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Second Phase of 45' Deepening Project Initiated November 16

Pennsylvania Governor Corbett announces release of $15 million to continue project

Deepening the Delaware River main shipping channel from 40 to 45 feet resumed between the Delaware Memorial Bridge and Claymont, Delaware on November 16. It is expected this phase of the project will be completed by February, 2012. The Corps of Engineers awarded the contract to deepen this section of the channel, identified as Reach B, to Norfolk Dredging Company.

On September 21, Pennsylvania Governor Tom Corbett announced that the Commonwealth would release an additional $15 million through the Philadelphia Regional Port Authority (PRPA), the local project sponsor, to continue construction of the project. "With ports up and down the East Coast deepening their navigation channels, Pennsylvania's international seaport in Philadelphia must keep pace to remain competitive in the ever expanding global marketplace," Governor Corbett told a large gathering of elected officials, labor and business leaders and port workers. With this additional commitment of funds, the Commonwealth's outlay for the project to date totals $45 million.

"While it is very important to build new warehouses, acquire new cranes, modernize existing port facilities, and maintain our skilled labor force, without a deeper channel the larger ships of tomorrow will simply bypass our port and sail to other East Coast ports that have deeper shipping channels," said PRPA Chairman Charles Kopp.

Exchange President Dennis Rochford noted that "The financial commitment of Pennsylvania to sustain the momentum of this project is an important next step in what has been a 20-year crusade to ensure our regional port maintains and enhances its competitive position."

James T. McDermott, PRPA Executive Director, said that that the first phase of the dredging project confirmed it is environmentally safe and economically justified. "The first phase . . .

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CACC Honors Corbett and Kopke



Peter Kopke Sr., President of William H. Kopke Jr. Incorporated, received the Chilean and American Chamber of Commerce Lifetime Achievement Award for his five decades of work pioneering the Chilean grape business in the United States.

See story page 13

Interview With Pennsylvania Governor Tom Corbett



Pennsylvania Governor Tom Corbett (R) is a strong supporter of the Delaware River maritime community. As you'll read in this issue, Governor Corbett has been a staunch advocate of the 45' deepening project, and he's also taken a personal interest in a variety of issues of importance to the port. The Governor recently took time out of an extremely busy schedule to share some thoughts with The Beacon.

Q: You've expressed a lot of enthusiasm over the project to deepen the Delaware River port area to 45 feet. Why is this so important to your administration?

A: That port area – which serves three states – is Pennsylvania's crucial link to the outside world of trade. Of the original 13 colonies, we were the one without an Atlantic shoreline. In a way, this was a happy accident. Our port is sheltered from hurricanes and heavy storms, while providing sea trade to one of the nation's premier cities, Philadelphia. To keep this advantage, we need to accommodate larger, ocean going cargo ships. Already, the Panama Canal is being upgraded to handle the bigger vessels, and we're determined to be ready for them. A deeper channel means larger ships, more trade and jobs in the Philadelphia region.

Q: Twenty years ago, the Philadelphia shipyard was downsizing. Just recently, you presided over a ceremony marking its expansion, notably with Aker shipbuilding and its contract with Exxon-Mobil for two new-generation tankers. You seemed genuinely excited about this.

A: You bet. These ships are the future of sea commerce and that shipyard, with its expanded capacity and ongoing construction, is going to play a vital role in keeping Pennsylvania a maritime state. The Philadelphia shipyard provided the floating arsenal of democracy during World War II. It provided the base for our naval defense. Today, the same facility that gave us peace and freedom can guarantee us jobs and prosperity. What is especially gratifying about the Aker contract is that the state was able to play a role in saving that facility during the recent economic downturn. We purchased the facility and leased it back, allowing the public to take ownership of what is really a Commonwealth asset, while keeping Aker up and running. That cooperation is going to pay us back many times. State government's number one priority is jobs, and this moves us forward.

Q: You're pretty knowledgeable about the port and river. Do you sail?

A: No. I kayak. Recently, I did four days of kayaking down Pennsylvania's rivers, so I guess you could say I inspected our rivers from water-level. From the Delaware River and its ports to Lake Erie to the streams that course across Pennsylvania, we're rich in water. Many states don't have that. Out west, water is a precious thing. They don't enjoy the abundance we take for granted. That's why I'm determined to see to it that our economic growth is done in a way that protects this basic resource. These resources belong to all of us – for commerce as well as for recreation. We're going to strike the necessary balance to be sure that everything, including the water around our ports, is protected and used wisely.

Security Grants Help Improve Domain Awareness: A Success Story

Since the Port Security Grant Program (PSGP) first began in 2001, Delaware River port businesses, public agencies and other organizations have received nearly $130 million in federal funds. The grant program has allowed the development of many important projects in the region, including the Exchange's own AIS/Maritime On-Line integration project.

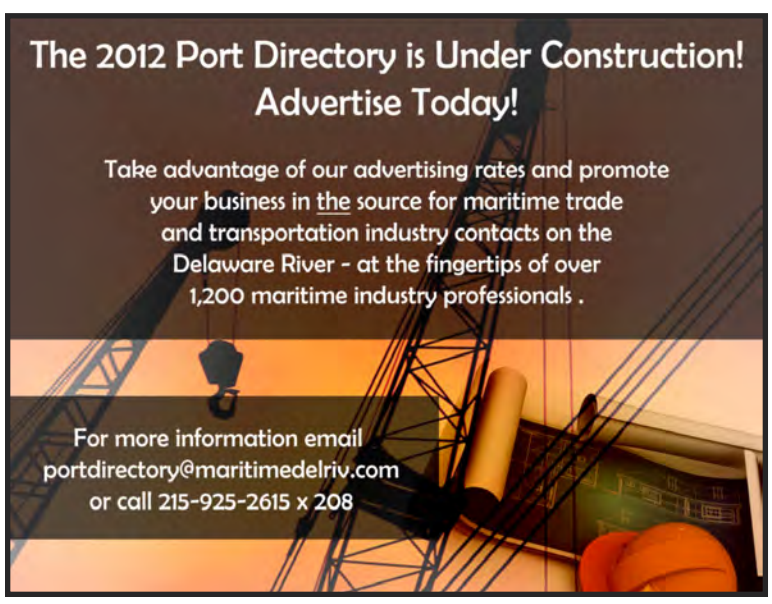
"Since the Area Maritime Security Committee assumed responsibility for reviewing and selecting grant applications, overall we have more visibility into what projects are being undertaken, and how effectively these dollars are being spent," said AMSC Chairman Russell Sweeney.

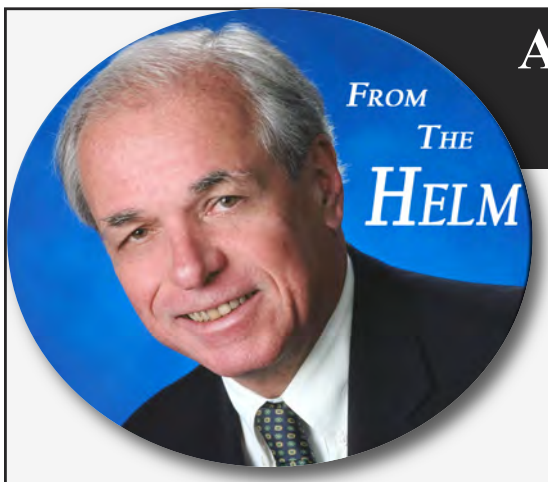
One such project has recently been completed at the Packer Avenue Marine Terminal.

Greenwich Terminals has begun operational use of a new technology for securely sharing surveillance video feeds with the Delaware Valley Intelligence Center (DVIC), regional law enforcement and first responder agencies. The project is part of a strategic plan for upgrading and expanding security, including the ability to provide the public sector with real-time visibility to terminal operations.

"The Secure Information Sharing system is the cornerstone of a large project," said

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A Win for the Economy – Reaping the Benefits of Free Trade Agreements

In one of the most polarized political environments to visit Washington D.C. in recent memory, a rare moment of bipartisanship emerged when Congress passed the South Korea, Columbia and Panama Free Trade Agreements (FTAs). These trade agreements passed in spite of the growing support for protectionism among Democrats and Republicans in both chambers of the Congress.

While some would hope this demonstrated spirit of bipartisanship would extend to other contentious issues dominating the agenda in Washington today – balancing the federal budget, reducing the national debt, reforming entitlement programs, among others – the political reality as we enter the 2012 election cycle indicates this all too brief moment of cooperation is a rare exception to the rule.

However, from the vantage point of strengthening our nation's position in the global economy, the passage of these free trade agreements will serve as an enduring benefit to our domestic economy. While the combined economies of the three countries involved represent a relatively small market for American goods and services, it is estimated the South Korea FTA alone will create 70,000 jobs. Combined, these three agreements are projected to create over 250,000 jobs throughout the United States.

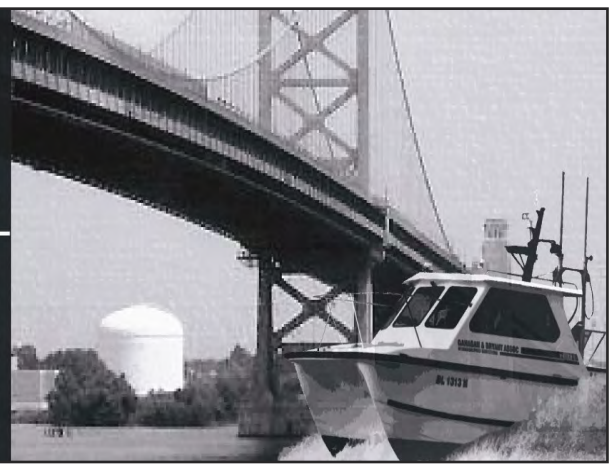
Beyond the direct economic benefits associated with these agreements as a result of increasing access to growing markets, the other positive outcome generated by this Congressional action is that it demonstrates to other countries throughout the world the resolve of the United States to negotiate new and mutually beneficial trading relationships with other global partners. These types of trading agreements reinforce bonds with countries that are vital to the strategic interests of our country.

Our tri-state Delaware River regional port complex is well-positioned to benefit from these agreements. Expanded exports and imports of automobiles, steel, coal and poultry, among other cargos, will contribute to the economic viability of our regional port.

Let's hope after the elections of 2012 that more enlightened trade policies will be the norm rather than the exception. There is no realistic path forward to overcome the devastating impact of the recent recession and grow our economy without strong and vibrant international trade policies.



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Fink Nominated to Join CBP's Technical Advisory Subcommittee

Earlier this year, Customs and Border Protection (CBP) announced that it was looking to expand the role of the Trade Support Network (TSN) Technical Advisory Group. This group consists of members of the trade who possess both a technical and business knowledge related to CBP trade interface systems. The current focus of this group is on the Automated Commercial Environment (ACE) Entry Summary and related functionality.

Michael Fink, Maritime Exchange IT Director, was nominated and selected as a member of the Technical Advisory Group. Representing over 200 ocean carriers through its Maritime On-Line® TRACS® system, the Exchange has long been active in the TSN, the Multi-Modal Manifest Committee, and the Customs Electronic Systems Action Committee. TRACS, certified on the CBP Automated Manifest System since 1989, provides web-based services to meet Customs' electronic ocean import manifest, Importer Security Filing, and stow plan requirements.

Fink was nominated as someone who is very familiar with both the technical and business aspects of one or more trade interface systems who and will contribute in the review of design and requirements documents as CBP works to develop and deploy ACE functionality. CBP was specifically interested in securing the participation of all partners, particularly those not previously represented.

The Exchange is no stranger to working with CBP at a detailed level. Since TRACS became certified on AMS, the Exchange has taken advantage of every opportunity to participate in Customs automation committees and workgroups. Most recently, Exchange staff has participated on the ACE Multi-modal manifest (M1) sub-committee. Selected as an early adopter, the Exchange has been actively testing M1 for the past several months. The small group of early adopters represents a cross section of AMS participants that have completed programming and are working directly with CBP to test and debug M1, which will replace the aging AMS platform next year.

In a communication from CBP to the new Technical Advisors, CBP stated that the subcommittee has proven to be a valuable resource to CBP with recent ACE deployments. "The expansion of this group will bring in additional business/technical expertise for future deployments. A core goal of the Technical Advisory Subcommittee is to provide CBP with business/technical expertise across the numerous business process areas and trade interfaces. We look to its members to help CBP achieve representation with the trade community at large and to provide valuable input on future ACE business and process redesigns."

AIIS Brings Customs and Logistics Conference to Philadelphia

In September, the Delaware River maritime community welcomed the American Institute for International Steel (AIIS) and its fall 2011 Delaware Region Customs and Logistics Conference.

AIIS members include importers and exporters of steel, and the organization is a strong advocate of a robust domestic steel industry.

The slate of events included a reception aboard the Battleship New Jersey in Camden, New Jersey on the evening of September 26, followed by a day-long Conference held at the Independence Seaport Museum on the 27th.

Pennsylvania Governor Tom Corbett and Philadelphia Mayor Michael A. Nutter joined the Maritime Exchange and other local steel stakeholders in welcoming the more than 100 conferees to the region. Both officials expressed the economic importance of steel cargo and their strong support of the 45' Main Channel Deepening Project.

AIIS Chairman John Foster noted that "there is no more important aquatic centerpiece than the ports and terminals along the Delaware River that serve [AIIS] members' imports and exports of steel." The industry, he said, creates "jobs for not just our trader and mill members, but just as importantly, our many associate members that handle the steel, transport the steel, insure the steel, clear the steel, or just quite simply, touch or influence the smooth transition of our steel all along the often complex commercial chain."

The conference focused on two of the more integral sectors of the commercial chain: the critical dynamic of U.S. Customs and its part in national security interests; and the broad and often complex topic of logistics.

Visit www.aiis.org for additional information.

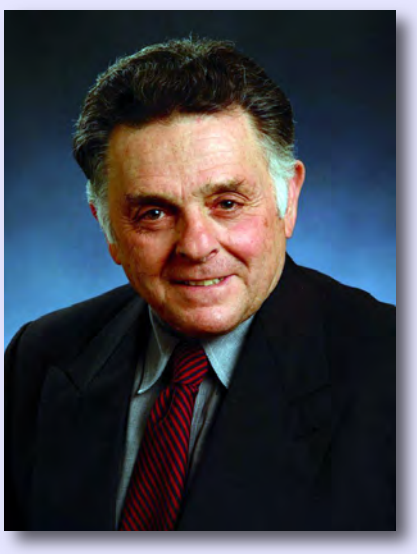


On September 27, the Independence Seaport Museum was the venue for the Fall 2011 American Institute for International Steel Delaware River Regional Conference. Shown here are (l to r) John Foster, AIIS Chairman; Michael Nutter, Philadelphia Mayor; Tom Corbett, Pennsylvania Governor; Leo Holt, Holt Logistics; and Dennis Rochford, Maritime Exchange.

In Memoriam

Joseph A. Balzano

It is with great sadness that we note the passing of Joseph Anthony Balzano, South Jersey Port Corporation's Executive Director & CEO. Joe, whose waterfront career spanned 60 years in Camden, passed away peacefully at his home on October 19, 2011 at age 77.



"Joe Balzano was a tireless and brilliant port operator who guided the expansion of the South Jersey Port Corporation from a modest public port operation handling 500,000 tons of cargo in 1968 into a significant, regional port authority moving more than four million tons of cargo and generating vital economic impacts to the South Jersey region during his tenure," said SJPC Board Chairman Dick Alaimo.

Born in Camden, Joe devoted his life to the port, the city, and to charities, including the Heart of Camden Housing and Sacred Heart Church. He began at the port in 1951 as an office clerk and equipment operator and rose to become acting superintendent and dock superintendent. In 1988, he was named executive director and CEO of the state agency.

Joe received countless awards and recognition for his legendary port operations expertise and his contributions to the community at large and was a member of many civic and professional organizations. The New York Times called Joe, "…one of the best port operators in the world."

His legacy of hands on, passionate port operations and his vision that the Delaware River is a highway to the world to foster economic growth for the port's host communities is indelibly woven into South Jersey's port and intermodal infrastructure. His impact on the maritime industry and the residents of the State of New Jersey will continue on with plans he has helped forge, including the construction of the new Paulsboro Marine Terminal, as well as many other intermodal transportation projects soon to be realized.

Whether serving as a charter Board member of the Home Port Alliance for the U.S.S. New Jersey Museum and Memorial, as the president of the Board for the upstart Camden Shipyard & Maritime Museum, the board of the Maritime Exchange or the Seamen's Church Institute board, Joe truly served the people of the region he cared so much about.

He is survived by his wife, Donna, his son, Joseph W., daughter, Karen Salerno, six stepchildren; two grandchildren; brothers Gus, Jerry, and Frank; sister Lucille Wilhelm, and nieces, nephews, and godchildren.

The Exchange Board of Directors and staff extend sincere condolences to Joe's family.

Ramping Up RAMP

There is a maintenance dredging crisis in this country, and a coalition of maritime companies and organizations has been hard at work to find a solution. While the road has been a long one, the RAMP (Realize America's Maritime Promise) Coalition has achieved a measure of success.

At issue is the backlog of maintenance dredging work not being completed. Amazingly, there is money to pay for it.

So why isn't the work being done?

The Harbor Maintenance Trust Fund (HMTF) was established specifically as a vehicle to collect the 0.125% *ad valorem* Harbor Maintenance tax levied on cargo imported or domestically moved through federally maintained waterways. Established in 1986, the trust fund grows based on the value of cargo moving through the nation's ports. "However, the revenues collected are not automatically available for dredging activities," said Exchange President Dennis Rochford. "The money can only be spent if the funding is actually appropriated by Congress. This just isn't happening."

Army Corps of Engineers expenditures from the trust fund for maintenance dredging, dredged material disposal areas, jetties, and breakwaters have lagged behind revenues into the fund for several years, resulting in a surplus of approximately $5.65 billion at the end of FY10.

This surplus continues to grow by hundreds of millions of dollars each year – in 2010, it grew by $1.3 billion. Yet only $828.5 million was spent, and the balance was diverted to the federal operating

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In Memoriam



Russ Larsen

It is with deep regret that we announce the passing of a member of the Exchange family, Russ Larsen, who died suddenly on September 8, 2011 at the age of 58. Russ most recently worked as Exchange building manager and was also part of the Port Directory production team. While Russ' role at the Exchange evolved over the years – he also handled security for Maritime Day –his work for the Exchange represented only a small fraction of his efforts in support of the port community.

We could always rely on his good humor and knowledge of the port. And, as those who knew Russ can testify, he was never reluctant to give his opinion. As a fiercely independent person he always offered a unique perspective. He will be greatly missed.

Rather than print his biography, we thought it fitting to share a copy of a letter written by Russ' sister, Terry Hellick.

Dear Family and Friends of Russell,

Being Russ's sister gave me much pleasure. I am so proud to have a brother like Russ. I will miss him terribly and could never thank him for all he has done for me and my family. I wanted to write a little of Russ's legacy as he deserves to be recognized as the person he is, was and will always be.

A one in a million individual with a kind and loving heart, Russell was a hard working dedicated loyal and supportive person. He was the President of the Towers of Valley Run Council since 2002, named 2008-2009 Man of the Year by the Women's International Trade Association, served on the board and was a past President of the Ports of Philadelphia Maritime Society, along with other various associations, organizations and committees both in the port community and other areas. Russ seemed to be most happy when helping others, whether it was for an upcoming business event or on a personal level. It didn't matter whether you were a friend or foe, if you needed help and he knew it, he was there for you.

He is the beloved son of the late Edna and William Larsen; devoted father of Justin; loving brother of Terry Hellick, the late Billy, Eddie and Kathryn Ann; special uncle to Kristina, Jason, Zoe and Fiona, Danielle and Chase, Michelle, Cheryl, extended family Bobby & Val, Chris Ann, Kevin & Tiffany.

We will miss you, Russ, and will be celebrating your life. Bon Voyage.

Love, Terry

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Progress on 45' Channel Deepening Project

continued from page 1



Governor Tom Corbett addressed a crowd of business and labor leaders at the Packer Avenue Marine Terminal on September 21. The Governor announced that the Commonwealth of Pennsylvania would immediately release $15 million in funding to dredge the next four to five mile stretch of the Delaware River to 45 feet.

was completed with no adverse water quality impacts, and we are already seeing positive economic signs from current and potential port users," McDermott said.

Securing federal funding to sustain the momentum of this project is now a top priority for a broad spectrum of port stakeholders. Captain James Roche, President of the Pilots' Association for the Bay and River Delaware pointed out the necessity for the Obama Administration to fund this project. "Port stakeholders have a compelling message," Roche commented. "In recent years, other deepening projects along the East Coast have received full federal funding and we deserve to be treated in the same way. This action is essential so that the deepening project can be completed and the ports along the Delaware River are not arbitrarily placed at an unfair disadvantage."

The Exchange and its coalition of port businesses and labor organizations across the three states have been aggressively engaged over the last several months in communicating this message to government officials at the highest levels.

"The port is a major employer, generator of tax revenues and an economic engine for the state of Delaware," said Eugene Bailey, Executive Director, Port of Wilmington. "It is an extremely valuable resource for the state and should be afforded the opportunity to prosper and grow its business and workforce."



Aker Philadelphia Shipyard Means Business

I recently had the good fortune to meet with the management of the Aker Philadelphia Shipyard (APSI) to get an update on their activities and to explore what role they could play in refurbishment of the SS United States, once a project is announced. I was accompanied by Dan McSweeney, Managing Director of the SS United States Redevelopment Project. We met with Aker's new President and CEO Kristian Rokke and Scott Clapham, Senior Vice President, Projects and Business Development.

There is nothing conventional about this state-of-the-art shipyard, including being greeted by these two young executives dressed in blue jeans and sleeves rolled up! Yes, the Aker Philadelphia Shipyard means business as it looks back to its amazing accomplishments, the current ships under construction, and an order book that has two Exxon tankers for bragging rights.

APSI was founded in 1997 by the City of Philadelphia, the Commonwealth of Pennsylvania, the United States Government and the Kvaerner Shipbuilding Division, after the Philadelphia Naval Shipyard was closed in 1995.

Facilities construction was completed in 2000, at which point construction began on the first two container ships, purchased by Matson Navigation Company in 2002. By 2005, Matson agreed to purchase two additional container ships, which were delivered in 2005 and 2006.

At the same time in 2005, Aker American Shipping, which was the parent company of Aker Philadelphia Shipyard, completed a $125 million share issue and was listed on the Oslo Stock Exchange. The proceeds from this offering were used to fund the innovative 10 product tanker program begun in April 2005. This product tanker project involved Aker Philadelphia Shipyard to construct the ships, Aker American Shipping [now American Shipping Company "AMSC"] to own and lease out the ships, and Overseas Shipholding Group (OSG) to bareboat charter the ships.

By October 2007, AMSC and OSG agreed to extend the program to twelve ships, and the last one was delivered by April 2011. APSI is currently building two 46,000 ton product tankers for its own account with assistance from the Commonwealth of Pennsylvania and City of Philadelphia.

On September 29, 2011, at a ceremony attended by Governor Corbett, Mayor Nutter and others, APSI signed definitive documentation for the construction of two Aframax Tankers [115,000 tons] with SeaRiver Maritime Inc., Exxon Mobil Corporation U.S. affiliate. The contract value is about $400 million, and the first ship will start in mid-2012; both ships are scheduled for delivery in 2014. When the ships are under construction, the workforce at the shipyard is expected to exceed 1,000 workers. APSI is partnered with Samsung Heavy Industries, a world leader in the construction of ships like these, to obtain design and procurement expertise.

Aker Philadelphia Shipyard has some of the most advanced shipbuilding facilities in the U.S. and has spent millions of dollars to maintain them. APSI is a union shipyard represented by the Philadelphia Metal Trades with the largest membership being Boilermakers. APSI has built more than 50% of the oceangoing commercial ships in the U.S. since it delivered its first ship in 2003. With Philadelphia as its middle name, it has to be great!

While the future of the SS United States is still uncertain, APSI is set to grow to a workforce of over 1,000 as work on the SeaRiver project increases.

According to a 2006 Carnegie Mellon University study, each job at the shipyard produces about 2.5 other jobs. When the shipyard is at full employment, their regional impact is about $200 million per year.

We wish the Aker Philadelphia Shipyard a very bright future, and we hope good fortune will also come to the dedicated people trying to save the SS United States. Their commitment to perform all of the planned refurbishment work locally is something we certainly support!



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Responder Immunity – Closing the Gap

Legal Ease

By: Brian McEwing, Esq.
Reeves McEwing LLP

Everyone in the maritime industry wants to believe that oil spill responders remain ready, willing and able to respond to any and all oil spills. In fact, almost every marine interest that handles oil has at least one Oil Spill Response Organization (OSRO) named in its response plan. Failure to respond to an oil spill can have very significant impacts on any port, and the lack of a response effort can lead to its closing and untold economic and environmental damage.

It was not very long ago that the ATHOS I spilled 265,000 gallons of crude oil into the Delaware River. While the spill itself is something that most would soon forget, the responders who worked to mitigate the spill and protect valuable natural resources need to be remembered. More recently, the efforts to clean up the DEEPWATER HORIZON oil spill, which was much greater in geographic scope, are a testament to the ability, if not the complete readiness, of the oil spill response community. But doubt now exists as to the willingness of oil spill responders in a post-DEEPWATER HORIZON world.

Following the EXXON VALDEZ oil spill, Congress provided immunity to oil spill responders under the Oil Pollution Act of 1990 (OPA 90) consistent with the "polluter pays" principle. The principle is a simple one – the Responsible Party should be liable for all damages flowing from its acts or omissions that result in the spilling of oil. Responder immunity under OPA 90 is not, however, absolute. It does not apply if a responder acts with gross negligence or willful misconduct, or in cases involving personal injury or wrongful death. These gaps in immunity are now in the forefront of concern for many OSROs and for good reason.

In its final report to the President, the National Commission on the DEEPWATER HORIZON and Offshore Drilling commended the efforts of responders, stating that, "There were remarkable instances of dedication and heroism by individuals involved in the rescue and cleanup. Much was done well – and thanks to a combination of good luck and hard work, the worst-case scenarios did not all come to pass." There is one lurking question, unanswered by the Commission's report, that is – Will the oil spill response community answer the call when the next spill occurs?

While one would believe that this question is easily answered, an unfortunate aftermath of the clean-up of the DEEPWATER HORIZON spill is that thousands of lawsuits were filed against the response companies who answered the call. These lawsuits have been consolidated into what has become known as the Multi-District Litigation, or MDL. As a result of these gaps in immunity, response companies now face millions of dollars in litigation fees to defend these lawsuits. There is a second, but no less important, reason that Congress granted immunity to oil spill responders – to ensure that there would be no delay in responding. The MDL lawsuits cast doubt on the willingness of oil spill response companies to respond to the next spill.

As a result of these issues, efforts are currently underway by industry to convince Congress to close the gaps in responder immunity. While some might argue against providing immunity for gross negligence or willful acts as being contrary to public policy, the reality of the MDL lawsuits is that upon discovering that responders were immune from claims based upon negligence, plaintiffs simply amended their complaints to allege gross negligence and willful acts (in addition to gap closing legislation, a minimum pleading standard may also be appropriate). Absent complete immunity for responder actions which are consistent with the national contingency plan, oil spill responders will still face the real possibility of spending millions of dollars to defend lawsuits that are more appropriately directed to the Responsible Party.

Recent decisions in the MDL have been favorable to the responders, most notably, the court's recognition of the principle of derivative immunity. The theory of derivative immunity is that so long as the responders were acting in accordance with the national contingency plan and the federal government was directing such action, the responders would enjoy the same immunity as the government. Nevertheless, those decisions have come with significant litigation cost to oil spill response companies, and they must continue to defend the claims as the question as to whether the government or BP was directing the clean-up efforts is yet unanswered.

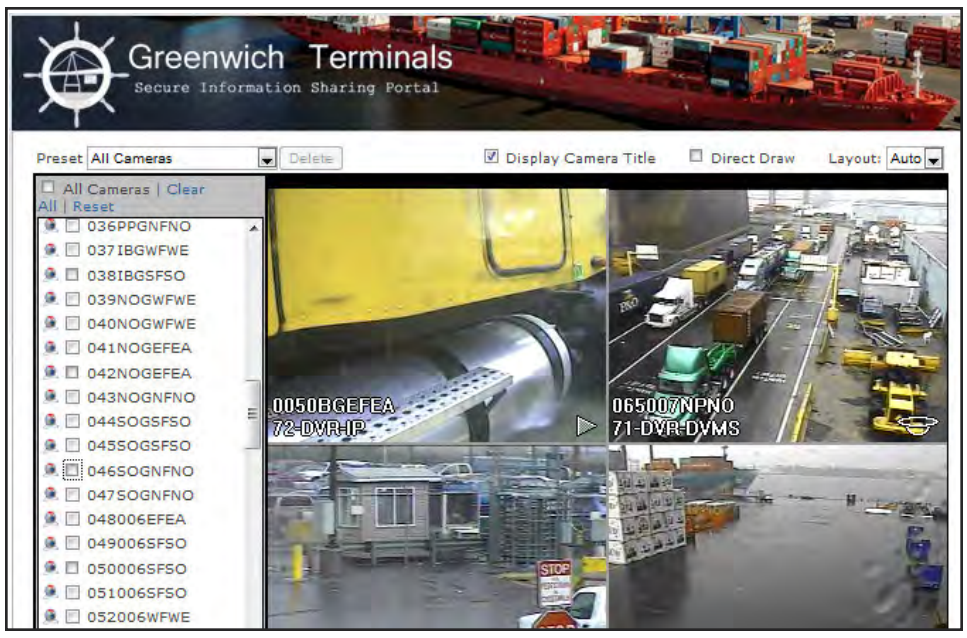

Brian McEwing, Esq.

Until such time as Congress acts to amend responder immunity, both maritime interests, and response companies should seek advice of counsel in reviewing their insurance policies and responder agreements and any associated agreements to ensure that they have appropriate coverage and indemnity and defense provisions.

Brian McEwing is a Licensed Deck Officer and Partner in the Firm of REEVES McEWING LLP with offices in Philadelphia, Pennsylvania and Cape May, New Jersey. He may be reached at mcewing@lawofsea.com or 609-846-4717.

Port Security Grants Fund Improvements at Greenwhich Terminals

continued from page 1



Kurt Ferry, Director of Security for the terminal. "It was funded under the FY09 American Recovery and Reinvestment Act PSGP and included, among other physical upgrades, 120 surveillance cameras to monitor both the terminal and the Delaware River near the terminal." The system includes the capability to make the video available to regional law enforcement, intelligence analysts, and responders. "This aligns with national and regional goals for improved information sharing and higher levels of private-public collaboration on security," Ferry said.

The unique aspect of the project is the Secure Information Sharing software that enables controlled and flexible policy-based sharing of video feeds. Users can access the system from anywhere over the internet, through a secure website, without needing any special software on their computers. Yet the system only allows users to view video they are allowed to see, based on the terminal's security policies, at specific times, under specific circumstances. If any of the attributes of the user, the cameras, or the environment change, the system automatically, and in real time, changes the video feeds each user can see.

Ferry said the system provides an intuitive interface for the user, is easily accessed, and maintains industry-leading standards for security and encryption. "Secure Information Sharing at Greenwich Terminals project is an example of a successful collaboration between private and public sector organizations using grant funds to enhance regional maritime security," he said.

The DVIC is one of the terminal's key public sector partners and users of Secure Information Sharing. "Information sharing like this between the private and public sector is vital for first responders to be better prepared and respond to an incident," said Captain Walt Smith, Executive Director of the DVIC. This project and the added real-time visibility it provides is a major asset for the intelligence community and the first responders who support and protect the port.

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Raising Pollution Prevention Awareness

By: ENS Jacqueline Fitch
U.S. Coast Guard Sector Delaware Bay

U.S. Coast Guard Sector Delaware Bay is home to one of the Coast Guard's Marine Environmental Response (MER) Divisions. This group is dedicated to reducing pollution spills and discharges along the Delaware River and Bay, and along the New Jersey and Delaware Atlantic Coasts. The daily routine for the MER Division focuses on responding to pollution incidents, both oil spills and hazmat releases, which occur within U.S. Coast Guard Sector Delaware Bay's area of responsibility (AOR). However, over the last year, the MER team has directed its attention to raising pollution prevention awareness within the maritime community in an attempt to decrease the number of spills and releases, while encouraging reporting.

Last year, the MER team launched an operation in response to the increased number of mystery sheens and pollution discharges in New Jersey's Manasquan Inlet area. This pulse took place from October 21 through November 18, 2010, concentrating on reducing the amount of accidental oil spills within the boating community. The effort was broken into three phases.

During the first phase, the team's efforts were dedicated to educational outreach within the recreational and commercial maritime industry. The team reached out to the Commercial Fishing Vessel (CFV) fleet in the area to learn more about the operations conducted by the fleet and talked to the members of the fishing community about their responsibility to report spills. During this phase, the team visited two major fishing fleets, Point Pleasant Packing and Fisherman's Supply, distributing pollution prevention educational materials to over thirty CFVs. Additionally, placards were posted at marinas and waterfront facilities that docked numerous pleasure vessels.

Following this, the team began the second phase, in which it conducted patrols to ensure mariners were in compliance with the maritime environ- mental laws. During this phase, 144 hours were dedicated to day and night patrols including three over flights and the launching of twenty small boat patrols.

The third phase entailed reporting the findings from the patrols to the CFV inspectors and completing enforcement actions. This operation resulted in four mystery sightings being reported and the development of a case. The MER team took samples of the sheen which were then sent to the

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Seamen's Church Institute Honors the Future of Our Industry

The Maritime Academy Charter School (MACHS) provides its students, grades 4-12, with a rigorous academic program within a maritime theme. On November 11, 2011, the Seamen's Church Institute (SCI) paid tribute to the Academy's mission at its 21st Annual Fall Gala. MACHS students are introduced to the working maritime world and are informed about careers in maritime industries and experience the world of maritime careers via job shadowing, mentorships, and internships. SCI honored MACHS for its commitment to training cadets for the future of the maritime industry.

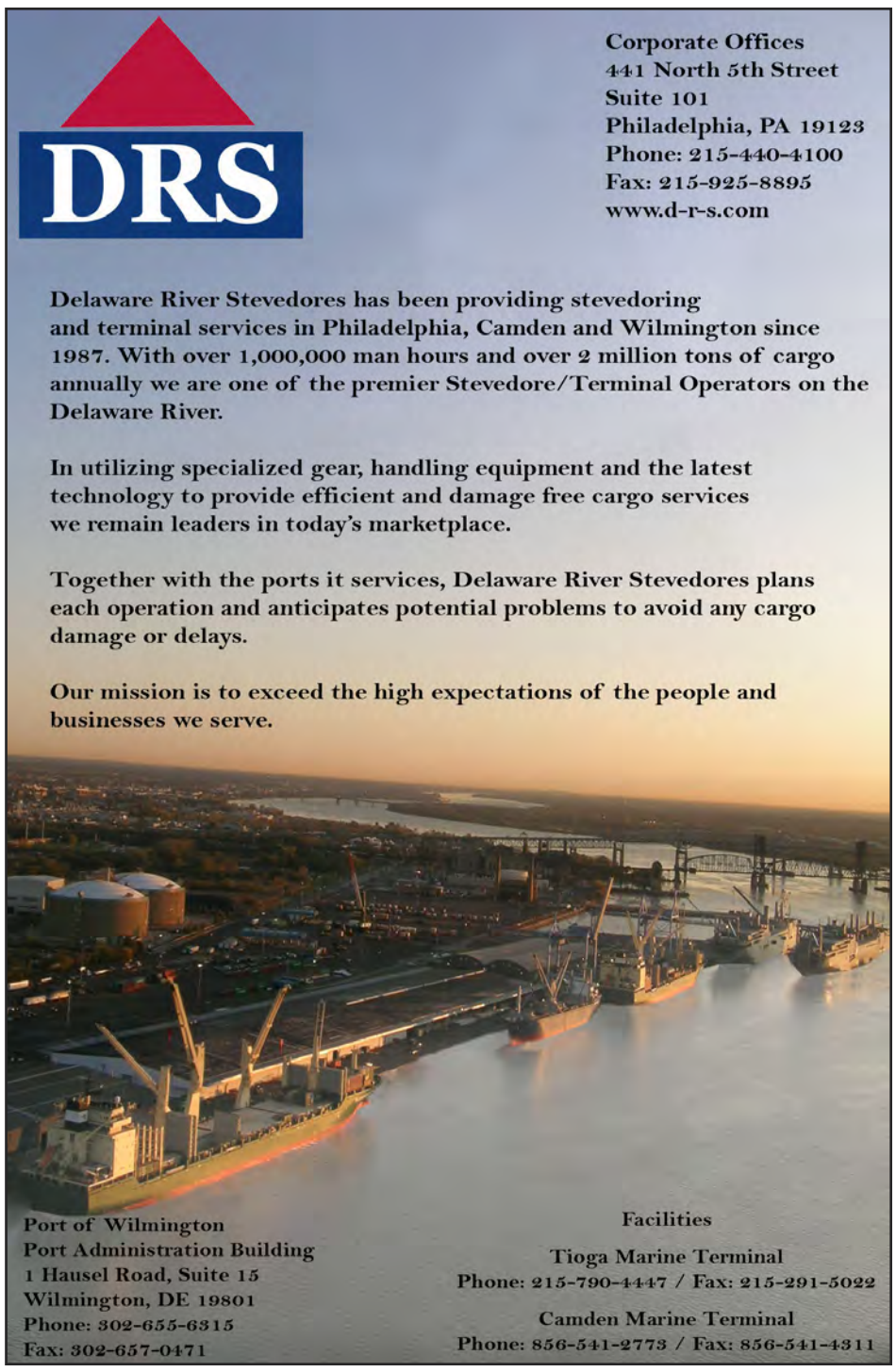
The Annual Gala helps provide SCI with the much needed financial support to continue their mission in caring for the physical, emotional and spiritual needs of visiting seafarers, who SCI has been serving since 1843.

T. Parker Host Acquires NSA Agencies

In September, Exchange member T. Parker Host, Inc. announced it had purchased all outstanding shares of NSA Agencies, Inc. (successor to Navios Ship Agency), officially expanding into the U.S. Gulf. Founded in 1923, T. Parker Host, Inc. has operated on the Eastern Seaboard from the Delaware River to Jacksonville. Now, via NSA Agencies, Inc., the agency is adding offices in Houston, New Orleans, Mobile and Tampa.

NSA Agencies, Inc., also a member of the Maritime Exchange, was founded in 1981 and will now become part of the T. Parker Host family of businesses. George Duffy has led NSA for over 30 years, and T. Parker Host, Inc. has retained George along with the rest of the existing management team and their employees.

The Host group of companies has grown to include over 100 employees in 14 locations.





Who Else Wants a Stronger Business?

Sometime in the next few weeks, Exchange members will begin receiving membership renewal notices for 2012. We extend our sincere gratitude and appreciation to this select group of key regional port stakeholders, whose support allows the Exchange to effectively advocate on issues of importance to our industry, continue to provide a broad array of services through Maritime On-Line, and maintain our 24/7 communications operation center.

If you are not a member of the Maritime Exchange, now is exactly the right time to take a moment to consider some of the reasons why it's a great idea to invest in the Exchange. Then you can watch as your business realizes the dividends.

Credibility: It is no secret that a business aligned with the Exchange is looked upon favorably within our community as an organization that is "in the know" as to what is happening on the Delaware River.

Government Advocacy: Exchange members are not shy, and we wouldn't want it any other way. As a member, make us aware of your concerns or ideas, and we will go to bat for you – locally, regionally, or nationally – to increase the strength of your voice on the things that matter most to you. Whether it's working with Congress to change legislation or with regulatory agencies to improve the overall maritime business environment, members reap the benefits of the powerful political network the Exchange has developed.

Maritime On-Line (MOL): The Exchange operates the single port-wide information center for Delaware River and Bay ship and cargo processing. MOL provides comprehensive computer and Web-based automation services to fulfill a variety of commercial maritime needs. From accurate and current ship schedules, reports, and navigational safety information, to electronic cargo and vessel clearances through multiple federal agencies, to notice of arrival/departure and crew list reporting, MOL is the one-stop information source for Delaware River and Bay international commerce activity.

Communication: Complementing our government affairs program and online services, the Exchange keeps its members informed of initiatives and policies that affect our industry through a variety of publications, alerts, and regulatory updates.

Seminars and Working Committees: Keep abreast of new regulations and current community news by joining one of the Exchange's committees, or perhaps attending a HazMat Workshop, offered by us twice a year. As an Exchange member, receive a reduced rate while staying up to date.

Contact Beverly Ford at bford@maritimedelriv.com or at 215-925-2615 ext. 206 to discuss your interest in coming aboard as a member of the Maritime Exchange for the Delaware River and Bay.

RAMP Seeks Change to HMTF

continued from page 3

budget. "As a result, many of the country's most valuable navigation channels are under maintained, reducing the cost effectiveness, global competitiveness, and efficiency of maritime trade," said Barry Holliday, Chairman, HMTF Fairness Coalition, and Executive Director, Dredging Contractors of America.

The problem is clear: due to inadequate appropriations from the trust fund, navigation channels are getting narrower and shallower because of sediment accumulation. The Corps of Engineers recently reported that almost 30% of commercial vessel calls at U.S. ports are constrained due to inadequate channel depths.

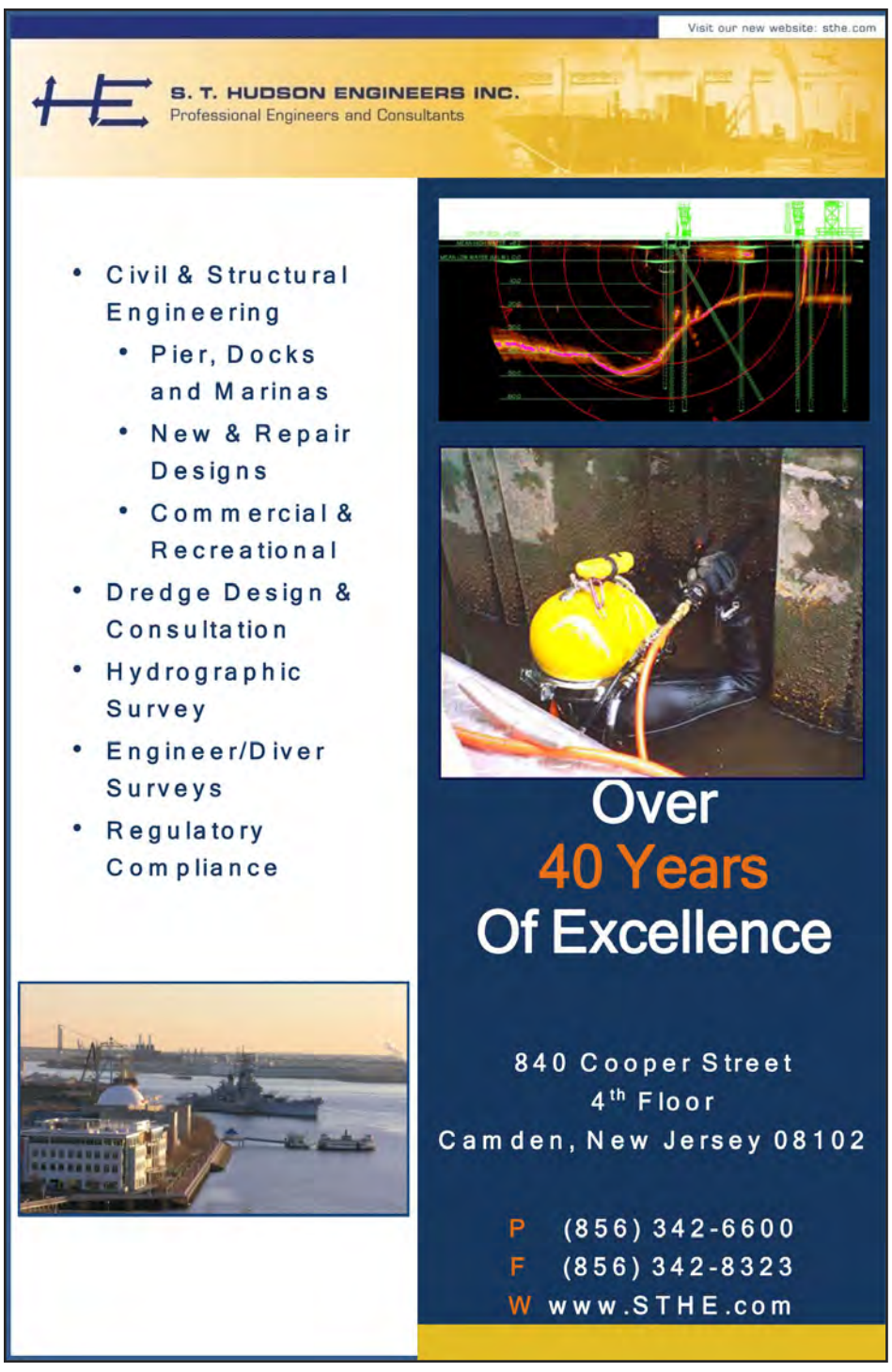
Consequently, ships with cargoes destined for the U.S. market cannot be fully loaded because they cannot get through inadequately maintained channels. The ramifications hit both economically in the form of increased costs to move cargos and on the safety front, with the increase in potential for vessel groundings.

The RAMP Coalition is working to correct this injustice. It has garnered significant support among members of Congress to ensure that the tax revenue is spent for its intended purpose.

In January of this year, Congressmen Charles Boustany of Louisiana and Joe Courtney of Connecticut introduced H.R. 104, the "Realize America's Maritime Promise (RAMP) Act." This legislation currently has 132 co-sponsors, including local Congressmen John Carney of Delaware, Michael Fitzpatrick and Patrick Meehan of Pennsylvania, and Frank LoBiondo of New Jersey.

A companion bill in the Senate, S. 412, the Harbor Maintenance Act of 2011, now has 26 co-sponsors, including Delaware's Christopher Coons and Robert Menendez of New Jersey.

H.R. 104 and S. 412 address only future trust fund revenues, and not the existing surplus. "With our nation's economy in a crisis situation, it defies imagination that the federal government does not spend the already available resources to support its maritime transportation infrastructure," Rochford said. The RAMP Coalition believes this attitude can be changed.



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Highlights of 2011 at the Philadelphia Regional Port Authority

With newly-released cargo statistics showing a healthy 12 percent gain in cargoes handled at the Port of Philadelphia during the first eight months this year compared to last, cargo activity was only the latest highlight among many successes this year at Pennsylvania's international seaport. Other notable advances include:

◆ The acquisition of significant acreage and facilities at the former Philadelphia Navy Base, which can be used immediately for various port projects as well as become a future component of the port's ambitious Southport project, the first major expansion of the Port of Philadelphia in more than 50 years.

◆ The start of a comprehensive capital program to make significant improvements to virtually all Philadelphia Regional Port Authority (PRPA) facilities along the Delaware River, based on the recommendations of a 2009 Strategic Facilities Assessment, a report commissioned by PRPA to assist the agency in charting its future.

◆ The release of $15 million in state funds by Pennsylvania Governor Tom Corbett last month to permit continued work on the Delaware River Main Channel-Deepening Project, currently in the process of deepening the Delaware River's main navigation channel from 40 to 45 feet, permitting larger, more modern vessels to reach the port.

But it was recent cargo figures that have provided the most immediate good news for the region. With 1,424,710 metric tons of containers handled this year through August compared to 1,302,386 metrics tons handled during the same period in 2010, container tonnage was up over 9 percent. Counted as individual containers, the 205,221 containers handled year-to-date in 2011 was a sizable 15 percent gain over the 178,250 containers handled during the same time in 2010.

Breakbulk cargoes, which include palletized cargoes and other products not shipped in bulk or containers, also showed a healthy gain year-to-date in 2011 compared to the same period last year. Comprising cargoes such as steel, fruit, forest products, cocoa beans, and project cargo, breakbulk cargoes were up over 7 percent, with 753,346 metric tons of breakbulk cargoes handled at the port in 2011 year-to-date compared with the 701,936 metric tons handled during the same period last year.



Hyundai and Kia automobiles, seen here at the Philadelphia Regional Port Authority's Pier 98 Annex Automobile Processing Facility, have been major cargoes at the Port of Philadelphia since they began arriving in 2010.

Particular highlights among breakbulk cargoes included cocoa beans (with 91,410 metric tons handled, up 15 percent), forest products (with 297,313 metric tons handled, up 19 percent), and project cargoes (with 32,565 metric tons handled, up 63 percent).

The PRPA also implemented a major capital program to upgrade and improve its maritime facilities, both to enhance safety and to improve cargo-handling efficiency.

"In response to PRPA's requests to the Commonwealth of Pennsylvania for continued investment in its seaport asset in Philadelphia, the Commonwealth directed PRPA to establish a capital budget process to guide the state's future investment," said PRPA Executive Director James T. McDermott, Jr. "This process would suggest a budget and timeline for the state's investment in the maintenance and improvement of the port's facilities."

To that end, PRPA retained Moffatt & Nichol to conduct a Strategic Facilities Assessment (SFA), now the centerpiece of a 10-year capital plan. With the SFA recommending $300 million worth of facility improvements to enhance safety, cargo-handling efficiency, and future cargo trends, the first phase of PRPA's capital plan is now underway at the port. The Commonwealth is currently investing $85 million in the port's facilities to assure that Philadelphia's maritime industry will continue to be a major contributor to Pennsylvania's economy.

As cargo levels have increased and various capital improvements have been undertaken throughout the port, another piece of big news has port officials, maritime industry professionals, and members of the Port's labor force looking with excitement into the future: 188 acres of the former Philadelphia Navy Yard was recently deeded to PRPA. Located adjacent to the Packer Avenue Marine Terminal, PRPA will use this new land to construct, in conjunction with the Commonwealth and private sector investors, a new state-of-the-art container terminal. The Southport Marine Terminal will be the first major expansion of the Port of Philadelphia in over 50 years.

"In response to the challenging national economic downturn of recent years, the Port of Philadelphia chose to not simply wait things out, but to become more aggressive and proactive," said PRPA Chairman Charles G. Kopp. "There is still much work to be done for the port to truly fulfill its potential. But seeing all that is going on both on the waterfront and behind the scenes, I'm very optimistic that the best days for the Port of Philadelphia are still in front of us."

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Employee vs. Independent Contractor

By: Bee, Bergvall & Co., Certified Public Accountants

The question of whether a worker is an independent contractor or employee for federal income and employment tax purposes is a complex one. It is intensely factual, and the stakes can be very high. As we're sure you know, if a worker is an employee the company must withhold federal income and payroll taxes, pay the employer's share of FICA taxes on the wages plus FUTA tax, and often provide the worker with fringe benefits it makes available to other employees. There may be state tax obligations as well. These obligations don't apply for a worker who is an independent contractor. The business sends the independent contractor a Form 1099-MISC for the year showing what he or she was paid (if it amounts to $600 or more), and that's it.

Who is an "employee?" There is no uniform definition of the term. Under the common-law rules (so-called because they originate from court cases rather than from the tax code), an individual generally is an employee if the enterprise he works for has the right to control and direct him regarding the job he is to do and how he is to do it. Otherwise, he is an independent contractor.

Some employers that have misclassified workers as independent contractors are relieved from employment tax liabilities under Section 530 of the '78 Revenue Act (not the Internal Revenue Code). In brief, Section 530 protection applies only if the employer: filed all federal returns consistent with its treatment of a worker as an independent contractor; treated all similarly situated workers as independent contractors; and had a "reasonable basis" for not treating the worker as an employee. For example, a "reasonable basis" exists if a significant segment of the employer's industry has traditionally treated similar workers as independent contractors. Section 530 doesn't apply to certain types of technical services workers.

Individuals who are "statutory employees," (that is, specifically identified by the tax code as being employees) are treated as employees for social security tax purposes even if they aren't subject to an employer's direction and control (that is, even if the individuals wouldn't be treated as employees under the common-law rules). These individuals are agent drivers and commission drivers, life insurance salespeople, home workers, and full-time traveling or city salespeople who meet a number of tests. Statutory employees may or may not be employees for non-FICA purposes. Corporate officers are statutory employees for all purposes.

Individuals who are statutory independent contractors (that is, specifically identified by the tax code as being non-employees) aren't employees for purposes of wage withholding, FICA or FUTA, and the income tax rules in general. These individuals are qualified real estate agents and certain direct sellers.

Some categories of individuals are subject to special rules because of their occupations or identities. For example, corporate directors aren't employees of a corporation in their capacity as directors, and partners of an enterprise organized as a partnership are treated as self-employed persons.

Under certain circumstances, you can ask IRS (on Form SS-8) to rule on whether a worker is an independent contractor or employee.

If you have questions, please do not hesitate to contact Denise Neason, CPA, at 215-343-2727.

MER Team Focuses on Prevention

continued from page 7

Marine Safety Lab. The lab's report led to the discovery of two responsible parties, resulting in the issuing of two Notices of Violation.

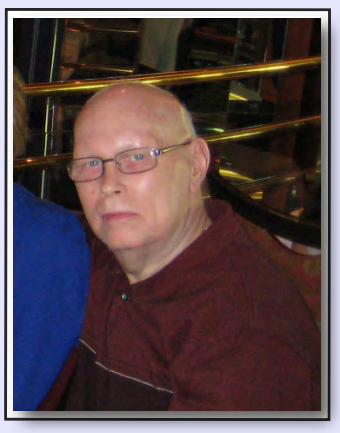
Following the focused effort in Manasquan, the MER team began another operation. This undertaking, spanning from January 31 through February 25, 2011, included efforts to prevent pollution spills and discharges coming from the mariners and waterside facilities in the vicinity of Cape May Harbor and Wildwood Intracoastal Waterway (ICW), New Jersey. This operation was broken down into four phases. During the first phase the team conducted shore side patrols and night operations. In the second phase, the MER team established relationships with local police and the New Jersey Department of Environmental Protection. This combined effort increased interagency collaboration with each agency learning from the other. The third phase focused on education and outreach meetings amongst the CFV fleet in the Cape May area. And during the fourth and final phase, the MER team focused on familiarizing themselves with marinas and environmentally sensitive areas within the Cape May area.

This operation led to a spill incident at a CFV facility being properly reported. It was determined that the person in charge of the fishing vessel placed the fueling nozzle in the wrong tank causing an overflow of oil into the water. The MER team arrived on scene, ensured that the oil was properly cleaned up and issued a Letter of Warning.

The MER team recently completed its latest outreach operation, designed to focus on the prevention of pollution spills along the Delaware River. The MER team increased Coast Guard presence through patrols from the Trenton-Morrisville Route 1 Bridge in New Jersey to the Delaware Border. The operational period began September 19 and ended on October 7, 2011. Throughout this time, the MER team members visited with non-regulated facilities and plants in the upper Delaware River, including forty-one marinas, yacht clubs, boat yards, and three facilities. This operation resulted in five mystery sheens being reported and the launching of an investigation at a facility which led to the facility finding and repairing leaks in piping and the discovery of an overflow gate at a known National Pollution Discharge Elimination System outfall. This investigation is still pending.

The MER Division at U.S. Coast Guard Sector Delaware Bay will continue to reach out to the local authorities and other nearby Coast Guard units to educate the marine community through these focused operations, creating a positive rapport amongst local commercial and recreational mariners. The team also looks forward to future collaboration opportunities with port partners in Pennsylvania, New Jersey, and Delaware. These operations will continue to help the U.S. Coast Guard carry out its mission to protect the environment, by ensuring compliance with The Federal Water Pollution Control Act (FWPCA) and The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

In Memoriam



George R. Bonsall

Members of the Delaware River Port community mourn the passing of George Bonsall on September 21, 2011. George touched the lives of thousands of people, both here and in countries around the world, in his nearly 50 years working in our port.

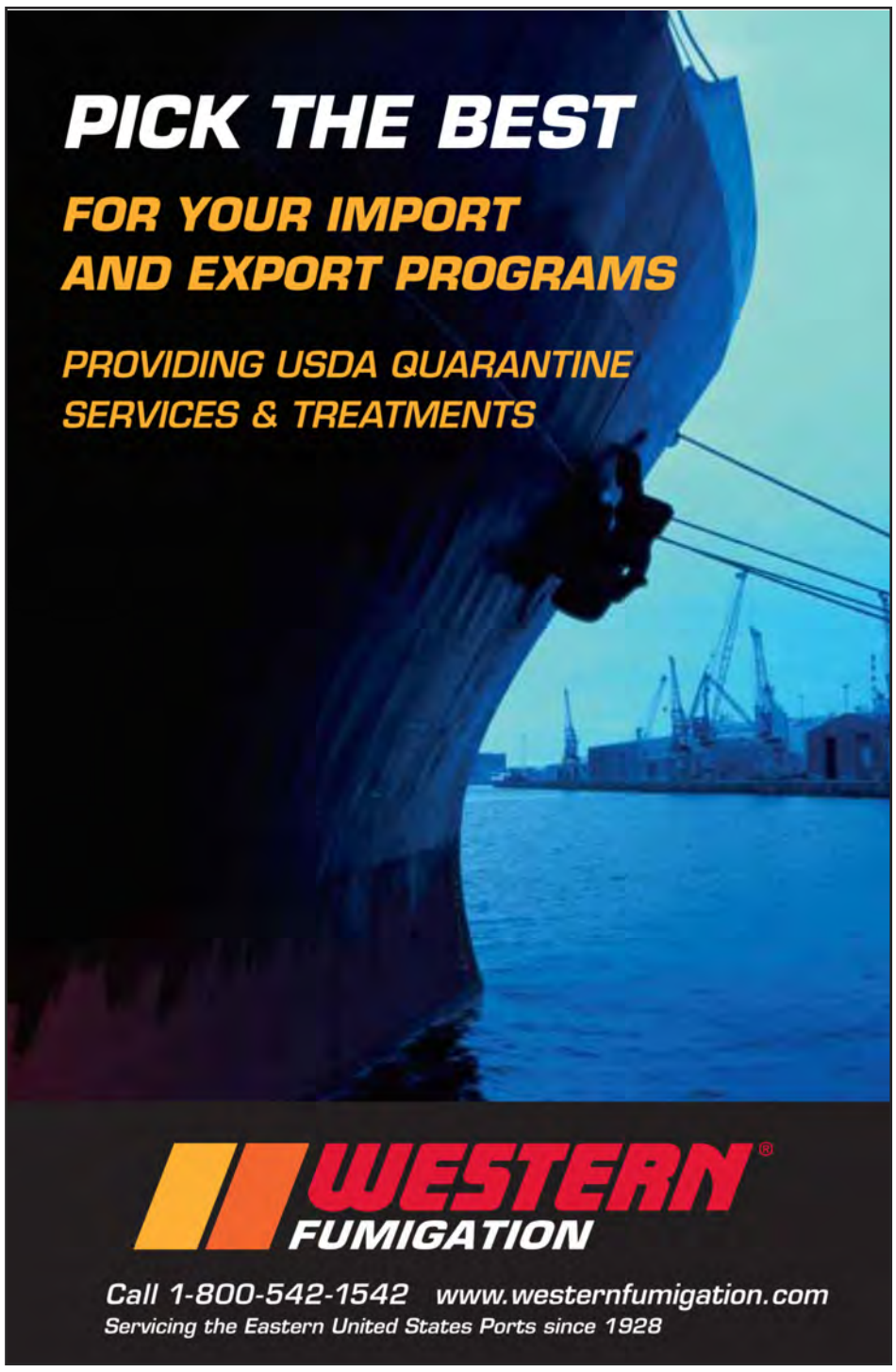
He entered the marine industry after high school, working for the Cunard Line; from there he spent the rest of his career working in the port of Philadelphia for 3T's, Inc., Mobil Oil and GAC-RUR. George spent the last 13 years as Operations Manager for Delaware Valley Marine in Aston, Pennsylvania.

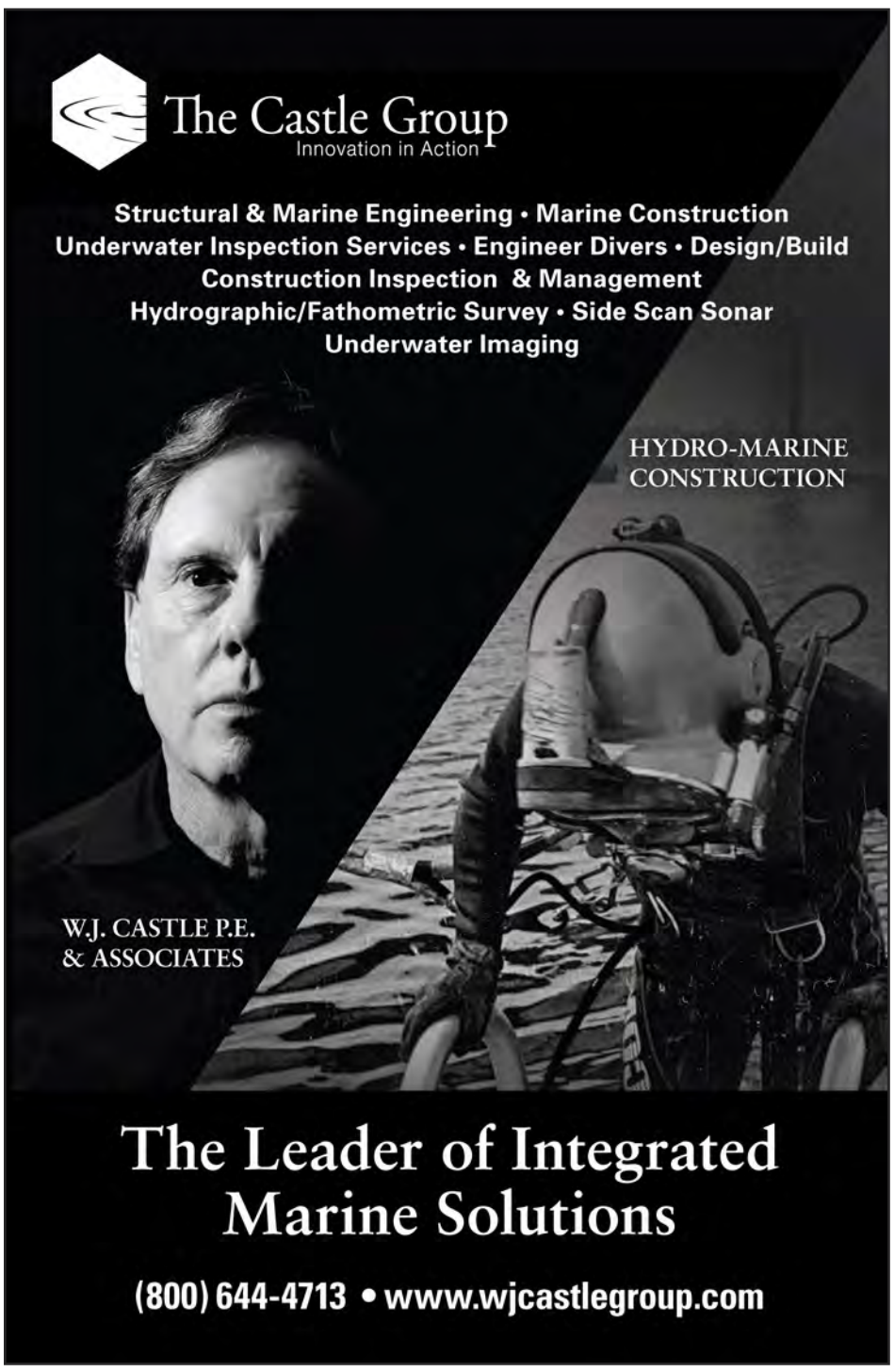
"George's dedication earned him the respect of everyone in the port," said Jean Cureton, president of Delaware Valley Marine. "Many vessel owners and charterers told me he was one of the best ship agents they'd ever worked with."

A native of Philadelphia, George lived in Springfield, Pennsylvania with his wife of 41 years, Joanne. A loving husband and father, George was devoted to his family, and is survived by Joanne and his children Christian and Jillian. He is also survived by his grandchildren Olivia, Cullen and Eamon as well as his sister Lois Finegan.

His love for the maritime industry was equaled by his love for baseball. Long-time friend and co-worker Bill Allison remembers, "George and I talked baseball twelve months a year. All who knew him will miss him. He was a true friend to all."

Please join the Exchange in extending sympathies to George's family and friends.





POWMS Honors Seamen's Center of Wilmington Volunteer

Western Fumigation Receives Seafarers' Friend Award

The Port of Wilmington Maritime Society held its annual dinner at the Hotel DuPont on November 9. Bill Corbishley, a retired Seamen's Center of Wilmington volunteer, was honored for his dedication to the Port of Wilmington and his many years of service at the Seamen's Center, having worked as a Ship's Visitor for over 14 years. Mr. Corbishley is the 13th recipient of the John E. Babiarz Award, presented annually to an individual who has made a significant contribution to the Port of Wilmington.

In addition, the Seamen's Center of Wilmington recognized Western Fumigation for the many acts of kindness, friendship and support offered to seafarers and the Seamen's Center of Wilmington with the presentation of the Seafarers' Friend Award. Western Fumigation and its employees personally have been generous supporters for many years, participating in fundraisers, Christmas at Sea and sponsors of the Center's newsletter, *The Log*. Their dedication to the mission and crewmen has touched thousands of seafarers arriving in Delaware.

FCC Develops Tool to Help Small Businesses Improve Cybersecurity

As part of National Cybersecurity Month, FCC Chairman Julius Genachowski joined Department of Homeland Security, U.S. Chamber of Commerce and several corporate executives to unveil a new FCC online tool – the Small Biz Cyber Planner.

The planner is an easy-to-use, free online tool that will create a customized planning guide to help small businesses protect themselves from cybersecurity threats. At the event, Symantec and The National Cyber Security Alliance (NCSA) announced the results of a new survey finding only 52% of small businesses have cybersecurity plans or strategies. The survey also found 77% of small businesses do not have formal Internet security policies for employees.

The Small Biz Cyber Planner will ask a series of questions such as "Does your business use credit cards?" and "Does your business have a public website?" Based on the responses, it will generate a planning guide to help companies put in place basic policies to protect against cyberthreats.

"With larger companies increasing their protections, small businesses are now the low-hanging fruit for cybercriminals," Genachowski said at an event to launch the tool, according to his prepared remarks posted online. According to this study, 40% of companies do not have a plan if their businesses suffered data breach or loss, such as loss of customer or employee information, credit or debit card information, or loss of intellectual property.

The new tool will be available on the FCC website in November.





CACC Honors PA Governor Tom Corbett and Businessman Peter Kopke, Sr.

On November 10, many of the city's most influential business leaders gathered at the Union League for award ceremonies honoring Pennsylvania's Governor Tom Corbett and the world's largest Chilean grape importer and international business innovator, Peter Kopke, Sr.

The Chilean and American Chamber of Commerce honored Governor Corbett with its 14th Annual "Friend of Chile" Award. The award is presented annually to an outstanding member of the regional maritime community who has shown a strong commitment to fostering trade between Delaware River regional ports and Chile. This year's award is a tribute to the Commonwealth's international diplomacy and its decades-long relationship with Chile.

"In this room we have citizens of two of the oldest democracies in the Western Hemisphere. We appreciate the fact that free trade markets are made by free people . . . The commercial alliance between Chile and Pennsylvania has opened the gates of prosperity for the people in both lands." Corbett said, "It is the foundation for peace and it is the bridge to a lasting relationship. I want to make sure that continues and make sure this port continues to grow."

Peter Kopke Sr., the President of William H. Kopke Jr. Incorporated, received the Chamber's Lifetime Achievement Award for his five decades of work pioneering the Chilean grape business in the United States. Today his company is the largest importer of Chilean grapes worldwide.



(l-r) Charles G. Kopp, Esq., Chairman, Philadelphia Regional Port Authority; Ricardo Maldonado, Executive Director, CACC; Tom Corbett, Pennsylvania Governor; and Robert Palaima, President, Delaware River Stevedores, Inc.

Kopke's vision and ingenuity broke the grip of 'Winter' making the miracle of year-round fruit a reality for the Greater Philadelphia region and the nation. The effort has also created jobs throughout the Delaware Valley.

In receiving the award, Kopke said that, for all of his work and that of his father, who founded the company, he is also extremely pleased with the work of his sons, Peter, Jr. and William. He also spoke of the various key players in the firm, going back to its earliest days.

His Excellency Arturo Fermandois, Chile's Ambassador to the United States, joined the Chamber in offering congratulations and spoke of the strong relationship between his country and the people of Pennsylvania.

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Editorial

A Critical Moment for Our Region

By: Congressman Patrick Meehan

The Delaware River and Bay is not just a treasured natural resource – it is a bustling marketplace that drives much of the commerce in the Pennsylvania-Delaware-New Jersey corridor. It is home to one of the most important industries in our region – refining. The United States Coast Guard estimates that nearly 1 million barrels of oil are transported each day along the Delaware River.

Most of us know a friend or family member who works at our local refineries. It has been this way for generations. There is a sense of pride knowing that our area has such a skilled workforce that we can take a barrel of crude and turn it into gasoline, diesel, jet fuel, home heating-oil, and a long list of by-products.

After the announcements in September that three of our area refineries will sell or idle their facilities in Marcus Hook, Trainer and Philadelphia, it was evident that urgent action was needed. Federal, state and local leaders convened and were joined by members of the maritime community,



Representative Meehan (left) recently visited Hueber Launch in Marcus Hook, Pennsylvania to get an up-close look at its operations and to hear about how the company could be impacted by the potential closure of the refineries. Rep. Meehan was joined by William Moran, Owner of Hueber Launch (center), and Capt. Ward Guilday, Pilots' Association for the Delaware River and Bay.

and representatives from area unions, Sunoco and Conoco Phillips. We discussed a coordinated approach to promote the sale of the facilities and prevent permanent closure. This regional alliance is dedicated to the future of the refining industry in Southeastern Pennsylvania and efforts to support and keep jobs and this vital industry in the region.

Unfortunately, this goes far beyond the immediate impact on the 2,000 plus full-time employees and their families. If there is no buyer found for the refineries, it will hit our region like a tidal wave. Area restaurants, schools and their students, and small businesses that rely on the refineries – they all will be affected if these facilities close.

In early October, I met with small business owners, school officials and local leaders at the Sungate Diner in Marcus Hook to discuss the harm that would come if the refineries were closed, including the impact it would have on local small businesses and local services, including public education. I also recently spent an afternoon with Hueber Launch on the Delaware River in Marcus Hook. I was able to get an up-close look at the work they do and see the important role that businesses like Hueber Launch, and the entire maritime community, play in the region.

We will continue to press on and work together through the regional alliance to do all we can to protect this industry and the thousands of jobs tied to it. The recent news that Exxon is commissioning the construction of two new vessels at the Aker Shipyard in Philadelphia brings new optimism. Recent developments in the natural gas extraction industry demonstrate that we need to remain ready to capitalize at any and all opportunities as the market continues to expand. Saving these jobs and preventing the permanent closure of these facilities must continue to be one of our region's highest priorities.



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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Irene Proves Value of Port Preparations

During the past decade, the Delaware River port community has seen very little hurricane-related impacts. In August of 2011, Hurricane Irene changed that history.

All reports indicated that Hurricane Irene would remain a strong Category 3 storm as she made her way up the East Coast. Although landfall was not predicted, the storm was close enough to the coasts of Delaware and New Jersey that the potential for catastrophic damage to the port community was very high. Further, the sheer size of the storm meant that dangerous conditions would stretch from Delaware Bay to north of Philadelphia and throughout the State of New Jersey.

When a storm of this magnitude approaches, the port community typically has an abundance of time to prepare, as was the case with Irene. The Coast Guard began implementing plans and working to mitigate any risks associated with the expected high winds, rain and storm surges. Notices were issued requiring mariners and facilities in the port to do their part to protect themselves, the infrastructure, and the environment. Vessels that opted to stay in port submitted their Remaining in Port Checklists to the Coast Guard prior to the storm's arrival.

"The Maritime Exchange had staff on standby and were available to address any issues that might arise," said Director of Operations, Paul Myhre. "Exchange personnel remained on duty in the Ship Reporting Tower in Lewes, Delaware and in remote locations, ready to assist as needed."

"Several days before landfall, we surveyed the port to ensure facilities along the waterfront were taking appropriate actions to minimize any damage that might be caused by wind or storm surge," said Captain Meredith Austin, Coast Guard Captain of the Port, Sector Delaware Bay. "In addition, we convened the Maritime Transportation System Recovery Unit [MTSRU], made up of federal, state, local and private officials to ensure the impact on vessel traffic throughout the Delaware River and Bay would be minimized."

Weather conditions began to deteriorate on Friday August, 26 and on August 27, the Captain of the Port closed the designated waters of Sector Delaware Bay and ordered all cargo operations ceased. The majority of the Delaware River was reopened on August 28, with the uppermost region reopening on September 1. Over the course of the storm, the MTSRU held daily meetings to assess conditions and damage reports from area facilities. When the storm passed, the team worked to prioritize vessel entries to ensure cargo could move in the most efficient manner possible.

Ultimately the outcome did not match the predictions with no major reports of damage from any of the area facilities.

Captain Austin equated the storm to a training exercise conducted by the Coast Guard in the spring. "As it turned out, Hurricane Irene followed the same path as the District hurricane exercise, so our hurricane plans worked well. We were prepared before the storm, remained safe during its passage, and were ready to respond as soon as the winds died down to safe levels and the roads were passable. Luckily, the damage to our area was not as severe as originally forecast. The excellent preparations made by the port community ensured people were able to resume normal operations quickly."

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Upcoming Events

11/17/11	U.S. Coast Guard C&D Canal Pre-Season Ice Conference Sector Delaware Bay, Philadelphia, PA RSVP before November 10 Contact MST2 Fae Bailey: 215-271-4889 or fae.e.bailey@uscg.mil
11/18/11	Area Maritime Security Committee Managing Board Meeting USCG Sector Delaware Bay
	Area Maritime Security Committee Meeting USCG Sector Delaware Bay
12/08/11	Mariners' Advisory Committee Meeting La Veranda, Philadelphia, PA Contact Scott Anderson: marinersadvisory@yahoo.com
	Annual Joint Holiday Dinner Ballroom at the Ben, Philadelphia, PA Contact Eileen Bartlomiejus: 215-922-6293 or ebart513@gmail.com
12/14/11	**Maritime Exchange Executive Committee Meeting**
12/21/11	DRPA/PATCO Board Meetings, Followed by Committee Meetings
	Philadelphia Regional Port Authority Board Meeting
01/10/12	Tri-State Maritime Safety Association Board Meeting
01/11/12	**Maritime Exchange Executive Committee Meeting**
	Maritime Exchange Board Meeting
	Women's International Trade Association Board Meeting
01/17/12	Seamen's Center of Wilmington Board Meeting
01/18/12	DRPA/PATCO Board Meetings, Followed by Committee Meetings
	Philadelphia Regional Port Authority Board Meeting
01/24/12	Traffic Club of Philadelphia Annual Dinner and Scholarship Announcement Visit: www.tcphila.org
02/02/12	Seamen's Church Institute Comedy Night Finnegan's Wake, Philadelphia, PA Contact Ronnie Barlow: barlow@sciphiladelphia.org
02/08/12	**Maritime Exchange Executive Committee Meeting**
02/15/12	DRPA/PATCO Board Meetings, Followed by Committee Meetings
	Philadelphia Regional Port Authority Board Meeting

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

HELP WANTED

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www.maritimedelriv.com/Jobs/jobs.htm

Please visit often to check out the latest opportunities! For information on listing your resume or job posting, please contact Donna Stargell, 215-925-2615 x 208 or dstargell@maritimedeliv.com

