

# CAPTAIN'S



Chartered 1770

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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# QUARTERS



August/September 2009

## Crossed the Final Bar

Capt. William G. Pooler 15 November 2007  
Capt. Joseph N. Lala 29 September 2008  
Capt. Leo Kraszeski 23 December 2008  
Capt. R. James Thorpe 29 January 2009  
Capt. Raymond Eisenberg 16 May 2009  
Mr. Walter Cronkite 17 July 2009

## New Members elected

Capt. Charles E. Hoffman, Jr., Regular 5 February 2009  
Capt. William F. Higgins, Associate 16 March 2009  
Capt. Henry W. Mahlmann, Regular 13 April 2009  
Mrs. Rosalie Walton, Associate 13 April 2009  
RADM Allen B. Worley, Honorary 20 April 2009  
Capt. Shane Murphy, Honorary 20 April 2009  
Capt. Richard Phillips, Honorary 20 April 2009  
Capt. Duke Adams, Regular 18 May 2009  
Capt. Ernest Fink, Regular 13 July 2009  
Capt. John Doswell, Associate 13 July 2009

## Upcoming Events

10 October 2009 Fourth Annual Marine Society Monomoy Race. The race will be held at SUNY Maritime College Campus (Fort Schuyler) at 1230 hrs. Call the office for additional details.

19 October 2009 Next Quarterly Meeting, Fraunces Tavern at 1230 hrs. A representative from the Hudson River Maritime Museum will give a presentation. Call the office to make a reservation.

## News Items

Our thoughts and prayers go out to Capt. Don Sheetz whose son, Chris, suffered an accident in July leaving him partially paralyzed. For an update on Chris's condition you can visit the website [Chriswillwalk.com](http://Chriswillwalk.com)

Congratulations go to Capt. Cynthia Robson, Secretary for the Standing Committee and her husband Daniel Robson on the birth of their son, Dylan, who arrived 28 August 2009.

The Marine Society of the City of New York  
17 Battery Place, Suite 714  
New York, N.Y. 10004  
Tel (212) 425-0448 Fax (212) 425-1117

An interesting 100-yr. old  
N.Y. Times article

THE NEW YORK TIMES, OCTOBER 5, 1909.

## TURBINE DEVICE DISCUSSED.

English Experts Doubt Practicability of the American Invention.

SPECIAL CABLE TO THE NEW YORK TIMES.  
LONDON, Oct. 4.—When seen to-day in regard to the new turbine device developed by Messrs. Melville, Westinghouse and Macalpine, members of the Parsons' firm, the head of which first adapted the turbine engine to purpose of navigation, said that from the meagre details at hand they were disinclined to attach much importance to the idea, which they consider an old one.

"Theoretically, the new invention is all right, but I doubt its practicability," said a prominent member of the firm. "It is not by any means new except in one or two points of detail," regarding which they expressed no opinion.

Replying to a question as to the effect of the American invention in increasing the speed of vessels, lessening the weight of the engines, and revolutionizing the world's navies, they said the claim was not well founded.

## Russia Has 8 Hijackers In Custody

Associated Press

MOSCOW—Russian Defense Minister Anatoly Serdyukov said Tuesday that eight suspected hijackers of the freighter Arctic Sea were in custody—the first official confirmation that the ship had been attacked, after weeks of rumors about its disappearance.

The Arctic Sea had appeared to vanish in the Atlantic Ocean's vastness for more than two weeks. But Russian and maritime officials said Tuesday they knew all along where it had been, and had stayed mum to bring a dangerous hijacking to a bloodless end.

A Russian naval vessel reached the Arctic Sea Sunday near Cape Verde, thousands of miles from

C't'd on P.4

## Tanker's double hull prevented disaster

■ Coast Guard  
credits sturdiness  
for averting spill

By ALLAN TURNER

HOUSTON CHRONICLE 12/2/09

Galveston Coast Guard Cmdr. James Elliott on Wednesday credited the SKS Satilla's sturdy double-hulled construction with preventing a major oil spill after the Norwegian tanker collided with submerged debris late last week. An underwater examination of the ship, which was carrying 41 million gallons of crude oil, revealed a gaping hole in the port side of the vessel's outer hull.

The ship was awaiting permission Wednesday to sail to Portugal, where it will be placed in dry dock for repair. The Satilla was en route to an offshore lightering facility near Galveston when it struck the Ensco 74, a jackup oil rig swept from its moorings off the Louisiana coast by Hurricane Ike.

Elliott said additional side-scan sonar searches will be conducted in the vicinity of the accident "just to make sure there's nothing else down there."

The rig came to rest in 115 feet of water about 65 miles south of Galveston. Elliott

C't'd on p.8

**EDITORS NOTE:**

This is your newsletter. If you have any news or item which you believe might be of interest to members of The Marine Society as a whole, please don't hesitate to hand it, mail it or "e-mail" it to Karen Laino, Office Administrator. Thank you.  
J.R.S.

**MARINE SOCIETY  
OF THE  
CITY OF NEW YORK**

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**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.**



Residents and officials of King Island, Australia, arrived Monday on Naracoopa Beach to help nearly 200 whales and a few dolphins that became stranded overnight. By late Monday, 48 animals were returned to the sea alive. Similar strandings have occurred in southern Australia as whales migrate, but scientists are unsure of why it happens.

**◆ ROYAL CARIBBEAN  
Cruise-Ship Titan Reports  
A Loss, Hurt by Slump**

Royal Caribbean Cruises Ltd. swung to a second-quarter loss, hurt by charges and lower revenue, and the company gave a weak outlook for the third quarter and full year.

The second-largest cruise-ship operator by market share, after Carnival Corp., posted its second consecutive quarterly loss amid a prolonged slump in travel spending, as it also raised its expectations for the H1N1 virus's impact on the company's full-year earnings.

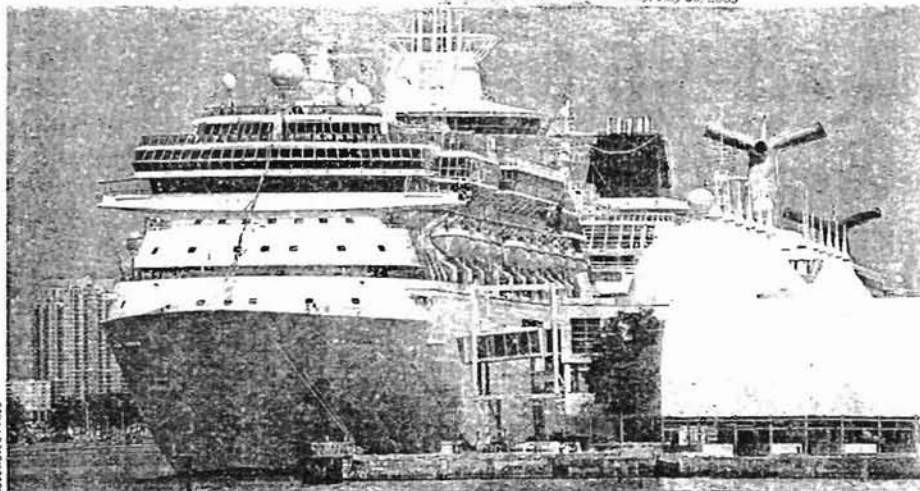
Cruise-line companies have had to cut prices significantly during the recession in order to attract skittish consumers.

For the quarter, the company posted a loss of \$35.1 million, or 16 cents a share, compared with a profit of \$84.7 million, or 40 cents a share, a year earlier. The loss included five cents a share in costs related to the H1N1 virus and about 11 cents a share because of currency adjustments and hedging ineffectiveness.

For the year, Royal Caribbean expects net yields—an industry measure of onboard spending and ticket prices—to decline about 14%, compared with its April view of a 12% to 13% drop. The company cut its full-year earnings target to 70 cents to 80 cents a share, from \$1.35 a share.

Kelly Nolan

WALL STREET JOURNAL Thursday, July 20, 2009



Royal Caribbean posted a quarterly loss. Above, the company's Majesty of the Seas docked Monday in Miami.



## Navigating the USNS COMFORT

from Capt. Ed Nanartowich U.S. Naval Reserve (Retired) U.S. Merchant Marine

(Captain Nanartowich is a Master Mariner with the Navy's Military Sealift Fleet Support Command, headquartered in Norfolk, VA. A 32-year employee with MSC, he has commanded more than 20 USNS ships since 1981. In 2007 and 2008, he commanded the COMFORT on two separate medical missions. As a reservist, he has taught at the Little Creek Shiphandling School on several occasions and at the Marine Safety Institute facilities in Norfolk.)

Tried and true ship handling methods saved the *USNS COMFORT* (T-AH-20) on several occasions during her "Partnership for the Americas" deployment, 15 June-15 October 2007. The ability to con a ship with vigor demonstrates competence and confidence to those learning from your practiced moves. This is not only a matter of pride, its part of your daily routine.

Many time-tested resources are available to help including Russell S. Crenshaw's *Naval Shipbuilding* (Annapolis MD Naval Institute Press, 1974) focuses on the virtues of a competent watch officer, emphasizes forehandedness, vigilance, judgment, experience, leadership, technical knowledge, and energy. Calm reserve is stressed, along with the need for a ready backup plan (including several alternatives) when executing a maneuver. The *COMFORT* used backup plans more than once while implementing tactics that are well known—but rarely used.

We called on ports that a ship of this size seldom visits. Hydrographic information is sketchy in many of these areas and this was a constant concern while navigating in the littoral waters of our host nations. With a huge sail area, the ship has a horsepower-to-tonnage ratio of about 0.4. Compare that to a nimble combatant with a ratio of 12 or better. Now add the sail area of the exposed hull and you have a ship that is not very maneuverable in tight areas such as harbors or pierside, and is susceptible to wind effect.

The *COMFORT*'s underwater hull area is very large and reacts significantly to tidal and wind-driven currents. Any shiphandler easily recognizes the maneuvering challenges of such a sizeable and unwieldy craft. The fundamentals of the ship's responsiveness were a constant factor during our four month deployment.

Both of the Military Sealift Command's hospital ships (the other is the *MERCY*, T-AH-18) are converted *San Clemente* class supertankers. To maneuver a former supertanker requires significant planning and preparation. Navigating the *COMFORT* through Belize's maze of coral atolls demonstrated that point. The channel leading to Belize City is part of the largest barrier reef in the world. My navigation team and I superimposed the channel on a radar relative motion plot and on an electronic chart display information system. Using Differential Global Positioning System, I ran a simulation at sea in Force 8 conditions off the Virginia coast. This gave me an advantage with no risk, and we wound our way into port smoothly.

Departing Belize required innovative, yet simple techniques. We used the "poor man's tug": dredging the anchor. This involves holding your anchor at short stay and driving you ship in the required direction, while pivoting on that anchor. We needed to make a 180-degree turn within coral boundaries, and did so in less than a ship length.

From Belize we navigated our way down to Puerto Barrios, Guatemala. Here the *COMFORT* went to anchor. Every evening like clockwork the winds increased and squall lines with 20-40 knot winds passed through our anchorage area. To bring patients and passengers on board from small boats, we had to provide a lee for them. This reduced the wave action significantly. To create a lee we used a technique that would quickly change the heading of the ship while achieving little forward speed. The term is aptly termed

"pumping the rudder". We applied full rudder, ordered a significant ahead-bell on the main engine, and the ship turned enough to create a lee by this pumping action to the rudder.

This gave us about three minutes to drive the small boats alongside, discharge 30 passengers and gear, and clear away. We would use this control maneuver in many of our upcoming ports of call. It sounds easy enough but for a ship 900 feet in length with a displacement of 70,000 tons, you need to control the forces that may strain the chain and work against your good intent.

The Atlantic ports of Belize and Puerto Barrios were a warm-up for transiting the Panama Canal. The Pacific side would tax our shiphandling to the limits of risk. Corinto, Nicaragua is an open roadstead anchorage. We anchored 1.5 miles off land and had about a 3 mile run from the ship to fleet landing. The anchorage is open to a persistent ocean swell and occasional cross swells, and on the receiving end of evening squalls and passing microcells. For small boat operations, this sea state proved challenging.

Every ten years, Corinto sees a "storm of the decade" roll through and we experienced this phenomenon. Early on the morning of 21 July 2007, visibility was nil, winds were 50 knots or better and the *COMFORT* started dragging anchor. Unfettered, a ship will generally lie beam to a wind. We were dragging so easily and fast that we had a similar lie. The starboard anchor was down with six shots of chain out. The ship lay port side to the wind and dragged, with zero visibility and rain coming down in torrents.

The starboard anchor was underneath the hull of the ship, perpendicular to the port side and dragging. Another anchored ship was directly in our drag path, only a half mile away. It's a rare day when you use two anchors in an open anchorage. In a "Mediterranean Moor" you use two anchors but rarely would do so at an open anchorage with a diurnal tide swinging the ship. Given my dilemma, I dropped the port anchor. This held and stopped the ship from dragging. We avoided a collision with the other ship, got our engines up, and stayed in position for the night.

On this deployment with this ship, I needed to anchor on two anchors twice. The next time was in anticipation of dragging in a gale at another port of call. continued in the next *Captain's Quarters*

### 5000 Year Old Navigation System Discovered

A primitive, yet highly effective, navigation system was used by ancient man to navigate their way across England and Wales, historians claim, proving once again that ancient civilizations were far more sophisticated in their approach to engineering than was once thought. According to this story from the *Daily Mail*, the 5000 year old "sat nav" system used stone monuments, often erected atop high hills, to point way to similar points, sometimes as far as 100 miles away. This intricate network of stone monoliths, which includes Stonehenge, created a system that would allow ancient travelers to navigate across long distances with accuracy of within 100 meters. British historian Tom Brooks used modern GPS systems to examine more than 1500 historical sites, and his findings were astounding. Each of the sites was connected to one another by a vast geometric grid made of isosceles triangles, in which each triangle has two sides of the same length, and pointed to the next settlement, thus allowing for simple and effective navigation across the landscape.

If Brook's assertion that the system was created over 5000 yrs ago is correct the use

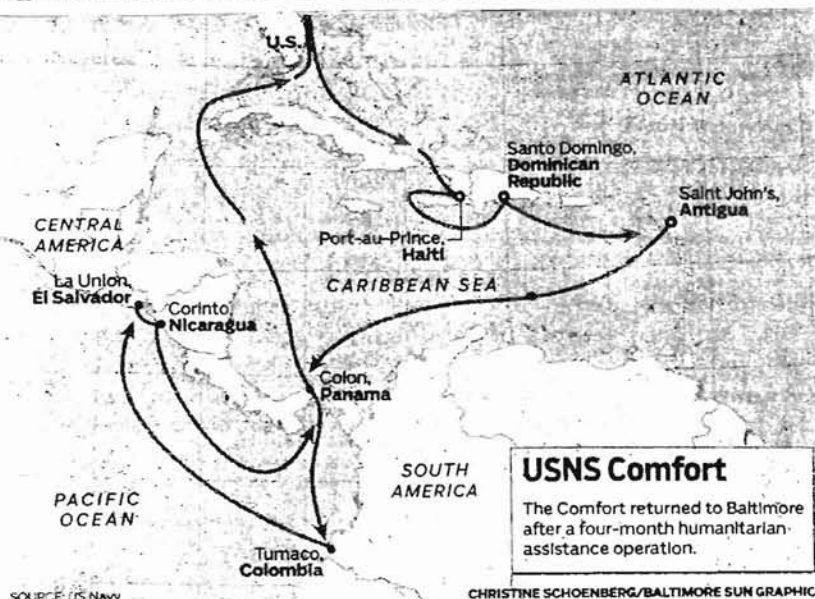
of geometry predates that of the Greeks who were thought to have discovered that branch of math. He also claims that it is the "worlds biggest civil engineering project" as well.

The implications of this theory are very interesting, and it does help explain what the purpose of sites such as Stonehenge were used for, although their method of construction still remains a mystery. This is a fascinating story of how prehistoric man may have found his way across long distances.

(by Kraig Becker (RSS feed) from AOL News 9/16/09)

# Comfort comes home

THE BALTIMORE SUN | NEWS | WEDNESDAY, AUGUST 15, 2007



## Humanitarian mission called a 'phenomenal success'

By Olivia Bobrowsky

OLIVIA.BOBROWSKY@BALTSUN.COM

The USNS Comfort cruised into its home port of Baltimore on Tuesday, ending a four-month humanitarian health mission and reuniting doctors, nurses and sailors with family and friends.

During a tour that brought the ship to seven Caribbean, Central and South American nations, the Comfort's staff treated more than 100,000 patients, and worked with each country's health ministry so that health care could continue after the ship's departure.

Capt. Thomas J. Finger called the mission a "phenomenal success," and said it "certainly exceeded what I expected we'd be able to

accomplish."

Dubbed "Continuing Promise," the voyage mirrored a similar Comfort humanitarian trip in 2007. This time, however, the ship made longer stops in fewer countries, a change designed to address concerns that the earlier trip didn't allow enough time for more extensive procedures requiring complex postoperative recovery and follow-up care.

Instead of spending five days at 12 countries, Comfort worked in seven countries for 10 to 12 days each.

Capt. James J. Ware, the commanding officer who oversaw the Comfort's medical operations, said the new schedule, along with his crew's close interaction with local doctors, led to quality treatment.

"These countries weren't without medical capabilities, but we offered different capacities for their structures," he said. "It was a true partnership."

## "Double Hull" C't'd from P.1

said its owner, Dallas-based Enesco International, Inc., has been ordered to remove the wreckage.

## Wreckage marked

Meanwhile, Elliott said, a buoy has been anchored above the wrecked rig and the hazardous site has been added to navigational charts. A Coast Guard vessel also has been positioned at the site, and hourly warnings are being sent to ships operating in the area.

An underwater examination of the Satilla found a substantial hole in the hull below the water line, where the ship's steel had peeled back in the collision.

Crews completed pumping the ship's cargo into other vessels on Tuesday.

"It was a success," Elliott said of the Coast Guard's

emergency operations. "The response came together immediately. They stabilized the vessel. The 41 million gallons of oil were removed without endangering safety and there was no impact to the environment. We were very blessed."

Built by a South Korean shipyard in 2006 and owned by SKS Obo and Tankers SA, the Satilla is a new-generation double-hulled tanker of the type mandated by the United States and European nations after disastrous oil spills involving single-hulled vessels.

March 24 marks the 20th anniversary of the oil tanker Exxon Valdez running aground on a reef in Prince William Sound, Alaska. Almost 11 million gallons of crude oil were spilled in that incident, fouling more than 1,100 miles of coastline.

The accident was the biggest oil spill in U.S. history, and Congress ordered

a phase-out of the old-style tankers the following year.

Dennis Kelso, executive vice president of the Washington, D.C.-based Ocean Conservancy, said the Satilla accident "clearly demonstrates the value of double-hulled tankers."

"This could have been a serious spill," said Kelso, who was Alaska's commissioner of environmental conservation at the time of the Valdez spill. "Because of that double hull that suffered damage on its exterior, there was no oil spill at all."

Elliott on Wednesday stopped short of positively identifying the object the Satilla struck as the Enesco 74, but Enesco International reported the Coast Guard informed it that the rig likely was involved.

## Area not searched

In the wake of Hurricane Ike, the National Oceanic and

Beyond using advanced technology on board the ship, the Comfort's doctors trained local doctors to monitor discharged patients, and in turn, the local doctors taught Ware's medical personnel about their local medical conditions.

Comfort's crew included 71 medical professionals from the partner and host nations, which included Antigua and Barbuda, Brazil, Canada, Colombia, the Dominican Republic, El Salvador, France, Haiti, the Netherlands, Nicaragua and Panama.

In addition, more than 270 volunteers from organizations such as Operation Smile and Rotary Club International took part.

The Comfort delivered more than \$4 million of donated aid, completed 13 construction projects in local communities and provided care to thousands of animals, Navy officials said.

It was the latest in a planned series of humanitarian tours launched by the Bush administration as a way to build support for the United States and its policies in foreign countries.

By the time the Comfort docked in Canton Pier on Tuesday, only about 800 of the original 1,000 people were still on board. The ship had stopped in Ft. Lauderdale, Fla., and in Norfolk, Va., giving crew the chance to leave the ship then. Also, about 80 family members and 110 other ship riders boarded the Comfort in Norfolk on a "tiger cruise," so civilians could ride along with crew members.

Ryanjon Milan, a 22-year-old nursing student whose mother worked on the Comfort as a nurse, experienced the tiger cruise. After a week on board, he left the ship and met back up with his mother on Tuesday. He wants to join the Navy after he graduates, and said his mother's naval work has inspired his career path.

"She was definitely a big influence," said Milan, part of a crowd of about 100 people who awaited the ship's arrival. He painted a "welcome home" sign for her and climbed a Dumpster for a better view as the ship slowly approached its berth.

Operations officer Marc Seals called Continuing Promise a "much more fulfilling experience" than the three other deployments he has been on.

Still, while Seals was at sea, he missed the birth of his daughter and his fifth wedding anniversary.

"It's really good to have him home," said his wife, Emily, cradling their newborn daughter.

Atmospheric Administration and U.S. Army Corps of Engineers crews conducted side-scan searches for dangerous submerged debris in the Houston Ship Channel and Galveston areas. The searches did not extend far into the Gulf of Mexico, however.

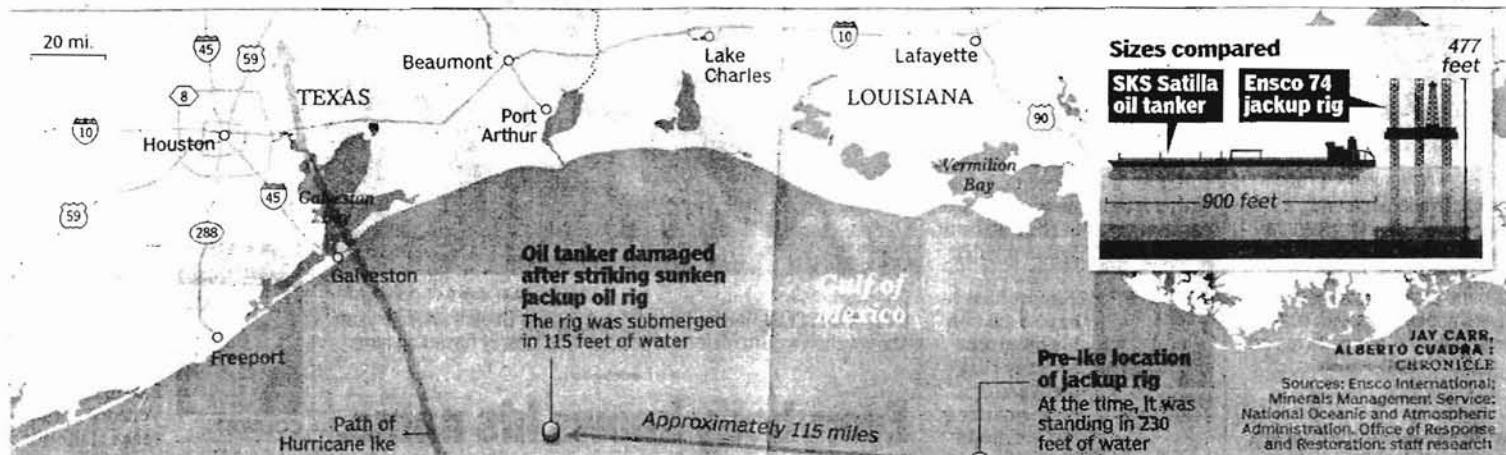
At the Coast Guard's request, contractors for NOAA also conducted sonar searches for the missing rig off Louisiana's coast. Seven days of searching covered about 95 square statute miles, but found no trace of the missing rig, said NOAA spokesman David Hall.

Hall earlier had said his agency had not received an official request to search in the Gulf of Mexico.

Hurricane Ike slammed into Galveston with 110 mph winds on Sept. 13.

allan.turner@chron.com





# It took a 900-foot tanker to find a missing oil rig

Lost by Ike and able to evade sonar, structure finally found — when vessel crashes into it

By **ALLAN TURNER**  
HOUSTON CHRONICLE 11/3/09

**W**IDER than a football field and almost two-thirds as long, Ensco 74 — a jackup oil rig positioned off the Louisiana coast — would seem a hard thing to lose. But, knocked off its moorings by Hurricane Ike's surging tide, lost it was. Until, at least, it was found by the SKS Satilla.

The 159,000-ton Norwegian tanker, carrying 41 million gallons of crude oil, plowed into the rig's twisted wreckage about 65 miles south of Galveston, tearing holes in a 197-foot-long section of its hull. No oil was spilled; none of its 25-member crew was injured.

After workers Tuesday finished pumping the ship's cargo into other vessels, plans were being made for the Satilla's dry-docking and repair, said Darrell Wilson, spokesman for the ship's owner, SKS Obo and Tankers AS.

The destruction of the Ensco 74, three other drilling rigs and at least 52 oil

platforms was a testament to the storm's fury as it moved across the Gulf of Mexico. Hurricane Ike slammed ashore at Galveston on Sept. 13 with 110 mph winds and a surge that inundated the city.

Efforts to find the Ensco 74, which had been anchored in 230 feet of water about 90 miles off the Louisiana coast, due south of Lafayette, began as soon as it was safe to enter the area, said Richard LeBlanc, Dallas-based Ensco International's vice president for investor relations.

"We put people on helicopters," he said, "and we searched from boats with sonar." But, he said, the rig, which was insured for \$100 million, could not be found.

Caryl Fagot, spokeswoman for the New Orleans office of the federal Mineral Management Service, said all destroyed rigs and platforms were found except Ensco 74.

"There's nothing typical when dealing a hurricane," Fagot said when asked how often debris from shattered oil installations travels hundreds of miles. "We do know that Ike's damage came from wave energy. There was a huge storm surge."

Fagot's agency oversaw Ensco's effort to find the demolished rig. Missing oil installations, she said, never are simply written off as lost.

"They don't just stop looking," she said. "I can't recall an instance when a company simply gave up."

Other groups, including the National Oceanic and Atmospheric Administration and the U.S. Army Corps of Engineers, also engaged in the search for storm debris that might pose a risk to shipping along the Gulf Coast. Capt. Steven Barnum, director of NOAA's coastal survey office, said crews searched for debris in an area extending 10 miles south of Galveston. Corps crews assisted in the searches.

Barnum said the searches turned up significant wreckage. The dangerous items were noted on navigation charts, he said. Missing rigs like the Ensco 74 are more problematic.

Barnum said NOAA and low areas where underwater items pose a greater threat to passing ships. Barnum said his crews do not search the larger Gulf of Mexico for debris unless they are provided with the hazards' probable locations.

"If we received a specific report of a dangerous wreck or obstruction from the community or the Coast Guard, we certainly would investigate,"

Barnum said. "Otherwise, there are tens of thousands of square miles. It would be like hunting for a needle in a haystack."

NOAA spokesman David Hall said his agency did not receive an official request to search for Ensco 74.

The oil rig's debris came to rest in the approach the Satilla followed to a lightering station, where its cargo would have been pumped onto other ships for the final trip to the Port of Houston.

LeBlanc said his company told the Coast Guard about the lost rig. Coast Guard spokesman Lt. Tim Tilghman Tuesday said he was uncertain what use was made of the information.

Owners of damaged or lost Gulf oil installations report to the Coast Guard about pollution risks, he said. "We don't go out to find their property."



## U.S. Navy's New Pirate Catcher

This is one mean puppy!!!

In what appears to be an ideal answer to the horrible piracy problem in the Indian Ocean, The U.S.S. **INDEPENDENCE** (LCS-2) a triple-hulled, weapon-laden monster built by General Dynamics was launched last month. It is called a "littoral combat ship" and can move huge weapons around faster (rumored 60 knots) than any other ship in the Navy.

Littoral, meaning close-to-shore, where these trimarans will oper-

ate, is a tailor made location for launching helicopters and armored vehicles, sweeping mines and firing all manner of torpedoes, missiles and other weapons.

A bargain at \$208 million, the navy plans to build fifty five of these ships, a speedy and heavily armed aircraft carrier for helicopters. (from [macavenel@live.com](mailto:macavenel@live.com) 21 Sept '09)



# European ports preparing for a recovery

## ROTTERDAM

### Economic slump offers a breather for upgrading and expanding facilities

BY CATHERINE HORNBY  
REUTERS

As cargo volume falls and port traffic slows down, Johan Blinde has seen a struggle to cope with overloaded facilities at Rotterdam, the biggest port in Europe, turn into a fight for business.

In past years, Mr. Blinde, a shipping manager, saw bottlenecks at Rotterdam's terminals handling booming imports from Asia often causing frustrated shippers to wait for days to unload. With cargo volume down 13 percent so far in 2009, they can easily be in and out within 24 hours.

Dredgers, meanwhile, are pumping millions of tons of sand into the North Sea to reclaim land for a €3 billion, or \$4.3 billion, extension designed to avoid the choked conditions the port has faced in the past.

"The congestion is completely over," said Mr. Blinde, the Rotterdam operations manager for Hanjin Shipping, a South Korean cargo transporter. "There is less burden at the quay; we have fewer calls from vessels compared to last year. Now everyone is fighting for business."

The port's authority is pressing ahead with plans to increase its usable area by 20 percent, and sees the trade slump in a slowing global economy as a temporary breather that gives it time to be ready when growth resumes.

"The downside has an upside: We can now prepare ourselves for the next peri-

od of growth," Hans Smits, chief executive of the port, said during an interview. "In the last couple of years, growth was so strong that we had a lot of obstacles handling these enormous flows of goods. Now we can solve the problem for when the recovery is there."

The Rotterdam port is an engine for the export-oriented Dutch economy, helping to keep up the flow of beer, dairy products and tulip bulbs to the world while also serving as a prime gateway to Europe for all sorts of commodities and finished products.

Its extension is set to add 20,000 jobs to the more than 250,000 it already provides directly and indirectly, and will bolster the economy of the Netherlands.

At stake is also the port's share of trade in Europe, as rivals similarly prepare for a pickup. Rotterdam handled about 35 percent of trade through the northwestern region in 2008 compared with 16 percent at Antwerp, Belgium, and 12 percent at Hamburg.

Bulldozers are busy distributing 250 million tons of sand evenly over the reclaimed islands of the Maasvlakte 2 port extension, which will require 7 million tons of stone and 20,000 concrete blocks for its construction.

Mr. Smits says he expects it will take three to four years for cargo volume to return to the 420 million ton level reached last year, which should coincide with the expected docking of the first ship in the new harbor in 2013.

With its peers, Rotterdam had faced criticism in the past for not investing enough, and analysts said priorities were to improve facilities for handling containers, which mainly carry manufactured goods, and to improve links out of the port.

"This downturn presents an opportu-

Other European ports, like Le Havre in France, Antwerp in Belgium and Hamburg and Bremerhaven in Germany, could also gain market share in coming years.

"Ports like Hamburg and Bremerhaven have advantages in their locations, they have a strong base inland toward Germany, and a large chunk of the shipments that arrive into Rotterdam are destined for Germany," Mr. Pauchet said.

The challenge for Rotterdam as it carries out its expansion project would be to find the right pace to match capacity to demand requirements, Mr. Davidson said.

Container volume has fallen 15 percent so far this year, but not as much as ores and scrap, with traffic down 61 percent as a result of low industrial demand for steel. Mr. Smits said he expected that this sector could be the first to show signs of improvement.

"I hope to see the automotive industry pick up again next year so that steel production picks up and the throughput of a number of goods will recover," he said.

Although volume has declined in most other cargo, oil products including diesel and kerosene have shown strong growth this year; along with crude oil, they take up most of the port's storage capacity.

The role of Rotterdam, home to some of Europe's biggest oil refineries, as an energy hub is expanding as the Dutch seek to diversify their supplies. Flows of biofuels are rising, while the port is also a site for liquefied natural gas and carbon capture projects.

"We have become a biofuel hub in Europe, that will grow step by step," Mr. Smits said. "By 2011 the first L.N.G. terminal will be operational, and we expect to also become a gas hub."

nity for Rotterdam and other ports in Northern Europe to restructure themselves and become more efficient in the handling of container trade," said the shipping analyst Marc Pauchet at the maritime consultants MSI.

Containers carry products ranging from electronics to toys, and food is also increasingly transported this way. Rotterdam is a popular transfer spot for ships because of its deep-water docks and short access route from the sea to terminals.

Asian ports like Shanghai, which in 2005 assumed the title of world's biggest port that Rotterdam had held since 1962, are gearing up quickly to deal with many large container vessels. European ports have some catching up to do, analysts said.

"As vessels grow larger and bigger and have the capacity, in order to attend to the vessels the ports need to invest in infrastructure like cranes and dredging," Mr. Pauchet said.

Rotterdam's location, facilities and investment, aimed at eventually doubling its capacity to handle containers, should help the Dutch port to shine in Europe, analysts said.

"Its proximity to the main shipping routes and its access to the European market, not just by road and rail but by

**Dredgers are pumping millions of tons of sand into the North Sea to reclaim land to extend the Rotterdam port.**

inland waterway connections, are pretty much unrivaled in northern Europe," said Neil Davidson, director for ports at Drewry Shipping Consultants.



# Defense Firms Call Business Solid

Friday, July 24, 2009 THE WALL STREET JOURNAL

## Northrop and Raytheon Expect to Weather Changes in Pentagon's Spending Plans

By AUGUST COLE

Northrop Grumman Corp. and Raytheon Co. on Thursday said their business was robust despite the Pentagon's effort to shake up defense spending by cutting back on some high-profile weapons programs.

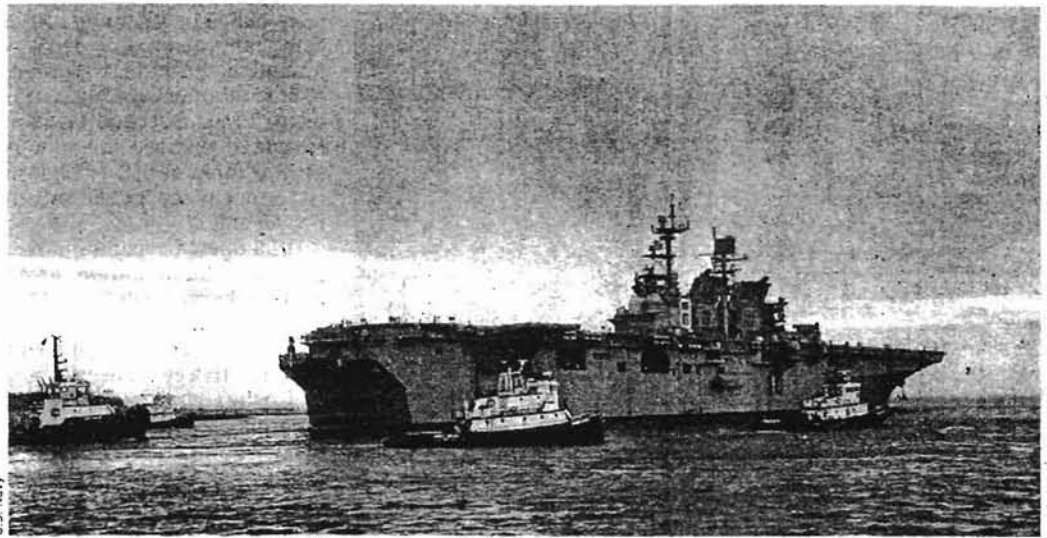
Executives said that though the U.S. Congress is still working through the 2010 Defense Department budget, they have been able to escape largely unscathed and will make up for any hits to their order books with new work, particularly in missile defense. The Pentagon is in the process of reorienting the military away from many of the high-tech and sophisticated weapons and planes that were geared to fighting conventional forces. Instead, it is trying to better equip the military for counterinsurgency conflicts, such as those in Iraq and Afghanistan.

Northrop said second-quarter profit fell 20% as pension expenses rose and the company's shipbuilding operations dragged down results despite stronger sales of unmanned aircraft and work on other airplanes.

For the second quarter, Los Angeles-based Northrop reported earnings of \$394 million, or \$1.21 a share, down from \$495 million, or \$1.44 a share. Pension expenses resulted in a \$49-million, or 15-cents-a-share, impact on profits.

Revenue increased 3.8% to \$8.96 billion.

The company builds many of



A new U.S. Navy ship leaves Northrop Grumman's Pascagoula, Miss., shipyard for testing in December.

the kinds of weapons and ships the Pentagon now wants to prioritize, such as unmanned aerial vehicles like the Global Hawk. It is also a big player in the growing business of cyber warfare. However, the company is still struggling with its Gulf Coast shipyards. Northrop took a charge of \$105 million, or 21 cents a share, in the quarter because production problems are raising the costs of some of the company's warships.

To get a handle on the problems, Northrop has shuffled management and is stepping up quality control of wiring and piping work, Northrop President and Chief Operating Officer Wes Bush told investors during a conference call. The company sees "the

actions that we've taken here in the first two quarters as a big step forward in driving investors' confidence," Mr. Bush said.

Northrop's order book was reduced by \$5.1 billion in the quarter when a missile-defense program called Kinetic Energy Interceptor was terminated by U.S. Defense Secretary Robert Gates. But the company also had \$7.5 billion in bookings during the quarter.

In an interview, Northrop Chairman and Chief Executive Ronald Sugar said the company is well positioned for the shifting Pentagon priorities and the country's strategic outlook well into the future.

Raytheon, also involved in the KEI program, said its backlog was

cut by \$2.4 billion because of the cancellation, but that it had \$7.6 billion in new orders during the quarter.

Raytheon and Northrop executives both said their technologies will continue to play a frontline role as missile-defense priorities shift.

Waltham, Mass.-based Raytheon reported second-quarter earnings of \$489 million, or \$1.23 a share, up 15% from \$426 million, or 99 cents a share, last year.

The company, which makes Patriot antimissile systems, reported revenue rose 4.3% to \$6.13 billion. Raytheon also raised its financial guidance for the year, as the company's military training business continues to grow.

## On Becoming a Sandy Hook Pilot

By Captain John J. De Cruz

I first wanted to become a pilot years ago when I was growing up watching the ships come in and out of the New York harbor from the vantage of Liberty State Park in Jersey City where I lived. I became involved in the maritime industry through my father, as he had done from his father as well. After graduating from high school, I went to SUNY Maritime College at Fort Schuyler, graduating in 1992. From there I worked on deep-sea U.S.-flag vessels, first as an able bodied seaman, then quickly moving up to mate.

But I never gave up my dream of becoming a Sandy Hook Harbor Pilot. One day while I was on vacation, my mother heard on her desk radio at work that the Sandy Hook Pilots were looking for apprentices. I quickly called for an application and interview for the position. Being on a tough schedule in my regular seagoing job, I had to do a rush job interview for which some of the Board of Pilots could not be present.

Apparently, I made a sufficiently good impression to be placed seventh on their "top ten" list of those potential applicants to be called over the next two years. And it was almost two years later

that I received a call from the Pilot President's Secretary explaining that another call for apprentices was being set up. I told her that I was very interested in becoming an apprentice. So, I made sure that I would have ample time off to undergo a thorough interviewing process.

Once again I seemed to have made a sufficiently good impression and was ranked third which pretty well guaranteed that I would make it into the program this time. In calling home after my ship docked in Oakland, CA., I learned the good news---that I was next on the list to be taken in. It was also somewhat of an historic event for me to be the first African-American apprentice to be accepted by the Sandy Hook Pilots. I thought that there might be a lot of pressure on me, but there was none at all. I was treated fairly, just as I had expected.

I spent five years as an apprentice learning the waters of New York Harbor and all connecting rivers and bays. I am now a Deputy Pilot into my second year. I have been on many jobs--- some easy, others quite difficult and in all kinds of weather. But there is not a day that goes by that I regret leaving the deep sea life to become a Sandy Hook Pilot here in the ports of New York and New Jersey.

Highjackers" C't'd from p.1  
the Algerian port where it was to  
have docked Aug. 4. The sus-  
pected hijackers—citizens of Esto-  
nia, Latvia and Russia—were ar-  
rested without a shot being fired.  
Russian state news agencies  
quoted Mr. Serdyukov as saying.  
The 15 crew members were safe.

"The movements of the MV  
Arctic Sea were always known,"  
said the Maritime Authority in  
Malta, where the Russian-  
crewed ship is registered. Au-  
thorities agreed "not to disclose  
any sensitive information in or-  
der not to jeopardize the life and  
safety of the persons on board."

The ship left the Finnish port  
of Pietarsaari with a load of tim-  
ber on July 21. More than a week  
later, Swedish police said they  
were investigating a report that  
masked men had raided the ship  
and beaten the crew near the  
Swedish island of Gotland be-  
fore speeding away.

A Russian company that in-  
sured the vessel received a ran-  
som demand of \$1.5 million on  
Aug. 3, Interfax news agency said.

The armed hijackers boarded  
the freighter under the pretext  
that there was a problem with  
their inflatable craft, Mr. Ser-  
dyukov said, according to Rus-  
sian news agencies. They then  
forced the crew to change course  
and turned off the Arctic Sea's  
navigation equipment.

WALL STREET JOURNAL, August 19, 2009

## Florida: Smuggler in Fatal Boat Crash Is Sentenced

A boat captain from the Dominican Republic has been sentenced to nearly 10 years in federal prison after pleading guilty to smuggling illegal immigrants. Six people died when the vessel ran aground near Miami on Oct. 31. The passengers from Brazil and the Dominican Republic said they had paid the captain, Crecencio Hernandez, \$4,000 to \$15,000 to be smuggled into the United States.

NEW YORK TIMES TUESDAY, JUNE 23, 2009

## 16 Die After Being Ejected From Ships

GENEVA (Reuters) — Sixteen Somalis drowned over the weekend after smugglers ferrying migrants from Somalia to Yemen forced them overboard into the Gulf of Aden, the United Nations refugee agency said Tuesday.

An additional 64 passengers managed to swim to shore in Yemen after being ejected from the two ships involved in the latest deadly episodes along the busy migration route.

When the smugglers began to force people into the sea on the first boat, "frightened passen-

gers moved toward one side of the vessel, causing it to collapse," Andrej Mahecic, a spokesman for the refugee agency, said at a news briefing in Geneva.

On the second ship, Mr. Mahecic said that "fearing detection by the Yemeni authorities, the smugglers forced passengers to swim to shore."

An estimated 36,000 Africans have reached Yemen this year by crossing by sea from northern Somalia, according to the United Nations High Commissioner for Refugees.

NEW YORK TIMES INTERNATIONAL WEDNESDAY, SEPTEMBER

## ◆ SOMALIA

### Pirates Holding Ship Fire at U.S. Helicopter

Somali pirates holding a hijacked ship off the coast of Somalia fired at a U.S. Navy helicopter as it made a surveillance flight over the vessel, the first such attack by pirates on an American military aircraft, the Navy said.

The helicopter, which is based on the USS Chancellorsville, wasn't hit and there were no injuries, the Navy said.

The helicopter was flying Wednesday over a Taiwanese-flagged fishing vessel, the Win Far, which pirates seized along with its 30-member crew in April and were holding south of the Somali port town of Hobyo.

The helicopter was about 3,000 yards away from the ship when the pirates opened fire with "a large caliber weapon," the Navy said in a statement. The helicopter didn't return fire, it said.

Associated Press

WALL STREET JOURNAL, August 28, 2009

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