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To ACE or Not to ACE... That is the Question

The long-awaited implementation of the Automated Commercial Environment (ACE) may finally be at hand. At the Customs Electronic Systems Action Committee (CESAC) meeting held in March, Customs and Border Protection (CBP) announced that in May it would open its system for testing of the ACE Multi-Modal Manifest (M1). Despite past delays, the test began as expected, and it includes a host of volunteer testers. These "early adopters" are comprised of carriers, port authorities, and service centers that have completed programming to meet the new M1 requirements.

ACE will modernize and enhance trade processing with features that will consolidate and automate border processing and will replace the current Automated Commercial System. The multi-modal manifest capability will allow CBP to eventually phase out and replace the four separate manifest systems in use today – ocean, air, rail and truck. The M1 implementation includes ocean and rail import manifest functionality; air manifest and other segments of the industry will follow.

The Maritime Exchange completed its ACE programming earlier this year and was selected as an early adopter to represent the port authority community. The Exchange participated in ACE testing in 2009 and continues to be involved in ACE development discussions held through CESAC and other venues. The Exchange's TRACS® system has been certified on the Customs automation network since 1989, and represents nearly 300 carriers importing goods throughout the United States.

The Exchange faced a tough choice in considering whether to become an early adopter. Clearly, there would be inherent risk that as an

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VADM Parker Visits Maritime Exchange



In March, Vice Admiral Robert C. Parker, Commander, Coast Guard Atlantic Area, visited the Maritime Exchange. While on site, he toured the operations center and had a first-hand look at Maritime On-Line (MOL), the Exchange's port automation system which is widely used by the Coast Guard and other federal agencies. Shown above, Maritime On-Line Account Manager Yasmeen Johnson (seated) demonstrates MOL to VADM Parker. Joining in the demonstration were (l-r) Exchange President Dennis Rochford, Capt. James Roche of the Pilots' Association for the Bay and River Delaware, and Coast Guard Captain of the Port Meredith Austin.

MAC Works to Educate BOEMRE on Navigation

It's no secret that the Obama administration has made the development of renewable energy – particularly off-shore wind – one of its number one priorities. Earlier this year, Secretary of the Interior Ken Salazar and Secretary of Energy Steven Chu announced new funding opportunities for up to $50.5 million for projects that support offshore wind energy deployment and several high priority Wind Energy Areas in the mid-Atlantic.

President Obama has set a goal of generating 80 percent of the Nation's electricity from clean energy sources by 2035. "The Federal Government is certainly moving quickly. In the last six months, we have seen requests for indications of interest in developing sites off the coasts of Maryland, Delaware, and New Jersey," said Exchange Vice President Lisa Himber. "While the Exchange and its members want to cooperate with the federal government, the states, and other energy stakeholders, it is critical that project managers don't move so quickly that they overlook or downplay the very legitimate concerns of mariners and the commercial maritime industry as a whole."

Under the "Smart from the Start" wind energy initiative for the Atlantic Outer Continental Shelf announced last November, several key areas will receive early environmental reviews to help to lessen the time required for review, leasing and approval of offshore wind turbine facilities.

"What has been particularly surprising is that BOEMRE [Bureau of Ocean Energy Management, Regulation and Enforcement] did not engage with the maritime industry before publishing proposed lease blocks for potential offshore wind development. Each of the areas under consideration is directly situated in high-traffic and transit areas – some more so than others," said Capt. Stephen A. Roberts, who chairs the Mariners Advisory Committee for the Bay and River Delaware. While BOEMRE has convened task forces in each of the targeted states, these bodies consist only of federal, state, local and tribal government representatives. The Exchange, the MAC and others have repeatedly expressed that industry must not be left out of the discussion. "When the Maryland Request for Information came out, it was immediately clear that there was a disconnect between BOEMRE and the maritime industry," Roberts said.

The good news is that subsequent to publication, BOEMRE staff appear extremely eager to learn about the maritime industry and willing to work collaboratively to minimize conflicts between competing utilization of the waterways.

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Combating Piracy as a National and International Security Priority



By: U.S. Congressman Frank A. LoBiondo (NJ-02)
Chairman of House Coast Guard & Maritime Transportation Subcommittee

The high seas are increasingly dangerous. Attacks against the world's shipping fleets are escalating, threatening international commerce and the safety of mariners. The culprits are clear: pirates. The solutions to stop them, however, remain undefined or underutilized to this point.

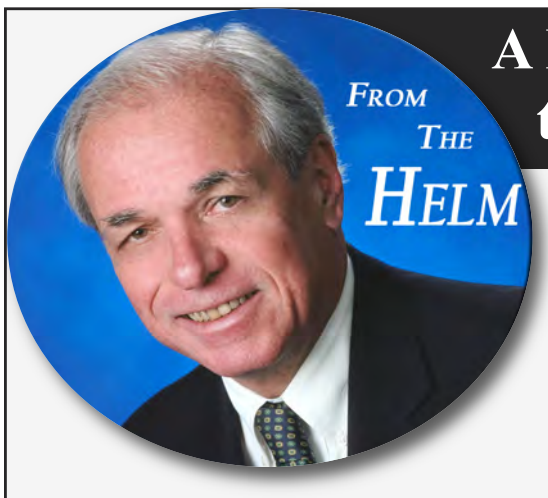
Piracy is internationally recognized as a crime against all nations and to which all nations must respond. It has become a multimillion dollar industry as a result of ransoms that continue to be paid by some foreign governments and vessel ownership groups. Thus, incentives remain strong for pirates to hijack ships and take mariners hostage, some of whom have ultimately been killed. As long as this cycle continues and the risks to the pirates remain minimal, the attacks will proceed. It is therefore incumbent on the global community to examine ways to minimize, if not end outright, this threat and its impact on both world commerce and security.

As Chairman of the House Coast Guard and Maritime Transportation Subcommittee, I recognize the critical importance of the maritime sector to our nation's transportation infrastructure, its role in global commerce and the security implications of ensuring its safe operation. It is for these reasons I recently called upon officials from the U.S. Coast Guard, the Department of Defense and the Department of State to answer questions about how we can further advance our efforts of combating piracy. My greatest concern lies with the expanding reach of Somali pirates.

In the past year, Somali pirates have vastly extended the range of their attacks on merchant vessels to encompass much of the western Indian Ocean. Even more alarming, they have dramatically increased the number and viciousness of their attacks. This includes the recent hijacking of the U.S. sailing vessel *QUEST*, which ended in the ruthless murder of four U.S. citizens. Piracy cannot be tolerated by the United States and the international community. Unfortunately, that is precisely what we have been doing to this point.

More so than other nations, the United States has placed significant assets in the Western Indian Ocean to combat piracy. The Navy and the Coast Guard are patrolling the region and they have partnered with other nations to protect vessels in the area. I applaud the

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A Rationale to Accomplish Critical Dredging Projects in the Face of Budget Cuts

In the face of trillion dollar federal deficits and debt, the political debate regarding spending, Washington DC has been turned on its head following last November's elections. The focus now is on 'real' spending cuts and not budget 'gimmicks.' Both the President and the newly-elected Congress have placed on the table, to one degree or another, all federal non-discretionary spending programs — including the three 'third rails' of politics: Medicare, Medicaid and Social Security. And there will also be intense debate on tax increases and tax policy. With the deadline to pass the 2012 federal operating budget just over four months away, political pressures will continue to mount as all spending priorities are placed under the Congressional microscope.

One principle that Congress ought to adhere to throughout the course of this debate is that taxes and fees collected for a specific purpose must be expended for that purpose.

One such tax is the Harbor Maintenance Tax (HMT). The HMT was established in 1986 to fund the operations and maintenance of our nation's harbors and ports. Specifically, these funds are intended to maintain the authorized depths of federal shipping channels, as well as the upland disposal areas required to support this ongoing dredging responsibility.

The HMT generates approximately $1.5 billion in revenues on an annual basis, of which only $800 million is being expended on dredging and related projects. The balance is deposited in the Harbor Maintenance Trust Fund (HMTF) and then loaned to the General Fund as an offset to the federal deficit. Today, the HMTF is the repository of over $5 billion in IOUs, and there is a critical need to expend these funds as our nation's navigation channels get more narrow and shallow from shoaling and sediment accumulation.

Here on the Delaware River we continue to suffer from funding shortfalls that could be erased if all HMT dollars collected were appropriated for the purpose intended. This is evident by the fact that the proposed Administration budget for FY12 leaves the Philadelphia to the Sea federal navigation project short. With an additional $4 to $7 million in funding, the Corps of Engineers would be better positioned to realize its capabilities and more aggressively dredge those high shoaling areas along the channel and maintain the federally owned upland disposal areas to handle this expanded dredging activity. Full utilization of HMT funds would also enhance maintenance dredging along the Schuylkill River, at the Port of Wilmington, and along the C & D Canal.

Legislation has been introduced in both the U.S. House (H.R. 104) and Senate (S. 104) that collectively is a good first step to redress this problem. Over 100 co-sponsors have signed on in support of these two bills, three of whom are members of our regional Congressional delegation: Sen. Robert Menendez (D-NJ), and Reps. Frank LoBiondo (R-NJ) and Mike Fitzpatrick (R-PA). The Exchange is working to have 100% of our delegation sign on to this legislation.

This legislation adheres to the principle that taxes collected from industry for a specific purpose need to be expended for that purpose. We cannot allow our national maintenance dredging requirements, that are in fact paid for by the shipping industry, be held hostage to the larger budget debate in Washington, DC.



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Delaware River Region to Host American Institute for International Steel Fall Conference

In September, the Delaware River maritime community will once again host the American Institute for International Steel (AIIS) as it presents its 2011 Fall Logistics and Customs Conference. More than 100 attendees from around the country are expected to attend in support of this two-day regional conference, taking place September 26-28.

The conference agenda includes a soon to be announced event at the Port of Wilmington on Monday, September 26, followed by an evening reception aboard the Battleship *New Jersey* in Camden. The conference itself, slated for Tuesday, September 27, will be held at the Independence Seaport Museum, at which Customs, logistics and port issues will take agenda center stage.



In Memoriam

Andrew Wells Polite

It is with deep regret that we announce the passing of Andrew Wells Polite, one of the Exchange's longest serving employees. Andy, 89, passed away peacefully on March 15, 2011 at his residence with his family by his side. He was born in Lewes, Delaware on May 15, 1921.

Andy's Maritime Exchange career began in 1970 and continued for 34 years until his retirement in 2004. He worked as a watchstander at our Ship Reporting Tower in Lewes.

He proudly served with the U.S. Army and was a Purple Heart recipient from World War II. He was also a member of the VFW Post 7447 in Rehoboth Beach. Andy was a skilled wood craftsman and enjoyed spending his free time creating fine pieces. He also enjoyed gardening and reading western books. Andy was preceded in death by his wife Betty Jane in 2006. He is survived by his son, Don Polite (Ruth Ann), daughters Peggy Truitt, Debi Stearns (Curtis), and Teri Ysaguirre (Frank), and sisters Cecelia Hudson and Alberta Cowan, as well as numerous grand- and great-grandchildren. He is also survived by nephew Patrick Newcomb, Operations Specialist for the Exchange.

The Exchange board and staff extend sincere condolences to the Polite family.

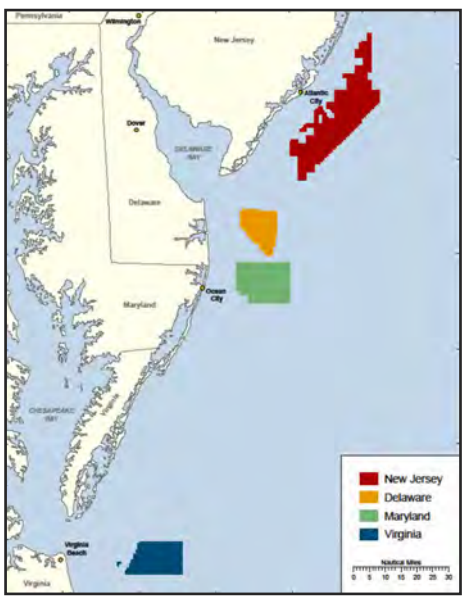
Working with the Feds on Wind Farms

continued from page 1

To facilitate the communications process, Roberts launched a Wind Energy Working Group under the MAC. "The idea is to get everyone together in the same room," he said. "We need to gain a better understanding of each other's perspectives."

The working group held its inaugural meeting in late April, and included representatives from the states, Coast Guard, NOAA, BOEMRE, as well as the energy and maritime industries.

As requested by the Exchange in its comments on the proposed lease block areas, the Coast Guard is conducting a Port Access Route Study (PARS) to gain a better understanding of traffic flows in the areas under consideration. "Our horizons are expanding," said John Walters, WWM Section Chief at Coast Guard District 5, "and we need to look further out beyond traditional port borders." The study should begin in June, and it is expected to take 12 months to complete. In addition to looking at historical ship movements, Coast Guard will also consider future traffic, such as increases resulting from the Panama Canal expansion.



Areas under consideration for off-shore wind farms.

"In all, we were encouraged by BOEMRE's willingness to listen and respond to our concerns," Roberts said. "We will continue to work closely with them over the upcoming months."

Contact Lisa Himber at the Exchange or visit www.macdelriv.org for additional information.

WITA Honors USCG Capt. Meredith Austin

The Women's International Trade Association will honor Capt. Meredith Austin, U.S. Coast Guard, with its Woman of the Year Award on June 1 at the Holiday Inn Historic District in Philadelphia. Capt. Austin is being honored for her exemplary service to the Coast Guard since her graduation from the U. S. Coast Guard Academy in 1985, where she received a Bachelor of Science degree in Marine Science.

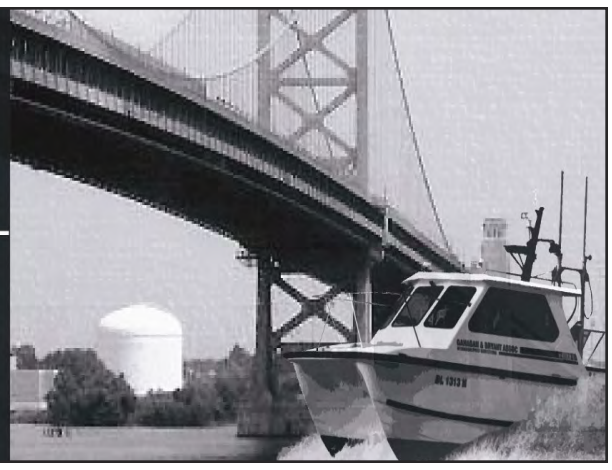


As Sector Delaware Bay's Commander, Capt. Austin has the enormous responsibility for the safety of the vessels transversing the waters of the Delaware River and Bay.

The Exchange wishes to extend its congratulations to Capt. Austin; WITA has chosen a highly commendable woman to receive this honor.

For additional regarding this event, please contact Yasmeen Johnson at 215-925-1524 or yjohnson@mxops.org.

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Summer 2011 Gala Reservations



The SS United States Conservancy cordially invites the membership of the Maritime Exchange and the port community to its gala fundraiser "Relive an Evening Aboard the SS *United States*," to celebrate title transfer and to raise funds for the Conservancy's historic preservation, museum, and predevelopment planning efforts. John Reynolds, chairman of the Maritime Exchange, will discuss the importance of this project and potential business opportunities for companies in this region.

June 24, 2011 at the Corinthian Yacht Club
300 W. 2nd Street, Essington, PA 19029

Cost: $250 per person ($2,000 for a table for 8)
Dinner, open bar, auction, and dancing to a 1950s style jazz band

Honorary Gala Co-Chairs:
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For additional Gala information, please contact Alix Jacobs at ajacobs@ssusc.org or 610-658-5996. To learn about sponsorship opportunities and donating items to the auction, please contact Steven Ujifusa at sujifusa@ssusc.org or 215-869-1877.

Note: the event will NOT take place aboard the ship.

PPMS Honors Bill Moran



Maritime Exchange Chairman John Reynolds (left) congratulates Bill Moran on the prestigious honor.

Exchange Director William J. Moran received this year's coveted Person of the Year award, bestowed each year by the Ports of Philadelphia Maritime Society. The Society presented the award at its 76th Annual Dinner and Award ceremony on April 28.

Bill, a partner in Hueber Launch, a division of Marine Guard Service, founded by his father in 1946 to supply guards to ships and terminals, was recognized for his dedication to the regional maritime industry. Bill is a graduate of Villanova University and a veteran of the Vietnam War.

"The Maritime Society has been around since 1935, and each year we try to recognize someone in the maritime community for his or her cooperation and accomplishments," said Society Secretary Theresa Penot.

In addition to serving on the Exchange Board, Bill is a member of the Mariners Advisory Committee, the Area Maritime Security Committee, and the Ports of Philadelphia Maritime Society. He is a member of the Corinthian Yacht Club and the Union League of Philadelphia. At the Union League, he is president of the Aviation Club and has served as Commodore of the Union League Yacht Club. What you might not know about Bill is that he also holds an aircraft private pilot license with an instrument rating, and is certified as an open water diver and cruising sailboat captain.

"Bill and I share a long history together," said Exchange Chairman John Reynolds. "He is one of the hardest working, most kind-hearted, previously unsung heroes, in this community, and he well deserves this honor."

Coast Guard Uninspected Towing Vessel Bridging Program

By: LT Trevor Blount
Sector Delaware Bay Enforcement Division

Throughout the Delaware River and northern Chesapeake Bay Regions, U.S. Coast Guard Sector Delaware Bay has ramped up efforts to ensure mariner safety and regulatory compliance within the Uninspected Towing Vessel (UTV) fleets.

Over the years, this safety effort has evolved to include dockside examinations conducted by Coast Guard Marine Inspectors and Law Enforcement personnel who board vessels while underway. Both efforts are designed to ensure compliance with regulatory requirements, keep Uninspected Towing Vessels safe, and bridge the gap prior to implementation of the new Certificate of Inspection (COI) requirements under a proposed 46 CFR Subchapter M.

Successful completion of a dockside examination, including 46 CFR Subchapter B and C standards, results in the issuance of a CG Safety Examination UTV Decal. Vessels which receive a UTV Decal from the CG Examiners will be judged to be in compliance with the regulations and generally require only a spot check by the Law Enforcement personnel conducting an underway boarding. The Decals remain valid for a period of three (3) years and bridge the gap until Subchapter M standards are finalized.

Since October 1, 2010 within the Captain of the Port zone near Philadelphia, Coast Guard Marine Inspectors have conducted 13 exams, with 6 Decals being issued as part of this program. Sector Delaware Bay's Cutters have conducted 64 Law Enforcement boardings of UTVs within the same time period, finding only minor violations.

The goal of this program and the two-pronged approach is to achieve 100% coverage of all UTVs in the region in a fair and orderly manner, and ensure a smooth transition to the Certificate of Inspection for all Towing Vessels. UTV industry operators are highly encouraged to contact Sector Delaware Bay's Uninspected Vessels Branch at 215-271-4873 to schedule a free, voluntary and non-punitive exam. Another source of information on this program may be found at the Coast Guard's Towing Vessel National Center of Expertise's website: www.uscg.mil/hq/cg5/TVNCOE.

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Report of the Board of Directors

Following is an excerpt of the remarks presented by Maritime Exchange Chairman John Reynolds at the 136th Annual Meeting of the Exchange, held on March 9, 2011.

It is with pleasure that we report yet another successful year of operation for the Maritime Exchange in 2010

Clearly last year was a bit of a roller coaster ride. Ship traffic continued its decline of the last few years, resulting in economic difficulties for the entire Delaware River port industry. Despite this, we made significant progress on any number of fronts.

First and foremost, of course, is the fact that work to deepen the Delaware River main ship channel to 45 feet is now underway. The first phase is complete, and work on the second phase is slated to begin this August, when the next dredging window opens. Though there have been a number of legal challenges to the project, we are optimistic that work will continue as planned. The maritime community remains united in its commitment to working together toward a successful conclusion to this 23-year effort.

Last year the Exchange was fully engaged in a number of other initiatives designed to solve problems and improve opportunities for our members. As an example, the Exchange, together with the World Shipping Council, took a leadership role with Customs and Border Protection to update an archaic, costly, and inefficient process for clearing ships' crew members. Based on our concerted efforts over the last 12 months, a pilot program to test the new process is underway, and we are close to realizing the goal of eliminating the paper I-418 crew manifest. When fully implemented, this will not only save time and money for Exchange members on a day-to-day basis, but should also go a long way toward eliminating unnecessary fine issuance and mitigation processes.

In addition, we have made great progress working with elected officials to ensure that funds derived from the *ad valorum* Harbor Maintenance Tax (HMT) are used to perform maintenance dredging in U.S. ports. As we all know, certain navigational channels throughout our regional port are subject to significant shoaling and silting, and it is crucial that the Army Corps of Engineers receives sufficient funding to properly maintain these channels to their authorized depths.

And as we have since 2007, the Exchange continues to serve the maritime community through its role as Fiduciary Agent for the federal Port Security Grant Program.

As always, government agencies and members kept the Exchange Government Affairs staff extremely engaged, but the Information Technology and Operations teams were no less busy.

The year 2010 started off with a bang when in January we worked with Maritime On-Line (MOL) participants to train them on the new Importer Security Filing and Stow plan requirements of the "10+2" regulation. Later that month, the Exchange released the first phase of the enhanced Automatic Identification System (AIS). Throughout the remainder of the year, our staff and consultants worked to implement Phase II of the project, which involved integrating MOL ship reporting, TRACS and Notice of Arrival/Departure data with the AIS display. That work was completed in December and made available to system participants in January of this year.

Throughout the year, we continued to make modifications to MOL as required by the federal government or requested by system participants.

We also worked in 2010 to improve service to members by expanding the Exchange network to include other local agencies. Over the last year, we strengthened our relationships with the Greater Philadelphia Chamber of Commerce, the World Trade Center of Philadelphia, Select Greater Philadelphia, and the Southern New Jersey Chamber of Commerce. Through these partnerships, and those already in place with the New Castle County and Delaware State Chambers of Commerce, we will work to identify additional opportunities to assist Exchange members with their daily and long-term needs.

Looking ahead, it is clear that 2011 will be equally challenging. Later this year it is likely the Coast Guard will publish regulations for use of Transportation Worker Identification Credential readers; the Delaware River port community will need to work with federal partners to ensure that commercial shipping is considered in any decision to grant leases for any offshore wind farm leases; and we will need to be prepared to respond to future federal budget cuts which will negatively affect operations at our port.

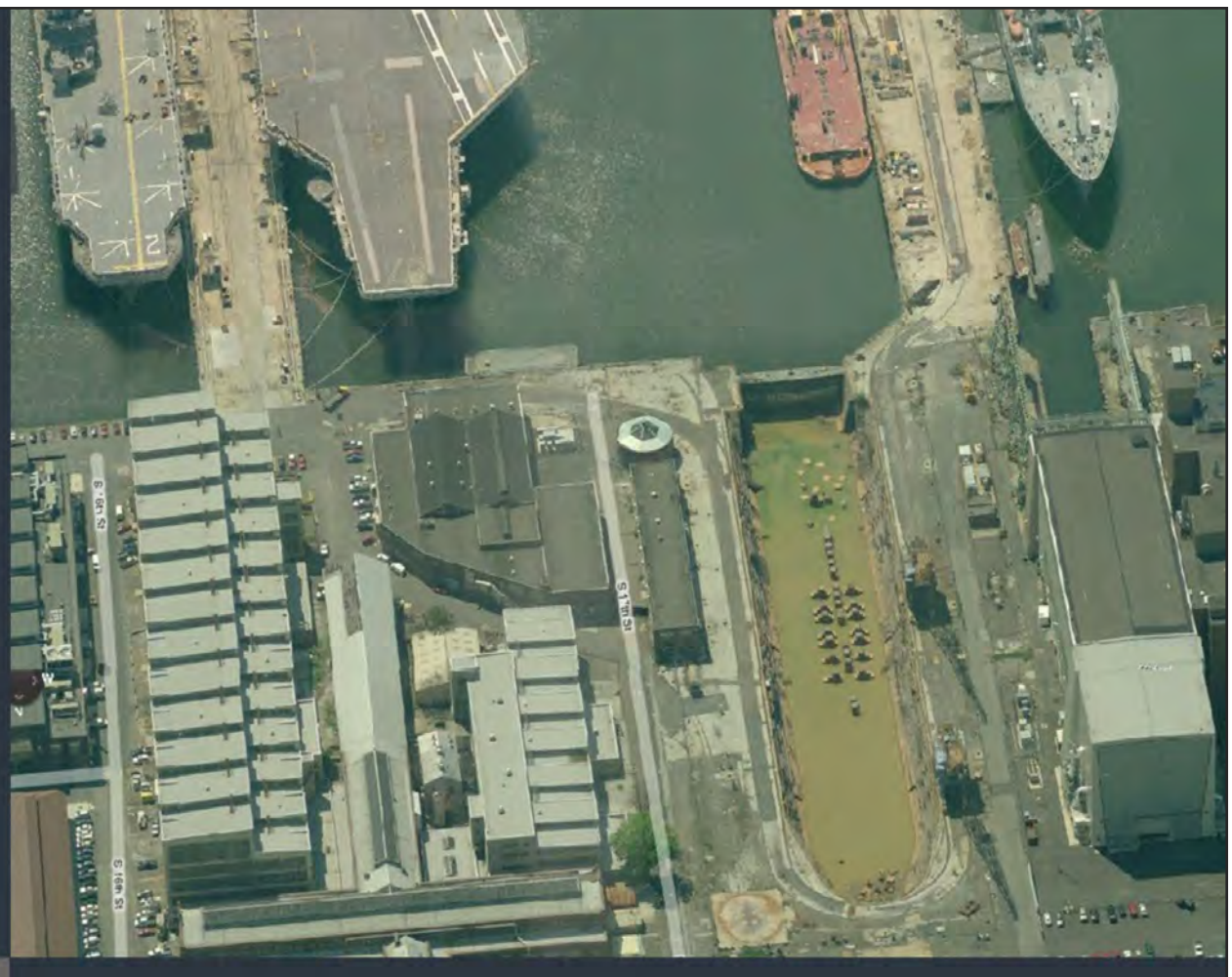
The items outlined here reflect only the highlights of what was an extremely full agenda of activities underway at the Exchange. Last year saw significant positive developments on a number of fronts, and this year is progressing in a similar manner.

With a more positive business outlook than in the past few years, 2011 promises to be yet another productive and successful year for the Exchange.



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"We're From the Government and We're Here to Help" or How to Survive a Customs Audit

Legal Ease

By: *John P. Donohue, Esq.*
Thorp Reed & Armstrong, LLP

No one need tell the American international trade community how drastically the world changed after September 11, 2001. Cargo and border security went from being a factor for consideration to the driving force behind the administration of the Bureau of Customs and Border Protection, which, before that date, did not even have border protection as an agency mission.

Prior to the attacks, the process for enforcing the law related to the assessment of duties on commercial cargo was fairly uniform throughout the land. If an import specialist (the Customs Officer charged with determining duties due on commercial shipments) had questions, he or she pursued them directly with the importer, and resolved them fairly quickly. If an import specialist believed that an importer's motives were more sinister or if the suspected problems were more systemic, the matter was referred to the Customs Office of Investigations which had experienced special agents, with both criminal and civil jurisdictional responsibilities, who could investigate suspicions and either allay the concerns of the import specialist or cause enforcement actions to be pursued. In the middle of all of this was some exercise of judgment on whether an importer was acting legally; was legitimate but had become careless; or was involved in a criminal undertaking.

But the Post 9-11 structural shift to cargo security created two significant deficiencies in the traditional commercial operations mission of Customs. First, there was a de-emphasis of the experienced import specialist who understood commercial operations in favor of the cargo inspectional staff. In a sentence, Customs became less concerned about whether duties were paid on the cargo entering the United States and far more concerned about whether the cargo would blow up in our faces. Second, the experienced special agents, whose training taught them to distinguish the honest but inexperienced importer from the criminal violator, were moved from trade enforcement to cargo security and a full generation of seasoned investigators has been lost.

Customs has endeavored to fill the gap in commercial enforcement by emphasizing the role of the customs auditors, and more importers are now getting the knock on the door, not by the agent with the gun, but by the auditor with a laptop. Importers are not hearing "you are under investigation." They are hearing "you are under audit."

So what is a customs audit, and how does one respond?

There are two types of audits – the Customs "Quick Response Audit" and the "Focused Assessment."

In the Quick Response Audit, Customs will be directed to resolve a single issue, generally raised by an import specialist. ABC Corporation is importing duty free petroleum products from the Virgin Islands. The auditor will be asked to verify that the cargo is actually produced in and exported from the Virgin Islands. A careful review by the audit staff of the commercial documents, both in the United States and the Virgin Islands, will likely resolve the matter.

The Focused Assessment is a broader analysis of the general compliance levels of the importer, and, wisely, in the ordinary course Customs limits these audits to the larger companies, because even the Regulatory Audit staff is limited. As its name suggests, the Focused Assessment "focuses" on those areas of the importers' business that likely pose compliance risks to Customs. And Customs will generally choose three or four target areas on which to concentrate. For example, if an importer is buying goods that are under an antidumping order, Customs will almost always select as one of its focus areas the proper payment and assessment of antidumping duties. If an importer buys exclusively from a related foreign affiliate, Customs will undertake to examine the related party transfer pricing to ensure that the export price is not manipulated to reduce customs duty liability. In this area Customs has become far more sophisticated and is asking detailed questions related to pricing that had heretofore been reserved only to IRS agents. Here the Customs concern is probably misplaced. With rates of duty at historic lows (the average rate of duty on imported merchandise is now at about 1.8% ad valorem) importers simply have very little to gain with such price manipulation, and the adverse tax consequences of such a manipulation far outweigh the minimal customs advantages. In the end, virtually any CFO will tell his customs lawyer that such an endeavor would never be worth the risk. For companies that have large and varied product lines (the Wal-Marts, Home Depots and Costcos of the world) Customs will audit to determine if there are processes in place to properly classify (i.e. determine the rate of duty) on imported goods. Customs has published a list of "trade priorities" which, for Focused Assessment purposes, would probably entail:

- Antidumping and countervailing duty payments – are the special assessments to alleviate unfair international trade practices actually being paid?
- Import safety – are goods meeting required safety and testing standards?
- Intellectual property – is the importer buying genuine or counterfeit merchandise?
- Revenue collection – are the goods properly valued and if duty preference claims are made, are they valid and supportable?
- Textiles – are goods actually coming from the country where they are reported to be from? and
- How does one prepare for such an audit experience?


John Donohue, Esq.

Customs audits are like trips to the dentist. They are bearable, but never fun. The company that wishes to successfully complete an audit will probably take several steps.

A. Ask yourself, "What would Customs consider a likely area of inquiry for my company?" For example, if you import goods from any country for which the United States extends trade agreement preferences, and those preferences are invoked at the time of entry, assume that Customs will test your right to those preferences.

B. Create a compliance plan well in advance and adhere to it. Since the entire purpose of a Focused Assessment is to test compliance with the law, and to satisfy Customs that all duties are being paid, a good compliance plan positions the company well to survive the audit.

C. If you find compliance errors, report them to Customs promptly. The Customs law, like most bodies of law, strongly favors the company which voluntarily discloses errors, and leaves fewer areas of potential irregularity to uncover during the audit.

D. Check the government work. If the purpose of an audit is for the government to check the routines of the importer, it is entirely appropriate, if Customs alleges a violation or underpayment of duties, to examine the Customs findings and methodologies.

No one enjoys the notion of a federal regulator looking over his or her shoulder. But a well done Customs audit, with a reasonable auditor, working with and an open-minded importer, need not cause catastrophe. Planning is everything.

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ACE Testing has Started

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initial tester, multiple programming changes – thus increased implementation costs – would almost certainly be necessary based on changes identified during the test.

Ultimately, the decision to move forward was based on ensuring TRACS users would be compliant with the new requirements as soon as ACE M1 was ready for production. Another factor was the addition of new M1 functionality that will benefit system participants, such as requests for in-bond diversions and partial bill of lading releases. Since the Exchange will be an early adopter, system users to be able to take advantage of these features as soon as possible. This decision also minimizes risk of facing a tight CBP implementation deadline once final requirements are published.

After the early adopters have completed testing, CBP plans to open the system to others in a staggered schedule. And if the ACE M1 testing goes according to plan, the agency may roll out ACE M1 into production as early as August or September.

Though it is very early in the process, initial testing results have been relatively positive from the Exchange's perspective. As expected, there have been a few minor programming issues that will need to be worked out on both ends, but the Exchange is optimistic that the remaining issues will be minor and that the ACE M1 implementation will be completed this year.

CBP and the trade have spent an enormous amount of effort and resources over the past two decades toward this release, and the next few months of testing with the early adopters will be crucial in determining whether or not ACE M1 is finally ready for production.

For more information on TRACS and Maritime On-Line®, contact Michael Fink at 215-925-2615 ext 305 or visit www.maritimedelriv.com.

Maritime Security: the Captain's Perspective

By: Captain James K. Staples

Security has always been a concern on board merchant vessels. With the implementation of the International Ship and Port Security Code (ISPS) and the anti-piracy annex to security plans, merchant mariners now find themselves with even more tasks to perform on board. The question we should ask ourselves today is, "Are the vessels secure or are they just compliant?"

Over the past couple decades we maintained a vigilant watch when it came to stowaways, thieves and pirates. The basic security plan back then consisted of gathering all our safety equipment and stowing it in a safe location; this would prevent whoever boarded the vessel from stealing the brass nozzles or fire hose couplings, which they would melt down and resell as a vase or artifact back to the crews. A gangway watch was maintained, and prior to sailing a stowaway search would be conducted. On vessels where stowaways had been discovered, a 24-hour watch would be maintained on the stowaway until he could be turned over to the authorities on arrival at the next port and repatriated back to the port of origin, if it could be arranged. If not, crews had to transport the stowaway back to the where he or she boarded.

The threat to the crew from the stowaway was minimal; we never worried about being held hostage or held for ransom. A stowaway was looked upon as a nuisance rather than a threat. This has changed in today's world; stowaways are now seen as threats to the vessel, crew and possibly national security. The incidents with the *USS Cole*, the *MT Limburg* and the *MT Star* have changed forever how we look at a small fishing vessel approaching. Never did we think that a radical fanatic would drive his small boat into the hull of a merchant vessel loaded with explosives.

Pirates have always roamed the seas. During the 1970s and '80s we worried about the South China Sea and the Straits of Malacca pirates. Staying off the coast in the South China Sea kept us relatively safe from boardings, and not until we neared Singapore and the straits did we start our pirate watches. The pirates then were generally thieves and robbers, not murderers and kidnappers. Now they hijack the vessel and its crew for ransom. Piracy was a lucrative business even back then with very little risk for the pirate. Today that remains the same.

September 11, 2001 changed the shipping industry in terms of security. Following the International Safety Management (ISM) code, we were faced with the ISPS code. Security became the main concern, and the safety and integrity of the vessel, its cargo and

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Specter Receives 2011 SCI Spirit of Port Award



(l-r) Former Pennsylvania Senator Arlen Specter, Seamen's Church Institute Executive Director James D. Von Dreele, former Pennsylvania Governor Edward Rendell, and Maritime Exchange President Dennis Rochford.

On April 21, the Delaware River maritime community honored former Pennsylvania Senator Arlen Specter with the Seamen's Church Institute (SCI) Spirit of Port award, thanking him for his years of service in support of the port industry in general, and for his efforts concerning funding for the 45' Main Channel Deepening Project in particular. Former Pennsylvania Governor Edward Rendell was on hand to introduce Senator Specter at the award luncheon.

SCI's annual event was again held at the Sheet Metal Workers Union Hall. Approximately 200 people attended the event.

Prior to the luncheon, Exchange President Dennis Rochford moderated SCI's Industry Forum. Entitled *U.S. East Coast Ports – Post 2014,* panelists participating and presenting in the Forum included: John Vickerman, Vickerman and Associates; Susan Monteverde, American Association of Port Authorities; Joe Bonney of the Journal of Commerce; and Mark Rutherford, Director of Marketing, CSX Intermodal Division.

A Mariner's Take on Security

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the crew became a major focal point. Measures would be put in place on board merchant vessels which would encompass security procedures to keep them safe from terrorism. The vessel security plan was born and a new role was implemented. A vessel security officer had the responsibility to keep records on drills, training and compliance. This added responsibility would fall on either the Captain or Chief Mate on most vessels.

The growing feeling among crews while holding safety meetings is one of mistrust for the owner-operator. The crew members ask why the owner-operator will not give them equipment to help keep them safe when it comes to piracy and vessel security. Crew members believe they shouldn't have to think about learning how to survive as a hostage according to the IMO in a hostile environment while the owner-operator tries to negotiate the release of the crew, which can last seven months or longer. If in the eyes of the crew the owner is uncaring and untrusting, this only makes the Master's job of maintaining discipline more difficult.

For every merchant seaman who has ever signed aboard, the new assignment becomes home and the crew becomes shipmates. A bond develops and the crew watches out for each other. To have your home turned into your prison is deplorable, and a crew member turning on a shipmate is intolerable. Merchant crews are not trained to be under such mental anguish, being deprived from their families and the basic human needs of an individual while on board as a hostage.

As any Master will tell you, the greatest responsibility he has is to ensure the safe and healthy return of his crew; this is and has always been his first priority. But how can Masters be expected to watch out for the welfare of the crew during dangerous transits in high risk areas if they are not given the support or equipment they need?

Being a merchant seaman is inherently a very dangerous profession. We have the latest technology when it comes to collision avoidance, navigation or firefighting. I cannot imagine a company that would ever let a vessel go to sea without firefighting equipment or pumps to pump out water.

Fire on board is probably the greatest enemy we have 24 hours a day, 365 days a year. What if we took the same approach to fighting fire as we do to piracy, using passive resistance and maybe just abandoning the vessel when a fire breaks out? Thankfully we do not, we brave the situation and try to extinguish the flames with the tools and training we have been given. Piracy should be no different.

Who will be looking out for the Flags of Convenience crews, who do not have the same good fortune of working for first-rate owners and flag states? Who will help the crew of the *M.V. Ariana* – which has a Greek

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Holt Logistics Invests to Attract New Business

In its continuing effort to grow the containerized cargo business at the Packer Avenue Marine Terminal (PAMT), Holt Logistics Corp. announced that Greenwich Terminals, LLC will invest an additional $1 million in new storage equipment designed to increase container capacity at the Terminal.

Greenwich Terminals has purchased two new "reach stackers" – agile and mobile cranes with claw grips that can handle, move and stack shipping containers – at a cost of $1 million that will allow the Terminal operator to continue to "densify" PAMT by permitting the safe storage of additional containers onsite.

"We're constantly upgrading the equipment at the Terminal to provide the best, fastest and most efficient service for our customers," said Thomas J. Holt Jr., President of Astro Holdings, Inc., which leases PAMT under a long-term concession with the Philadelphia Regional Port Authority. "We operate in a competitive field, and these investments are necessary to satisfy the needs of our current customers as well as those we hope to attract to Philadelphia in the future."

The two Hyster YardMaster II reach stackers have the capability of safely stacking standard containers "five high," providing dramatically improved storage capacity at PAMT.

"With all of the business that is interested in coming to Philadelphia, identifying available land for storage space is critical," Holt said. "Land is at a premium here, and while we continue to look for opportunities to grow the Terminal's footprint, we're doing everything we can to make our operations more efficient by improving our stacking capability."

The new equipment, which represents the latest in a series of investments at PAMT that total more than $50 million over the last 20 years, will improve operational efficiency and free up critically-needed dockside storage capacity to support the new cargo opportunities that continue to arrive at the Terminal.

Cargo volumes increased by 10 percent at Packer in 2010 thanks in large part to a deal with Hyundai Motor Co. to import and process up to 150,000 Hyundai and Kia vehicles through PAMT annually. That growth created more than 200 additional jobs at Packer in 2010, with the potential for more in 2011 thanks to the start this year of Maersk Line's Spondylus Service and CMA CGM's Black Pearl Service. And on April 2, the largest container vessel ever to call at a Delaware River Port, the mammoth 6,750 TEU MSC Laura, arrived at PAMT.

Other news at PAMT

The world's largest roll on/roll off (ro/ro) vessel, the *Tønsberg*, discharged Hyundai and Kia vehicles in April during a port call at the Packer Avenue Marine Terminal, highlighting an increasingly busy period that has seen nearly 100,000 vehicles unloaded since Hyundai Motor Co. and its logistics affiliate, Glovis of America, began local operations in August.

The *Tønsberg* is 265 meters long, has a cargo volume of 138,000 cubic meters a capacity of 8,500 car-equiv-percent.

Fighting Piracy

continued from page 1

Services for taking action, but I am unconvinced about the effectiveness of these efforts. Controlling an area of the ocean that is roughly the size of the continental United States is extremely challenging given the limited resources that can be devoted to this mission compared to the Services' other responsibilities. It must truly be a global effort of the U.S. and international partners.

But our efforts against piracy cannot be limited to the sea. At this time, we are not tracking ransom payments to the extent that we could or should be. In fact, I raised this issue during a public hearing of the House Permanent Select Committee on Intelligence with the directors of our intelligence agencies. These ransom payments have allowed the pirates to acquire more dangerous weapons and equipment that can be used to take control of even more vessels. These funds might also be used to benefit terrorist groups operating in Somalia and carry out terrorist acts here at home and abroad. We must do a better job tracking the exact flow of these funds once paid and what the pirates ultimately use them for.

We must also establish a judicial system for prosecuting pirates when we or other nations capture them. It is a regrettable and preventable fact that several of the pirates captured by the naval forces of other countries are not being prosecuted. Instead, they are merely returned to shore where they are free to resume their illegal activity. The U.S. government needs to do a better job of coordinating efforts with the international community to successfully prosecute those involved in piracy including getting governments that are home to these lawbreakers, such as Somalia, to do more than simply releasing these criminals.

At the end of the day, the first line of defense against piracy is the ships themselves out on the open water. The Navy and the Coast Guard simply cannot be everywhere at once and the fact remains that our vessels need to be prepared to deal with this threat without military assistance.

Many in the maritime community are looking at ways to enhance security of merchant vessels, including the placement of armed security personnel aboard ships. Vessel crews have every right under U.S. and international law to defend themselves and their vessels. In 2010, President Obama signed the "Coast Guard Authorization Act" which included a provision that provided civil liability protections to U.S. merchant mariners who are attacked by pirates. This was a critical first step to empower our vessel crews in fighting back.

But more needs to be done to ensure our mariners are not further victimized. Under current U.S. law, vessel owners may be held criminally liable for the ransoms they pay to free captive mariners. While this is meant to dissuade mariners from paying ransoms which in turn promotes more piracy, it only serves to confuse many owners about what actions can be taken if pirates are able to successfully take control of a ship, its cargo, or its crew. Providing clarification on this issue without unfairly penalizing our vessel owners is one of my top priorities.

At least for the short-term, piracy on the open seas will continue to be a significant problem. The maritime industry is not simply going to abandon such vital shipping routes, thus making them prime targets for lawless individuals who have nothing to lose. Furthermore, the sustained vacuum created by the collapse of the Somali government has further complicated any efforts to prevent recruitment of additional pirates.

Therefore, what we can do from the U.S. Congress' perspective is better protect our vessels through strengthening domestic and international laws; better improve security protections onboard, including arming and training for mariners; and better coordinate with the international community on how best to deter, capture and prosecute pirates. This is one area my subcommittee will continue to investigate and hold hearings. We will work closely with the maritime industry, federal agencies and international partners on this persistent issue. With significant economic and global security implications, it is clear that combating piracy must be a national and international priority.



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Charles G. Kopp Named PRPA Chairman

On March 1, Pennsylvania Governor Tom Corbett announced the selection of Charles G. Kopp as Chairman of the Philadelphia Regional Port Authority. Kopp replaces John Estey, who served as Chairman under former Governor Ed Rendell.

Charlie Kopp joined the law firm Cozen O'Connor in April 2009 as of counsel in the Business Law Department. Prior to joining the firm, he was a partner with WolfBlock LLP in Philadelphia. His practice is in the Tax Group and he is familiar with all aspects of federal, state, and local taxation.

"Charlie Kopp has the institutional knowledge and expertise needed to guide PRPA's important work," Gov. Corbett said. "He has earned a well-deserved reputation as a consensus-builder who delivers strong results."

Kopp has authored numerous articles on tax law for a variety of publications including the *Tax Lawyer*, the *Philadelphia Lawyer* and the *Journal of Taxation*. He also has been a guest lecturer on "Tax Planning for Real Estate Transactions" at Villanova University's Graduate Tax Program and has spoken widely on Taxation throughout the mid-Atlantic Region.

He earned his law degree, *cum laude*, from the University of Pennsylvania Law School, where he was an editor of the law review, and his undergraduate degree, *cum laude*, from Amherst College. He is a member of the American, Philadelphia, and Pennsylvania Bar Associations.

"I am honored by Governor Corbett's appointment and share his goal to make the Philadelphia port the best in the nation as an integral part of his overall commitment to spur economic activity and create jobs," Kopp said.

In addition to his other activities, Charlie is a member of the board of trustees of Thomas Jefferson University, and a member of the board of the Rothman Orthopaedic Institute. In 1980, he was appointed to Governor Dick Thornburgh's Special State Tax Commission and was appointed co-chair of the Philadelphia Tax Committee by Philadelphia Mayor William J. Green in 1982. In 1986, he was appointed as a commissioner to the Delaware River Port Authority by Governor Thornburgh. He also serves on the Federal Judicial Nominating Commission for the Eastern District of Pennsylvania, having been appointed by Senator Arlen Specter on February 18, 1999.

The Exchange extends its best wishes to Charlie Kopp and the PRPA.

A Mariner's Take on Security

continued from page 8

owner, Maltese flag and a Ukrainian crew – with the proper medical treatment they must receive? Will the owner be responsible, or the flag state? Or will it be up to the Ukrainian government to help these innocent sailors who had the misfortune to fall into the hands of pirates? Should the International Maritime Organization (IMO) be held accountable? Should the United Nations provide teams of UN doctors to help in the healing process for post traumatic stress disorder that may take a lifetime, or will the crew be forgotten and left to fend for themselves? Will the crew return to sea, or must they now find new professions? Loss of life occurred on board the *Ariana*; is the Master now criminally liable, and is the owner or ship management company liable? These are all questions that need to be answered if the IMO is to expect a merchant seaman to learn to survive as a hostage. We must remember that the problem for the crew concerning piracy does not end when the crew has been released or the ransom paid; it continues as a different phase for them.

The piracy question will not be solved easily. We need to look at the vessels and find answers to help in the prevention of piracy boardings. Security plans should not be a one-size-fits-all approach. Crews need to be trained in detection and deterrence; vessels need to be enhanced with new technology and defensive measures, which will detect and prevent boardings. Crews need proper training in hostage situations, on what they can expect and how to survive. We cannot rely on our navies to keep us safe while we transit high-risk areas; merchant seamen need to rely on their own skills and training as the first line of defense in any act of terrorism or piracy. Shipping companies need to provide seafarers the skills and security training to keep the crews safe.

The controversial question of putting trained armed security teams aboard will be floated and discussed for years. The truth of the matter and the cold hard facts suggest that not one merchant vessel has been taken to date that carried a well trained armed security team.

Captain James Staples is a Master Mariner in the U.S. Merchant Marine; he holds his eight edition Unlimited Tonnage-Oceans Master License. He has been at sea for over thirty years with seventeen years command experience, operating worldwide. Captain Staples has been Master on Ro-Ro vessels, Break Bulk, and Containerships as well as working on Tankers, Cable ships and Drilling vessels and has extensive time operating in the Persian Gulf, Indian Ocean area, Malacca Straits, South China Sea and the Gulf of Aden off Somalia.

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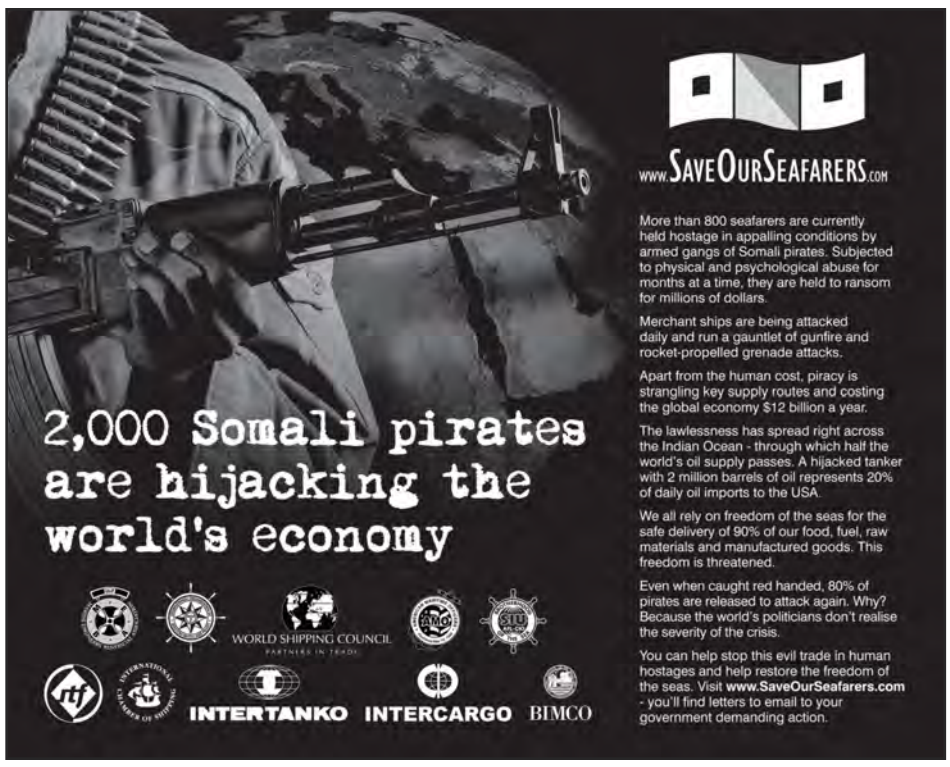
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New Port Executive Program to Come to U.S.

A new program designed to enhance the skill sets of port executives will be coming to the U.S. and will be offered for the first time in the Delaware River area. MacDonnell Group of Canada is extending its reach within North America through a number of initiatives to position the company as a value added port management training supply chain partner with the unveiling of the CPE Certified Port Executive Program™ in the U.S. The executive management program has proven very popular in Canada and has over 100 graduates from coast to coast.

"We needed to offer a program for executives that built on their experience and allowed both senior and up and coming personnel to enhance their management capabilities," said Capt. Jeff Monroe, former Portland Port Director and Deputy Port Director in Boston who designed the program and is the seminar leader. "This program is designed with an intensive focus on port management and development from the executive's view point."

Designed for the Military Sealift Command and first offered at the State University of New York Maritime College in New York, the program was modified for use by the Canadian National Defense Force Movement Command. Using the model that airport executive training follows, Monroe revised the program into a focused 40 hour 1 week seminar to allow busy port executives to take the course without spending a great deal of time out of the office. The program consists of 17 modules, interaction between participants and a practical project all competed in a five-day program. Like the airport program, those completing certification can add the profession title of Certified Port Executive (CPE) to their titles.

"It is very tough for a port director or senior staff to get a great deal of time away to do this type of post-graduate program," Monroe continued. "We have designed it to be cost effective and intensive and our feedback has been very positive."

The program is relevant to the area where taught and deals with the global supply chain, port and terminal management, business development, marketing, safety and security, communication and media relations, master and strategic planning and a host of other senior level issues. The executives also interact with each other sharing issues and solutions to complex port problems.

MacDonnell is a 50-year-old engineering and management company that has developed broad interests in Port Management and Seaport Security Training.

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Fax: 631-369-4909

Albany Operations
POC: John Doerre
Phone: 518-767-0285
Fax: 518-767-0289

Staten Island Marine Operations
POC: Glen Miller
Phone: 631-369-4900

Port Jefferson Marine Operations
POC: Jim Miller, Jr.
Phone: 631-369-4900

New York Metro Operations
POC: Adam Libuser
Phone: 516-876-7940
Fax: 516-876-7944

Enviro Jet Technologies
POC: James Davey
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Fax: 631-369-4909

Newburgh Operations
POC: John Doerre
Phone: 845-569-1200
Fax: 845-569-1288

Baltimore/Washington Operations
POC: Gary Humphreys
Phone: 410-631-9193
Fax: 410-631-9197

Delmarva Operations
POC: Gary Humphreys
Phone: 302-653-0333
Fax: 302-653-0334

DRWC Completes Work on Race Street Pier Promenade

The Delaware River Waterfront Corporation (DRWC), which has a fundamental purpose to design, develop and manage the central Delaware River waterfront in Philadelphia between Oregon and Allegheny Avenues, recently unveiled another waterfront success story: the Race Street Pier, a brand new, highly visible park on the waterfront.

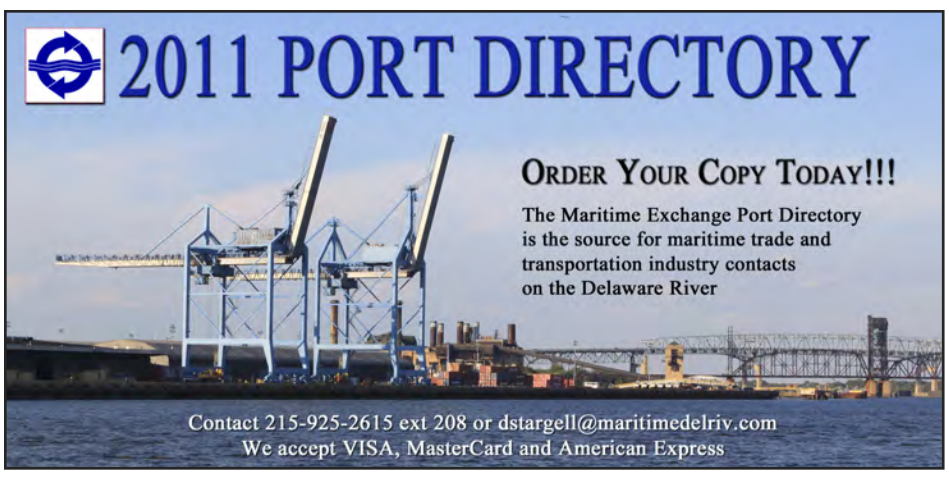
Located at the end of Race Street along the water's edge, the new park features a combination of interesting landscape architecture and a dramatic setting that offers spectacular views of the waterfront.

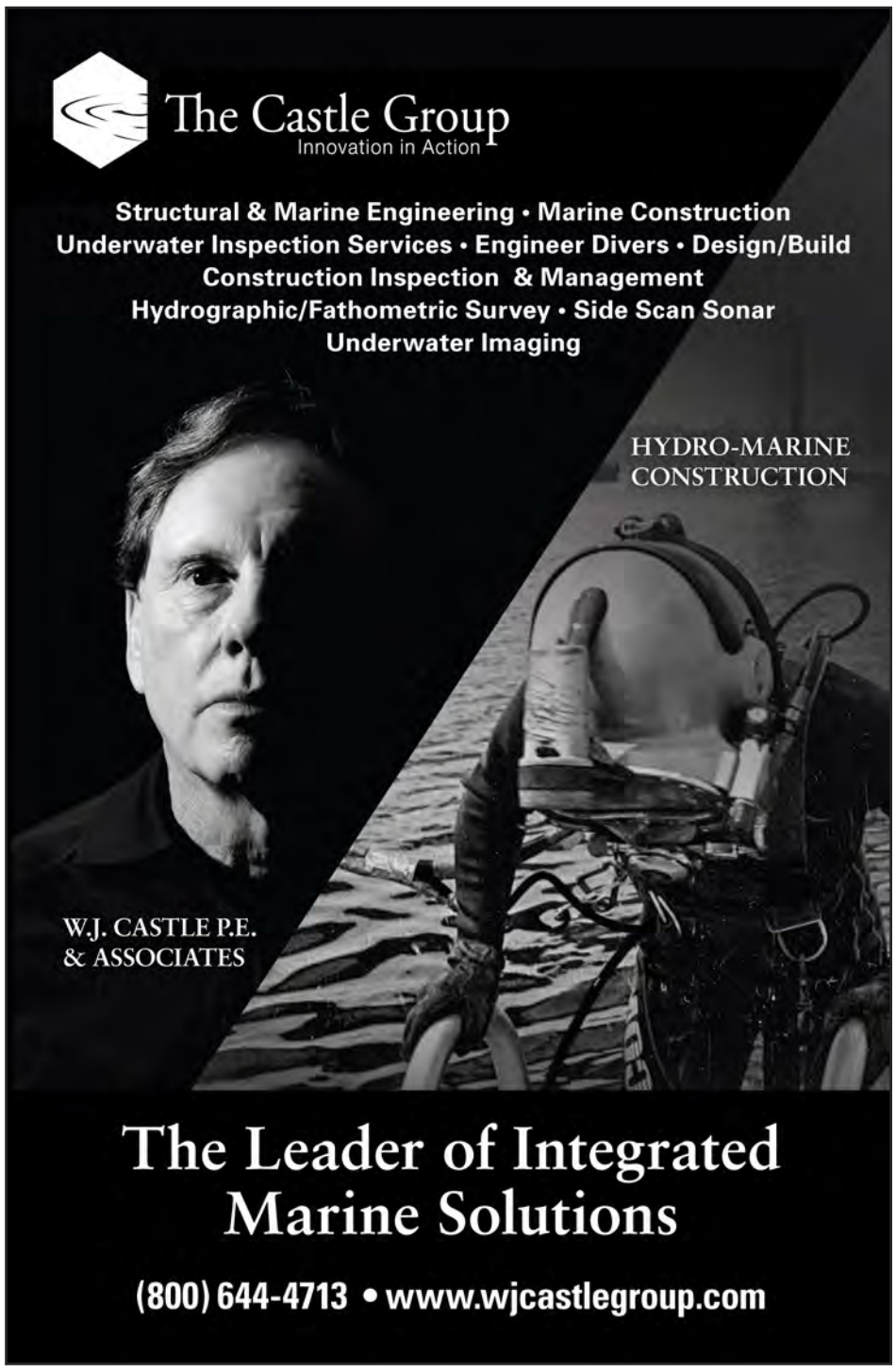
Visitors can walk along the tree-lined paths and relax in the grassy areas while enjoying amazing views of the Ben Franklin Bridge, Center City, and the Delaware River from a totally new vantage point. A dramatic ramp rises along the north face alongside the bridge, dramatizing the sense of arriving in the space of the river. A lower terrace supports a lawn with generous seating.

To open the new Race Street Pier in grand style, DRWC organized an exclusive preview event on May 11, while Mayor Nutter officially cut the ribbon and opened the park to the public on May 12.

The DRWC is a nonprofit corporation organized in January 2009 exclusively for the benefit of the City of Philadelphia and its citizens. Among other challenges, the DRWC is looking at ways to improve traffic flows along Columbus Boulevard, which will clearly benefit movement of goods into and out of the marine terminals in South Philadelphia.

For more information about this new park or project, visit www.racestreetpier.com.









Editorial

States Weigh in on AMSC

By design, the Area Maritime Security Committee (AMSC) Managing Board includes one representative each from Delaware, New Jersey and Pennsylvania. This is to ensure coordination and communication between state and AMSC activities. Following are some thoughts on how the state representatives view the work of the AMSC and how it affects their own planning.

Today's war on terror, interdiction of criminal activity, and general shipping security create new, but similar challenges to the safety of our precious maritime environment. The AMSC plays a key role in building and growing this maritime security heritage. It provides an open forum for the states to meet on a regular basis to share information, collaborate on multi-jurisdictional plans, share resources, and it creates a holistic safety and security posture for the entire Delaware Bay and River. The AMSC's ability to coordinate the actions of the three states and their public safety organizations is critical in these days of reduced budgets, and proactively addresses the threats posed by agile and creative adversaries.

Private sector port partners play a significant role in the aforementioned security and safety programs. Recent analysis indicates that up to 90% of the nation's critical infrastructure is owned by the private sector. This data underscores the need to include the owner/operators of privately owned facilities in the development of safety and security capabilities in the port area. The AMSC utilizes an inclusive approach that involves both governmental and private sector safety and security leaders, in the development of critical port security programs.

The leadership of the AMSC allows all port stakeholders to share in the responsibility of maritime safety and security for our region. The State of Delaware embraces the AMSC's inclusive model and is confident that this collaborative approach will make all stakeholders, private and public, safer and more resilient during these new port security challenges.

Kurt Reuther
Homeland Security Advisor
Delaware Department of Safety and Homeland Security

From a state perspective the AMSC provides the organizational framework for states to build awareness of port specific threats; identifies available resources for response and prevention; and provides the forum for the necessary coordination between all our key partners in the port domain. As an example, New Jersey, with funding and guidance provided through the AMSC, embarked on a cooperative Maritime Security program. This program incorporated training and exercising for first responder maritime domain awareness (MDA), maritime fire fighting, EMS response strategies, and underwater threat prevention.

By supporting this effort, and many other multi-jurisdictional efforts with both coordination, leadership and management of port funding, the AMSC has built programs that all our participating states continue to benefit from. One of the most important benefits provided to participating states in the AMSC is the partnership with port organizations and owner/operators that make up the Delaware Bay port community. This integration is critical to the success of an overall port security undertaking. As equal partners within the AMSC the public ultimately benefits.

Joseph Picciano
Deputy Director, Preparedness Division
New Jersey Department of Homeland Security & Preparedness

The AMSCs were mandated as part of the Maritime Transportation Security Act enacted by Congress in 2002. To help facilitate a strategic approach to MTSA implementation and port security, each port region is required to establish an AMSC to bring together representatives of federal and local government, as well as the private industry, to ensure that security programs are efficient and effective while eliminating seams and minimizing vulnerabilities. Many agencies of the Commonwealth of Pennsylvania, local governments and private sector stakeholders participate on the various subcommittees and Managing Board of the Sector Delaware Bay AMSC. Agencies such as PEMA, the PA State Police and PennPORTS are playing key roles on the AMSC.

The AMSC has provided closer collaboration for stakeholders throughout the region and ensured that all three states that comprise the Sector speak and work in partnership on a continuing basis. I am particularly pleased that more Pennsylvania stakeholders are becoming involved on various committees and taking lead roles on the AMSC. Working in partnership, the AMSC has funded risk management and business resumption plans that address the entire region; these plans allow the various committees to address existing gaps and needs and to mitigate actual events. FEMA's port security grant program has provided millions of federal dollars to buy down risk and the various training and exercise programs, such as PORTSTEP continue to provide a better expertise leading to increased collaboration.

In short, Sector Delaware Bay's AMSC has been an important tool for the many stakeholders in Pennsylvania.

Herb Packer
Executive Director
PennPORTS, Center for Port Development

Maritime Exchange Annual Election

The Maritime Exchange extends its appreciation to those members who voted in the Annual Election held in March.
The following were elected to three-year terms:

Jesse Chambliss
General Steamship Corporation, Inc.

John Donohue
Thorp Reed & Armstrong, LLP

Barbara Hunter
Western Fumigation

Jack Mallough
OHL Global Freight Management & Logistics

Dorothy Mather Ix
Bollinger, Inc.

Bill Moran
Marine Guard

Mark Murphy
Murphy Marine Services, Inc.

Bob Palaima
Delaware River Stevedores, Inc.

Charles Ward
General Maintenance & Labor, Inc.

Recent changes to the Exchange bylaws created five additional Director positions on the Exchange Board. After much consideration the following individuals were voted onto the Exchange Board at the March meeting:

Bob Bandos
GAC Shipping (USA), Inc.

John Brennan
Penn Terminals

Joseph C. Hare
Rhoads Industries, Inc.

Gene Mattioni
Mattioni Ltd.

Michael Reagoso
McAllister Towing

At the Organizational meeting in May, Exchange Directors elected the following officers for the next year:

John T. Reynolds
Chairman

Uwe Schulz
Vice Chairman

Dorothy Mather Ix
Treasurer

A. Robert Degen, Esq.
Secretary/Solicitor

James F. Young, Esq.
Assistant Secretary

Leading the Way to Port Progress

MARITIME EXCHANGE
for the Delaware River and Bay

John Reynolds, Chairman
Uwe Schulz, Vice Chairman
Dennis Rochford, President
Lisa B. Himber, Vice President
A. Robert Degen, Esq., Secretary/Solicitor
James F. Young, Esq., Assistant Secretary
Dorothy Mather Ix, Treasurer

The Beacon *is the official newsletter of the Maritime Exchange for the Delaware River and Bay. The Exchange encourages its readers to submit letters to the editor at any time in response to articles that appear in* The Beacon *or to address other topics of interest to the port community. Please direct any correspondence or inquiries regarding the contents of this newsletter to:*

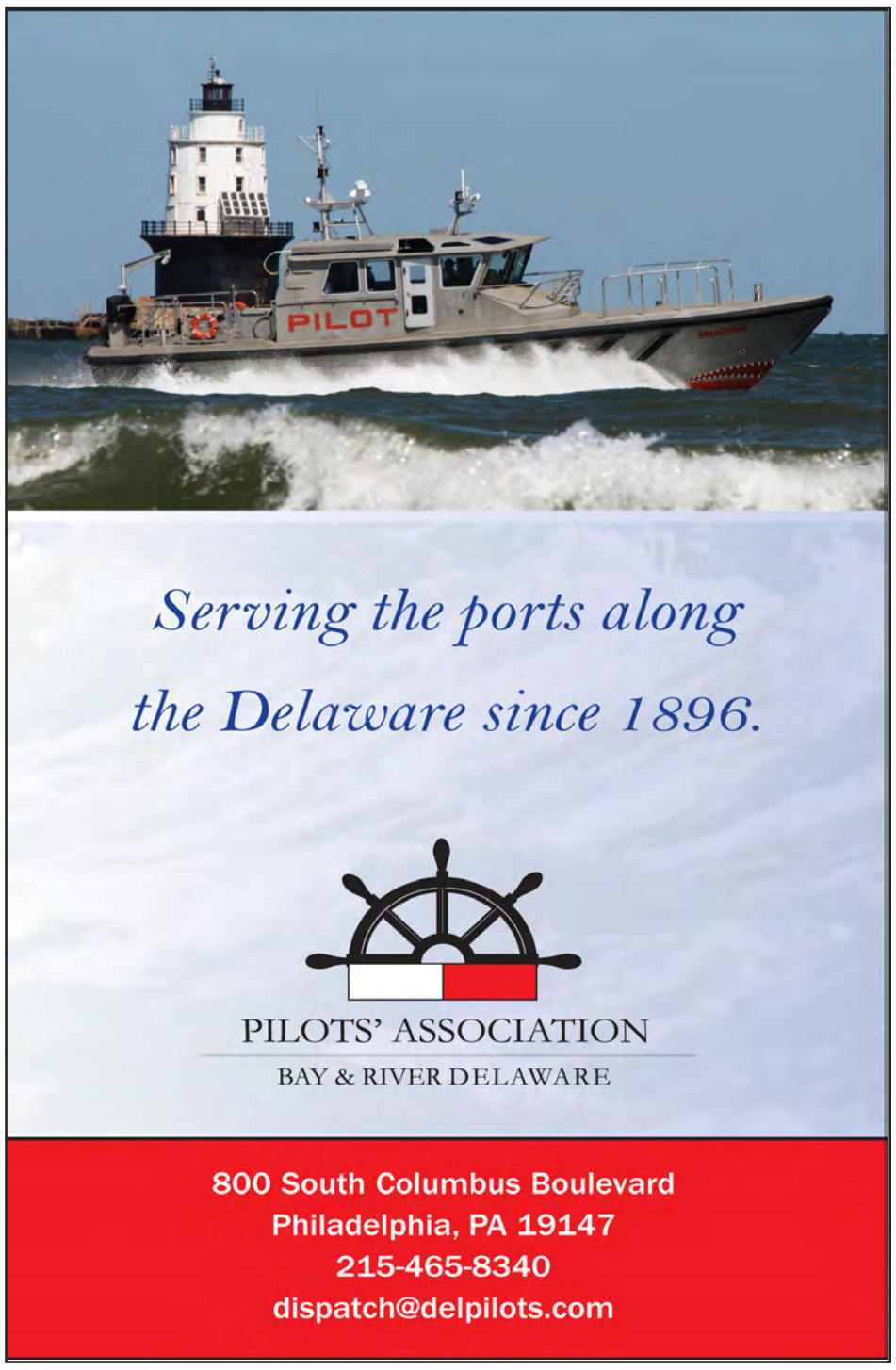
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240 Cherry Street, Philadelphia, PA 19106
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exchange@maritimedelriv.com ◆ www.maritimedelriv.com

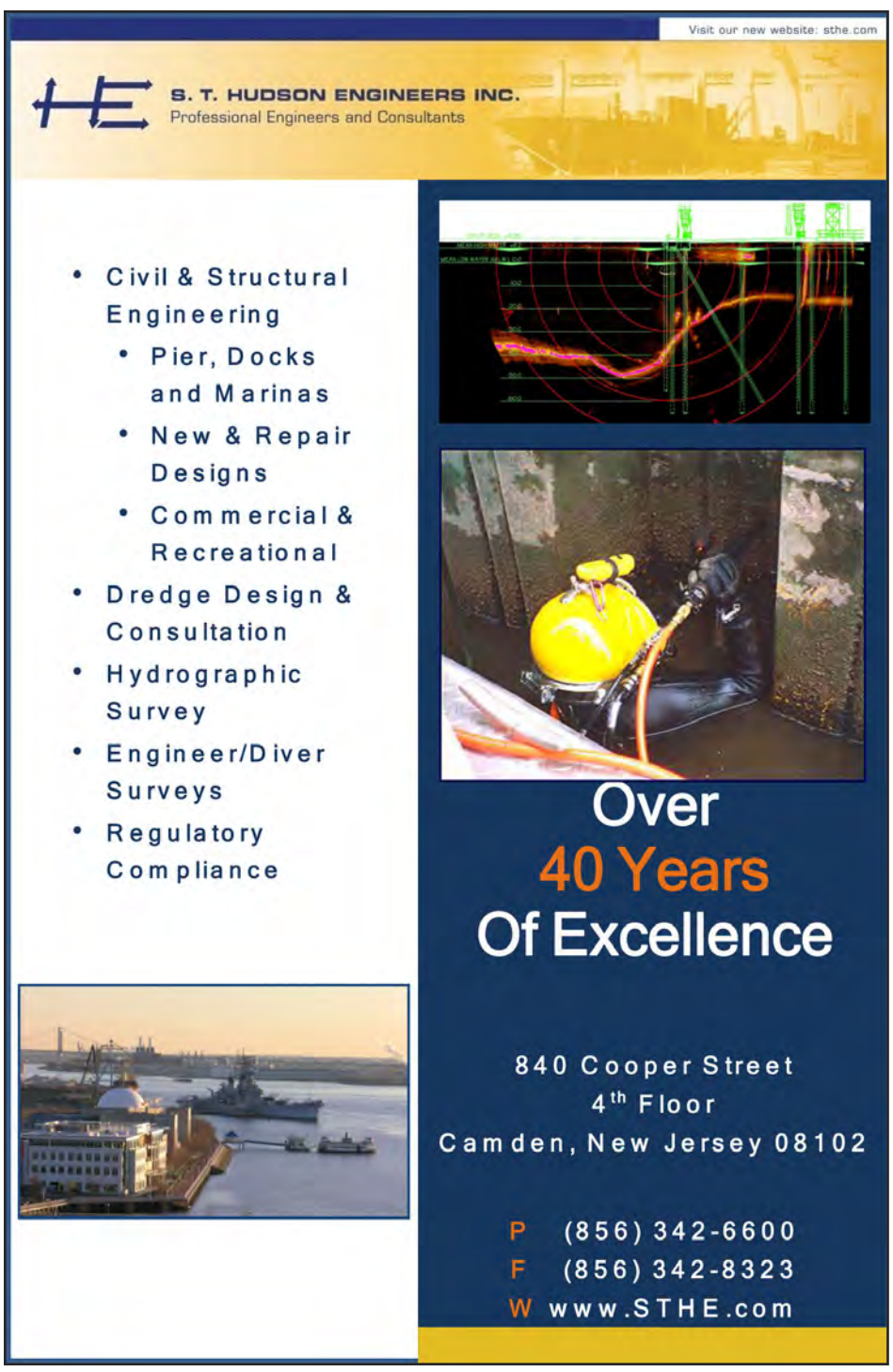
What a Difference A Volunteer Makes!

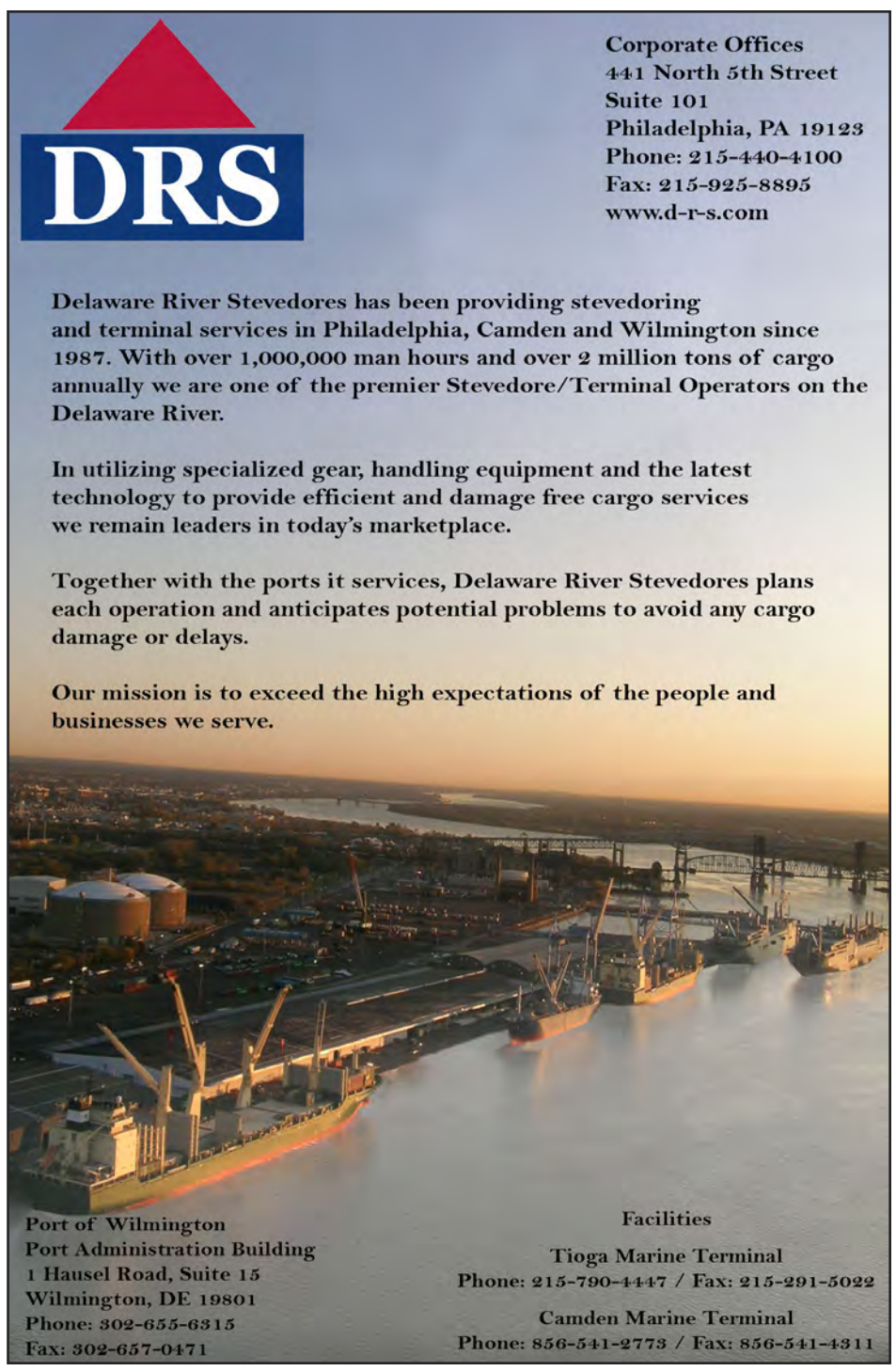


Seamen's Center of Wilmington is proudly staffed by a crew of 42 volunteers. Mariners often comment on the friendly greeting and welcoming "little yellow house" that await their arrival at the Port of Wilmington. Volunteer drivers make an hourly trip to the pier allowing seafarers to have their necessary TWIC escorts through port property, while hosts in the building make the coffee, assist in placing telephone calls and run the "Ship's Store." What many people are not aware of is the extra efforts many volunteers offer to enhance the Center and our welcome. From repairing the roof, to washing vehicles, replacing blinds, baking cookies, planting spring bulbs and sealing the back deck, our volunteers are always willing to lend a helping hand.

The proof of all their efforts was shown during the 2010 Year of the Seafarer when visiting mariners nominated the Seamen's Center of Wilmington as the Best Seamen's Center in the World! Though Delaware's little Center did not win, Center volunteers were thrilled that mariners appreciated the small touches that make our mission special.







Notes & News

Congratulations to Exchange counsel **A. Robert Degen, Esq.**, who has recently formed his own law practice. Bob was most recently associated with **Fox, Rothschild, LLP.**

Roy Denmark is retiring from the U.S. Army Corps of Engineers Philadelphia District Office after 37 years of public service. Roy will be continuing his work to support the 45' Channel deepening project in his new position at **Urban Engineers**. Best of luck, Roy!

Richard S. Mroz, Esq. has become Of Counsel to the law firm **Archer & Greiner, P.C.**

Asher Brooks Chancey has joined the **Rawle & Henderson LLP** Admiralty and Maritime section in its Philadelphia office. Congratulations Asher!

Congratulations are also in order for those honored by the **World Trade Center of Greater Philadelphia (WTCGP)** at the ninth annual World Trade Centers Day Dinner & Awards. Recipients include the **Philadelphia Industrial Development Corporation (PIDC)** which received the 2011 Global Business Leadership Award – Organization; **Thomas G. Morr,** president and chief executive officer of **Select Greater Philadelphia**, who was awarded the 2011 Global Business Leadership Award – Individual; and the 2011 Member Company of the Year, **Weston Solutions, Inc.**

Welcome Aboard

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Washington, DC 20036
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Comfort Inn Philadelphia Airport
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Essington, PA 19029
610-521-9800; Fax: 610-521-4847
gm.pa094@choicehotels.com
www.choicehotels.com/hotel/pa094

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adegen@degenlaw.com

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5195 South 19th Street
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www.northeastship.com

Ride the Ducks International
111 South Independence Mall East
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Philadelphia, PA 19106
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www.phillyducks.com

Sea Star Line, LLC
3460 North Delaware Avenue
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Telemar USA LLC
469-B South Avenue E
Westfield, NJ 07090
908-233-7000; Fax: 908-233-7006
service@telemarusa.com
www.telemarusa.com

Upcoming Events

06/01/11	Women's International Trade Association Woman of the Year Award Dinner Holiday Inn Historic District, Philadelphia, PA Contact Yasmeen Johnson: yjohnson@maritimedelriv.com or 215-925-1524
06/07/11	World Trade Center Delaware World Trade in Motion Award Dinner World Cafe Live at the Queen, Wilmington, DE Contact Rebecca Faber: rfaber@wtcde.com or 302-656-7905
06/08/11	Maritime Exchange Executive Committee Meeting
06/13/11	World Trade Association of Philadelphia Annual Golf Outing Little Mill Country Club, Marlton, NJ. Contact Deborah Ingravallo: wtaphila@comcast.net or 856-642-3957
06/15/11	DRPA/PATCO Board Meetings, Followed by Committee Meetings
	Philadelphia Regional Port Authority Board Meeting
06/16/11	Mariners' Advisory Committee Meeting La Veranda, Philadelphia, PA Contact Scott Anderson: marinersadvisory@yahoo.com
06/18/11	Seamen's Church Institute and the Independence Seaport Museum 2nd Annual Spring Cruise "Reconnect with the River" Aboard the Philadelphia Belle, Penn's Landing Call 215-940-9900 to Register for Tickets
07/12/11	Tri-State Maritime Safety Association Board Meeting
07/13/11	Maritime Exchange Board Meeting
07/19/11	Seamen's Center of Wilmington Board Meeting
07/20/11	DRPA/PATCO Board Meetings, Followed by Committee Meetings
	Philadelphia Regional Port Authority Board Meeting
08/05/11	Area Maritime Security Committee Managing Board Meeting USCG Sector Delaware Bay
08/10/11	Maritime Exchange Executive Committee Meeting
08/17/11	DRPA/PATCO Board Meetings, Followed by Committee Meetings
	Philadelphia Regional Port Authority Board Meeting
08/19/11	Area Maritime Security Committee Meeting, USCG Sector Delaware Bay
08/28/11	Ports of Philadelphia Maritime Society Cruise to Bermuda Aboard the Celebrity Summit, Departing from Liberty Park, Bayonne, NJ Contact Russ Larsen: 215-796-0600

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



