



# Seaway Compass



Vol. 7 No. 1

Winter 2002

## 2001 : Where Did the Year Go?

By SLSDC Administrator S. Albert Jacquez



Albert S. Jacquez,  
Administrator of the  
Saint Lawrence  
Seaway Development  
Corporation

Every January all of us ask ourselves, 'where did the year go?' After giving some thought to that perennial question, it occurred to me that jotting down a few of our

accomplishments at the SLSDC in 2001 could be helpful to more than just exercising my fading memory. How? Communicating is the key to enlisting action.

The SLSDC publishes the Seaway Compass not just for its employees but for all Great Lakes St. Lawrence Seaway System stakeholders. In a maritime system as diverse as ours, many of us have different goals and frequently interact only where we have shared interests. Yet, hopefully experience has taught us that our personal and organizational actions do not occur in a vacuum. What we do—or fail to do—reverberates like waves from a pebble thrown in a pond.

Please take a moment and let us know by telephone, fax, email, or better yet, in person how you grade our efforts. Tell us how we can improve our service to you. Remember, communicating is active. It's dialogue not monologue. Join with me in making the Great Lakes St. Lawrence Seaway

System better. The Seaway Compass can help you highlight your organization's accomplishments in this System. So call us today at (202) 366-0091 / 800-ST-LARRY and let us know if you'd like to submit an article, column or photos in future editions.

The SLSDC successfully developed and implemented several programs and projects in close coordination with SLSMC and USCG in 2001. For example, for the first time in the 42-year history of the Seaway, the two Seaway entities developed a  
(continued on page 2)



*MV Columbus services the Great Lakes in late summer through early fall, offering tourists voyages of discovery on North America's inland seas.*

I want to highlight five areas that the SLSDC has been working hard at in the past year. I believe these areas merit attention because they impact a broad spectrum of stakeholders throughout this System. Did any of these areas noted below affect you and your organization? Chances are good that at least a couple did or soon will.

### 1. Increased Partnering with U.S. and Canadian Stakeholders

The binational, multi-jurisdictional nature of the St. Lawrence Seaway requires active cooperation among U.S. and Canadian stakeholders.

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Joint Strategic and Business Development Plan, with the goals of improving customer service and reducing costs. In addition, the SLSDC increased its close coordination with the USCG in performing safety and environmental inspections in Montreal, prior to vessels entering U.S. waters. Under this program, all foreign-flag vessels are inspected on the first inbound transit each year through the St. Lawrence Seaway. Furthermore, following the September 11 incidents the SLSDC has been actively involved in conducting security-related foreign-flag vessel and crew inspections in conjunction with the USCG and other U.S. and Canadian agencies. These inspections include examinations of crewmember documentation and other security-related screenings. Since September 11, the SLSDC has performed risk assessments on more than 175 foreign flag and other high-risk vessels.

## **2. Great Lakes Seaway System Binational Web Site**

On February 26, the SLSDC and the SLSMC, unveiled a new binational Internet web site ([www.greatlakes-seaway.com](http://www.greatlakes-seaway.com)) to educate and assist current and potential customers with useful and timely information on transiting the Great Lakes Seaway System. The website is a unique public-private partnership and is the result of feedback from Seaway customers who requested a "one-stop" Internet site for locating U.S. and Canadian information related to transiting the Seaway System. The site is currently averaging more than 50,000 requests for site pages each month from users in more than 50 nations. The web site initiative is in furtherance of the SLSDC's mandate to promote the St. Lawrence Seaway and partner with stakeholders.

## **3. Seaway Automatic Identification System**

The SLSDC entered the final stage of testing the Seaway's new Automatic Identification System (AIS). The SLSDC, in conjunction with the Volpe National Transportation Systems Center and the SLSMC, successfully installed AIS antenna for eight of nine shore stations from Montreal to the Welland Canal and completed AIS signal coverage testing from Montreal to mid-Lake Erie. The Seaway's ground-breaking AIS network is scheduled to become operational in May 2002 with mandatory AIS carriage by all commercial vessels scheduled in 2003. Carrier users plan to conduct AIS trials between June-November 2002 and subsequently to install the AIS unit on board vessels in January-March 2003. Once operational next year, the Seaway's AIS network will be the largest application of this navigation technology to an inland waterway anywhere in the world. The SLSDC is the Captain of the Port in the U.S. waters of the St. Lawrence Seaway, and as a result, is responsible for vessel traffic control within the U.S. sectors of the Seaway.

## **4. Invasive Species-Ballast Water Initiatives**

The SLSDC played an active role with other U.S. and Canadian agencies and industry stakeholders to reach a compromise on various State-initiated proposals to regulate ballast water management in the Great Lakes. The compromise (in the form of a bill enacted by the State of Michigan) calls for a testing regime that is more in concert with national and international approaches and the development of a joint SLSDC-SLSMC regulatory proposal for mandatory industry ballast

water management practices compliance as a prerequisite to Seaway clearance. The regulatory proposal has been published for public comment and is expected to be finalized by the opening of the upcoming navigation season. The SLSDC played an active role in this initiative because of its mission to promote maritime safety and environmental protection. (see also New Seaway Ballast Rule, page 5)

## **5. Economic Impact Study/Transportation Cost Analysis**

In August, the SLSDC released an economic impact study and transportation cost analysis of the U.S. portion of the Great Lakes St. Lawrence Seaway System. According to the study, employment increased to more than 150,000 jobs, personal income rose to \$4.3 billion, revenues increased by 96 percent to \$3.4 billion, and federal, state, and local tax revenue generated by the System increased to \$1.3 billion. For the 2000 shipping season, the System provided \$1.2 billion in cost savings versus other transportation modes to steel mills, utilities and other key industries located in the eight-state Great Lakes region. The SLSDC commissioned the study as part of its mission to promote economic development.

It was certainly an extraordinarily busy and productive year for me and my colleagues at the SLSDC. Many of you can surely say the same thing. So why don't you? Take the time to put down on paper your organization's key achievements for the last year or your preparation for an important upcoming maritime event in 2002. The *Seaway Compass* can help publicize your organization's efforts. It's free. And it's great for keeping historical perspective in a fast-paced world.

# Seaway: Age Is 'As You Like It'

by Davis Helberg, Director, Duluth Seaport Authority



*Davis Helberg,  
Executive Director,  
Duluth Seaway Port  
Authority*

Given that the world's population is now said to have a median age of about 27 years, the great majority of folks on our planet

didn't exist when the St. Lawrence Seaway opened in 1959.

This is hard to believe for a guy not quite eligible for Social Security but who was already working in the Great Lakes maritime industry when the first ships entered the system.

As we approach the Seaway's 44th navigation season, I still tend to regard the waterway as something relatively new. They say that happens when you hit the shady side of middle age.

The fact is, though, the Seaway system is still relatively "new" compared with, say, the Suez Canal (1869) or the Panama Canal (1914). There is that nagging question, however, about whether our system will have the staying power of those other, older international trade routes.

Some of our critics contend our best years are behind us. They say our locks are too small, our season's too short, our costs too high.

It's hard to argue about the size and seasonality issues---and they have been issues, big issues, almost since the day the Seaway opened.

But it's also hard to dispute the intrinsic value of a system that---even in these difficult times---still generates employment for an estimated 200,000-plus good souls in eight states and two provinces while providing competitive transportation for mining, agricultural and industrial interests across a great swath of North America.

In my view, though, we must find ways to expand both our size and our season. The U.S. Army Corps of Engineers' Great Lakes Navigation Study, now nearing the end of its Reconnaissance Phase, gives us the best opportunity we've had in decades to address the size issue---particularly if the Canadian government participates in what we hope will be a comprehensive follow-up study.

Regarding an extension of the navigation season (11 months? year-round?), we know the technology exists, as witness the operation of cold-climate waterways elsewhere in the world. The big question here is whether we have the fortitude and political clout to give it another shot.

A significantly longer season would, for the first time, give us

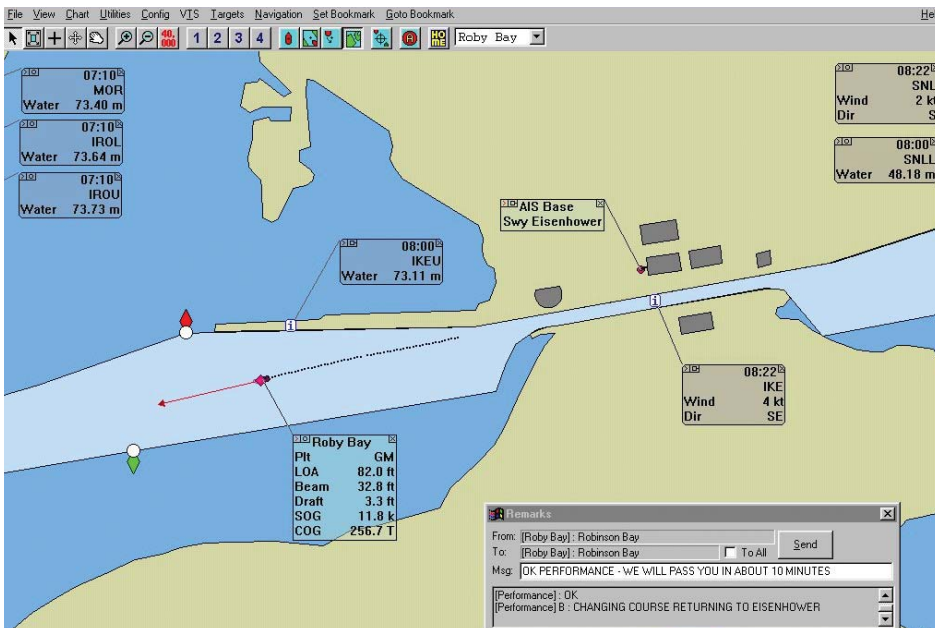
a legitimate crack at developing container services. Given the near-gridlock of urban traffic (addressed in most cities by more black-top), a strong case can be made, now, for the environmental benefits of waterborne transportation. Perhaps the day has come when feeder systems would finally make sense to container shippers, carriers and, most important, government policymakers.

The Seaway is, in many ways, still new. For us to think we can continue to be economically viable for future generations, however, we need new thinking and big thinkers.

If we don't address the lingering questions, we need look no further than the Erie Canal for the fate of commercial waterways that fail to meet commercial cargo needs. One of North America's most important trade routes from 1825 through the early 1900s, today it's a wonderful place for tourism and recreational craft.

If it takes us another 40 years to decide whether to modernize the Seaway, some of us might already be contemplating retirement.

# AIS is AOK for 2002



*AIS software delivers pinpoint precision location and an array of vital marine data to commercial vessels plying Seaway waters.*

The Saint Lawrence Seaway Development Corporation (SLSDC) has attracted increasing attention with its expertise in developing shore side applications for the Seaway Automatic Identification System (AIS) project. In 2001, the second year of the implementation phase of the AIS project, the SLSDC and the St. Lawrence Seaway Management Corporation (SLSMC), burnished that growing reputation with significant progress on a program that gets more interest with each passing month.

AIS is a shipboard transponder system capable of sending ship information such as identifi-

cation, position, speed, ship length, beam and draft, and hazardous cargo information, to other ships and to shore facilities.

**AIS will greatly enhance the security and safety of vessel transit in the Seaway and the Seaway traffic management operations.**

The system operates in a very high frequency maritime band. Ships fitted with these transponders will be tracked by the Vessel Traffic Control Centers at Massena, N.Y., St. Lambert, Quebec and St. Catharines, Ontario.

Basically, it means that ships will know exactly where other vessels in the system are in real time within an accuracy of five meters. In an emergency, that kind of accuracy can be crucial to saving lives or reducing envi-

ronmental impact in an accident. With its ship-to-ship, ship-to-shore and shore-to-ship communication capabilities, AIS will greatly enhance the security and safety of vessel transit in the Seaway and the Seaway traffic management operations.

The first live demonstration of AIS technologies on the Seaway to industry officials occurred in September 2000. What was the big news for 2001? With technical assistance from the Department of Transportation's Volpe Transportation Systems Center in Cambridge, Mass., the SLSDC and SLSMC completed the installation of AIS antennas for eight of the nine shore stations from Montreal to the Welland Canal. As part of this effort, the in-house Engineering and Maintenance staff designed and installed a new AIS tower near Eisenhower Vessel Traffic Control Center in May 2001.

Volpe Center engineers also conducted the AIS signal coverage tests utilizing commercial vessels transiting Seaway waters in the Summer and Fall of 2001. The preliminary results indicated that the selected AIS shore stations should be able to provide complete coverage for the Seaway Traffic Control sectors from St. Lambert to mid-Lake Erie.

The Initial Operational Capability (IOC) of the Seaway AIS network originally scheduled for September 30, 2001 has been postponed until May 31, 2002. Complications arising in the approval of the testing standards for the AIS transponder required by the International Electrotechnical Commission forced the postponement. The delay in approved testing standards limited the availability of

(continued on page 5)

AIS transponders in the marketplace until after November 2001.

Among the remaining tasks to be accomplished in 2002 include procurement of AIS transponders to complete the installation of all nine AIS shore stations and to conduct complete network testing from Montreal to the Welland Canal. Doing so should achieve IOC of the Seaway AIS network by the end of May 2002. Another major

task, primarily by the users such as masters of 'lakers' and pilots of 'salties,' will be the shipboard AIS test and evaluation scheduled from June through December 2002. The Seaway AIS network will also be continually refined through the yearlong testing period. AIS carriage by all commercial vessels transiting the Seaway waters is scheduled to become mandatory by April 1, 2003.

Everyone associated with AIS concurs that its mandatory implementation in the Spring of 2003 for commercial vessels transiting through the Seaway will greatly improve maritime security. In today's hyper-security environment, tools like AIS are just the ones needed to help keep cargo moving efficiently whenever unexpected problems arise.

## New Seaway Ballast Rule

The SLSDC issued a Notice of Proposed Rulemaking in the *Federal Register* January 24 on ballast water that, if adopted, will affect all commercial oceangoing ships entering the Seaway and commercial lakers currently plying the waters of the Great Lakes. The rule seeks to make mandatory the existing voluntary industry codes governing ballast water management practices for commercial vessels entering, exiting and operating in the Great Lakes St. Lawrence Seaway System.

The public has 30 days from publication in which to make known to the SLSDC its comments on the proposed rule. Thereafter, the SLSDC and the SLSMC, which jointly publish and presently administer the St. Lawrence Seaway Regulations and Rules (Practices and Procedures in Canada) in their respective jurisdiction, will determine if any changes to the proposed rule are necessary and if so, include them in a final rule, prior to the opening of the navigation season.

Under agreement with the SLSMC, the SLSDC is proposing to amend the joint regulations to make

compliance with applicable Great Lakes shipping industry codes for ballast water management practices a mandatory prerequisite for clearance of a commercial vessel for transit of the Seaway system in support of assuring the continued control of the introduction of aquatic nuisance species (ANS) in the Great Lakes Seaway System.

"This proposed rule offers language that shipowners and operators should be very familiar with because the great majority of ships now transiting this system already are complying with these industry standards," according to Marc Owen, the SLSDC's Chief Counsel. The move to making them mandatory simply is a longstanding practice of regulators to incorporate industry standards by reference as regulations that are Federally enforceable and, in this case, enforceable by the Canadian SLSMC as well. This practice has a long history of effectiveness.

Individuals with questions about the rule may contact Marc C. Owen, SLSDC Chief Counsel, at the Washington Corporate office at (202) 366-6823. The proposed rule,

which would appear in Part 401 of title 33, Code of Federal Regulations if adopted, reads as follows:

§401.30 Ballast water and trim.

\* \* \* \* \*

(d) Beginning in the 2002 navigation season, to obtain clearance to transit the Seaway:

1) every vessel entering the Seaway after operating beyond the exclusive economic zone must agree to comply with the "Code of Best Practices for Ballast Water Management" of the Shipping Federation of Canada dated September 28, 2000, while operating anywhere within the Great Lakes and the Seaway; and

(2) every other vessel entering the Seaway that operates within the Great Lakes and the Seaway must agree to comply with the "Voluntary Management Practices to Reduce the Transfer of Aquatic Nuisance Species Within the Great Lakes by U.S. and Canadian Domestic Shipping" of the Lake Carriers Association and Canadian Shipowners Association dated January 26, 2001, while operating anywhere within the Great Lakes and the Seaway.

Montreal's annual Grunt Club activities, held most recently in early December 2001, brought together old friends and provided a wonderful opportunity to make new ones. The SLSDC hosted a special reception for Great Lakes St. Lawrence Seaway stakeholders at the InterContinental Hotel that provided an opportunity to discuss the year's business events and make plans for the upcoming navigation season.



*U.S. Coast Guard 9th District Commander Rear Adm. James Hull (right) chats with Camille Trépanier, SLSMC's VP for Strategic and Business Development.*



*SLSDC Administrator Jacques (right) discusses manpower issues with John Baker, President of the Great Lakes District International Longshoremen's Association.*



*Michael Doran, Director of Port Operations, Toronto Port Authority, and Georges Robichon, right, senior VP and General Counsel, of Montreal shipping company Fednav, share a moment at the SLSDC reception.*

**2001 Seaway Statistical Snapshot**  
(entire Seaway)

<i>Total Cargo (millions of metric tons)</i>	<b>2001</b>	<b>2000</b>
<b>Total</b>	41.6	46.5
<b>Grain</b>	11.8	13.2
<b>Iron ore</b>	8.6	11.3
<b>Iron and steel</b>	2.5	4.5
<b>Total Vessel Transits</b>	4,082	4,183

**Upcoming Events**

<b>Date</b>	<b>Event</b>	<b>Location</b>
March 11-15	Seatrade Cruise Grain Convention	Miami, FL
March 14	Northeast-Midwest Institute Great Lakes Congressional Breakfast	Washington D.C.
March 20-22	International Longshoremen's Association Great Lakes District Council Pre-Navigational Conference	Tampa, FL
March 26	Seaway Official Opening Ceremony Welland Canal	St. Catharines, Canada
April 24	SLSDC hosts Trade Development Meeting	Chicago, IL
May 5-8	Great Lakes Commission Semi-annual Meeting	Québec, Canada
May 26-27	Transport Canada/National Marine Conference	Toronto, Canada

## Winter Work Underway at U.S. Locks



*MVC-788 Downstream south miter gate leaf setup for crack welding.*

The end of the 2001 navigation season means the beginning of 2001-02 winter work performed by the Office of Maintenance and Marine Services. Our 5-year Maintenance Plan concentrates on lock operating equipment; machinery, control and power, and structures. It includes inspection and repair, and recurring preventive maintenance as defined in the Plan and other concerns expressed by the U.S. Army Corps of Engineers.

Winter work involves actions like remedial concrete replacement around the valve ledges and seals and the seals of valve bulkhead slots. Work is being performed at the Snell Lock for the second year to complete welding of cracks on the miter gates (see photo above).

At Eisenhower Lock, repairs were completed on the roller gate

assembly of the ice flushing system, culvert valve Philadelphia Drive Units are being removed, rehabilitated and replaced, and repairs were completed on the upstream south culvert valve.

Winter work is not cheap or easy, but it is a bargain for what it accomplishes, said Peter Bashaw, Director of the Office of Maintenance and Marine Services. "Dollar for dollar, winter maintenance is an excellent investment because conducting a vigorous inspection program regularly and fixing problems as you find them saves money in the long run." Mechanical parts on the locks wear out in time with use, he said, in the same manner as on a car.

According to Bashaw, the only question regarding maintenance is determining when it will be conducted—now or later. For the Seaway, scheduling thorough maintenance in

the winter means traffic is not a problem even if winter presents its own challenges.

At any given moment, the office has a number of work projects slated for action. Some of the items are relatively easy, others are not. What sounds simple becomes a test of endurance when the thermometer drops below zero and a north wind howls. Plowing and sanding roadways and parking areas are routine duties that everyone notices.

Since many employees are not daily visitors to the Snell and Eisenhower locks, they frequently see little of the vital work that occurs daily. Typical winter duties include de-watering and covering a lock for winter concrete and preventive maintenance. That's what is currently underway at Snell Lock.

Project leaders Raymond Brosseau, William Leatherland, Warren Robillard, and William Nadeau ensure that their respective responsibilities are performed. That includes tasks like inspecting miter gates and culvert valves at each lock and making necessary repairs. Some maintenance/operations teams will be detailed to welding cracks on upstream and downstream gates; others will clean, inspect and re-lubricate machinery drive systems.

The list of projects is lengthy but all are needed and will be accomplished during the winter. Some are annual projects which must be accomplished to assure the reliable operations of the locks during the navigation season. The crews exchange opinions

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about the most efficient order in which to perform their jobs.

Projects like:

- Replacing bosses and bearings on upstream south valve Eisenhower;
- Inspecting, identifying cause of failure and repairing the roller gate of the Ice Flushing System;
- Meggering (measuring the effectiveness of insulation resistance) valve and gate motors;
- Replacing aging and deteriorated control wires at both locks; and
- Performing critical preventive maintenance on the locks switchgear and traveling nut limits.

Many office workers might imagine that this list, which never seems to end, is like a 'honey do'

list nightmare. That's not the way Bashaw and his staff view things though. "This field attracts people who like to work hard, who take pride in fixing what is broken or ensuring that equipment keeps running at its optimum because it receives professional care," he said.

One of the proofs of the excellence of the 55 employees of Marine Services home is measured year after year in the downtime rates for the Seaway. Historically, the SLSDC numbers read 98 percent or better. Despite the inevitable toll that time and weather has effected on concrete and the thousands of machinery moving parts, these men and women are determined to keep the locks open. As they complete yet another assignment, a new batch of 'to do's' crops up.

Ray Brosseau and Warren Robillard look forward to teaming

up with Operations personnel to complete the heavy workload during the short Winter Work Period. Earl Leatherland likes the challenge of addressing the unknown problems, which invariably arise, and Bill Nadeau likes the challenge of keeping the snowplows and cranes operating when they are critically needed.

Massena's winter landscape often calls to mind an idyllic Courier and Ives engraving for those toasty warm inside. But when the North Country's mercury drops and winds rage, employees toiling outside are more apt to call to mind Gustave Doré's engraving of Cocytus, the frozen lake of ice at the bottom of Hell. No matter, the maintenance crews keep working. The days are short and Spring brings with it a new navigation season for which they must and will be ready.

## Binational Web Site Update

The Great Lakes St. Lawrence Seaway System binational web site ([www.greatlakes-seaway.com](http://www.greatlakes-seaway.com)) continues to attract new users from across the globe.

Following the first-year success of the site, the SLSDC and SLSMC are planning to unveil several new and dynamic web applications that will improve user efficiency and help develop new business.

Two new applications scheduled for release during March will include Cost Calculator and Cargo Matching. Cost Calculator will allow site visitors to calculate

key Seaway cost elements such as Seaway tolls, pilotage charges,

and U.S. and Canadian government charges for prospective shipments. Cargo Matching will provide a means for agents, owners, operators and managers to advertise available vessels and cargos in need of transport.

In addition to these applications, a new user registration page will be unveiled to allow site visitors to register for services. Business-specific applications are also being developed by the Canadian SLSMC for release next month to increase its efficiency in clearing and billing Seaway users. They will include pre-clearance, transit declaration, and account information applications.

**GREAT LAKES ST. LAWRENCE SEAWAY SYSTEM**

**Cost Calculator**

• Cost estimates noted below are based on published rates only. Carrier freight rates may already incorporate some of the costs associated with these published rates. For an outline of other cost elements [click here](#)

Input Information		Output - Estimated Transit Costs as of	
		2002-01-15, 01:59	
		Item	
		C\$	US\$
Cargo:	STEEL (Iron) / MANUFACTURED N.O.S.	Seaway Tolls:	35,376 22,972
Cargo value (US\$ per tonne); only required if the transit destination is in the USA:	10000	Pilotage Fees:	3,999 2,597
Vessel Type:	Tanker - Ocean / (12,100 DWT)	Can. Gov.:	0 0
Tonnage/Passengers:	9694 metric tonnes	U.S. Gov.:	191,992 124,670
Port of Origin:	Other external/Externaux divers	*Includes applicable Lower St. Lawrence costs	
Destination:	Toledo		
Date of Trip:	2002/01/19 Click to select date format: yyyy/mm/dd, e.g. 2001/11/01		

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and U.S. and Canadian government charges for prospective ship-

transit declaration, and account information applications.



# Poland to Norway: Seaway Trade Mission 2001

By Rebecca McGill, Director, SLSDC Trade Development Office

The SLSDC and SLSMC led a delegation of senior U.S. and Canadian Great Lakes executives on a Seaway Trade



*Rebecca McGill,  
Director,  
SLSDC Trade  
Development Office*

Mission to Poland and Norway in May 2001. The trade mission provided opportunities for delegates to make contacts with maritime industry leaders and decision-makers and to promote the Great Lakes St. Lawrence Seaway as a safe, reliable and cost effective transportation route.

Last Spring our delegation first visited a Baltic maritime nation, Poland, and three of its ports—Szczecin, Gdansk, and Gdynia—prior to continuing to Oslo, Norway.

Timing is everything in business and certainly that is the case with trade missions. We selected days where we would have access to the maximum number of key maritime government and industry officials. For Poland that meant during the annual Baltic Herring Meeting, a time when officials from around the world typically gather in Szczecin to network and promote business. In fact, some 1,500 members from throughout Europe

attended the event. The people we needed to talk to were there.

We briefed executives of the Polish Steamship Company, known to many as POLSTEAM. They operate more than 100 vessels worldwide, transporting

employees with Euro Africa Shipping Lines (ESL). ESL operates Seaway sized-vessels and could benefit as a Great Lakes St. Lawrence Seaway user. In fact, we talked to many current customers and



*Ship loading underway at the Port of Szczecin on Poland's northern Baltic coast. Last year's Seaway Trade Mission in May stopped here and at two nearby sister ports of Gdynia and Gdansk before moving on to Oslo.*

the bulk cargo we at the Seaway are so familiar with—grains, coal, and iron ore. We talked to

potential clients. Why spend precious time talking to current  
(continued on page 10)

customers? Because retaining business is just as important as seeking new customers. We want to know how we can improve service to them. If there is a problem, however minor, it is best fixed early.

From Szczecin we traveled to Gdansk where we met with members of the Polish Ship Owner's Association and the Polish International Association of Freight Forwarders. Then it was on to the Ports and Shipyards of Gdynia and Gdansk where we met with our counterparts and were offered a tour of their facilities.

Leaving Poland, the Trade Mission turned next to the Norwegian city of Oslo and the entire group geared up for one

Norwegian Shipowners Association, is far better known as the Nor-Shipping Conference. An event it certainly was as more than 10,000 executives from around the world came to learn, sell their wares, make new friends and hopefully new customers. We set up and staffed our information booth and throughout the next three days scores of individuals stopped by with questions and comments. We provided brochures, answers, referrals, and yes took more business cards than we thought possible.

Did the Trade Mission accomplish its objective? There can be only one answer to that in my estimation—yes! That subjective answer will be scrutinized how-

where the real success has been so we can better target businesses and products with appropriate services.

This latest binational Seaway overseas trade mission represents the 24th time that the SLSDC has sponsored or cosponsored a mission to boost trade throughout the 2,300 mile Great Lakes St. Lawrence Seaway System. The SLSDC and SLSMC first led delegations to Norway in 1987, and again in 1999. This was our first return trip to Poland since the initial visit in 1991.

Trade missions are exciting and fun, but they involve far more work than one might imagine at first glance. Research on the products in which a port specializes is key. In addition to being able to recount with accuracy, confidence and enthusiasm all of the pluses and yes, drawbacks, of the Great Lakes Seaway System, trade mission participants have to be able to deliver compelling reasons for potential customers to include us on their itinerary. That means knowing their business as well.

Our next mission is scheduled for October 2002 and we will be off in search of new Seaway markets from businesses in Spain and France. In Spain we stop in Madrid, Barcelona and Bilbao. Afterwards, we travel to France for visits to Le Havre and Paris. If you think you or someone in your organization should be a member of this important trade mission, give me a call at (202) 366-5062.



*SLSDC Trade Development Director McGill and several members of Seaway Delegation pose for a photo during The Seaway Reception in Oslo, Norway. Left to right front row: John Baker, President, AFL-CIO Great Lakes District; Jean Fournier, Port Director, Trois Rivières; and Guy Berthiaume, VP, Servichem Inc. Back row, same order: Alkies Scourtellis, Managing Director, Navitrans Shipping Agency; Captain Joe Craig, Marine Specialist, SLSDC, Rebecca McGill, and Robert Masson, GM, CEO, Trois Rivières.*

of the world's major maritime events. The 18th annual International Shipping and Maritime Exhibition and Conference, sponsored by The Seatrade Organization and The

ever in the course of the next two to three years. Do the traffic numbers bear witness to that assessment? This office will be monitoring those numbers as they come in. We want to learn

# Benefits Analysis: Expanding, Modernizing St. Lawrence Seaway

The SLSDC, SLSMC, and the U.S. Army Corps of Engineers (ACOE) recently retained Martin Associates to conduct a "reconnaissance-level" benefits analysis of non-containerized cargo moving on the Great Lakes St. Lawrence Seaway System. The study identified benefits that would result from enlarging the Seaway and deepening connecting channels. In fact, based on the more than 25 million tons that would be impacted as the result of the deepening and lock widening project, Martin estimated more than \$76 million per year of transportation cost benefits could accrue if the expansion and modernization takes place.

In addition to these transportation cost savings resulting from the project, Martin Associates identified inland origins and destinations that, after project completion, would be more cost effectively served via a Great Lakes routing than the current coastal port routing. The U.S. Army Corps of Engineers estimated that these shift-of-mode benefits could reach more than \$90 million per year.

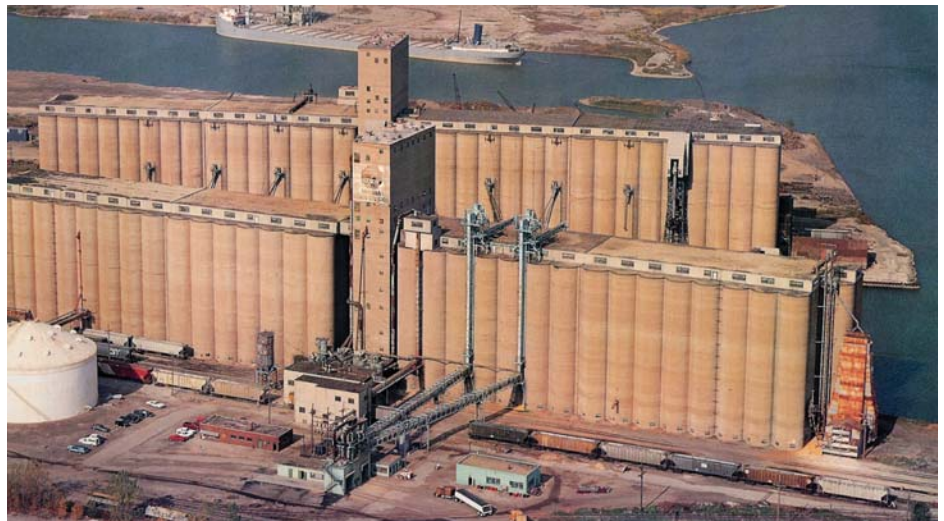
How were the savings calculated? The company examined two scenarios—a 'with project,' meaning results based upon lock expansion, and a 'without project' counterbalance. The results were impressive according to Martin economists who identified substantial transportation cost savings in their with project analyses. For example, cost savings per ton for grain exported to Northern Europe ranged from \$2.81 per ton to \$3.24 per ton. Savings for grain 'with project' exported to the Mid-East ranged from \$5.53 per ton to \$5.66 per ton. Cost savings for ore moving from Canada via the Seaway range from \$1.21 per ton to \$1.76 per ton for the longer hauls. For ore imported from Brazil, the cost savings range from \$5.18 per ton to \$6.07

per ton. Additional cost savings identified for other commodities are equally impressive, notes the report.

The ACOE's Great Lakes Navigation Study (GLNS) is currently looking at several scenarios for improving the commercial navigation infrastructure in the System. One of those scenarios is to expand the existing Seaway locks to accommodate Panamax-sized vessels. Martin economists say that two major results of a Seaway with bigger locks and state-of-the-art infrastructure would be lower cargo freight rates and more cost effective routing to certain cargoes now moving via coastal ports to and from the Great Lakes Region.

and terminal costs to identify changes in through transportation costs per net ton, by commodity and key routing. The analysis developed a comparison of alternative ports and routings to serve the Great Lakes inland origins and destinations, and this alternatives analysis was used to identify inland origins and destinations that might be more cost effectively served with an enlarged Seaway.

The Martin Associates analysis was conducted as part of the reconnaissance phase of the GLNS. This analysis will help the ACOE decide which commercial navigation improvements are deserving of more detailed review in the next stage of the GLNS,



*More grain movement in the Great Lakes St. Lawrence Seaway's future? Martin Study claims system expansion and modernization offer big transportation cost benefits through lower cargo freight rates and more cost effective routing.*

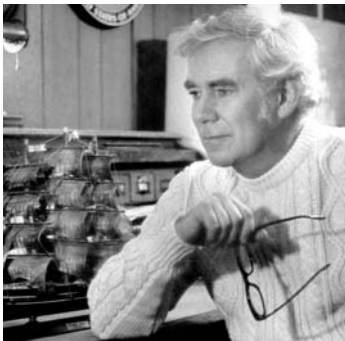
The analysis focused on key international cargo moving via the Seaway to and from both the U.S. and Canadian Ports. Several key commodity groups including grain, iron ore, steel, coal, fertilizer, and petroleum products were evaluated. 'With and without project' vessel costs were combined with the inland costs

the feasibility phase. The ACOE draft reconnaissance study report is to be published this summer. The ACOE is expected to allow for public review before final publication.

A summary of the Benefits Analysis report will be placed on the Seaway's binational web site ([www.greatlakes-seaway.com](http://www.greatlakes-seaway.com)) shortly.

# Seaway Giant Passes

Jacques LesStrang, author and former CEO and Chairman of Harbor House Publishers, died December 5 at Eisenhower Medical Center in Palm Desert, California. He was 75.



*Jacques LesStrang, author, visionary and champion of Great Lakes development.*

LesStrang was recognized worldwide as one of the nation's outstanding and most widely quoted authors on the Great Lakes. He authored six books dealing with international trade, maritime and political history, and U.S.-Canadian relations including the Book-of-the-

Month Club selection, "Seaway." He began publishing the widely respected and internationally distributed maritime journal, *Seaway Review*, in 1969 and served as Editor-in-Chief for 24 years. He also served as CEO and Chairman of Harbor House Publishers, which he founded, until 1990. In addition, LesStrang published economic reports for the U.S. Congress and the Canadian Parliament and wrote the script for the 1993 PBS documentary, "Inward Passage." He was named "Maritime Writer of the Year" by the U.S. Propeller Club and "Great Lakes Man of the Year" by the Governors of the eight Great Lakes states and Premiers of the Canadian provinces of Ontario and Quebec.

Former Saint Lawrence Seaway Development

Corporation Administrator David W. Oberlin praised LesStrang for his contribution to the Great Lakes and St. Lawrence Seaway. "He was a man with vision, who knew his job and performed it magnificently," he said. "In the first issue of *Seaway Review*, Jacques pointed out succinctly what the challenge for this great System was then and still is now: one of development, of information, and of persuasion."

Current SLSDC Administrator Albert Jacquez echoed that sentiment in summing up the legacy of LesStrang for future generations. "His spirit lives on in all who share his passion for thoughtful, innovative development of this binational maritime system; we will miss but never forget him."

## Frank G. Martin Dies

Longtime port industry executive Frank G. Martin Jr., died Jan. 23 at the age of 60. Martin was executive director of the Greenwood, Ind.-based company, Maritime Trust. A Chicago native, he played a crucial role in port development in neighboring Indiana. Martin served as executive director of the Indiana Port Commission much of the last decade. Twice selected for that state's highest honor, the "Sagamore of the Wabash" award, he was widely respected for his leadership skills. The former vice chairman of the National Waterways Conference and chairman of the Great Lakes Cargo Marketing Group, he was the first person to have headed state port authorities in three states. He directed both the Illinois Port of Chicago before moving on to the Oregon International Port at Coos Bay and returning home to the Midwest in 1988.

The SLSDC Office of Congressional and Public Affairs publishes the *Seaway Compass* bimonthly. Questions about its contents and suggestions or submissions for future editions should be addressed to the editor at the following address:

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**NOTE:**  
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