

CAPTAIN'S



QUARTERS



QUARTERLY NEWSLETTERS - Prepared for the interest of all members (Regular, Honorary and Associate) of the Marine Society of the City of New York in the State of New York, Suite 714, 17 Battery Place, New York, NY 10004.
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April 2007

FROM THE BRIDGE

Dear Members

As we enter our second quarter I know we are all looking forward to milder temperatures and I hope the departure of winter finds you all in good health. I would like to take this opportunity to highlight some of the important moments for the Marine Society in 2006 and the first quarter of 2007

The Marine Society saw many accomplishments through the actions and hard work of the officers and members of the Standing Committee. We donated approximately \$110,000 to our allottees, scholarships and various organizations involved in the furthering of Maritime education.

The first Monomoy race between SUNY Maritime and Kings Point was won by SUNY Maritime and they received a grant for \$1,000. I would like to thank Captain FAY for all of his time and efforts as Race Chairman for this event. I look forward to the Second Annual Monomoy Race being held this September at SUNY Maritime and I would like to extend an invitation to all to come and enjoy the day. Further information will be posted in the next *Captain's Quarters*.

The Maritime Society was approached by the Seaman's Church Institute to help them establish a Mariner's Assistance Program. We were able to supply funding for this program which helps mariners through the sometimes difficult process of renewing their USCG documents.

Last year also saw three new faces to the Standing Committee. We welcomed Capt. James DeSimone, Capt. Steven Bendo and Mr. Kurt Plankl. They are fine additions to the Standing Committee and I look forward to working with them. At this time I would like to since rely thank Capt. Harold Parnham for his years of service as Treasurer of the Marine Society. I would like to announce at this time that Capt. Thomas Fox was appointed to serve the remaining term of Treasurer.

We accepted the resignation of Capt. Frank Zabrocky as a member of the Standing Committee and I would like to personally thank him for his many years of dedicated service to the Marine Society. With the resignation of Capt. Zabrocky, I appointed Capt. Glenn Strathearn to the Standing Committee. He was sworn in on March 19, 2007, and is a Kings Point graduate currently sailing with Maersk-Sealand. Welcome aboard! It's a pleasure to have you join the ranks.

We started 2007 on full sea speed and are currently working with our counselors and accountant to better serve our members, widows and others who are in need.

The 237th Annual Dinner will be held on April 23, 2007. I urge all members to attend this outstanding event. Mr. Charles G. Raymond will be our honored guest and speaker. Mr. Raymond is the President and CEO of Horizon Lines, LLC. Also at the dinner,
C't'd on p.7

Annual Meeting 22 January 2007

The meeting was called to order at 1230 hrs, Capt. Thomas Fox, newly appointed Treasurer, reported the finances of the Marine Society are looking strong and healthy.

The guest speaker was Mr. Kurt Plankl who is the Vice President of Maritime Operations for International Registries, Inc., and a Member of the Standing Committee. He gave a rousing report on the founding of the U.S. Registry, which began upon the adoption of the Constitution. We heard how members Of the Marine Society were not only peripherally involved in these historic times, but also how Alexander Hamilton, one of the Founding Fathers as well as being a member, was a real driving force in the development of an influential merchant fleet, not only from the aspect of commerce and projecting U.S. influence, but also as a vital component of revenue for our young nation. Fittingly, we heard how the collector of Customs for New York became the most important non-elected political job in the U.S. Kurt also described many historic buildings in lower Manhattan that were associated with the U.S. Registry and the early administration. It was an excellent presentation and clearly showed that maritime matters, then as now.

Ms. Lill Christin Egeland won the door prize, which was a wind-up radio donated by CDR Robert H. Pouch.

In attendance were:

Capt. Phil Anderson, guest	Ms. Pamela Mann, guest
Capt. Steven Bendo, member	Capt. Harry Marshall, member
Mr. George Blount, guest	Capt. Thomas McCarthy, member
Mr. Jonathon Cullum, member	Capt. James McNamara, member
Capt. Geoffrey Davies, guest	Capt. Jamie McNamara, member
Capt. James DeSimone, member	Capt. Axel Munk
Mr. James J. Devine, member	Mr. Kurt Plankel, member
Ms. Nonandi Diko, guest	CDR Robert H. Pouch, member
Capt. Owen Duffy, member	Capt. George C. Previll, member
Ms. Lill Cristin Egeland, guest	Capt. Lennard Rambusch, member
Capt. Timothy J. Ferrie, member	Capt. Cynthia Robson, member
Capt. Thomas Fox, member	Mr. Dan Rogers, guest
Capt. Herman Fritzke, member	Capt. Donald Sheetz, member
Mr. J. Patrick Geraghty, guest	Capt. James Shirley, member
Mr. George Goldman, member	Capt. Hugh Stephens, member
Mr. Emery W. Harper, member	Mr. John Stratakis, guest
Ms. Karen Laino, guest	Ms. Barbara Taylor, guest
Mr. Ian Lennard, guest	Capt. Harold Vanderploeg, guest
Capt. James M. Maloney, member	Capt. Michael Wholey, member

The next Quarterly meeting will be held 16 April 2007 at 1230 hrs at Giovanni's Atrium, 100 Washington Street, NYC. Anyone interested in attending should RSVP to the office. Guests are welcome. Guest speaker for the luncheon will be Mr. Murray Fisher, one of the founders of the New York Harbor School, located in Bushwick,
C't'd on p.7

The 237th Annual Dinner

The 237th Annual Dinner of the Marine Society of the City of New York will take place on 23 April 2007 in the New York Financial Center Marriott – 85 West Street, NYC. 3rd Floor, with the reception at 6:30 pm and the dinner at 7:30 pm. Dress is optional.

The Honoree and Guest Speaker will be Mr. Charles G. Raymond Chairman, President and CEO of H

MARINE SOCIETY OF THE CITY OF NEW YORK

Officers

Captain Timothy J. Ferrie President
CDR Robert H. Pouch 1st Vice President
Captain James McNamara 2nd Vice President
Captain Thomas F. Fox Treasurer
Captain Cynthia Robson..... Secretary
Captain James T. Shirley, Esq..... Attorney

Standing Committee

Captain Steven M. Bendo
Captain James C. DeSimone
Captain Robert A. Fay
Captain Herman E. Fritzke, Jr.
Captain Harry Marshall
Mr. Kurt Plankl

Captain Harold Parnham
Captain George C. Previll PP
Captain Hugh M. Stevens
Captain Glenn Strathearn

Captain's Quarters

Mr. John R. Strangfeld, Editor

Office Administrator

Ms. Karen Laino

The Marine Society of the City of New York is a charitable and educational organization, the regular membership being comprised entirely of seafarers, all of whom must have been Captains or Officers of merchant vessels under the United States of America flag or of U.S. Naval /U.S. Coast Guard Officers of the rank of Commander or above. It was formed in Colonial days, formerly chartered in 1770 by King George III to "improve maritime knowledge and relieve indigent and distressed shipmasters, their widows and orphans." Among early members of the society was President George Washington.

By and large, the Marine Society of New York has performed its charitable service quietly through the years without fanfare, as becomes an organization of seafarers. It stands today as the watchdog of their interests and interests of American shipping as a whole.

Be sure and request your next of kin or a friend to notify the Society in case of illness or incapacity.

It is also important for regular members to let your next of kin know that they have the right of relief in case of future need.

THE WALL STREET JOURNAL.. NOVEMBER 15, 2006

Shipboard Schooling Rides a Crest

By RHEA WESSEL

Special to THE WALL STREET JOURNAL

C.Y. Tung, a Chinese shipping magnate, was fond of saying that ships can transport ideas as well as cargo.

As a teenager, the Shanghai native worked as a shipping clerk; some 40 years later, in 1970, Mr. Tung was one of the world's leading independent ship owners and the founder of Seawise Foundation Ltd., a nonprofit corporation. Over the decades, Mr. Tung's foundation has helped thousands of students from around the world experience just what he meant about ships and ideas.

Mr. Tung was one of the founding fathers of shipboard education—the practice of turning vessels into floating universities that carry students from one port to the next, from one experience to the next.

Shipboard education—and with it business education—will receive another boost next September when a program for undergraduate and graduate students takes its maiden voyage. The program, called the Scholar Ship, is backed by Royal Caribbean Cruise Lines and six universities from around the world, including the University of California, Berkeley, and Macquarie University in Australia. The schools will issue academic credit to students to be transferred back to their home institutions. A multinational faculty will teach international business, international communications and international relations onboard the program's ship.

Like Mr. Tung, the founders of the Scholar Ship envision people from diverse cultural backgrounds living, learning and playing together at sea.

"We have a strong focus on intercultural communication skills because we find this very important for the future work force," says René Lenssen, the program's regional director for Europe, the Middle East and Africa.

Some 160 students have applied for the program and about half are interested in the undergraduate and graduate business programs, Mr. Lenssen says.

As the Scholar Ship continues to develop its program before the first ship sets sail, other programs are racking up more experience as floating universities. And one of the trends is the increasing popularity of business classes.

Old Dominion University in Virginia offers three graduate-level business classes to U.S. Navy sailors and pilots serving at sea. Retired Capt. Dick Whalen, director of military activities for the school, says Old Dominion began offering business courses from the outset in 1996, based on strong demand. The classes—organizational management, marketing management and ac-

counting for managers—are part of a degree program that is accredited by the Association to Advance Collegiate Schools of Business.

Navy personnel listen to lectures in a below-deck classroom outfitted with two-way audio and video. Some 30 ships in the Navy have the technology to offer the satellite broadcasts to students.

"In 10 years of doing this, we have been able to provide these courses without major drops in communications," says Capt. Whalen. Occasionally, however, some students have had to excuse themselves from class to fly a mission over the Persian Gulf or attend to other matters.

Semester at Sea is by far the program with the most experience operating a floating university—one with real-life professors rather than virtual ones. Backed by the Seawise Foundation, Semester at Sea and its predecessor programs—the University of the Seven Seas and World Campus Afloat—have been sending students around the world for more than 40 years. At present, the program caters to undergraduates, but Semester at Sea has offered a summer law program and is considering graduate programs since its recent move to the University of Virginia.

Two decades ago on Semester at Sea, business courses were few and far between. Now business is the program's No. 1 major, says Les McCabe, president of the Institute for Shipboard Education, which operates Semester at Sea. "There's an increasing sense that undergraduates need an international experience before they go into graduate school," he says.

Rick Rickertsen, now in his mid-40s, sailed on Semester at Sea as a 21-year-old engineering student at California's Stanford University and was one who didn't know what he was going to do after college. Mr. Rickertsen says sailing around the world and stopping in more than 10 ports gave him a global perspective that he relies on today as a managing partner of Pine Creek Partners, a private-equity firm.

After graduation, Mr. Rickertsen accepted a job offer from Morgan Stanley; two years later he went to Harvard University for an M.B.A.

"I was always tilted toward business when I came out of Stanford, partly because of Semester at Sea," he says. "I wanted to broaden my horizons as much as possible."

More than two decades later, the shipboard experience remains vivid for Mr. Rickertsen. "When I sit in a meeting with an Indian entrepreneur, I think I have a different understanding" than colleagues, he says. "The experience permeates every part of my life."

The Deep Blue Highway

By John Curtis Perry,
Scott Borgerson
and Rockford Weitz

IN October President Bush signed the Safe Port Act, authorizing an investment of \$6.7 billion to tighten security at American ports. This is a vitally important and overdue step. But it ignores another major problem in maritime commerce: the phenomenal decline of American shipping.

While it's true that the United States Navy still dominates the world ocean — its total tonnage equals the combined tonnage of the next 17 smaller navies — American commercial shipping is but a puny remnant of its former self.

In 1948, more than a third of the world's merchant fleet flew the stars and stripes; today that figure is down to 2 percent. Half a century ago, America built more ships than any other nation, and New York City could boast that it was the world's busiest seaport. Sliding from the top since the 1980s, New York now barely ranks among the top 20.

The only American port now on the top-10 list is Los Angeles-Long Beach, an indication of how much maritime trade has shifted from the North Atlantic to the North Pacific.

A major factor in the decline of American shipping has been an antiquated law that prevents American coastal shippers from buying ships made in other countries. By amending this law and, at the same time, encouraging the development of domestic coastal shipping, Congress could help restore America's status as a great and proud maritime nation.

The slump in American shipping is especially surprising when you consider that it was American entrepreneurs who, in the mid-20th century, revolutionized oceanic transport by creating both the standard-size steel shipping container and the super ship capable of transporting 50 times as much cargo as a World War II-era merchant ship could.

Shipping has always been the most economically efficient way to carry goods from place to place; it requires no investment in highways or rails, and thanks to the relatively frictionless ease with which ships move across water, fuel costs per ton are low. The arrival of containerized shipping pushed transport costs even lower, swelling world trade and expanding global wealth.

The export-driven economies of Pacific Asia built much of their enormous success upon the new maritime technologies. The United States did not. The Merchant Marine Acts of the 1920s and '30s are one reason why.

Intended to protect the domestic shipbuilding industry, the acts decreed that the only ships allowed to call on two or more consecutive American ports would be those built in the United States, owned by American companies, flying the American flag and operated by American crews.

At the time, the United States still had a large merchant marine. But the acts' restrictions handicapped coastal shipping within American waters, opening the way for the growth of the trucking and freight-rail industries.

To revive the maritime trade, Congress should give shipping companies as much choice in buying ships as their land-based rivals have when buying trucks and train cars.

Freed from the restraints of the Merchant Marine Acts, commercial shippers could not only begin to resume their position in global trade but also handle much more of the freight that moves within our borders. Before railroads and highways were developed, a network of water transportation routes connected America's port cities and towns. Today coastal shipping handles only 2 percent of domestic freight, even though coastal counties hold more than half of the nation's population.

The trucks that carry nearly a third of our cargo clog the highways. That is one reason why Americans now lose at least 3.7 billion hours and 2.3 billion gallons of fuel each year sitting in

Congress should encourage domestic shipping.

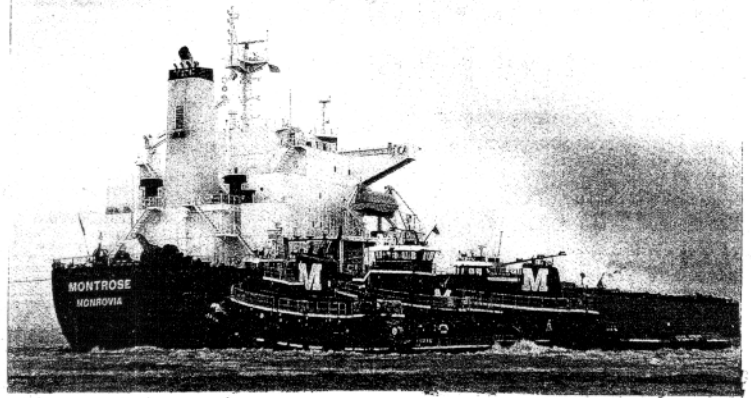
traffic. Ships could take on a larger share of this freight — and even some of the passengers now traveling by highway and rail — and carry it at lower cost.

Congress could further encourage domestic shipping by improving port facilities, just as it maintains interstate highways. And it could invest in developing ship propulsion technologies — to increase still further maritime savings in fuel costs and to reduce greenhouse gas emissions.

Americans are rightfully concerned about security, but part of protecting the nation is generating a strong economy. Revitalized coastal shipping could shorten our morning commutes as it begins to rejuvenate America's wider maritime economy. □

John Curtis Perry is the director of the maritime studies program at the Fletcher School of Law and Diplomacy at Tufts University. Scott Borgerson is a recent graduate and Rockford Weitz is a Ph.D. candidate there.

Stranded ship to be lightened



Officials hope that unloading tons of coal will allow bow to float free from sandbar

BY CHRIS GUY
[SUN REPORTER]

The owners of a huge freighter that ran aground three days ago in the Chesapeake Bay have devised a new plan to try to free the vessel, officials said yesterday.

The next attempt to rescue the M.V. *Montrose*, a 712-foot coal carrier stuck near the mouth of the Choptank River, could begin today or tomorrow and should be completed in 36 hours, according to Lt. Isaac Saenz, a Coast Guard spokesman.

Overseeing the project with the Coast Guard will be Maryland's Natural Resources Police and Department of the Environment, Saenz said.

The ship's crew reported it stranded in 40-foot waters early Wednesday. Since then, two attempts to move the *Montrose* with heavy-duty tugboats failed.

The new plan includes the removal of about 8,500 tons of coal from the ship, said Saenz. The

idea, he said, is to lighten the vessel, allowing its bow to ease out of the sandy bottom the ship struck nearly a mile from the Chesapeake's shipping lanes. The ship weighs 39,000 tons unloaded.

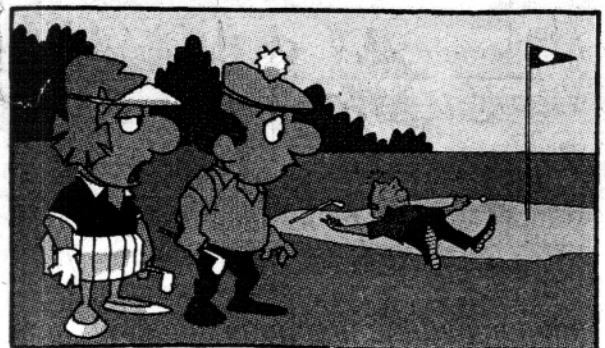
Timing will depend largely on how long it takes to move equipment to the site, including a barge equipped with a crane. The Liberian-flag vessel, which is owned by Brentwood BV, apparently suffered no structural damage, poses no hazard to shipping and has shown no signs of leaking any of its 210,000 gallons of fuel or other pollutants, officials said.

Officials expect some coal dust to enter the water, but most will dissipate, Saenz said.

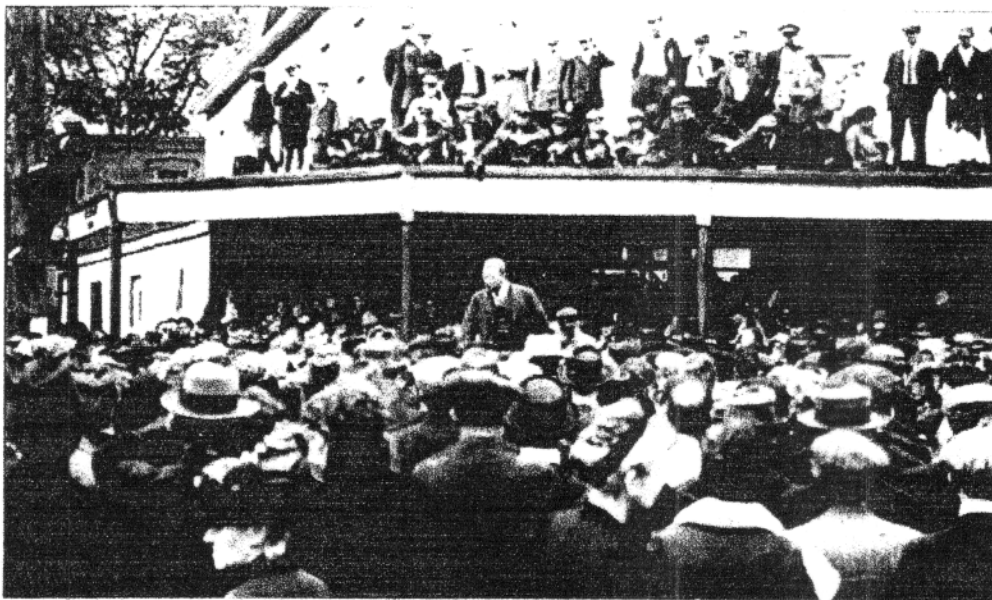
The Coast Guard cutter *Albacore* will remain on the site to enforce a 500-yard security zone around the *Montrose*. The crew will stay aboard during the operation.

"This could go into early next week," said Saenz. "But it looks like it might get started over the weekend."

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"SHOULD I TAKE A MULLIGAN?"



"In the first place, we should insist that if the immigrant who comes here in good faith becomes a American and assimilates himself to us, he shall be treated on an exact equality with everyone else for it is an outrage to discriminate against any such man because of creed, or birthplace, or origin. But this is predicated upon the person's becoming in every facet an American, and nothing but an American... There can be no divided allegiance here. Any man who says he is an American, but something else also, isn't an American at all. We have room for but one flag, the American flag... I have room for but one language here, and that is the English language... and we have room for but one sole loyalty and that is a loyalty to the American people."

Theodore Roosevelt 1907

My dog is worried about the economy because Alpo is up to \$3.00 a can. That's almost \$21.00 in dog money.

-Joe Weinstein

THE STAR-LEDGER FRIDAY, FEBRUARY 23, 2007



ANDY NEWMAN/CARNIVAL CRUISE LINES

Carnival Chief Executive Micky Arison said his company will not get into a battle of scale with rival Royal Caribbean as far as ships go. The 5-year-old Carnival Pride is part of the company's fleet.

Cruise industry faces challenges

Carnival Chief Executive Micky Arison said yesterday improving infrastructure at ports of call, conserving fuel and knocking down perceptions that cruises are more dangerous than other vacations are some of the challenges facing the cruise industry.

How Sleep The Brave Who Sink To Rest

On the day after the PDC, five graduates of the USMS Officers' School at Fort Trumbull, New London, CT; along with 11 other Council members and guests, assembled at the memorial to the graduates of Fort Trumbull that perished in WWII. Capt. Earl E. Maxfield, Jr. acted as color guard and Capt. Hugh Stephens officiated as master-of-ceremonies. Capt. Stephens, a graduate of the school, read the names of the 125 men who did not return, the 107th Psalm was read, eight bells were struck and Jacqueline Kroschell sang the Mariners Hymn.

Other graduates, Captains Mike Oremus, Richard Connelly, Andy Subcleff and Robert Cusick told poignant stories of their days at Fort Trumbull. Capt. Stephens commented on the excellent quality of the training program and the outstanding experienced seafaring, battle-hardened instructors who trained war-experienced unlicensed men who had at least 14 months sea time. Thus both trainers and trainees had considerable grueling experience to draw upon.

The memorial is now located in an area slated for industrial development. A portion of the area that graduated 15,000 licensed officers from 1938 to 1946 will become a state park. The original fort, from the 18th century, will be included in the park. It is planned to move the memorial into the park at some point. Sent in by Don McNulty

Arison, speaking to the Associated Press for Carnival Cruise Lines' 35th anniversary, also expressed optimism about the long-term health of the Caribbean cruise market and said Carnival would not engage its main competitor, Royal Caribbean International, in a race to build bigger ships.

Carnival owns 12 brands as the world's largest cruise operator, with more than 7 million passengers taking trips on Carnival Cruise Lines, Princess Cruises, Costa Cruises and other lines in the Caribbean, Europe and Asia. The company will soon have 11 brands after announcing a deal to sell Windstar Cruises to Ambassadors International for \$100 million, with closing expected later this year.

Arison pointed out cruising continues to be a growth industry. The Cruise Lines International Association predicts 12.6 million passengers will take cruises this year, an increase of 500,000 guests from 2006.

Disney to build 2 bigger cruise ships

As expected, Walt Disney is expanding its fleet of cruise ships, more than doubling the capacity of what has proven to be a highly popular — and profitable — business. Disney said it has signed a letter of intent with Meyer Werft shipyard of Papenburg, Germany, to negotiate a contract to build two 122,000-ton cruise liners.

The ships will each be two decks taller than the two existing Disney cruise ships, Disney Magic and Disney Wonder. Each ship will have 1,250 staterooms, and they are expected to be ready by 2011 and 2012.

The company has not yet determined where the ships will be docked or what routes they will travel. Its current ships are based in Florida and offer three-, four- and seven-night Caribbean cruises.

The new ships are expected to include trips to the West Coast and to Mexico, which is a big draw home in California. The West Coast cruises, some of which include passage through the Panama Canal, typically sell out in a matter of days.

German bank is buying N.J.'s top cargo terminal

BY SUSAN TODD
STAR-LEDGER STAFF

Maher Terminals, which handles the bulk of the region's port cargo, will be acquired by a real estate investment subsidiary of the giant German-owned Deutsche Bank, an executive with the company said yesterday.

Maher, the nation's last family-owned marine terminal operator, is a vital hub in Port Elizabeth for moving goods from around the world into the hands of the region's consumers.

In recent years, as imports flooded into the United States from Asia, Maher handled an average of a million containers a year. In 2006, the terminal handled about 1.2 million containers, or 45 percent of the goods moving through the seaport.

"It was a very difficult decision," chief executive Brian Maher said in a telephone interview. "We've been in the business since 1946. We've been a major part of the port."

"You can't sell something like this and not have regrets about it. But we think it's absolutely the right thing to do and the right time to do it. You have to take advantage of events as they play out."

The sale comes on the heels of several other major terminal deals, including the controversial bid by Dubai Ports World to take control of leases at six major U.S. terminal operations as part of its acquisition of British-owned P&O Ports last year.

The U.S. government's Committee on Foreign Investments, which was created to review foreign acquisitions in order to protect the nation's security, is required to approve the deal. The Port Authority of New York and New Jersey, which leases about 600 acres to the company on a long-term basis, also must approve.

The deal calls for Brian Maher, 60, and his brother Basil, the company's 55-year-old president, to remain in place indefinitely. It provides for "a sharing bonus" to be distributed among Maher's 246 employees and keeps the family name on the terminal business.

Neither executives at Maher Terminals nor representatives of

Deutsche Bank's U.S. subsidiary, which operates under the name RREEF Infrastructure, would disclose the sale price, citing a confidentiality agreement. The terminal company, which is private, is not required to publicly disclose financial information about its business.

The decision to sell is as much a reflection of how hard it is for a family business to stay competitive as it is about the changing times: Port terminals, with their long-term, stable revenue streams, are considered hot investments.

More than a year ago, Brian Maher announced his company was searching for a minority partner to help it raise the money needed to support its growing business. Not long after spending \$450 million on renovations at its 450-acre main terminal at Port Elizabeth, the company was faced with the prospect of raising \$250 million more.

The company's growth strategy included a \$60-million investment to create a container terminal in Prince Rupert, British Columbia, an ambitious project to help capture the explosion of trade from China.

Maher's quest for a partner was under way when P&O Ports, part of the British icon Peninsular and Orient Steam Navigation, announced its acquisition by Dubai Ports World, Maher said.

The political controversy that ensued over the \$6.8 billion deal never obscured an underlying fact in the business world: The valuation of port terminal operations had been pushed to a much higher level.

Months later, Dubai Ports World sold off P&O Ports' six major

U.S. operations, including the Port Newark Container Terminal, for an estimated \$700 million.

About the same time, Hong Kong-based Orient Overseas International Ltd. sold four of its container terminals to a Canadian



MAHER

Maher Terminals Inc.

Headquarters: Berkeley Heights

Employees: 246

Founded: In 1946 by Michael Maher, whose sons, Brian and Basil, currently run the company.

Scope of its business: Largest terminal operator at the Port of New York and New Jersey. It handled more than 1.2 million containers in 2006 — about 45 percent of the volume of container business at the port.

What the sale means: RREEF doesn't plan to change much about Maher Terminals — the management and the name, for instance, will remain. But RREEF's deep pockets will provide the company with a lot more money to grow.

— The Star-Ledger

teachers' pension fund looking for businesses with long-term cash flow. The deal, which included Global Terminal in Bayonne and the New York Container Terminal in Staten Island, was estimated to be worth \$2.4 billion.

At that point, Brian Maher said the company started reconsidering its strategy. "Maybe what we really needed to do was sell the business," he said.

Maher said negotiations quickly fell from as many as seven potential buyers to RREEF Infrastructure. After three months of talks, the sale was completed late last night in the Manhattan office of Maher's lawyers.

RREEF Infrastructure, which is part of RREEF Alternative Investments, focuses on facilities such as port terminals as well as toll roads,

"The plan is to invest in the business and to grow," Deutsche Bank spokesman Ted Meyer said last night.

One maritime investment banker, Peter Shaerf of AMA Capital Partners, said that whether the buyer is a pension fund or a real estate investment group, the attraction of port terminals — as well as toll roads and airports — is always the same.

"There's been a huge move into infrastructure plays," Shaerf said. "There's a tremendous amount of private equity out there and the private equity firms have seen fit to pay high prices for long-term stability and steady revenue streams."

"It's old steel," Shaerf said. "It's a reversal of the dot.com days."

Susan Todd may be reached at stodd@starledger.com or (973) 392-4125.

THE STAR-LEDGER WEDNESDAY, FEBRUARY 28, 2007

Six arrested in hijack of U.N. food ship

ASSOCIATED PRESS

NAIROBI, Kenya — Somali authorities have arrested six suspected pirates in the hijacking of a U.N.-chartered cargo ship delivering food aid, officials said yesterday.

Four heavily armed pirates still had control of the vessel and were holding 12 crew members hostage, said the U.N. food agency. The ship, the MV Rozen, had been contracted to deliver aid to Somalia,

where around 1 million people are suffering from a drought that hit the region last year.

Four suspects were seized after they went ashore to buy supplies, Peter Goossens, head of the World Food Program in Somalia, said in a

statement. Said Mohamed Raage, the regional fishing minister, said police arrested two others separately.

"The arrest is welcome news, but the safe release of the crew and the vessel remains our chief concern," Goossens said. "We very much hope this ordeal will finish soon."

The pirates are armed with AK-47 assault rifles and rocket-propelled grenade launchers, said Andrew Mwangura, head of the Kenyan chapter of the Seafarers Assistance Program, an independent group that monitors piracy in the region.

The ship had just delivered about 1,900 tons of food when it was seized Sunday.

Holding Managers Negligent, Judge Rejects Cap on Damages in Ferry Crash



James Estrin/The New York Times

Eboni Marshall, left, who lost her brother Darius in the ferry crash, outside court yesterday with Debra Canini, who lost her husband, Pio.

By ANDY NEWMAN

A federal judge yesterday rejected New York City's attempt to use an obscure 19th-century maritime law to cap its liability in the 2003 crash of a Staten Island ferry at \$14 million.

The ruling exposes the city to tens of millions of dollars in potential damage awards to relatives of those killed and to scores of people injured when the ferry, the *Andrew J. Barberi*, crashed into a maintenance pier at the St. George Ferry Terminal on Staten Island.

The city had argued that the accident was covered by an 1851 act, aimed at encouraging investment in the shipbuilding industry, that limited a boat owner's liability to the value of the boat minus the repair costs — in this case \$14.4 million. The judge ruled, however, that the 1851 law did not apply if the city's managers had been negligent, and he found that they had been.

The city has already paid \$27.6 million to settle two-thirds of the 186 damage claims. Of the 11 people killed in the crash, the estates of only two have settled with the city, for \$3 million and \$450,000.

The amounts of many settlements were held down, lawyers for the plaintiffs said, by the city's argument that if it succeeded in capping the liability, the plaintiffs stood to win relatively little.

"The courthouse door is now open for all of the claimants to get just and proper compensation," said Anthony Bisignano III, a lawyer for 10 of the remaining 65 plaintiffs.

Mr. Bisignano said that in addition to the nine outstanding death claims, there were many claims from passengers with serious injuries, including amputations and paralysis.

The city said it would consider appealing.

Mr. Bisignano said that the 1851 act was the same one cited by the owners of the *Titanic* in an attempt to "limit the amount of damages to the value of a couple of dozen lifeboats."

On the afternoon of Oct. 15, 2003, the ferry slammed into a pier at top speed after the assistant captain operating it, Richard J. Smith, blacked out during the last half mile of the trip from Manhattan to Staten Island. The accident, one of the worst mass transit disasters in the city's history, ripped the side of the 3,300-ton boat open. People were crushed, mangled and decapitated.

A city rule requiring that two captains be in the pilot house in the front of the ferry while it is in motion was not followed. The captain, Michael J. Gansas, was on board at the time of the crash, but in the pilot house that faced Manhattan, not in the one that faced Staten Island, as he should have been.

The city had also argued that because its two-pilot rule was stricter than required by general negligence principles, the violation of the rule did not constitute negligence. In any case, the city said, individual crew members, not the city, were at fault.

But the judge, Edward R. Korman of United States District Court in Brooklyn, rejected those arguments. sentenced to 18 months in prison. Mr. Ryan was sentenced to a year and a day.

The city released a statement yesterday reiterating its position that Mr. Smith was entirely to blame for the accident, because he "took over the operation and navigation of the ferry when he was unfit to do so, and did not disclose that fact to anyone."

Lloyd Joseph, a construction worker injured in the crash who has required three operations on his legs and now walks with a cane, said he hoped the city would not try to delay the day of reckoning any further.

He said he had pulled one of his two children out of college because he could not afford tuition without his wages.

"I'm very pleased today with the decision by the judge," said Mr. Joseph, 65. "My whole bank account is exhausted."

As Baron Munchausen used to say "Vas you dere, Sharlie?" (an historical fact straightens it out)

"Captain's Quarters" received the following e-mail (excerpted) from Captain George M. Marshall, Member No.5001, Feb 11, 1963 "The subject is my grandfather, Capt. Christopher Marsden and his experience with Marconi on wireless communication at sea involving the ship *PHILADELPHIA* in the year 1902. He died in the 1930s at Sailor's Snug Harbor. He suffered a stroke and "talked" with his eyes. I told him I was going to follow in his footsteps and become an American ship master. What follows is what I am mailing to Capt. Eric Johansson, Exec. Dir. of the Maritime Museum at Fort Schuyler.

"Capt. Johansson

The enclosed letter concerns my grandfather, Captain Christopher Marsden, a master of sail and steam in both the British and American merchant marine service. He was executive Officer of the sail-training ships *St. MARY* and *NEWPORT* in the years 1902 to 1909

I am a 1942 graduate of the U.S. Merchant Marine Academy following acceptance as a deck cadet in the United States Merchant Marine Cadet Corps that evolved into the federal academy. I had been accepted at NYMSA with a \$300 scholarship in the fall of 1937 but as a tall skinny and undernourished kid in the depths of the depression, I passed out during the entry physical examination. But I was determined to follow in the steps of my grandfather, and I did.

After early retirement as SVP from the Atlantic Mutual Insurance Companies and earlier service with these companies as a marine insurance underwriter attaining the position of VP, I took charge of five concurrent positions at Maine Maritime Academy...and retired after 10 years to run my own consulting company. I am now 87 years old and living independently. So much for the earlier physical examination.

Before coming to Maine, I personally delivered to Fort Schuyler some of my grandfather's artifacts from his time of service as Exec. Officer of the above sailing ships of which I have large water-color paintings at home. I hope you will find the following letter of interest.

(signed) Capt. George M. Marshall Jr."

letter. to "Erick Larson, author of *THUNDERSTRUCK* Crown Publishing Co.-Random House Inc. March 24, 2007 Dear Mr Larson-re *PHILADELPHIA* Capt. Mills proof/p.220 Concerning proof of wireless messages received, it seemed to me to be out of character, as you described him, for Marconi to depend on only one ship's officer "to stand witness and sign the tape".

If there is a second edition, you might consider including mention of my grandfather, Captain Christopher Marsden, Chief Officer of the ship *PHILADELPHIA*. He also witnessed and signed the tape when the messages were received including one 1,551.5 miles at sea. The question arises: nautical miles (6,076 ft) or land miles (5,280 ft.). Using a chart of the Atlantic Ocean would indicate nautical miles.

Source: New York Daily Tribune, March 1, 1902 Copyright: 1902 thke Tribune headlines MESSAGE 1551 MILES AT SEA.

MARCONI ALSO PROVES HIS ABILITY TO SEND EXCLUSIVE DISPATCHES. THE INVENTOR ARRIVES WITH NEW TALE OF WONDER

Mr. Marconi went to the Hoffman House, where he spread out a large map (chart) of the Atlantic Ocean, marked with a red line by Captain A. R. Mills and Chief Officer C. Marsden of the *Philadelphia*, showing the course of the ship and the points at which the messages were received when these officers were in the receiving station of the ship. Every message that came in their presence was signed by them so that there should be no shadow of doubt as to its genuine character.

Sincerely, Captain George M. Marshall Jr. Master Mariner, WWII"

Brooklyn, NY. New York Harbor School is a public high school founded in 2003. Its mission is to use New York's maritime experience to create a rigorous college preparatory curriculum that instills the ethics and skills of stewardship in its students. The South Street Seaport charters a vessel to the New York Harbor School so that 25 students can get on the water each school day and get full maritime experience. This school is also going to be the first new tenant on Governors Island in 2008.

Tracking Cargo To Prevent Attacks

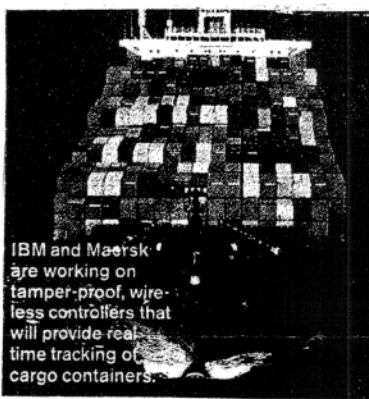
Controllers inside containers broadcast location in real time to help secure waterways and ports

THE GOVERNMENT AND the shipping industry agree that much work needs to be done to ensure that terrorists don't use the United States' maritime infrastructure as a weapon the way they used the airways on Sept. 11, 2001. The challenge is figuring out the best way to secure the ports of entry without disrupting the country's economy.

IBM and Maersk Logistics, part of leading shipper A.P. Moller-Maersk Group, last week introduced technologies they hope will be among the tools used to make the waterways more secure and also improve supply-chain visibility within the shipping industry. At the core of the technology is an IBM-developed tamper-resistant embedded controller that runs the Linux operating system and acts as an intelligent, real-time tracking device. The ruggedized controller is mounted inside shipping containers and is designed to connect to back-end IT systems wirelessly, using a satellite link, general packet radio service, or low-power wireless ZigBee technology. IBM also is developing Web services under the name Container Information Service that will let controllers communicate with each other and integrate with back-end databases.

Maersk, which provided shipping expertise during the design stage, will in March run a test using 1,000 containers. If the pilot is successful, IBM plans to make the technology generally available during the second half of next year.

The company realizes that it's trying to solve only one piece of a



complex maritime-security puzzle. The controller system doesn't regulate what goes into the containers or verify the identity of the person who packs a container, and it introduces a new cost into the shipping supply chain. In fact, the use of advanced technology in the shipping and logistics industry has been a hard sell, which is why IBM is focusing on more than the security benefits. "The government is issuing security regulations, but businesses are also requiring greater supply-chain visibility," says Stefan Reidy, solution development manager for IBM's Secure Trade Lane, an initiative to improve maritime shipping services and security.

With millions of containers in use worldwide on any given day, the introduction of sensor technology promises to be a slow process, possibly slowed further if it adds cost and complexity to the low-margin shipping industry, where supply-chain efficiency keeps the country's commerce flowing. —LARRY GREEN-EMEIER (lgreenem@cnp.com)

two very important historical letters will be displayed. One is the original letter inviting George Washington into the membership of the Marine Society as an Honorary Member. The second letter is the acceptance of George Washington into membership of the Marine Society of the City of New York. Both letters will be presented to; SUNY Maritime College, Stephen P. Luce Library and will be on display for special occasions throughout the year.

A few words of thanks to Capt. Shellenbarger for his work on the By-Laws and Membership Book. Your time and guidance with the publishing of the book was a tremendous help. Also thanks to Jack Strangfeld, editor of *Captain's Quarters*, a big responsibility, and I appreciate all of the work that's involved in this publication.

A last note of thanks, and certainly one of the utmost importance, goes to Ms. Karen Laino. The Marine Society is well served by her being our Office Administrator and I would personally like to thank her for all of her hard work.

I wish you all fair winds and following seas, and I look forward to seeing you on April 16th for the next Quarterly Meeting and also on April 23rd at the 237th Annual Dinner.

Captain Timothy J. Ferrie

The M/S Emma Maersk

A recent Wartsila corporate magazine carried an interesting article on the engine of the *M/S EMMA MAERSK* the world's largest (for now) containership.

The Maersk engine has 14 cylinders and is direct drive (pretty much standard fare on commercial ships these day except for the number of cylinders) What is remarkable is the extraordinary power level 108,920 BHP (80,080 kW) at 102 RPM and the energy saving features.

Exhaust gases from the ship's main engine pass through an exhaust gas economizer to generate steam that drives a turbine-driven generator. The turbo generator set also includes an exhaust-gas driven power turbine driven by a portion of the exhaust gases diverted from the main flow through the engine's turbochargers. The nominal output capacity of the turbocharger is 8.5 MWe. This would be a middle to large sized ship service generator and could supply much of the electricity demand on board while underway. However, this does not seem to be how it's used.

Electricity generated by the turbogenerator is supplied to the main switchboard and employed in providing both shipboard services and additional propulsion power via two shaft motors. Some of the steam is used to provide shipboard heating services. There are five auxiliary diesel generating sets with a combined capacity of 20.7 MWe.

In short, EMMA MAERSK's power plant is a hybrid, combined cycle with cogeneration. That shows what you have to do to get to the low shipping costs on today's merchant ships!

(contributed by Captain Harry Marshall)



USS New York

It was built with 24 tons of scrap steel from the World Trade Center.

It is the fifth in a new class of warship - designed for missions that include special operations against terrorists. It will carry a crew of 360 sailors and 700 combat-ready

Marines to be delivered ashore by helicopters and assault craft.

Steel from the World Trade Center was melted down in a foundry in Amite, LA to cast the ship's bow section. When it was poured into the molds on Sept. 9, 2003, "Those big rough steelworkers treated it with total reverence," recalled Navy Capt. Kevin W. Ensing, who was there. "It was a spiritual moment for everybody there."

Junior Chayers, foundry operations manager, said that when the trade center steel first arrived, he touched it with his hand and the "hair on my neck stood up." "It had a big meaning to it for all of us," he said. "They knocked us down. They can't keep us down. We're going to be back."

The ship's motto? "Never Forget!"

NEW MEMBERS

Capt. Hyo Il Hwang was elected a Regular Member on 22 January, 2007. Capt. Hwang is a Vessel Superintendent of the N.Y. Division of K-Sea Transportation and is a graduate of SUNY Maritime.

Capt. Glenn A Wiltshire, elected Honorary Member in April 2005 was elected Regular Member on 22 January 2007. He was the Commander of U.S. Coast Guard Activities in New York and, following his recent retirement from the Coast Guard, became Deputy Port Director in Port Everglades, Florida.

Lt. Col. Willard F. Lochbridge, IV who moved from Associate Membership to Regular Membership on 26 February 2007, is the Commander of the New York State Military Emergency Boat Service, New York Naval Militia-USMC Component. In June 2006 he was promoted from Major to Lt. Colonel. Congratulations, Lt. Colonel Lochbridge. Semper Paratus.

On 23 April 2007 the following will be officially welcomed as Honorary Members into the Marine Society with the presentation of membership certificates:

Mr. Charles G. Raymond, President, Chairman and CEO of Horizon Lines LLC

RAADM William T. McCarthy, Commander, Operational Test and Evaluation Force in Norfolk, VA

RAADM Samuel P. DeBow, JR., Director of NOAA Commissioned Officer Corps and Office of Marine and Aviation Operations in Silver Spring, MD

Captain Robert O'Brien, Commander of Coast Guard Activities in Staten Island, New York

Capt. Peter Boynton was elected as an Honorary Member on 26 February 2007. Capt. Boynton is the Captain of the Port of Long Island Sound based in New Haven, Connecticut

Marine Society of the City of New York
7 Battery Place
New York, NY 10004

FIRST CLASS MAIL

Crossed the Final Bar

Capt. Roald Sverdrup, member #5120, was elected a Regular Member of the Marine Society on 12 March 1973. He crossed the final bar on 24 July 2004. Capt. Sverdrup's family notified this Society of his passing in January 2007

Capt. Francis P. Powers, member #5194, was elected a Regular Member of the Marine Society on 14 August 1978. He crossed the final bar on 18 February 2006. The Society was notified of his passing in January 2007.

Capt. Costas Tripolitis, member #5164, was elected a Regular Member of the Marine Society 9 February 1976. The exact date of his crossing is not known. The Society was notified of his passing in January 2007.

Capt. William M. Smith, member #5218, was elected a Regular Member of the Society on 10 January 1983. He crossed the final bar on 29 January 2007. The Society was notified on 6 February 2007. Capt. Smith served in the Merchant Marine in WWII and was Port Captain of the U.S. Lines in Cranford. Capt. Smith was also a member of CAMM, The American Export Association, The American Merchant Marine Veterans and The Clark VFW Post #7363.

Capt. George R. Miller, member #3967, was elected member of the Marine Society on 12 April 1954. He crossed the final bar on 1 May 2005. The Society was notified of his passing on 21 February 2006. Capt. Miller served in the Merchant Marine in WWII and held a commission in the USNR from 1940 to 1963. He later became a captain for American Export Lines stationed in Calcutta, India and Genoa, Italy

