The Port of Philadelphia: The East Coast’s resurgent energy hub
By: Jeff Shields, Communications Manager, Sunoco Logistics Partners L.P.

The Mariner East pipelines will move a total of 345,000 barrels a day of natural gas liquids (such as propane, ethane, and butane) from the Marcellus and Utica Shales in western Pennsylvania, West Virginia and eastern Ohio.

In December of 2014, Sunoco Logistics commissioned its Mariner East 1 pipeline, transporting propane from the Marcellus Shale to the Marcus Hook Industrial Complex (MHIC), less than two months after announcing a second phase. Mariner East 2 would quadruple the capacity of the initial project.

Both projects, which will cost approximately $3 billion combined, will have a $4.2 billion impact on the Pennsylvania economy, according to an analysis for Sunoco Logistics done by Econsult Solutions of Philadelphia. The combined projects will support 300-400 permanent jobs and 15,000 jobs a year over a two-year construction period, according to Econsult.

Rochford named WTA “Person of the Year”

The Beacon is particularly pleased to announce that the World Trade Association of Philadelphia has named Exchange President Dennis Rochford as its 2015 Person of the Year.

The award recognizes an individual who consistently strives to improve the port and its business climate. The WTA selected Rochford for his long-standing and staunch advocacy of the 45-foot Main Channel Deepening project, now nearing completion after decades of activity. “We are excited to honor Dennis Rochford as our man of the year for his ongoing dedication to the port . . . we see him as a champion and recognize his role in pushing forward the dredging project that is so important to the members of the port community,” said Clayton Manthorp, WTA president.

“It is a distinct privilege to be recognized by the World Trade Association,” Rochford said. “This is meaningful not only to me and to the Maritime Exchange, but it also underscores how important deepening the channel is to this port region.”
While the global energy marketplace continues to change in far-reaching and dynamic ways, the Delaware River port complex is uniquely positioned to serve as one of this nation’s more innovative energy transportation hubs.

In a recent column, I talked about our local petroleum industry’s adaptive and resilient nature. This has been more than amply evidenced by the creative and visionary spirit shown by business leaders and investors who worked in concert with labor and public officials to effect necessary positive change.

The end result of much of that activity, as you’ll read on page 1 of this newsletter, is the already-successful Mariner East 1 project. Equally important has been the reopening of the Delaware City Refinery, which may soon see deliveries of crude products — used for production of gasoline, diesel and other fuels — increase by up to 70% compared to the fourth quarter of 2014.

Delta Airlines, which acquired the once-shuttered ConocoPhillips facility in Trainer and is operating it as Monroe Energy, is also thriving. Monroe recently posted first quarter 2015 earnings of $86 million. This compares to the $41 million it lost during the same period in 2014.

This amazing resiliency demonstrates the ability of our port community to acclimate to dramatic changes in the ways that energy is both produced and consumed throughout our country and the world.

A major conference scheduled to take place in Philadelphia this fall will address these themes and more. Hosted by the Global Interdependence Center, the conference, titled “Energy Interdependence in the Western Hemisphere,” will focus on physical and financial infrastructures of midstream energy companies, new energy trade patterns, and our region’s potential to claim a vital role in the achievement of energy interdependence in the Western Hemisphere.

Discussions are expected to center on identifying and leveraging trade flows and networks, recognizing energy supply chains and modes of transportation, and ascertaining our region’s energy assets and infrastructures, to include efficiencies and the lack thereof in expected and new distribution patterns.

Notable global leaders representing the energy, government, finance, transportation, and trade sectors are expected to participate.

The Exchange is both sponsoring and attending the November 5 conference. We encourage members who are interested in these developments to join us.

See https://www.interdependence.org/events/browse/programs/energy-interdependence-western-hemisphere/ for details and registration information.
What can Exchange operations do for you?

“Maritime Exchange, Scott here. How can I help you?”

Just about all of the agents, tug companies, and many other Exchange members hear this every day, sometimes several times a day. They know that when they hear the always-cheerful voice of long-time Exchange staffer Scott Anderson, they will get the information they want.

The Maritime Exchange has been providing vessel schedule information to the Delaware River port community for over 140 years. Exchange operations staff performs this function – and many more – 24/7/365 to ensure members get the information they need when they need it.

Consisting of six full-time employees and one part-timer, the operations staff supplies the Exchange membership with vessel movement data – for today, tomorrow and all the yesterdays going back to the early 1980s. They also support Maritime On-Line users throughout the Delaware River port complex and in other regions of the U.S. and abroad.

“The Exchange operations staff is always incredibly responsive and helpful, not to mention friendly and professional,” said Moran Philadelphia Vice President and General Manager Nathan Hauser. “They always take the time to make sure that the membership is efficiently and well served to the mutual benefit of our organizations.”

The operations staff functions from two locations. Traditional business hours are covered out of the main office in Philadelphia, and overnight, weekend, and holiday hours from the Ship Reporting Tower in Lewes, Del.

“Many of our members and system participants don’t realize that the team operates in different locations,” said Director of Operations Paul Myhre. “And our goal is to make sure it stays that way.” Maintaining a team’s unity can sometimes be challenging when its members are spread out, but any difficulties should be transparent to members.

“I am incredibly proud of this dedicated group of professionals. They are, to a person, committed to serving our members in any way necessary,” Myhre said. He noted that collectively, Anderson, Bill Bayard, Craig Milbury, Laura Miller, Robb Reyes, and Karen Scotton have a combined 71 years of experience with the Exchange.

Give the operations staff a call at (215) 925-1524 to find out what the Exchange can do for you. No matter when you call, someone is standing by to help.

Work underway at Broadkill Beach

At a press conference on May 15, Exchange President Dennis Rochford (at podium) thanked Senators Tom Carper (D-DE) and Chris Coons (D-DE) for their recent votes to bring up legislation renewing fast-track negotiating authority, also known as Trade Promotion Authority (TPA), and extending the Trade Adjustment Assistance (TAA) program. In recognizing Delaware’s Senators, Rochford said, “TPA is critical to protecting the 135,000 direct, indirect and induced jobs on the Delaware River, as well as the $53 billion in economic value throughout the states of Pennsylvania, New Jersey and Delaware.”

The press conference was held to celebrate the restoration of Broadkill Beach in Milton, Del. The project is expected to extend Broadkill Beach with nearly 2 million cubic yards of sand coming from the Delaware River 45 Main Channel deepening project.

Joining Rochford were (l-r) Senator Coons, Senator Carper, Broadkill “Mayor” Jim Bailey, and Delaware State Representative Harvey Kenton (R-Milford).

PennDOT launches intermodal incentive program

Under the program, PennDOT will pay $25 per container for any new containers moved beyond a carrier’s previously-reported container levels. The program was established through PennDOT’s Multimodal Transportation Fund.

“This new intermodal incentive program is an effective tool to grow our container business, and a fair one, as it rewards both our current customers as well as new carriers who have been considering using the port of Philadelphia,” said PRPA Executive Director James T. McDermott, Jr.

PennDOT expects the new program will attract at least 200,000 new annual container moves to the port over the course of five years.

PRPA hopes the cargo incentive program will deliver big results at the port of Philadelphia, especially given that initial cargo figures for 2015, as well as those for 2014, demonstrate an already-healthy cargo growth at the port. Final cargo statistics for 2014 revealed a 16 percent increase compared to 2013, and it was the fifth consecutive year of double-digit cargo growth at the port. This year’s performance indicates that the trend of growth is continuing.

Rules and further details are available from PRPA at (215) 426-2600 or via e-mail at marketing@philaport.com and from PennDOT at www.dot.state.pa.us.

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Cooper to take the helm at Sector Delaware Bay

Capt. Benjamin Cooper, incoming Commander, Sector Delaware Bay.

Capt. Benjamin Cooper, who most recently served as deputy sector commander and alternate captain of the port at Coast Guard Sector Delaware Bay, is taking the reins from outgoing Capt. Kathy Moore on May 22. Moore will retire after a 25-year career with the Coast Guard.

Cooper will oversee a workforce of 750 active duty, reserve, and civilian personnel and work with 2,500 Coast Guard Auxiliary volunteers to execute the agency’s missions across the three states surrounding the Delaware River and Bay.

The Delaware Bay region hosts a diverse deepwater port complex, the nation’s fifth largest city, leads the nation in steel, paper and perishable goods imports, and supports nationally significant petrochemical and fisheries activity and a large recreational boating community. The offshore environment, bays, rivers, shorelines, and ports in the region are served by 13 Coast Guard subunits, as well as a Sector Field Office in Atlantic City, N.J. and a Marine Safety Detachment in Lewes, Del. The command includes six stations, two aids to navigation teams, and five cutters.

Previously, Cooper was assigned to U.S. Coast Guard Headquarters in Washington, D.C., where he served as the deputy and later chief of the Office of Budget Development for the deputy commandant for operations. There, he helped develop the Coast Guard’s annual operations budget and worked to recapitalize the service’s surface and air assets, shore infrastructure, and command and control systems, while providing critical funding for current operations and mission support.

A native of Killingly, Conn., he graduated with high honors from the U. S. Coast Guard Academy in 1991 with a Bachelor of Science degree in Management. He holds an MBA from the Tuck School of Business at Dartmouth College and a master’s degree in national security and strategic studies from the Naval War College. He is also a graduate of FEMA’s National Emergency Management Executive Academy.

Capt. Cooper is qualified as a permanent cutterman and surface warfare officer. He is certified in advanced boat forces and is a type II incident commander. His previous assignments include tours in U.S. Coast Guard Cutter “Cowslip” and USS “Hayler,” service as a search and rescue controller in Honolulu, Hawaii, command of Cutter “Monhegan” in Key West, Fla., and as the chief of incident management and later response department head at Sector Delaware Bay.

He served as a deputy incident commander and branch chief for the BP/Deepwater Horizon oil spill disaster, overseeing response efforts in Louisiana and the Gulf of Mexico. Capt. Cooper is the recipient of three Meritorious Service Medals, three Coast Guard Commendation Medals, the Navy Commendation Medal and several other personal and unit awards.

He and his wife, Karen, have two children, Julia and Nathaniel. The Exchange congratulates Ben Cooper as he assumes command of the sector!

NTSB releases “Safer Seas 2014”

In April, the National Transportation Safety Board released “Safer Seas 2014: Lessons Learned from Marine Accident Investigations,” a compilation of individual accident investigation reports published in 2014. The report is organized by vessel type with links to the more detailed accident reports.

The 43-page report contains a summary and the probable causes for 23 major marine accidents and features lessons learned from each of the accidents in a summary document. “Safer Seas” focuses on issues including understanding vessel control systems, passenger safety during critical maneuvers, maintenance, and crew training.

The full report is available at http://www.ntsb.gov/investigations/AccidentReports/Reports/SPC1501.pdf

Exchange chairman honored by Port of Philadelphia Maritime Society

At its Annual Dinner on April 23, 2015, the Ports of Philadelphia Maritime Society honored Maritime Exchange Chairman John Reynolds as its Person of the Year. The award recognizes outstanding achievement in the maritime industry. John Reynolds was joined at the award dinner by his wife, Lea.

Energy Interdependence in the Western Hemisphere

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Be safe out there!
By: Capt. Kathy Moore, Captain of the Port, Sector Delaware Bay

Since May of 2012, I’ve watched the waters of the Delaware River as they’ve flowed past the windows of Sector Delaware Bay at 1 Washington Avenue. It’s picturesque, and the ships, boats, and barges that go by are a welcomed distraction from the administrative work of the federal government.

In that time, we have seen significant progress on the Delaware River deepening project, a tremendous increase in domestic crude oil arriving at local refineries by rail, new facilities taking shape, and new businesses entering the region. We’ve ‘weathered’ a ‘superstorm,’ snow and ice in the river, as well as the dreaded Polar Vortex! (It STILL sounds like something out of a comic book!!) We have also had our share of casualties and near-misses.

Through it all, the men and women of Coast Guard Sector Delaware Bay and its subunits have done more than just their duty and performed an outstanding service to this region. When you see them, please thank them for their service – their job is far larger today than just a mere three years ago, and there are fewer people and less money with which to serve this community and this nation.

I have been incredibly privileged to work in this exceptional maritime community. You are men and women of exceptional skill, inspired initiative, and contagious collaboration. Nowhere, in my time in ports on three coasts and two islands, have I ever enjoyed the level of cooperation that exists in the tri-state region.

So many features make this area an excellent place to find success in the maritime environment. I’m going to take a minute to highlight a few just to keep them in mind.

In no particular order, professional mariners, whether they are pilots, tug operators, on ships or the operators of Coast Guard and other agency vessels, are key to any area’s success. And for the most part, this community enjoys a level of professionalism and mature judgment that helps all of us to deal with congestion, channel obstructions, and other conditions.

We have the Maritime Exchange, which through its exceptional information management efforts and advocacy for the region, has contributed to the health and resiliency of the infrastructure.

We enjoy access to excellent maritime infrastructure, whether it be exceptionally capable tugs, construction and repair yard services, and marine diving and construction, all of which contribute to the health and resiliency of the infrastructure.

Also noteworthy is the exceptional volunteerism in this community. It manifests itself in support for the seamen, in the incredible work done on our various stakeholder committees including the Mariners’ Advisory Committee, Area Committee, Area Maritime Security Committee, and Port Readiness Committee, to name but a few. It also can be seen in the outstanding participation in contingency exercises around the region where we test our plans and keep our relationships healthy.

I am delighted to be relieved by Capt. Ben Cooper, who has many years invested serving this region. Please give him the warm welcome and invaluable ground truth you have given me. Please also stay engaged on the many issues that impact this region, including a long-term solution to fund PORTS®, careful decisions on the future of the region’s and the nation’s aids to navigation, make TWIC a true security credential or sunset it, and continue to collaborate and exercise to ensure region-wide preparedness and resiliency. The years ahead will see us tested, and working together, we can weather every storm.

Semper Paratus!

By: Capt. Kathy Moore, Captain of the Port, Sector Delaware Bay

At its annual meeting in May, the Maritime Exchange Board formally recognized Capt. Moore for her service in the port.

Senator Casey Supports 45’ Channel Deepening

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Semper Paratus!

By: Capt. Kathy Moore, Captain of the Port, Sector Delaware Bay
Cybersecurity: Delaying the “when”

Even the tiniest Americans using their Kindle Fire Kids tablets have come to realize that at some point their devices will probably get hacked.

“It isn’t a question of if . . . it’s a question of when,” has become a mantra among IT professionals responsible for network security and resiliency. The “it” refers to a cybersecurity incident. And virtually all security experts agree there will be a “when” for everyone, no matter how much network security layers are installed.

When even the email of the President of the United States can be hacked, how can private sector organizations expect to protect themselves?

This certainly does not suggest companies should just give up, sheepishly waiting for cybercriminals to get around to taking over their networks. The Exchange is taking measures to protect its network and the hundreds of people and organizations that rely on it every day. Though no network is 100 percent safe, the Maritime Exchange continually works to minimize the risks.

In April, Exchange staff deployed additional intrusion detection/prevention and advanced malware protection software to its network. The work included replacing existing firewall hardware, modifying firewall rules, installing new software, and reconfiguring access policies.

Companies also need to look beyond their perimeters. How often does a cell phone user download an app only to blithely accept the conditions associated with it and the permissions it requests?

With the critical nature of the Maritime On-Line® system, the Maritime Exchange cannot afford to allow the introduction of malware into its network via employee smartphones. To help minimize the risk, the Exchange recently added a new security application to encrypt company emails on these devices. The software also separates the sensitive company-related information into its own secure container on the phone, isolated from other apps.

But not all security measures need to be hardware- or software-based. It is well known among IT professionals that most system breaches are caused by employee error – as many as 64% according to a recent Symantec study. Training employees not to open attachments or click on links from unknown senders is one of the most important – and least expensive – steps a company can take to help prevent cyber incursions.

Marketplace, our port team has been able to retain and grow our customer base, achieve record tonnages, and provide thousands and thousands of labor hours for the men and women who so professionally move cargo over our docks. I’m proud to have been a part of that.”

“While we’re sorry to see Tom go,” Rochford said, “we wish him the very best in his future endeavors.”

Keefer to retire from DSCP

The Exchange board and staff extend their hearty congratulations to Thomas Keefer upon his retirement as deputy executive director for the Diamond State Port Corporation. Tom is retiring in June after 13 years at the Port of Wilmington.

“With retirement quickly approaching, I feel extraordinarily fortunate to have served the Port of Wilmington for these past 13 years. It has been a wonderful experience both professionally and personally,” Keefer said. “In a very competitive market place, our port team has been able to retain and grow our customer base, achieve record tonnages, and provide thousands and thousands of labor hours for the men and women who so professionally move cargo over our docks. I’m proud to have been a part of that.”

“While we’re sorry to see Tom go,” Rochford said, “we wish him the very best in his future endeavors.”

Wolf names port authority commissioners

Philadelphia Regional Port Authority

The governor selected Gerard Sweeney, president and CEO of Brandywine Realty Trust to chair the Philadelphia Regional Port Authority board. “[Sweeney’s] expertise in economic development and market capitalization will be a tremendous resource for PRPA,” Wolf said.

Other PRPA appointments include Yassmin Gramian with HNTB, Robert J. Clark, Esq. of Ballard Spahr, Michael Pearson, Union Packaging, LLC, John Dougherty, of the International Brotherhood of Electrical Workers Local 98, Paul McNichol, Esq. with McNichol, Bryme, & Matlawski, and John Skoutelas, Waste Management.

This is a largely preventable threat and one the Exchange takes seriously. Opening an infected email attachment that makes it through several layers of system protections – and they frequently do – can cripple an organization. Exchange staff is trained regularly to identify and avoid these and other potential cyber hazards.

Finally, organizations must keep in mind that implementing cybersecurity improvements is an ongoing process, not a project with an end date. The solutions put into place today may not be effective to combat the threats that will emerge next month, or even next week. It is an unfortunate reality, but one to which everyone will have to grow accustomed in order to continue to do business.
South Jersey Port Corporation sees continued growth

The marine terminals of the South Jersey Port Corporation in Camden, N.J. are increasingly “chock-a-block” with double digit increases in tonnage for the past two years.

“We’ve seen real, sustaining growth in tonnage the past two years, especially in steel imports for the Midwest, and it doesn’t appear to be abating,” said SJPC Chief Executive Officer, Castagnola. “And the trend is continuing into 2015.”

Steel imports led the way in 2014, with a 65% increase over 2013 to 600,057 tons, setting a new annual tonnage record. That trend accelerated in late 2014 with 124,549 tons of steel unloaded in December, more than double the steel tonnage of December 2013.

For the first quarter of 2015, SJPC handled 381,891 tons of import steel, exceeding the 2014 three-month mark by 30%. The rise in steel imports reflects a growing reliance on SJPC terminals by shippers of steel from Europe to the American industrial heartland.

During 2014, the SJPC saw its overall bulk cargos increase 47% to 1,104,521 tons with recycled metal tonnage growing by 5% to 522,380 tons, cement tonnage increasing by 13% to 371,678 tons, and salt doubling to 137,622 tons. Cocoa bean imports grew by 9% to 66,036, increasing by 13% to 371,678 tons, and salt doubling to 137,622 tons. Cocoa bean imports grew by 9% to 66,036, increasing by 13% to 371,678 tons, and salt doubling to 137,622 tons.

Total tonnage for 2015 through March is on pace with 2013’s continued growth, and import steel is on pace to break the 900,000 ton mark well before the year comes to a close.

The successes at the port’s Balzano and Broadway Terminals are a tribute to the many public-private partnerships between SJPC and its tenants and port users. Delaware River Stevedores remains a strong partner, supporting the stevedoring and longshore work on myriad cargos and it has been a key contributor in the growth of import steel.

SJPC and DRS developed a real-time barcode tracking system to provide steel customers with visibility to their cargos at every moment within a marine terminal and operating path from discharge to delivery.

Other innovations to enhance cargo operations include SJPC’s patented cargo carrier design to efficiently receive cocoa beans from shipside and convey the cargo directly into Camden International Commodities Terminal’s warehouses. This customized carrier remains a staple to increase vessel discharge production and move the cargo quickly to reposition in the warehouse storage. It has helped CJT become one of the key cocoa bean warehouses in the industry.

“Our future is looking even better, especially as the new Paulsboro Marine Terminal comes online next year to handle the growth,” Castagnola said. “We’re excited about our agreement with Holt Logistics, which will lease and operate the new terminal.”

Even before construction is completed in 2016, Holt and SJPC have signed a first customer – one of Russia’s largest steel producers, NLMK. This business will immediately thrust the new terminal from a construction site into a bustling port at its commencement.

Q&A with Brady

continued from page 1

A: One of the first things I confronted when I got to Congress in 1998 was the fight to fund the deepening of the main channel of the Delaware River. Then-Congressman Bob Borski explained how important it was to get the channel dredged to 45 feet. The project was authorized in the fiscal year 1992 Water Resources Development Act, but there was no money attached to that authorization. I joined Bob in whipping votes for the fiscal year 1999 Energy and Water Appropriations Act, the first bill to put Federal money in the funding mix.

Q: How tough of a battle have you faced in Washington to move the project forward?

A: As you know, I represent a large part of the Pennsylvania riverfront, from Northeast Philadelphia down to Chester, so this fight is one I take personally. Beginning in the fiscal year 2000 Energy and Water bill, one of my former colleagues from across the river introduced amendment after amendment in an effort to stop the dredging. I had to work my tail off to line up votes to beat his amendments and finally persuaded him in 2012 to end his efforts. We also had to overcome a restriction on using funds in Delaware that was placed in the fiscal year 2010 Energy and Water Appropriations Conference Report, and the efforts of some of our friends from upstate to bar facilities in their area from accepting the materials dredged up from the river.

Fast forward to the last few years. I went to Vice President Joe Biden, who really understands this issue, and enlisted his help with the White House. Thanks to Vice President Biden, President Obama put $20 million into

his budget for this project. This was the first time that any president’s budget included any funding for the deepening. That was a real game changer.

Then, just when we thought we were safe, I got a late-night call on the weekend prior to the budget’s release saying that the Office of Management and Budget was going to cut the president’s funding anyway. Once again, I called the vice president, and he came through. We’ve also beaten back efforts by the Army Corps’ headquarters to divert our $20 million to New York.

But on a positive note, we successfully worked to secure funding over the past few years, including in the Corps’ work plan for the upcoming fiscal year.

Q: What other maritime initiatives have you addressed?

A: I’m pretty proud of our work on our rivers. We were able to secure Maritime Administration loan guarantees for the Aker shipyard, which continues to be highly successful. We’re working on improving rail lines that serve the ports. We’ve backed efforts to boost imports, including weighing in to release produce imports that were being held up offshore by federal inspectors. I’ve also worked tirelessly to save the Jones Act, which protects the U.S. shipping industry, marine.

And I’m all in on the plan to leverage our energy resources to boost exports heading down the Delaware. I led the efforts to save our refineries which are key to that energy future. We can look forward to a near future that includes a diverse export environment of molecules and manufactured goods heading down our river and out to the world. Our regional maritime future is bright. I’ve enjoyed working with the Maritime Exchange leadership and members bringing it to fruition.
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:

- John Brennan
  Penn Terminals, Inc.
- John Gazzola
  Northeast Ship Repair
- Joseph C. Hare
  Rhoads Marine Industries, Inc.
- Robert A. Herb
  Terminal Shipping Company, Inc.
- Don Maney
  Inchcape Shipping Services
- Eugene Mattioni
  Mattioni Ltd.
- George C. Murphy
  South River Maritime LLC
- Michael Nesbitt
  Sunoco Logistics, Inc.
- Jeffrey Parker
  Hamburg Süd North America, Inc.
- Uwe Schulz
  Schulz Properties
- Richard Venuti
  General Marine & Industrial Services, Inc.

The following officers will serve one-year terms:

- John T. Reynolds
  Chairman
- Uwe Schulz
  Vice Chairman
- A. Robert Degen, Esq.
  Secretary/Solicitor
- Dorothy Mather Ix
  Treasurer

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www.721logistics.com
The Maritime Exchange for the Delaware River and Bay enjoyed yet another successful year in 2014. Our focus on legislative and regulatory issues affecting the maritime industry and ongoing commitment to improving the Maritime On-Line® network benefited members and port customers alike.

As in past years, the 45’ Main Channel Deepening project was among the key issues at the forefront of Exchange activities last year. Separate visits by both President Barack Obama and Vice President Joseph Biden to our region gave voice to the importance of deepening the ship channel.

Working in conjunction with the Philadelphia Regional Port Authority and the regional Congressional delegation, our efforts to secure $62.5 million for FY16 to bring this project to fruition were rewarded in January of this year. With well over half of the necessary dredging completed and funding of $92.5 million lined up for additional work, we can anticipate completion of this critical project in 2017.

Customs and Border Protection staffing and agriculture inspections also remained high on our agenda in 2014. Officials at both CBP headquarters and locally are cognizant of the need for additional resources, and 20 of the 2,000 additional CBP officers budgeted for FY14 nationwide were deployed to the Delaware River region. In addition, CBP assigned temporary duty personnel to our region to assist with increased volumes during the Chilean fruit season. However, thanks to the efforts of our regional port authorities and terminal operators, cargo volumes have been increasing dramatically at Delaware River ports over the last few years. It is clear that CBP human and technological resources remain insufficient to meet the growing demand, and continued Exchange activity in this area is paramount.

Two key Coast Guard matters required our attention in 2014. First was the reemergence of an issue which first surfaced when the Transportation Worker Identification Credential regulations were initially promulgated — that of seafarer access to maritime facilities. The Coast Guard proposed a regulation which would provide seafarers and a host of others with “timely access” at no cost to the individual. Obviously, the Maritime Exchange wholeheartedly supports unfettered and no-cost access to regulated facilities for crew members and seafarer welfare organizations.

The second major Coast Guard initiative in which the Exchange has become involved relates to maritime cybersecurity practices. In our view, this is going to become an increasing focus in the upcoming weeks, months, and years.

In both of these instances, the Exchange took the lead for our region, encouraged comment from stakeholders, and facilitated and formulated responses.

We were equally engaged in addressing two USDA/Animal and Plant Health Inspection Service proposed rules in 2014. Issued in April, these rulemakings involved increasing overtime rates and services fees as well as creating new fees for fumigation and cold treatment services. With the rulemakings not yet finalized, we continue to work to engage and educate policymakers on the impacts of these proposals. As a measure of our success, it is noteworthy that 4 of the 17 House members who signed on to a letter to Agriculture Secretary Vilsak supporting our position were from the Delaware River region.

The Physical Oceanographic Real-Time System®, or PORTS, remains operational thanks to additional funding in 2014 from the Philadelphia Regional Port Authority, South Jersey Port Corporation, and Port of Wilmington, which each provided $100,000. Efforts to acquire federal funding for PORTS operation and maintenance costs here and throughout the U.S. remain underway.

As always, our information technology and operations staffs focused on supporting and improving the MOL system throughout the course of 2014. With the financial support of the three states, the Exchange upgraded both the software and infrastructure that serves the hundreds of private- and public-sector port businesses, law enforcement, and first responders who depend on the system to fill a diverse array of information needs.

Among those improvements, the Exchange completed a major upgrade in 2014 to the backend system of MOL to ensure compatibility with the latest Web browsers. As this project included modifications to virtually every portion of the system, the entire team was heavily invested in testing the system to ensure a smooth transition.

We also launched several modifications to TRACS based on requests from the port community as well as regulatory requirements. The Notice of Arrival/Departure on-line system was also modified as necessary to meet Coast Guard mandates.

In a joint project with the Pilots’ Association, the Exchange relocated certain Very High Frequency radio equipment and began the process of replacing aging VHF equipment. Additional work will continue in 2015.

These highlights reflect only a fraction of the government affairs, information technology, and operations accomplishments in 2014.

In addition to those, our staff remained engaged producing the numerous publications designed to keep members informed: the monthly President’s Report, The Beacon, the Port Directory, the daily news clips, and Federal Register summaries are all critical to the success of members, and thus to the Exchange as well.

As they have for 140 years, the needs of our members drive our day-to-day agenda, and 2014 saw a whirlwind of activity. In November of last year, the Board approved a budget for 2015 that will allow the Exchange to continue its vital work.

Heading into 2015, our mission remains clear and unvarying: to protect and promote commerce on the Delaware River. With the support of leadership and membership, we will continue to successfully meet this mission.


Delaware River Stevedores has been providing stevedoring and terminal services in Philadelphia, Camden and Wilmington since 1987. With over 1,000,000 man hours and over 2 million tons of cargo annually we are one of the premier Stevedore/Terminal Operators on the Delaware River.

In utilizing specialized gear, handling equipment and the latest technology to provide efficient and damage free cargo services we remain leaders in today’s marketplace.

Together with the ports it services, Delaware River Stevedores plans each operation and anticipates potential problems to avoid any cargo damage or delays.

Our mission is to exceed the high expectations of the people and businesses we serve.
Waterfronts unite for summer tall ships event

The Delaware River will host an international festival of majestic tall ships, beginning June 25 and running through June 28. This unique event will bring more than a dozen majestic international and domestic tall ships up the Delaware River for the Tall Ships® Philadelphia-Camden event: “Where America Set Sail.”

The waterfronts of Philadelphia and Camden are the perfect venue for the many festival attractions. The event will afford visitors the rare chance to catch a glimpse, step aboard, and even set sail on some of the grandest ships of yore.

Wooden ships with histories dating back to the 1780s will be available to tour and sail. Tall ships bring an air of history – something many have neither seen nor experienced – and they show how people lived in the past and how our ancestors traveled.

This event will feature some of the most acclaimed tall ships of the globe: the U.S. Coast Guard “Barque Eagle,” the French vessel “L’Hermione,” the Portuguese vessel “Sagres,” the Spanish galleon “El Galeón Andalucía,” the Canadian “Barque Picton Castle,” and Philadelphia’s own official tall ship, “Gazela.”

Kicking off the event will be a Grand Parade of Sail with all ships sailing down the Delaware River. During the festival, most ships will be open for deck tours, and others will be available for day sails on the Delaware.

Education and children’s activities are a large part of the activities. For those interested in learning about maritime and waterfront history, there will be glass blowing, blacksmithing, cannon demonstrations, authentic privateer encampment, sword fighting with live steel, knot tying, weapon demonstrations, and sail training with real tall ship rigging. Visitors will have the opportunity to learn about the visiting ships and their respective ports, their historic role in commerce, what it takes to move cargo across oceans, and what life aboard a ship is like for sailors and crew.

Tickets range in price from $12 for a single-day tour pass, up to $150 for a sailing experience with the Parade of Sail.

For more information, visit TallShipsPhiladelphia.com, Facebook.com/TallShipsPC, and Twitter.com/TallShipsPC.
Mariner East project continues to expand

continued from page 1

ground pipeline system of approximately 350 miles, with origins in Ohio, West Virginia and Pennsylvania. It would have an initial capacity of 275,000 barrels a day to carry propane, ethane and butane east from Ohio and West Virginia into Pennsylvania, where it would mostly follow the Mariner East 1 route to Marcus Hook and other locations in the state. Mariner East 2 would serve both the Utica and Marcellus Shale production areas and is scheduled for completion in late 2016.

Natural gas liquids (NGLs) are also known as liquefied petroleum gases (LPGs) and include propane, ethane, butane and natural gasoline. In certain shale areas, such as western Pennsylvania, West Virginia and eastern Ohio, natural gas liquids are found in abundance with traditional natural gas, or methane. They are described as liquids because they are moved through pipes in liquid form. In the atmosphere these substances usually take the form of a gas.

Propane is a common fuel for heating, cooking, crop drying and motor vehicles, and can also be used as a basic material in the manufacture of chemicals. Ethane has uses as a fuel but is primarily used as the essential building block for plastics. Butane and natural gasoline can be blended as an ingredient in gasoline.

Marine activity is forecasted to pick up once again, exchanging what used to be an abundance of Suezmax-sized crude vessels with LPG ships. The hope is to match the crude ship traffic that was lost to rail and domestic crude. Sunoco Logistics’ Marine Operations Manager, Michael Nesbitt, recently told the Exchange that the Marcus Hook Industrial Complex, which currently averages about three ship visits per month, could jump to 12 ships a month once Mariner East 2 is complete.

In addition, he said, Sunoco Logistics is actively exploring the addition of a propane processing complex at Marcus Hook, which would mean additional investment, jobs and production of propylene and other critical feedstocks to spur the area’s petrochemical industry.

“We like to think that this is an opportunity for Pennsylvanians, by a Philadelphia-based company, using Pennsylvania-based resources to develop the state’s economy,” Nesbitt said.

Sunoco Logistics has more than 500 employees in Pennsylvania, more than 2,200 nationally, and has added more than 200 jobs in the state over the last five years.
Let’s celebrate! Delaware River Maritime Day

By: Dr. Art Sulzer, Ed.D.

The Executive Committee of the 2015 Delaware River Maritime Day has announced plans for its Maritime Day 2015 Celebration.

National Maritime Day, which is officially May 22, is celebrated around the country to honor the men and women of our merchant marine who have served alongside and in support of our military since the founding of our country.

“As a point of interest, Commodore John Barry, one of our nation’s earliest naval heroes, was a merchant ship captain from our area,” said Edward Poznek, chief executive officer of the Maritime Academy Charter School. Poznek, along with John Brady, executive director of the Independence Seaport Museum, and William Moran, president of the Ports of Philadelphia Maritime Society, comprise this year’s Maritime Day Executive Committee.

The local Maritime Day celebration officially begins on June 9 at the Independence Seaport Museum with the annual “POPMS Maritime Society Scholarship Event.” The scholarship helps Philadelphia students and mariners advance their educations and professional skills in the maritime industry.

The event will take place in conjunction with the opening of a new exhibit at the Seaport Museum, “Hucksters, the Tumult of Dock Street,” which focuses on vendors who thrived in this area from the 19th century through the 1950s.

Also on June 9, the newly-created Philadelphia Whaleboat Rowing League will hold its first races of the season in the Penn’s Landing Basin. Rowing practice takes place from 2:00-3:30 p.m. with the races following; at 5:00 p.m. the celebration will shift to the museum. The “Academy Cup” will be presented to this year’s winning maritime academy alumni boat crew, and medals to the winner of the first whaleboat league race. The Chapel of Four Chaplains will present a gold medal posthumously to Dante Mattioni in honor of his service to our maritime community. This will be followed with a reception and the exhibit opening.

“There are many opportunities and levels of participation for those who wish to be involved as a sponsor, vendor, or participant,” Poznek said.

This year’s fundraising effort will benefit both the Maritime Society Scholarship Fund and various maritime education projects for Philadelphia school children, sponsored by the Independence Seaport Museum and Maritime Academy Charter School.

There will be more events celebrating Maritime Day continuing throughout the summer and into the fall.

For additional information visit www.portsofphilmaritimesociety.com or contact delrivermaritimeday@gmail.com.
It was a typical cold day in February when Security Supervisor Christopher Davis and Terminal Manager Al Dow of Greenwich Terminals were making their routine rounds. But the day turned out to be anything other than normal when they responded to an on-terminal accident.

“Upon arrival, I saw that the man in the driver’s seat of a tractor appeared to be unconscious,” Davis said. After Dow opened the driver’s side door, he noticed the man did not appear to be breathing.

Driver Marvin Smith of Polaris Trucking was picking up a 40-foot container when his heart suddenly stopped. “Al pulled him from the cab and laid him on the ground. We immediately began several rounds of CPR with chest compressions and the defibrillators. It took a good while, but we got him breathing again,” Davis said.

Smith believes these actions saved his life. “I need to thank not only my Lord, but the quick thinking of Al Dow and Chris Davis,” he said. “Not only did they know to administer CPR, but they also had the proper training to do it and the equipment on hand. If it wasn’t for them, I wouldn’t be here today.”

Dow said, “Hearing Marvin’s voice is all the thanks I need.”

Smith is also extremely thankful for the many people at the Packer Avenue Marine Terminal who asked about him, expressed their concerns, and sent their prayers. “I’ve known these people a long time, since I’ve been coming to that pier for over 30 years,” he said, underscoring the importance of the relationships built within the maritime community.

After he was stabilized, the Philadelphia Fire Department transported Smith to the University of Pennsylvania Hospital.

With Smith in recovery, this story has a happy ending. Though he is still undergoing rehabilitation, he plans to go back to work as soon as his doctors give him the approval.

Upon his recovery, Marvin Smith (center) returned to the Packer Avenue Marine Terminal to thank Al Dow (left) and Chris Davis for saving his life.
Farthing to retire after over 40 years at the port

“In this industry, there is no option to say ‘We can’t.’ The only question to ask is ‘how will we?’”

Those who know James “Chuck” Farthing will immediately recognize how these words characterize the ethic of a man who has dedicated his entire career to safe and efficient vessel and cargo operations.

Starting as a member of ILA Local 1291 in 1974, Farthing made the transition into management in 1978 and continued to work his way up the corporate ladder at Delaware River Stevedores and its predecessor agencies. He retires on June 30, 2015 as vice president of operations.

“The port was in my blood,” Farthing said, noting that he was following in the footsteps of his father, James “Jimmy” Farthing. “My retiring at this time is not only for myself, but also to pay homage to my father, who retired as stevedore manager for Delaware Operating Company after spending 41 years in the industry. I’m somewhat duplicating his career.”

Working in the shadow of his father, he said, was the springboard to his career as a successful stevedore.

Both he and his boss, DRS President Robert Palaima, are extremely proud of the fact that Farthing is the first African-American to become a vice president and officer of the company. “In fact, Chuck was the first African-American to achieve this at any major stevedoring company in the United States,” Palaima said.

Making his way in the maritime industry was not always easy. “In those early days in management, there were some people who didn’t expect me to succeed. But I just got up every day and went to work, learning and muddling as I went along.” He grins as he recalls how quickly the skeptics changed their opinion. “Once I demonstrated my ability to succeed, the rest took care of itself.”

Those experiences helped him discover his own talent and helped build his self-confidence. And he never looked back.

Farthing particularly credits Palaima for supporting him over the years. “No one in this port does anything alone. And as my father said, ‘it doesn’t matter how great you are if you can’t motivate others.’ Bob has been a significant part of my motivation, and he’s helped me learn to inspire others.”

The feeling is entirely mutual. “It is extremely unusual to see someone with not only his level of talent, but also the commitment and dedication to stay with one company for so long,” Palaima said. “Chuck is definitely a rare find.”

Many of his port industry colleagues will be surprised to learn of Farthing’s retirement plans. Bitten by the acting bug, he will soon begin taking drama lessons in pursuit of his passion for the arts. He recently landed the role of “Bobo” in the play “A Raisin in the Sun” at the Nardi Theater in New Jersey.

Of course, he also plans to spend time with his two grandchildren and looks ahead a few years to when his wife retires from her position at the Delaware River Port Authority.

“Nancy has been my partner for over 40 years. It is difficult to work on the river in an operational capacity without a strong support system,” Farthing said. “She’s been my rock and my biggest fan, as I am hers.”

Normally looking to avoid the spotlight, Farthing did not want any fanfare to accompany his retirement. But he notes that he is perfectly comfortable with a tribute article like this in The Beacon. “It’s like sending a card to the family.”

The board and staff of the Maritime Exchange congratulate Chuck on his long and successful career and wish him fair winds as he moves into retirement.
SCI welcomes new staff

By: Patricia Johnston, Communications Director
Seamen’s Church Institute

We here at Seamen’s Church Institute of Philadelphia and South Jersey are pleased to announce two new staff members who will join us full time in the coming months: The Rev. Dr. Beong Lee and Mr. Mark Patrick.

Pastor Lee, ordained in the Korean-American Presbyterian Church, is the new senior chaplain. He will understudy Mesfin Ghebrewaldi, who is contemplating retirement in the next year or so.

Pastor Lee has been engaged in seafarer welfare work for 24 years through the Korean Seamen’s Mission of Philadelphia and the Mission to Chinese Seamen. Both organizations have worked in partnership with SCI for 24 years serving seafarers who arrive in our port. He was a seafarer for four years, serving as a second officer after graduating from the National Mokpo Maritime University in Mokpo, Korea.

In addition to three master’s degrees, Pastor Lee holds a doctorate from Westminster Theological Seminary in Philadelphia. His doctoral dissertation explored seafarer missions and proposed new ways of engaging seafarers in the rapidly-changing maritime industry.

Mark Patrick is the new administrative assistant replacing Douglas Campanell, who has served as operations chief for a decade. Mark is a recent graduate of Seton Hall University in South Orange, N.J. He brings strong computer software skills and a deep compassion for seafarers. He will assist Dr. Stube in the administrative functions of SCI.

Both individuals will be outstanding additions to our team, and we are looking forward to having them start working with us in the coming months. They bring valuable skills, knowledge, and passion for our mission that will help us continue to serve the needs of seafarers in the ports of Philadelphia and South Jersey.

SCW 25th Anniversary

SAVE THE DATE!

Please plan to join the Seamen’s Center of Wilmington board, staff and volunteers as they celebrate 25 years of service to Delaware seafarers.

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Celebrate National Maritime Day on May 22

Though only known to a select few Americans who understand the importance of the U.S. Merchant Marine, Maritime Day has a storied history. It was on May 20, 1933 that Congress declared May 22 each year to be National Maritime Day.

Whereas on May 22, 1819, the steamship the “Savannah” set sail from Savannah, Georgia, on the first successful transoceanic voyage under steam propulsion, thus making a material contribution to the advancement of ocean transportation. Therefore be it Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that May 22 of each year shall hereafter be designated and known as National Maritime Day, and the President is authorized and requested annually to issue a proclamation calling upon the people of the United States to observe such National Maritime Day by displaying the flag at their homes or other suitable places and Government officials to display the flag on all Government buildings on May 22 of each year.

Though unbeknownst to those astute congressmen, the Merchant Marine and American shipyards would become crucial to victory in World War II. Merchant ships carried troops, equipment and supplies across the ocean. Merchant crewmen and their shipmates of the Navy Armed Guard sailed the Atlantic, the Pacific, through the Indian Oceans, and across the Arctic Circle to Murmansk. They carried nearly 270 billion long tons of cargo — the average rate of delivery in 1945 was 17 million pounds of cargo every hour. The Merchant Marine were among the first to go to war, and merchant ships were being captured and sunk even before the United States officially entered the war. And they were the last to return; ships sailed by merchant mariners brought the GIs home.

It was dangerous work. Nearly one in 30 of those who served in the Merchant Marine did not return. More than 6,000 American seafarers and more than 700 U.S. merchant ships fell to enemy action. Only the Marines suffered a higher casualty rate, and no other branch of the armed forces suffered a higher death rate.

In spite of their service and their sacrifices, merchant mariners were not accorded veterans’ benefits and for many years were excluded from celebrations of Veterans’ Day, Memorial Day, and other days recognizing members of the armed forces.

In 1970, the Maritime Administration sponsored an observance of Maritime Day, a solemn ceremony honoring veterans of the Merchant Marine and those who gave their lives in service to the United States. That observance has been held every year since.

A long court battle, Merchant Marine veterans were accorded some rights and privileges of veterans in 1988. Ten years later, in 1998, in recognizing veterans from the Persian Gulf War, Congress included more rights and privileges for veterans of the Merchant Marine.

The U.S. Navy Memorial in Washington, D.C., dedicated in 1987, integrates recognition of the U.S. Merchant Marine. The flags at the entrance of the World War II Memorial include the seals of five services: the Army, the Navy, the Marine Corps, the Coast Guard, the Army Air Corps, and the United States Merchant Marine.

Please join the Exchange in taking this year to remember and honor our Merchant Marine.

Kathy Moore has been a true partner

At the ceremony last year during which Admiral Paul F. Zukunft became Commandant of the U.S. Coast Guard, he laid out three principles that would guide his command: service to the nation, duty to people, and commitment to excellence. We applauded his view, which complements the long-standing Coast Guard values of honor, respect, and devotion to duty.

These are important ethics, and they lay out a very high standard to meet.

It is not an exaggeration to say that Capt. Kathy Moore not only meets those principles, but she personifies them.

As maritime industry stakeholders are clearly aware, the Coast Guard has many missions. For the most part, those missions are shared with private-sector maritime business, such as safe navigation, a secure port, and a healthy environment.

Yet from time to time, actions the Coast Guard wants to take conflict with the business goals of speedy and cost-effective commerce. When that happens, reasonable thinking must prevail.

Kathy Moore has made the tough decisions when necessary. That’s certainly a unique ability among people in general, but not necessarily so among those who have risen to leadership positions. Capt. Moore has taken it a great deal further. Here are just two examples.

We very much appreciated the calm but authoritative demeanor she displayed as she led us through Hurricane Sandy.

And when ice built up throughout the waterway this past winter and Coast Guard assets were at less than full complement, closure of the port was, unfortunately, looking all too probable. Yet Capt. Moore and her staff worked closely with industry to keep commerce moving while still ensuring the safety of navigation. She regularly and most capably served multiple masters and met multiple – and sometimes conflicting – priorities.

The bottom line: Kathy Moore created an atmosphere in which industry and the Coast Guard can achieve consensus through constructive dialogue. She engaged her constituents as equal partners. She has given respect as much as she has earned respect.

Thus, her orders as Captain of the Port do not seem as much like edicts as they do the end result of thoughtful evaluation of the circumstances and open communication with affected parties.

Even among leaders, this is a rare gift indeed.

Most Recent Accomplishments

Under Kathy Moore’s leadership, the Sector Delaware Bay Area Maritime Security Committee was just named as the 2014 AMSC of the Year. Bravo Zulu!

In May, the Women’s International Trade Association announced its selection of Capt. Moore as its Woman of the Year for 2015. This is definitely going out on a high note.

On behalf of Maritime Exchange members, board and staff, The Beacon extends its congratulations to Capt. Moore on her many successes and best wishes upon her retirement after 25 years of dedicated service to the U.S. Coast Guard.
Legal Ease

By: M. Elisa Reeves, Esq.

Are you involved with shipping cargo? If so, you need to move the cargo from the marine terminal to a warehouse by truck. You may work for an ocean carrier, or perhaps you are the consignee or shipper of cargo. You might be a broker or forwarder who handles the logistics of getting the cargo from one place to another. No matter your role in the shipping chain, eventually the cargo will be hauled over the road by a commercial motor carrier.

In every industry, there is the potential for accidents. Cars, minivans and SUVs do not fare well in accidents with tractor-trailers, due to the great weight discrepancy. Even at 40-50 mph, the occupants of a passenger vehicle rarely survive the impact, and other motorists may be killed or injured in the chain reaction which follows. Litigation ensues against the motor carrier and driver, however the trucking company may not have sufficient assets or insurance to cover the claims, which can run into the millions of dollars. The mandatory limit of $750,000 per accident is woefully inadequate to compensate those injured or killed in the accident.

Faced with this problem, plaintiff's attorneys will look for other deep pockets to sue, and they have found creative ways to hold shippers, brokers and other third parties responsible. The predominant theories of liability are vicarious liability and negligent hiring or selection.

Vicarious Liability (The Rock)

Corporations are liable for the negligence of their employees and agents but are not generally liable for the actions of independent contractors. In recent decades, the liability of motor carriers has been extended to drivers who were not on the payroll and who often used their own trucks to move freight for the motor carriers. This was the result of federal legislation which sought to prevent trucking companies from avoiding liability while transporting customers' cargos. In other words, trucking companies are vicariously liable for the conduct of their drivers, even if they are independent contractors.

Vicarious liability for the negligence of a truck driver usually ended with the motor carrier. In the last decade, however, it has been expanded to include others in the transportation chain, at least to the extent that they have the right to control the transportation. This control must extend beyond the right to dictate the end result (move cargo from point A to point B), to the right to control the way in which the job is done (route, communication with driver, speed, time of delivery, etc.).

The best way to avoid this type of liability is to distance yourself from the details of the transportation — don't instruct the driver directly, suggest the route, or insist on particular delivery times. Just hire the trucking company to make the delivery from Point A to Point B and step back. Any updates on cargo ETA should come from the trucking company — do not communicate with the driver directly.

Note that it is not the actual exercise of control but the right to control that governs the relationship.

Absent the right to control the actions of the driver, you have a solid defense to any claim that you are vicariously liable for the trucker's negligence. Unfortunately, you may still face the argument that you negligently selected the motor carrier and did not make sure that the trucking company had a good safety record, properly trained drivers, and kept equipment in good condition.

Negligent Hiring/Selection (The Hard Place)

This cause of action is governed by state law, and is summarized below:

An action for negligent hiring or retention of an employee requires the plaintiff to plead and prove (1) that the employer knew or should have known that the employee had a particular unfitness for the position so as to create a danger of harm to third persons; (2) that such particular unfitness was known or should have been known at the time of the employee's hiring or retention; and (3) that this particular unfitness proximately caused the plaintiff's injury.

In other words, liability may be based on the selection of an unsafe or incompetent motor carrier. The key issue is due diligence — did you know, or have reason to know, that the motor carrier had a poor safety record or a history of accidents?

It is now possible to see a carrier's safety and/or accident record via the Department of Transportation's Web site. Some courts have held that there is a duty to investigate the safety records of the motor carrier and to choose a “safe” carrier for the inland transportation. As a result, an entire industry has developed, whereby a vendor will regularly check the safety scores (as well as insurance, etc.) for a monthly subscription fee and can produce hard evidence of due diligence for use in court.

Arguably, due diligence can also be established by your relationship with the carrier. If you have a long history of shipments with a particular carrier and no knowledge of any accidents or equipment failures, you may be able to mount a successful defense to the charge of negligent hiring.

Be cautious when hiring a new carrier, though. If it has changed its name and obtained new federal authorities, this can be a red flag. We also recommend that you formally insist that your load not be “double brokered” — the cargo must be carried under the selected carriers' authority and not brokered to a sub-contractor without your knowledge.

In conclusion, any company hiring a motor carrier needs to balance two competing interests. On the one hand, you want to distance yourself from the truck drivers' and the motor carriers' operations. On the other, you need to "vet" the carrier to make sure it is hiring competent drivers who follow federal safety regulations.

Unless you are careful, you may find yourself between the proverbial rock and a hard place. If you delve too deeply into the safe driving aspect of the carrier's business, you could be subjected to vicarious liability. If you don't exercise sufficient due diligence, you could be liable for negligent selection. A delicate balance must be maintained.

There are many resources available to help you develop a comprehensive carrier management system. Use reputable carriers who are adequately insured and capitalized. Most importantly, make sure that your company has adequate insurance to respond to any wrongful death and injury claims. Finally, have your procedures and contracts reviewed by a transportation attorney before you find your company between that rock and a hard place.

Lisa Reeves is a partner in the law firm of Reeves McEwing LLP. In addition to her maritime law practice, Lisa represents forwarders, NYOCCs, ocean carriers, intermodal equipment providers and others in commercial disputes as well as wrongful death and personal injury claims. Contact her at reeves@lawofsea.com.
Notes & News

Capes Shipping Agencies announced that Henrik G. Nielsen has joined its team as general manager. Henrik brings over seventeen years of diverse maritime experience to Capes, including vessel operations, technical, agency management, chartering, and portcaptaincy. He will be responsible for the management and development of its Baltimore, Md. and Wilmington, Del. offices. Welcome aboard, Henrik!

Lt. Col. Andrew Yoder, deputy commander of the U.S. Army Corps of Engineers Philadelphia District, was promoted during a ceremony at the Liberty Bell exhibit on Independence Mall on March 4. As a senior leader for the Philadelphia District, Yoder supervises a staff responsible for managing water resources of the Delaware River basin and the New Jersey and Delaware coasts, building facilities for the Army and Air Force, and providing engineering and environmental services for other agencies. Congratulations!

Calendar of Events

05/30/15 Seamen’s Center of Wilmington Tug Boat Cruise
Port of Wilmington, DE. Call 302-575-1300

06/04/15 Women’s International Trade Association Annual Woman of the Year Dinner
Corinthian Yacht Club, Essington, Pa.
Contact lynn.poling@outlook.com or 302-547-3405

06/10/15 Maritime Exchange Executive Committee Meeting
Traffic Club of Philadelphia Summer Social
Waterworks Restaurant
Contact Maureen Waddington, tcphiladelphia@gmail.com

06/16/15 Philadelphia Regional Port Authority Board Meeting
06/17/15 DRPA/PATCO Board Meeting
06/22/15 World Trade Association of Philadelphia Annual Golf Outing
Union League Club of Philadelphia
Contact Deborah Ingravallo, 856-642-3957 or wtaphila@comcast.net

07/08/15 Maritime Exchange Board Meeting
07/14/15 Tri-State Maritime Safety Association Board Meeting
07/15/15 DRPA/PATCO Board Meeting
07/21/15 Seamen’s Center of Wilmington Board Meeting
Philadelphia Regional Port Authority Board Meeting
08/07/15 Area Maritime Security Committee Managing Board Meeting
08/12/15 Maritime Exchange Executive Committee Meeting
08/18/15 Philadelphia Regional Port Authority Board Meeting
08/19/15 DRPA/PATCO Board Meeting
08/21/15 Area Maritime Security Committee Meeting

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