports and harbors in your district.

A: The importance of ports to the identity, industry, and economy of South Jersey cannot be overstated. The history of South Jersey’s ports is rich, with notable ports on both the eastern and western borders of the state that have contributed to the prosperity of our region. On the west, the port of Camden has historically enjoyed success opposite the Port of Philadelphia, and in its heyday, housed RCA Victor, New York Shipbuilding, and Campbell Soup.

Despite falling victim to urban decay in the 1960s, through revitalization efforts, it has been greatly improved to attract new customers and once again handles domestic and international bulk and breakbulk cargoes. To the east, Cape May Harbor has an incredible history of its own; in fact, in 1976 the city was deemed a National Historic Landmark. Cape May Harbor also happens to be the second busiest port on the East Coast for off-loading seafood. Fishing, marinas, shipping, and tourism are all vital pieces of the economies of Cape May and other port cities in South Jersey.

Q: What’s the importance of U.S. Coast Guard to your district?

A: I am proud to represent the home to the U.S. Coast Guard Training Center.
I’m not entirely sure what to make of the International Maritime Organization decision to make “Empowering Women in the Maritime Community” the theme of World Maritime Day 2019.

The goals are certainly worthy: “. . . to raise awareness of the importance of gender equality and to highlight the important contribution (sic) of women all over the world to the maritime sector.”

But it’s 2019 after all. As we heard at the highly successful WISTA (Women’s International Shipping & Trading Association) USA conference in Philadelphia this past spring, we don’t need to talk about women “getting there” in the maritime industry. Truth be told, we’re already there. The world’s maritime academies have been accepting women for decades. We are CEOs, ship masters, entrepreneurs, engineers, and rainmakers. We lead national and international companies, organizations, and government agencies at all levels.

Women professionals do not self-identify as such. We don’t refer to ourselves or each other as “female pilots” or, worse, “lady lawyers.” That, unfortunately, is the purview of some of our gentleman colleagues. Though from my little corner of the world, this behavior seems to be decreasing as our more venerable colleagues retire and younger generations rise through the ranks.

Despite this, my own experience tells me that women have not yet reached a critical mass in maritime industry leadership. In the 1990s, we joked about “not having to wait in line for the rest room” at maritime meetings and events. But today we still don’t have to wait, and really, it’s no longer all that funny.

Let me quote from WISTA President Despina Panayiotou Theodosiou, who in a recent newsletter to members related “. . . an interesting question that came from the audience [at an IMO event] ‘When will we finally say that women are empowered? We have been using this word for decades now; when will we get there?’ In my opinion, until the industry understands that diversity of thought is essential for our future, and women . . . are fully included (in leadership, in industry discussions, in every facet of shipping) then we cannot be done talking about empowerment.” She makes an excellent point.

But that brings me back to my conundrum. We are “there,” but yet we’re not. What is it that we really want to achieve?

It does not seem to me that the problem lies with the need to further empower women. Rather, it seems to be more about the numbers. Women in maritime leadership are clearly underrepresented, but equally apparent is that those who are there are in fact fully included. (Whether they are paid the same for doing the same jobs is a topic for another day.)

This highlights my challenge in fully embracing the IMO’s World Maritime Day theme. Does the scarcity of female maritime leaders result because the industry systemically allows only a select few women to reach that status, or is it that far too few young girls and women choose maritime as a career?

No doubt the answer is some combination of the two. If I had to focus on one of those two vexing problems, I’d elect to spend more effort educating the upcoming generations on the value of choosing maritime careers. As the current, and perhaps more biased, cadre of predominantly male leaders makes way, the problem of needing to “empower” women in all likelihood will die a long overdue natural death.
Cyber criminals set their sights on ships

Vessel-focused attacks among the latest threats to the maritime industry

It is now officially inescapable — cyber attacks and data breaches have become daily news. Those who have somehow managed to miss all the print, web, and TV reports, have undoubtedly been warned and warned again by their IT administrators about the latest and scariest attack vectors. So it is not surprising that ocean vessels have come under the cross-hairs of cyber criminals.

In May 2019, the Coast Guard warned the maritime industry that email phishing and malware intrusion attempts had been made against vessels. In particular, malicious software designed to disrupt shipboard computer systems had been identified. In addition, criminals, posing as official port state control authorities, attempted to gain sensitive information, including advanced notice of arrival data. NOAs, a Coast Guard reporting requirement for arriving ships, contain a wealth of information, such as identifiable information for vessels and the likelihood for the tempering of manifests. But the NOA also includes full crew and passenger manifests with personally identifiable information for all aboard.

“The Mariners’ Advisory Committee, its constituents, and port partners are aware of the recent cyber attacks on vessels and the likelihood for the tempo of attacks to increase,” said MAC Chairman Captain J. Stuart Griffin. “The MAC is taking appropriate measures to defend against intrusions and actively encourages its membership to participate in the Area Maritime Security Committee and heed recommendations from the AMSC Cyber Subcommittee. Further, the resiliency of the port in the face of such an attack is of critical importance to us all and something we strive to improve upon constantly.”

The attackers and motives are almost as varied as the types of cyber attacks themselves. They run the full gamut from state actors involved in espionage, to organized criminals who have made cyber theft a big business, to extremists sowing terror for its own sake, to the lone wolf out to make quick and easy money, and everything in between. The dark web is a virtual shopping mall for would-be criminals to purchase malware kits, stolen credentials, and mailing lists.

The A.P. Moller-Maersk shipping line was crippled for two weeks in 2017 when ransomware infected its global computer network, essentially shutting down all automated and electronic operations. The fallout has been estimated at between $250-$300 million. Maersk has been commended for its transparency as a learning experience to other shipping companies.

The latest incidents highlight the adaptability and ingenuity of criminals to exploit any and all technological and human vulnerabilities. Everyone involved in the operation of a ship from the vessel owners and operators, pilots, onshore partners, and the crew will have to be more vigilant against the known, and just as important, the unknown, threats.

Many regulated entities are required to notify authorities of cyber incidents — vessel owners and operators must report suspicious activity and breaches to the National Response Center at 800-424-8802. For cases that do not affect the operating condition of the vessel or result in a pollution incident, they may report to the 24/7 National Cybersecurity and Communications Integration Center at 888-282-0870.

Progress towards completing the Delaware River main shipping channel to 45 feet continues.

Following the discovery of additional rock outcrops in the Marina Hook Range in the spring of this year, the Corps of Engineers conducted additional investigations and surveys. Once this activity is complete, the Corps, working with local sponsor PhilaPort and Great Lakes Dredge and Dock Co., will finalize a plan to remove these remaining rock outcrops as the last step to completing this all-important project.
The Maritime Exchange is pleased to welcome David Moeller as the newest member of the Operations staff. Prior to the joining the Exchange, Moeller held a long career in the aerospace industry and served in the U.S. Army’s 295th Military Police Company.

Moeller earned a BS in management and an MBA in international business and corporate finance.

“Dave is an experienced and committed professional,” Exchange Director of Operations Paul Myhre said. “He will work at our Ship Reporting Tower in Lewes with a team dedicated to serving Exchange members.”

The operations staff functions 24/7/365 to ensure members get the information they need when they need it.

Moeller joins a cohesive unit consisting of six full-time employees with a combined experience of 80 years at the Exchange. Together, they facilitate ship movements in the region by disseminating vessel schedule and navigation restriction information and supporting Maritime On-Line users throughout the Delaware River port complex and in other regions of the U.S. and abroad.

The Maritime Exchange is the only source for conveyance, cargo, and crew information critical to private and public sector maritime stakeholders and has been filling this role for over 140 years. “Our data and services allow our constituents to meet important commercial, security, and navigational safety goals,” Myhre said. When not at work, Dave enjoys spending time with his family and working on classic cars. He is currently finishing up a 1939 Ford Deluxe Coupe.

“I am excited for the opportunity to be a part of the Exchange and serve the maritime community,” Moeller said. “The Maritime Exchange plays a vital role in the region, and I feel fortunate to be a member of the team.”

Welcome aboard, Dave!

At a change of command ceremony July 12, 2019, Lieutenant Colonel David C. Park assumed command as the Corps’ Philadelphia District’s 66th Commander, leading a 500-member district office. Missions include dredging waterways for navigation, protecting communities from flooding and coastal storms, responding to natural and declared disasters, regulating construction in the nation’s waters and wetlands, remediating environmental hazards, restoring ecosystems, building facilities for the Army and Air Force, and providing engineering, contracting, and project management services for other government agencies upon request.

Established in 1866, the U.S. Army Corps of Engineers’ Philadelphia District encompasses the 13,000-square-mile Delaware River Basin and the Atlantic Coast from New Jersey’s Manasquan Inlet to the Delaware-Maryland line. Within its boundaries are more than eight million people in eastern Pennsylvania, western and southern New Jersey, most of Delaware, New York’s Catskills region, and part of northeastern Maryland.

LTC Park was commissioned as an engineer second lieutenant from the U.S. Military Academy in 2001. He has a bachelor’s in aerospace engineering and a master’s in engineering management from the University of Missouri, Science and Technology. He is a graduate of the Engineer Officer Basic Course, Engineer Officer Advanced Course, and Command and General Staff College.

Most recently, he served on a joint duty assignment to the National Geospatial-Intelligence Agency as deputy division chief of the Space and Interiors Division and as chief of staff of the Security and Installations Directorate.

Previous assignments have included platoon leader, executive officer, and battalion adjutant with the 16th Engineer Battalion, Giessen, Germany; company executive officer in support of Operation Iraqi Freedom from May 2003 to August 2004; battle captain at the Coalition Forces Land Component Command, Camp Arifjan, Kuwait; and engineer observer/trainer with the Battle Command Training Program.

He deployed in support of Operation Iraqi Freedom from December 2008 to January 2010 as an operations officer for the Division Engineer, 1st Cavalry Division and assumed command, while deployed, of Echo Company, 2-5 Cavalry Regiment, 1st Brigade, 1st Cavalry Division. He then redeployed to Fort Hood, Texas and served as company commander of Charlie Company, 1st Brigade Special Troops Battalion, 1st Cavalry Division.

LTC Park is from Fairfax, Va. and has been married to Jill Ann Park since 2014.
Pilots’ Association for the Bay and River Delaware: A brief history

By: Capt. Colleen L. Moran

When most people see a large ship coming up the river, they have no idea a state pilot is onboard assisting with navigation. First and foremost, this individual’s role is to protect the people, the economy, and the environment of the region. Though piloting is one of the oldest professions, it is one about which little is known.

The term pilot derives from the Dutch word for pole and lead, piljoold. The lead line is an ancient navigation tool used for measuring water depths and obtaining a bottom sample. A pilot is a mariner who is highly trained in the navigation of ships through dangerous and congested waterways such as harbors and rivers.

To quote Mark Twain, “The pilot has to know more than any man has the right to know, every foot of the river he must know. He must be familiar with him, and he must recognize it in an instant. It is constantly altering, never looks the same twice, and he must notice any change instinctively and summon at once the necessary reflexes.” In other words, a pilot is the local knowledge specialist.

History of local pilotage

Pilotage of foreign vessels in the U.S. is regulated by the individual states, each of which maintains state pilotage systems. The first known reference to pilots on the Delaware River appears in J.T. Scharff’s 1888 History of Delaware, which mentions “pilotage on the Bay and River Delaware in 1650.” The Nanticoke Indians who lived along the bay and river were the first to provide pilot services to the European settlers who followed after Henry Hudson’s exploration in 1609.

Throughout the colonial period, pilotage continued to develop as the need for local knowledge of tides, currents, shoals, and other hazards increased. It is constantly altering, never looks the same twice, and he must notice any change instinctively and summon at once the necessary reflexes.” In other words, a pilot is the local knowledge specialist.

In 1756, the first good chart of the Delaware was made by pilot Joshua Fisher, a Lewes hatter, and signed by 22 pilots licensed by the Crown. Later, in 1766, competition became recognized as a problem, and the assembly established the Board of Port Wardens. The wardens examined and licensed pilots, maintained aids to navigation, and cleared obstructions.

During the American Revolution, pilots would play a major role on the Delaware. A pilot by the name of Henry Fisher alerted the War Board of Philadelphia of the presence of enemy ships off Cape Henlopen. He was then appointed to the Continental Congress to raise a militia to defend the coast and the port. He enlisted many fellow pilots, though some remained dedicated to the king.

Following the revolution, port commerce exploded, and with this increase in shipping came a demand for more pilots. In 1789, the first U.S. Congress enacted a law giving the states the right to regulate pilotage in their own waters. This state pilotage system remains in effect today.

In 1803, Pennsylvania passed a law requiring each ship entering and leaving the Port of Philadelphia to hire a local pilot and gave the Board of Port Wardens the power to regulate pilots and pilotage. Any vessel that did not hire a local pilot would be subjected to a fine of half the pilotage fees.

The Commonwealth enacted laws governing the Bay and River Delaware in 1818, and it was not uncommon for port wardens to board ships at Grubb’s Landing just south of Marcus Hook. Until 1835, all pilots on the Delaware were controlled by the laws of Pennsylvania.

This situation was unsatisfactory to many of the Lewes pilots, and under an initiative by Pilot Capt. Henry Virden, the governor of Delaware assumed responsibility for appointing pilots residing in the state. Delaware established a State Pilot Commission in 1881.

During the 1800s, several pilot schooners operated off Cape Henlopen and Cape May. These vessels belonged to only a handful of families who owned and operated them. The boats were between 70-90 feet in length with a 23-foot beam and a draft of about 12 feet.

Competing for customers

During that time, the Cape Henlopen Lighthouse keeper would hang a black ball when a ship was spotted in the distance. The schooners would continue on page 11.

Delaware River industry supports HMT

Thanks to all Delaware River stakeholders who supported a comprehensive proposal for full use of the Harbor Maintenance Tax by signing on to a coalition letter to House and Senate leadership, circulated by the American Association for Port Authorities.

Joining the Exchange as co-signers were the Mariners’ Advisory Committee, the Pilots’ Association, Norton Lilly, Moran Shipping, Penn Terminals, PhilaPort, General Steamship, Terminal Shipping, Wilmington Tug, Gahagan & Bryant, and others.

The letter highlighted the need for full use of the annual harbor maintenance tax revenues and the necessity of a fair and equitable tax framework.

The North Atlantic Ports Association and the National Association of Maritime Organizations also circulated the letter among their memberships.

For those who missed signing the letter in the first go around, there is good news: AAPA plans to keep the letter open for the purpose of adding additional signatures prior to reissuing the letter in late July/early August.

To join this effort and sign on to the coalition letter, contact Susan Monteverde at AAPA at smonteverde@aapa-ports.org or go to https://www.surveymonkey.com/r/HZHGMQP.

The Beacon 5

Summer 2019

McAllister managers gather in Philadelphia

General managers from McAllister Towing’s 13 ports from Maine to Puerto Rico and senior leadership held their semi-annual manager’s meeting in Philadelphia in mid-June. As a part of the three-day agenda, Exchange Chairman John Rynolds (right), joined here by Exchange Director Mike Reagoso of McAllister Baltimore, addressed the group about activities at Delaware River ports. The group assembled to discuss company business and industry trends.

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Crowley: Growing on Del. River and beyond

Tug “Marty J” assists the barge “Explorer” at Penn Terminals in July 2019.

With roots dating back to 1892, Crowley Maritime Corporation has become a giant among global shipping and trading companies, and it is among the longest-serving Delaware River port customers and operators.

Today, Crowley’s operating lines include Puerto Rico/Caribbean liner services, Latin America liner services, logistics, marine contract solutions, deep sea petroleum transportation and petroleum transportation, distribution, and sales in Alaska.

“Crowley has served the Northeast market from Petty’s Island in Pennsauken, N.J. continuously since 1982 and began [service] from Penn Terminals in 2018,” said Veerabhadra Yarlagadda, the company’s director of North Atlantic Operations & Engineering.

The move to Penn Terminals coincided with Crowley’s transition to Lo/Lo (lift-on/lift-off using onboard cranes) for its weekly service between Chester and Puerto Rico. “The change to Lo/Lo ensured customers continued to receive leading services in the trade,” Yarlagadda said. “The Lo/Lo change completed the company’s San Juan terminal modernization and efforts to modernize operations. It provides customers the most efficient services on terminal, including reducing truck turn times.”

“Penn Terminals welcomed Crowley as a full-time customer in 2018,” said its President and CEO John Brennan. “While that was planned, what was not was Hurricane Maria hitting Puerto Rico in September 2017. Both Penn and Crowley were ramping up operationally for the then-forthcoming 2018 swap when the storm hit . . . all parties were put into action to support Crowley’s handling of FEMA relief aid cargo bound for Puerto Rico. All our joint operational plans were fast tracked, and Penn started to accept FEMA aid cargo (chiefly emergency food and water) by truck nearly immediately . . . We all knew the importance of what we were doing, why we were doing it, and we knew that speed, efficiency, and accuracy were critical. It worked.”

Chairman and CEO Tom Crowley, Jr., grandson of founder Thomas Crowley —and his leadership team direct a company with more than $2 billion in annual revenues and approximately 5,300 employees. Crowley maintains a fleet of 200 vessels, including Ro/Ro (roll-on/roll-off) and Lo/Lo vessels, articulated tug-barges, tugs, and barges. Its land-based facilities and equipment include terminals, warehouses, tank farms, office buildings, trucks, trailers, containers, chassis, cranes, and other specialized vehicles.

Crowley’s Delaware River operations are broad and deep. In addition to the weekly service at Penn Terminals, the company has brought ocean-going container ships to Tioga Marine Terminal since 1994 and docks tugs at McAllister’s facility in the Navy Yard.

“Crowley Logistics has grown much larger than barges and tugs,” according to Yarlagadda. It currently has a $2 million contract with the federal government and performs services ranging from air freight and inland transport to marine insurance and cross-docking, and numerous other offerings.

Yarlagadda sees these non-asset-based services as the way of the future for the 126-year-old company. “In the past year, Crowley has aligned its logistics and liner services for the North Atlantic, South Atlantic, and other locations under Crowley Logistics so customers have a one-stop source for supply chain services,” he said. “This is extremely valuable to customers who rely on companies not just to transport containers but to provide Customs clearance, warehousing, distribution, cross-docking, and trucking services.”

Yet to its people, Crowley is much more than an employer. After Hurricane Maria hit Puerto Rico in 2017, “Crowley took care of its employees and their families,” Yarlagadda said. “The company put them on barges and transported them to Jacksonville out of harm’s way.” About 75 of the 5,300 employees worldwide work in the Delaware River port area, including administrative staff, tug and barge crews, and terminal workers.

While Crowley looks forward to expanding its service offerings, like just about every other organization involved in cargo trade and transport, it strives to improve that service in an increasingly time-sensitive industry. “We continue to seek ways to provide more visibility and tracking for customers while reducing friction points as they seek to streamline supply chains,” Yarlagadda said.

Though Crowley primarily operates domestic barge service at Delaware River ports, its port call numbers are consistent with the most active ocean carriers in the region. “Crowley’s broad scope of services complements the strength, diversity, and sustainability of our port complex,” said Exchange President Dennis Rochford. “Its Delaware River operations represent a significant contribution to the overall viability and competitiveness of our port, and we appreciate the company’s commitment to this region and its business community.”

Crowley: Growing on Del. River and beyond

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Preserving a piece of maritime history

John Barry is known as the “Father of the U.S. Navy” and was appointed by George Washington as the first captain of the U.S. Navy in 1797. His nephew Patrick Hayes once managed the Port of Philadelphia. “The Exchange project is meaningful to the maritime community at large. For the men and women who work in our ports today, there is a history to what they do — someone was doing the same job 100 years ago,” Bruns said.

Another notable aspect of the Exchange collection is how it provides a snapshot of a culture. “While the pennmanship of the Exchange employees who maintained the logs year after year may be perfect, younger generations who are no longer taught to write in cursive might look at the books as though they’re written in a foreign language,” Himber said. “Digitizing the records gives them access.”

“The sheer physicality and scale of the books really speaks of a time,” Bruns said. “When we digitize, people forget what the originals looked, felt, weighed, and smelled like. The original volumes will remain at the museum and continue to be available to those who wish to directly connect with the history of the port.”

It took about six months to digitize the first six volumes, which cover the years 1875-1883. Students scan each document using the Digital Library Federation standard, and librarians create the written descriptions of each collection and each document.

“We’re a leader in the U.S. No other port has progressed as far as we have in digitizing their maritime records,” Foight said. Though the archive is not yet searchable by keyword, “This can be added when the current project is done,” he said.

Conversion takes place at the rate of about one month per volume, so it may take several years to digitize the entire collection. With about 7,000 ship arrivals per year at the turn of the 20th century, compared to about 2,400 arrivals today, each volume contains one to two years’ worth of information.

“Like the Exchange, the Independence Seaport Museum represents the entire tristate region,” Himber said. “ISM tells the story of the whole port, and we are extremely excited about the role the Exchange plays in preserving a piece of that history.”

The Exchange digital records are available at https://digital.library.vilanova.edu/Item/vudl:543155. Or stop in to see the full paper collection at Independence Seaport Museum at 211 S. Christopher Columbus Boulevard in Philadelphia.
LNG use as fuel is growing

By: Matt Dutzman, VP Business Development
UGI Energy Services LLC

Several members of the Maritime staff visited one of UGI Energy Services’ (UGIES) liquefied natural gas facilities near Reading, Pa. on May 1. The Exchange group, consisting of President Dennis Rochford, Vice President Lisa Himber, and Director of Operations Paul Myhre, toured the facility, getting a first-hand look at the full scope of its operations.

Natural gas is liquefied in a process called liquefaction, which super-cools the gas to -260°F. As the natural gas liquefies, it reduces in volume by a factor of about 600 to 1. Once liquefied, the gas can be easily and safely transported by truck to various end users, including commercial and industrial users who lie outside of the natural gas pipeline service territory.

LNG is used as a primary heat and fuel source for users in place of propane or fuel oil. It is also being used in place of diesel to fuel on-road trucks and mining vehicles as well as in the oil field services, marine, and rail sectors. LNG is used as a primary heat and fuel source for users in place of propane or fuel oil. It is also being used in place of diesel to fuel on-road trucks and mining vehicles as well as in the oil field services, marine, and rail sectors.

The use of LNG as a marine fuel is a relatively new, emerging trend but one that has expanded significantly in recent years. Following the International Maritime Organization’s decision to set a 0.5 percent sulphur cap on all marine fuel oils beginning in 2020, the shipping sector is under pressure to drastically reduce its emissions. One possible alternative is to use LNG, which has negligible sulphur levels. Use of LNG also means a 75-85 percent reduction in NOx and almost zero particulate matter since the fuel is cleaned prior to liquefaction. The main component of LNG is methane, which has the lowest carbon content of all hydrocarbon fuels and, therefore, the highest potential to reduce CO2 emissions.

Orders for LNG-powered vessels span a variety of vessel types including tankers, cruise ships, and container ships. Norway has been at the forefront of the marine LNG industry, with the first gas-fueled vessel entering service in early 2000s. By the middle of 2017, Norway had increased its natural gas powered fleet to 53 vessels. Globally, the LNG-powered fleet has grown from 118 vessels in operation in 2017 to 143 in 2019 — with an additional 135 on order. Cruise ship operator Carnival has one LNG-powered ship in use and another 10 on order.

As the number of LNG-fueled ships continues to increase, the dedicated LNG bunkering infrastructure will continue to expand as well. Multiple options for bunkering LNG onto vessels are available, including terminal storage tank to vessel, truck to vessel, or vessel to vessel. Although truck to vessel is currently the predominant method, several bunker vessels are under development in key locations such as the U.S., the Middle East, and China.

Over the past decade, natural gas hub prices worldwide have been below the price of crude oil and heavy fuel oil, HFO. Compared to other alternative fuels, LNG has become attractive for many end users as its price has reached historically low levels, and it is much less volatile than conventional fuels. Currently, the price level is competitive with marine gas oil, and in 2020, the price of LNG is expected to be competitive with low-sulphur HFO. This makes the economics of using LNG as a marine fuel even more attractive.

Unsung hero 2019 recipient is a ship agent

continued from page 1

help from others. In addition to his uncle Jean, “George was a real inspiration to me — he did everything the right way, though I used to tease him about being the agent for Noah’s ark.” Cureton also credits Eric Clarke of Philadelphia Energy Solutions, coincidentally the Exchange’s 2018 Unsung Hero, with being a huge help. “I used to study — literally study — the vessel schedules because I knew Eric was asking me questions. While he probably just needed the information, at some level I also think he was testing me.”

As luck would have it, just as Michael was starting to feel comfortable with the many different demands placed on a ship agent, the industry took a major economic hit. First, Cureton said, “refineries started feeding themselves by rail.” Ultimately several Delaware River oil refineries closed or idled during what would come to be known as the Great Recession.

After Jean Cureton recognized that he would need to realign his business given the dramatically altered economic climate, he sold Delaware Valley Marine to Norton Lilly, where he serves as general manager today and where he and Michael both still ply their trade.

“Agents are known for having thankless jobs to begin with, but Mike has always taken his responsibilities seriously whether he gets a thanks or not,” said Michael Nesbitt, director of operations manager, Michael has nurtured a team that goes above and beyond the expectations of a ship agent. He is always there for his customers, day and night, proactively solving problems and anticipating their needs.”

What exactly is a ship agent?

Those not directly involved in ship movement and processing may not entirely understand the role of a vessel agent. So what does an agent do?

According to Cureton, the job is first and foremost about coordinating and communicating. “I am permanently attached to my phone,” he said, “and I get up until just before I go to sleep.”

All that information he is moving around is critical to a safe and efficient vessel port call. “We are coordinating Customs’ inspections, pilot boardings, tugs to dock and undock the ship, crew changes, vendors and technicians — even making sure the ship has fresh and frozen provisions.”

“It’s a 24/7 job, and it isn’t for everyone,” Cureton said. “I’ve actually woken up in the middle of the night in a sweat to check on things, wondering whether everyone has the latest information and making sure they all know what’s going on.”

Looking forward, Cureton — and his colleagues at ship agencies through-

out the U.S. according to the Association of Ship Brokers and agents — worries about the trend of ship owners and operators electing to use centralized services, such as DA Desk or Diabos, for disbursements and other financial processes. “As the industry moves increasingly toward automation, especially when it comes to things like paying Customs fees online, agents will no longer need to board ships with a check. What’s to stop these international services from taking on more and more agency work?” he wonders.

Marcus Hook handles supersize ship

The “JS Ineos Marlin,” built in China, called at the Marcus Hook Industrial Complex in early July to load ethane. The “Marlin” is one of the largest ethane carriers (VLEC) in the world, capable of carrying 85,000 cubic meters — or just over 800,000 bbls of cold ethane — for ports in the Far East. It is also the first of its kind to improve onboard cargo space by utilizing a tri-lobe tank design, achieving 20% more tank capacity than the common bi-lobe system. The “Marlin” is duel-fueled designed, like the smaller Dragon-class ships, to run on ethane, making it one of the cleanest-burning ships in operation today.

This nearly three decades after Customhouse brokers asked themselves similar questions following the launch of the Customs Automated Broker Interface system in the mid-1980s. Like the brokers did then, Cureton recognizes that agents will need to reinvent themselves to stay relevant.

Ever the optimist, Cureton also knows that ship owners and operators will always need boots on the ground. “So the question then becomes, how do I stand out from the others?”

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The Beacon 10

in Cape May, the birthplace of the enlisted corps. The Air Station in Atlantic City is the nation’s only Coast Guard Recruit Training Center and the fifth largest base in the Coast Guard. Its mission is to develop the enlisted workforce for the U.S. Coast Guard. Air Station Atlantic City, located at Atlantic City International Airport in Egg Harbor Township, is comprised of 10 MH-65D Dolphin Helicopters and supports a wide range of Coast Guard operations to include search and rescue, law enforcement, port security, and marine environmental protection. The air station also provides multiple aircraft and crews to protect our nation’s capital 24 hours a day and 7 days a week at the National Capital Region Air Defense Facility under the operational control of the North American Aerospace Defense Command.

Q: Because members of the maritime industry also live and play here, will you tell us how the Army Corps of Engineers’ beach replenishment efforts are affecting South Jersey coastline resources?

A: The Army Corps of Engineers plays a vital role in South Jersey given the coastal nature of our region. In fact, the Second Congressional District that I represent comprises 65 percent of the entire Jersey coastline. The Army Corps helps protect life and property throughout our communities with coastal storm damage reduction projects and aids our tourism-based economy. I’ve been fighting tooth and nail this year to overcome red tape and ensure that Stone Harbor beach is renourished as soon as possible at no additional expense.

Q: Any comment on the impact of the 45-foot Main Channel Deepening project?

A: The Delaware River main channel deepening is critical to our regional economy and economic development; the deeper channel will allow for efficient transportation of a variety of cargos to and from Delaware River ports. This project was first authorized by Congress to be deepened to 45 feet in 1992, and its completion will be an historic achievement and important to the over 135,000 port-related jobs in the region.

NOAA tool provides advance info on coastal flooding

It is no secret in the maritime industry that flooding can endanger lives, property, businesses, and even bring communities and commerce to a standstill. To help people prepare for and manage the effects of coastal flooding, NOAA has brought together data from its over 200 coastal water level stations into one easy-to-use web tool.

High-tide flooding often occurs during so-called “supermoons,” when the moon comes closest to the Earth in its elliptic orbit. The Coastal Inundation Dashboard brings real-time water level information, 48-hour forecasts of water levels, storm surge and historic flooding information into one online tool to help decision makers understand short-term risks, such as an approaching hurricane or nor’easter, as well as longer-term risks like high-tide flooding and sea level rise. Boaters and fishermen can also use the tool to get their latest local tides.

“The Coastal Inundation Dashboard, like OceanReports and other National Ocean Service online tools, brings vast amounts of NOAA’s data together to benefit businesses and communities that drive our nation’s blue economy,” said Nicole LeBoeuf, National Ocean Service acting director. “In one easy-to-use and comprehensive website, local emergency managers and coastal communities can more easily monitor water levels and make decisions before, during, and after a storm to ensure they are more resilient to coastal flooding.”

As Hurricane Michael approached the U.S. in October 2018, a prototype of the Coastal Inundation Dashboard displayed its effects on coastal water levels along the Florida panhandle.

A few common sources create coastal inundation — water that is above normally dry ground as a result of flooding — including abnormally high tides, storm surge, and persistent onshore winds and waves. In rivers and tidal estuaries, water runoff from excessive rainfall can provide another source of inundation.

If water rises above a certain level determined by the National Ocean Service or local NOAA National Weather Service weather forecast offices for a particular station, the Coastal Inundation Dashboard will show whether minor flooding with a low risk of property damage may occur. It will also warn of moderate flooding with threats to property and life and major flooding with a significant risk to life and property.

NOAA’s popular Storm QuickLook information product will also be available through this new tool. The latest tropical cyclone track forecast and areas under active weather service coastal flood advisories and storm surge watches or warnings will automatically display on top of the real-time flood information.

Q&A with Congress-man Van Drew

continued from page 1

in Cape May, the birthplace of the enlisted corps. The Air Station in Atlantic City is the nation’s only Coast Guard Recruit Training Center and the fifth largest base in the Coast Guard. Its mission is to develop the enlisted workforce for the U.S. Coast Guard. Air Station Atlantic City, located at Atlantic City International Airport in Egg Harbor Township, is comprised of 10 MH-65D Dolphin Helicopters and supports a wide range of Coast Guard operations to include search and rescue, law enforcement, port security, and marine environmental protection. The air station also provides multiple aircraft and crews to protect our nation’s capital 24 hours a day and 7 days a week at the National Capital Region Air Defense Facility under the operational control of the North American Aerospace Defense Command.

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difficult for the pilots to board steam vessels from the row boats.

The birth of the association

The cost of a steam pilot boat exceeded the means of any of the individual pilot groups, which inevitably led to the discussion of forming one association. In October of 1896, pilots representing each of the eight pilot schooners met in Philadelphia to review and accept the new constitution and bylaws. On December 1, 1896, the Pilots’ Association for the Bay and River Delaware officially incorporated. Ninety-two first class pilots from Cape May, Lewes, and Philadelphia signed the Constitution and elected Capt. John Penrose and his pilots and apprentices fighting to keep her afloat. Upon her return, she was commandeered by the U.S. government in 1898 as a gunboat in the Spanish-American War. Neverthe-

sibly the pilots would continue to hold station off Cape Henlopen using two schooners and the tugboat “Juno” until building the “Philadelphia 2” in 1898. Most of the other pilot schooners were sold. Pilots would go on to serve as Coast Guardsmen in the two world wars, and in 1942, the pilots again were asked to lend their boat to the war effort. But this time all crew from the ages of 18-38 were sworn into the Coast Guard. Pilots would lead convoys of ships down the bay, avoiding the mine fields. At the request of the Navy, apprentice pilots traded their oars for motor launches to board and disembark pilots due to the large number of ships in the convos. This was the introduction of the first motor launches, which were wooden war surplus.

Building a modern association

Following the war, business as usual returned to the Delaware. Through-out the 20th century, the Pilots Association was at the forefront of the industry. In the 1960s Capt. Paul Ives implemented a single-channel VHF radio system as an industry standard, thereby instilling communication between vessels using radios. This system, along with the introduction of radar in 1964, ensured that ships and pilots could be in constant communication, thereby improving safety resulting in a reduction of collissions. Once again setting national standards, the Delaware Pilots were instrumental in the formation of the Mariners’ Advisory Committee, the first harbor safety committee in the U.S., in 1964. In 1979, after weathering 83 years off Cape Henlopen on a station boat, the pilots moved our operations ashore to the Pilot Station in Lewes. Built in 1938 by the Coast Guard and later used by the University of Delaware for its Marine Science program, the pilots purchased and renovated the building in 1978. The station continues to serve as the association’s downstate operation, including 10 bedrooms for cruising pilots and apprentice quarters. In addition, the Association and the Maritime Exchange maintain a ship reporting tower at Cape Henlopen.

In 1981, the association would again be at the forefront of the industry through Capt. Joe Bradley’s great strides to provide more precise piloting with the introduction of the personal pilot unit, an idea the he conceived and developed. This first-generation PPU was a portable Loran C assist device, and it provided a position of accuracy to 10 meters. It would later be replaced by the DGPS (differential GPS) PPU in the mid-1990s and soon became an industry standard among pilot associations worldwide. Today, pilots carry a DGPS/AIS (Automatic Identification System) integrated PPU that is accurate to one meter.

In 1994, the association welcomed the first female pilot, and just two years later, in 1996, it celebrated its 100-year anniversary as an incorporated association. Since 1896, only 300 members have signed the constitution, of which 68 are presently active.

In closing, the Pilots Association is proud to play an important role in our port’s economy by keeping commerce flowing through the safe and efficient movement of vessels. Additionally, as state pilots, we remain dedicated and committed to the public interest. Like our forefathers who plied these waters before us, we will continue to live by the motto: “we’re on station when others seek shelter.”

Association

History of the Pilots’ Association

continued from page 5

often cruise hundreds of miles to meet the ships, and the pilot who boarded would secure the pilotage for both the inbound and the outbound trans-
sits. Needless to say, this practice was very competitive and often hazardous. In 1882, the Port Wardens established cruising grounds for the pilot schooners. The late 1800s brought the arrival of steamers; vessels were now able to maintain regular schedules, and trade as far north as Halifax in order to secure pilotage for vessels making arrival at the Delaware Capes. In the Great Blizzard of 1888, the pilot schooner “EW Tunnel” was carried offshore; she was lost fortunate. In an April gale, the Turley was carried offshore; she was lost.

In October of 1896, pilots

Capturing the ages of 18-38 were sworn into the

The Pilots’ Association

In the late 1800s brought the arrival of steam pilot boats became apparent.

life, the need to transition from sail to

combined with the staggering loss of

Pilots. Additionally, it was becoming more

Capturing the ages of 18-38 were sworn into the

Pilots’ Association

Because of economic pressure, combined with the staggering loss of

life, the need to transition from sail to steam pilot boats became apparent. Additionally, it was becoming more
This is the first in a two-part series of articles looking at changes in the ship agency business over the last fifty years.

During this era, other than American-flag companies, it was usual for steamship lines to have their own offices. Much of the shipping community was ship agency businesses that represented foreign-flag companies. Many of these agencies were local, though some were national companies with offices in many ports and inland sales offices. Some even had foreign offices at strategic locations in the world, such as Norton Lilly International, which had an office at the Panama Canal Zone.

Many agencies also operated stevedoring companies and freight handlers (railcar unloaders) and offered other dock-related services. Stevedoring and other services generally produced more revenue than the agency work.

Many agencies employed relatively large staffs. Larger agency offices frequently consisted of up to 100 or more workers. Most of the workforce was male and relatively young. Female employees were usually secretaries and male clerical workers. Most of the workforce frequently consisted of up to 100 or more — significantly more than the majority of the low-level workers were baby boomers, and senior managers were often the founders of the company or relatives of the founders of the agencies which had grown in the post-war years.

During this era, letters were the principal method of communication. With copy machines still rare, typists would normally create many copies by inserting carbon paper between several sheets of copy paper, one copy as many as four or five. Typographical errors were corrected by using an eraser on the original as well as each carbon copy. If an error was on a whole page of copy, the page was usually re-typed, altered as required, and then re-typed again. This process was often a wheel of course — rubber with a metal strap, a green brush, and using a small metal shield to protect the paper below from smudging. This process was very time consuming and a real pain.

Letters were either dictated to a secretary using shorthand or into a Dictaphone. The recording was then typed as a draft and approved by the sender prior to a final copy being prepared for signing and mailing.

Another common machine, the teletype, transmitted over a special telephone line. When someone opened an office, the first thing required was to arrange with ITT, which had a lock on this method, for the teletype machine. Transmission was billed by the minute, and therefore an economy of words was preferred, leading to the development of a teletype language that made early transmission times shorter. The machine punched a series of small holes in a yellow paper roll about one inch in width to represent characters. The writer would put the tape into the punch device and then type the message. When ready, the machine would dial (rotary) and transmit the message as quickly as possible. The sound of the teletype machine was heard. This method saved a lot of time, as the teletype often was dictated to the operator.

Most men in the office did not know how to operate the teletype. As shipping offices operated 24/7, the teletype operator often had to stand by for long messages. We stayed in the office for after hours or weekend work as working from home was not a practice at that time.

Physical office

In New Orleans, Houston, Mobile, and most other U.S. Gulf ports, offices were in the downtown areas. It was not unusual for several firms to be in the same building. Even though many local offices existed at that time, it was rare for them to have more than one or two offices in other cities and even rarer for them to have offices in foreign countries.

Most offices in New Orleans required men to wear dress shirts and ties; many wore suits. Like most young men, most of us bought cheap suits with two pair of pants, because we would hang our jackets on arrival and probably not put them on again until leaving at night. In some other cities, office dress codes were more relaxed.

For example, in Houston it was casual Friday all week in most offices. Offices were usually laid out in buildings without individual cubicles and offices for managers and senior executives. Most ship agency businesses had a long counter for receiving documents and a long counter for operations/personnel.

Office machines

Common office machines included manual electric (not electronic) adding machines. Some offices still used comptometers, a mechanical adding machine with about 100 keys. Look it up on the internet, these were usually used to audit calculations.

A copy device called a "jelly roll" machine was a table covered with a clay substance. A two-part master of a document was spread on the clay surface and removed. A blank form was then laid on the image and pressed with a squeegee, transferring the image to the blank form. Several copies of the document would be created this way.

This method was used prior to the ditto machine, which instead used an ether-based fluid to copy from a master to make multiple copies of bills of lading, manifests, and other documents. At first the ditto machine was operated by hand crank; only later were they powered electrically.

At that time, electric typewriters were rare, so most offices used manual typewriters to type ditto masters. The problem — you got on everything! Instead of an IT person helping with a malfunctioning computer, the call then was made to the typewriter repairman to solve the problem.

During this era, letters were the principal method of communication. With copy machines still rare, typists would normally create many copies by inserting carbon paper between several sheets of copy paper, one copy as many as four or five. Typographical errors were corrected by using an eraser on the original as well as each carbon copy. If an error was on a whole page of copy, the page was usually re-typed, altered as required, and then re-typed again. This process was often a wheel of course — rubber with a metal strap, a green brush, and using a small metal shield to protect the paper below from smudging. This process was very time consuming and a real pain.

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Gulftainer Wilmington implements new terminal operating system

GT USA Wilmington announced in late July the successful implementation of an integrated port operating system to upgrade and optimize the IT system for the future development of the port.

The system was deployed over recent months at the Port of Wilmington, registering outstanding results.

The system upgrade is already enhancing GT Wilmington’s operating processes and customer service by improving job orders, vehicle routing processes for container pick-up/delivery, the optimization of layout and travel distances within the terminal, and integration with customer systems for complete visibility throughout the supply chain.

The resulting efficiencies to key operational processes allow the company to boost terminal productivity and improve service quality, enabling the business to identify and solve potential problems before they occur.

Eric Casey, CEO of GT USA Wilmington said, “I’d like to congratulate everyone involved in the roll out of the [HPOS] system. Everyone came together to ensure that the go-live was completed on its scheduled date with no glitches.”

The system rollout is the first step in Gulftainer’s technology transformation strategy, Casey said. “Most importantly, vessels arriving at our port will benefit from the considerable reduction in wait times that comes with synchronized operations.”

GT gets new terminal tractors

GT USA announced in May that it had placed an initial order for 16 terminal tractors from Terberg Tractors Americas. The first three units of these fuel-efficient, low-emission tractors arrived in June. Phased-in subsequent deliveries are scheduled for August and October.

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The first three fuel-efficient, low-emission Terberg Tractors arrived at the Port of Wilmington in June.

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SCOTUS disappoints steel group

In its lawsuit against the federal government, the American Institute for International Steel acted atypically when it asked the U.S. Supreme Court to review a ruling by the Court of International Trade, thereby sidestepping the federal appeals court level. The SCOTUS declined. The AIIS then appealed the trade court ruling to the U.S. Court of Appeals for the Federal Circuit. The steel industry group is challenging the president’s use of Section 232 claiming national security as legal justification for imposing more than $4 billion in steel tariffs.

“We continue to believe that we have a strong legal case that Section 232 is unconstitutional,” said AIIS President Richard Chriss. “Once the Federal Circuit has spoken, we expect that the losing party will ask the Supreme Court to review that decision.”

The AIIS argued that Section 232 of the Trade Expansion Act of 1962 “essentially turns over to the president the entirety of Congress’s constitutional power to impose tariffs and other restrictions on imports.”

The legal principle under consideration, known as the nondelegation doctrine, hinges on a debate about the limits of executive power. It questions the circumstances under which and the extent to which Congress may relinquish its legislative powers to the executive branch of government. The Trump administration urged the court to reject the AIIS argument, stating that “common sense and the inherent necessities of governmental coordination support a grant of discretion to the president” when it comes to national security.

AIIS remains firm in its opinion that Section 232 essentially hands congressional tariff authority to the White House with a blank check.

Congrats to SCI!

Kudos to the Seamen’s Center of Philadelphia and South Jersey on its selection — for the second year in a row — as a finalist for The International Seafarers’ Welfare and Assistance Network’s Seafarer Centre of the Year Award. This recognition is especially significant because nominations come from seafarers themselves.

Well done!
“Last Bash” 2019 promises a rollickin’ good time

By: Joan Lyons, Executive Director, Seamen’s Center of Wilmington

As everyone knows, fundraising is critical to the success of any non-profit. Yes, it’s that unpleasant part of the job that many executive directors dread but all must undertake. Obviously, it would be more enjoyable to go to work every day and just help those we are there to aid. Unfortunately, that isn’t the real world.

But the annual “Last Bash of Summer,” our primary means of raising money, shatters the expectation that fundraising has to be dreaded. It is the Delaware maritime community’s largest, loudest, entertaining-est party each year by far.

Guests always have a great time, knowing they can let their hair down after a long day at the office, on the pier, or aboard ship, with mountains of food and unlimited beverages included in the ticket price. The raffle prizes always set off a round of spirited competition, most communal of course. And at times the anticipation as each ticket is called is almost palatable. The cheers, and sometimes friendly catcalls, for the winners can be deafening.

And though it takes a ton of work to organize, the committee, volunteers, and I always have an awesome time. If we have to actively fundraise, we might as well have a blast doing it!

Contact SCW at 302-575-1300 or scw@scwde.org or visit www.scwde.org to order your tickets or pledge your sponsorship today.

Is your info current?

Your office relocates, you receive a promotion, your company rebrands itself, your email address is compromised — these are some of the many possible updates we monitor to maintain our database. Having current contact information is key to keeping you informed about the industry-related activities along the Delaware River, across the U.S., and throughout the world.

From ship movement information to legislative and regulatory alerts to networking and learning opportunities, our goal is to ensure members have timely, accurate, and relevant information.

If you are in our extensive database, you received a contact update request from us in June. Many thanks to those who have already responded. Though we update our database in real time, some information may have slipped our notice.

If you did not receive our email or have yet to respond, please send your current contact information, including name, company, job title, mailing address, phone number, and web address to Donna Stargell at dstargell@mari-timedelriv.com. We also want to know if the info we currently have on file for you is correct.

If you received this copy of The Beacon from someone else and would like to join our mailing list directly, please contact Donna.

Thank you for your help!

PhilaPort Trade Numbers launches in June

The local community celebrated the Delaware River’s more than $30 billion in world trade at the Franklin Institute on June 11 with the launch of the 2019 Philaport TradeNumbers publication. The Exchange, PhilaPort, and the World Trade Center of Philadelphia were just a few of the event sponsors. Shown here are Maritime Exchange President Dennis Roachford (right) and World City President Ken Roberts.

Be there or be square

This year’s event will take place on September 10. Once again, we will gather at Docklands Riverfront in Wilmington starting at 4:30 p.m. for an evening of food, drink, and festivity.

As always, we hope that readers of The Beacon will sponsor the event and plan to attend along with their closest colleagues. We know of some managers who buy tickets for their entire staffs and use the “Last Bash” as a sort of company picnic. What a great idea! Say “thank you” to your employees, give them a great evening, and support an extremely worthy cause at the same time. It’s a win-win-win.

Support expanded services

As I mentioned at the outset, fundraising is critical to our success. Your support of SCW will not only help us keep our doors open and lights on all year long, but this year we’re saving up for something special: we are hoping to purchase a van dedicated to better serving seafarers at the Delaware City Refining Company (thank you to DCRG for the $10,000 grant toward that goal!). Your support of this year’s “Last Bash of Summer” will help us make this goal a reality.

We can’t wait to see you on September 10!

“Last Bash” 2019 promises a rollickin’ good time

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Lessons learned from maritime tragedies

“42 years, eight maritime disasters, 1509 lives lost. Is there a connective thread?”

So begins the new book, *Eight Down*, by former mariner, marine terminal manager, and current SCI Chaplain David Reid. This detailed examination of eight maritime disasters occurring over the past 42 years begins with the “Edmund Fitzgerald” in 1975 and continues through the loss of the “Stellar Daisy” in 2017. The book recounts the dramatic story of each catastrophe and delves into the causes, in each case finding that multiple layers of security failed because of factors like complacency or lack of awareness.

Reid’s book, which views each incident through his own personal seafaring lens, offers lessons in leadership, courage, and management of change. *Eight Down* is available in paperback or electronically from Amazon.

The Exchange extends hearty congratulations and a resounding “Bravo Zulu!” to David Reid.

**Review of Eight Down (Amazon)**

Beyond the drama of these maritime disasters, David Reid writes about how each of them could have been prevented if seafarers, ship owners, and authorities were more aware, more responsible, and less complacent.

This book works on multiple levels, from Professor James Reason’s “Swiss Cheese Model” of risk management, to insight and technical information about life at sea, to a strong argument for better performance by maritime authorities, and not just in flag-of-convenience nations.
Golf & crabs: What’s not to like?

Maritime Society celebrates crab feast 50th anniversary

The Ports of Philadelphia Maritime Society has been around since 1935 — that’s 84 years of providing Philadelphia maritime professionals with opportunities all year long to develop their networks and to give back to local causes through support of society events.

And for the last 50 of those years, one of the key tools in the PoPMS fundraising arsenal has been the annual crab feast. While the event has moved around a bit over its half-century life, one thing stays the same: the afternoon-long event remains a community favorite. With six hours of unlimited crabs, barbecue and other luncheables, beer, games, and free stuff, all in the company of several hundreds of your closest maritime friends and colleagues, the crab feast is a not-to-miss party.

This year’s event will start at noon on Sept. 13 at the historic Corinthian Yacht Club, located along the Delaware River in Essington, Pa.

For more information or to get your tickets, contact Theresa Penot at 215-783-9484 or theresap1@Verizon.net or Linda Greene at 610-859-2830 or dbrc-admin@dbrcinc.org.

Golf outing starts the day

As has become tradition, this year’s salute to one of the maritime community’s most beloved colleagues, Russ Larsen, who passed away in 2011, will precede the crab feast. Breakfast at the Springfield Country Club in Springfield, Pa. will kick off the outing, followed by a 7:30 a.m. shotgun start. To register or learn more, contact Mike Scott at 484-274-3400 or michael.s.scott@wsp.com or visit www.portsofphilamariasoci- ety.com.

Not a member? Visit the society web site to join today!

Guests at the Ports of Philadelphia Maritime Society enjoy endless bushels of crabs and a full afternoon of fellowship each year at the crab feast.
All hands on deck for PES

On June 21, a series of explosions caused a major fire at Philadelphia Energy Solutions in South Philadelphia. The PES refining complex includes facilities at Girard Point and Point Breeze. With the capability to process roughly 350,000 barrels of crude oil a day, these sites comprise the largest refining complex on the eastern seaboard. Approximately 1,000 people are employed on this 1,400-acre compound.

Established as a bulk petroleum storage facility in 1866, it began refinery operations in 1870. Over time it developed into a state-of-the-art refinery complex producing a wide range of fuels and petrochemicals serving markets in the northeastern U.S. Among its products were gasoline, home heating oil, jet fuel, kerosene, butane, and propane.

In the aftermath of this tragic fire, the question remains: what will the future hold for this historic industrial site? The options are several, ranging from shuttering the refinery, to repurposing it into another petrochemical processing facility, to even redeveloping the site into a new urban landscape including commercial, residential, and parks and recreational projects.

One clear preference would be to build on the optimism of former PES CEO Richrd Malo to restart PES as a functioning oil refinery. “The plant still has a very bright, long industrial future, if you do it right,” said Rinaldi, who is engaged in exploratory meetings reviewing the role for this asset.

U.S. Congresswoman Mary Gay Scanlon, whose district includes the South Philadelphia refinery, held a day of action in response to the announced refinery closure.

There are no easy decisions to be had here, and the stakes are high. From the loss of more than 1,000 local jobs to the effect on gasoline and home heating oil prices in the region and throughout the Northeast, addressing these monumental issues is a must.

The cost and financial risks to reopen this facility as a refinery are immense, but if there is a way to achieve this goal, then it is time for “all hands on deck” to work together to realize this desired outcome.

The Maritime Exchange will be an ally in this effort as we were in 1996 when Sunoco acquired Gulf Oil and in 2012, when Sunoco then formed a joint venture with The Carlyle Group, naming it Philadelphia Energy Solutions.

If this outcome is not doable, the Maritime Exchange will work with affected parties to retain this site for an appropriate industrial use.

Our regional economy — and not just that of the maritime industry — is dependent on returning this facility to its full industrial potential.

First responders do industry proud

Notwithstanding the serious consequences resulting from the explosion and fire that rocked the PES site in June, it is extremely noteworthy that first responders to the scene demonstrated a valor and skill that prevented this incident from becoming far more serious. Because of their heroic efforts, damage was contained, human life was spared, and broader injury to the refinery itself was prevented.

The Philadelphia Fire Department, the PES fire brigade, and other agencies all worked seamlessly together to control the fire and protect human life. This didn’t happen by chance.

Philadelphia Office of Emergency Management and fire department personnel were fresh off a conference at the Navy Yard where various agencies met to explore the potential options as well.

As deploying its fireboat, the fire department was able to supplement PES’s internal water supply system, thereby ensuring adequate water pressure for the fire brigade to contain and extinguish the fire. Beyond this, the fire department staged firefighters and equipment to be at the ready if called upon to join the fire brigade at the frontline in battling the blaze.

Kudos to the PES fire brigade, the Philadelphia Fire and Police Departments, and all the other first responders who operated under a unified command and worked expeditiously and efficiently to deal with this emergency.

Trade in uncertain times

By: Jonathan Gold, Vice President, Supply Chain and Customs Policy, National Retail Federation

The only thing certain in today’s global trading system is uncertainty. President Trump started his presidency by withdrawing from the Transpacific Partnership. He then declared himself “Tariff Man” and started trade wars with our Asia over steel and aluminum and with China over long-standing trade violations. Trump famously said, “trade wars are easy to win.” Unfortunately, nothing could be further from the truth.

We have seen first hand the impact of the trade war. From the steel and aluminum tariffs to the China tariffs to the retaliation, U.S. companies, workers, and consumers have all felt the effects.

There is no doubt that our trading partners must live up to their responsibilities. When they violate trade rules, we certainly should take appropriate action. But we should not rely solely on tariffs as the weapon of choice.

Let’s be clear. Tariffs are taxes. They are paid by U.S. importers and eventually passed along to U.S. consumers. They are not paid by foreign governments.

According to Tariffs Hurt the Heartland, U.S. companies have paid over $28 billion in tariffs since the trade war started. Those taxes are paid by U.S. companies that import components and parts to manufacture goods in the U.S. in addition to those that import finished consumer goods. The impact is even higher when you add the retaliatory tariffs from our trading partners. This is evidenced by the drop in exports that have been seen since the tariffs took effect.

It has become incredibly clear how complex global supply chains have become. One goal of the administration is to get companies to move sourcing out of China. Unfortunately, those changes can’t happen overnight. It can take months, if not years, to relocate supply chains and find new vendors who can meet capacity, quality, and cost requirements as well as U.S. safety laws.

During the most recent hearings on the proposed fourth round of China tariffs, which would cover $300 billion in goods including consumer products such as apparel, footwear, toys, and furniture, the potential impact was very clear. While every witness agreed with the need to act against China, an overwhelming majority said the tariffs would have a negative impact on their businesses. While some might be able to absorb a portion of the cost, the bulk of the tax would have to be passed to consumers. That is especially true for smaller companies that don’t have the ability to absorb cost increases. Their choice is to either pass along the higher costs, which is never easy, or go out of business.

The witnesses at the hearing, as well as the thousands of written comments filed for the record, all talked about the complexity of moving sourcing from China. Some companies have started to find new sourcing opportunities, despite the challenges with finding new vendors. Everyone noted the significant time it takes to find qualified vendors. Other hurdles include available capacity, skill sets, and infrastructure to name just a few. As some have said, there is no new China that can accommodate all of the needed capacity.

These changes may certainly shift global sourcing trends in the years to come. Many companies have tried to shift sourcing so they don’t have all their eggs in the China basket. While the administration’s goal is to have companies shift out of China, continued threats of tariffs on other countries like Vietnam or the European Union are making it difficult. And removing countries such as India and Turkey from the Generalized System of Preferences removes potential options as well.

We urge Congress to pass the United States-Mexico-Canada Agreement to ensure continuity in the North American marketplace. Otherwise, the president might decide to withdraw from the North American Free Trade Agreement, which he has threatened previously.

All in all, the overall uncertainty in the global trading system has made sourcing, supply chains, and logistics even more complicated. Supply chain partners must work together as quickly as possible to ensure seamless mitigation plans to keep their cargo moving.

Jon Gold is the coordinator of the Americans for Free Trade coalition.
Mariners in the U.S. generally have three possible classes of claims available when suffering bodily injury: (1) general maritime maintenance and cure, (2) general maritime unseaworthiness, and (3) negligence claims under the Jones Act.

Federal courts consistently found that mariners are not entitled to punitive damages in maritime claims for bodily injury unless such damages were specifically provided under the Jones Act or established by legal precedent which predates the adoption of the Jones Act in 1920.

In 2009, the Supreme Court found in Atlantic Sounding Co. v. Townsend that a mariner could recover punitive damages in connection with a claim for maintenance and cure because the cause of action and remedy were recognized prior to adoption of the Jones Act. The Townsend decision left open the question of whether punitive damages were available to mariners in claims other than those for maintenance and cure.

The U.S. Supreme Court recently addressed whether punitive damages are available in general maritime unseaworthiness claims in its decision in Dutra Group v. Batterton.

Deckhand suffers severe injuries

Christopher Batterton was working as a deckhand on a vessel where pressurized air was being pumped into a compartment below deck. The vessel did not have an exhaust system to relieve excess pressure. As a result, a compartment below deck was under pressurized air and excess reached critical levels. Mr. Batterton’s left hand was crushed in the explosion causing permanent disability.

He claimed that the vessel was unseaworthy due to the lack of a mechanism to relieve excess pressure. As a result, the Court reasoned that punitive damages were available, and the vessel owner appealed to the Supreme Court.

The ruling

In determining whether a remedy is available under general maritime law, the Supreme Court goes through a three-part analysis. First, the Court determines whether the cause of action existed, and the remedy was available, prior to enactment of the Jones Act in 1920. Second, the Court determines whether the cause of action continued after adoption of the Jones Act. Finally, it examines whether the cause of action and remedy are directly addressed by the Jones Act.

The Court will generally not allow remedies in a newly created cause of action beyond those specifically provided under the Jones Act. The Court, however, does not presume that remedies previously available to mariners were eliminated by adoption of the Jones Act.

The Court used this framework to analyze the availability of punitive damages for willful violation of the seaworthiness obligations of vessel owners.

The Supreme Court found that although a claim for unseaworthiness existed prior to the adoption of the Jones Act, there was no historical legal precedent to suggest punitive damages were available. Further, many of the cases offered as evidence were for claims of maintenance and cure rather than claims for unseaworthiness.

After the adoption of the Jones Act, the Court found that a mariner could still bring a general maritime claim of unseaworthiness as a separate but similar claim to Jones Act negligence. In such a claim for Jones Act negligence, a mariner is limited to direct damages and the Court feared that to allow punitive damages in unseaworthiness claims would introduce novel remedies which contradict those provided for specifically by law and ultimately create disparities in the law.

As a result, the Court reasoned that punitive damages remain unavailable in unseaworthiness actions on both policy grounds and as a regulatory measure.

In further support of its conclusion, the Court noted an increase in maritime legislative activity. It found any changes in the availability of punitive damages was best left to the lawmakers.

The impact

This decision was closely monitored by industry and, in particular, vessel owners and their insurers, who welcomed the decision. As a result of this decision, maritime personal injury litigation costs will likely be reduced, and maritime employers will be able to more easily arrange for necessary insurance coverage and risk management.

With this decision, the Court has closed the door on punitive damages in general maritime unseaworthiness claims unless the Jones Act is amended to permit such claims. Any amendment efforts by Congress will likely receive strong resistance from vessel owners and the insurance industry who strongly favor a more predictable framework of recovery for injured mariners.

However, the decision does not change the result from the Townsend case. Punitive damages remain available in maintenance and cure claims.

Michael F. Merlie and Kari Springer are attorneys at Gawthrop Greenwood, PC, which represents local, national, and international maritime and transportation companies.

For more information, visit www.gawthrop.com or call 610-696-8225.
Calendar of Events

08/14  Maritime Exchange Executive Committee Meeting, 11:00 a.m.
Coast Guard Birthday and Lincoln Award Presentation to Adm. Karl Schultz
Union League of Philadelphia, Philadelphia PA, 11:30 a.m.
Contact Mary O’Brien, 215-587-6445

08/20  PhilaPort Board Meeting, 1:00 p.m.

08/21  DRPA/PATCO Board Meeting, 9:00 a.m.

08/18  Seamen’s Center of Wilmington Board Meeting, Noon

08/19  Traffic Club of Philadelphia Annual Golf Outing
Applecross Country Club, Downingtown, PA
Contact Maureen Waddington, 215-393-3144, tcphila@gmail.com

08/20  Maritime Exchange Board Meeting, 11:00 a.m.

08/21  Sealers’ Advisory Committee Meeting, 11:00 a.m.

09/09  AMSC MTG Meeting, 8:00 a.m.
AMSC General Members Meeting, USCG Sector Delaware Bay, 9:30 a.m.
Contact Glena Tredinnick, Glena.T.Tredinnick@uscg.mil
Ports of Philadelphia Maritime Society Golf Outing
Springfield Country Club
Contact info@portsofphilamartimatesociety.com
Ports of Philadelphia Maritime Society Crab Feast
Corinthian Yacht Club, Essington, PA
Contact info@portsofphilamartimatesociety.com

09/10  AMSC Cyber Subcommittee Meeting
Contact Glena Tredinnick, Glena.T.Tredinnick@uscg.mil

09/11  PhilaPort Board Meeting, 1:00 p.m.

09/18  DRPA/PATCO Board Meeting, 9:00 a.m.
Chamber of Commerce for Greater Philadelphia Fall Advocacy Meeting
Empowerment Room at the Chamber Offices, Philadelphia, PA 3:30 p.m. – 5:00 p.m.
Contact Christina Coleman, ccoleman@chamberphl.com

09/19  Port of Wilmington 29th Annual Golf Classic
DuPont Country Club, Wilmington, DE
Contact Debra Thompson, 302-472-7802, dthompson@gulftainer.com

For a complete schedule and event details, visit www.maritimedelriv.com.