

# Lake Carriers' Association

For Immediate Release

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## Foreign Steel, Vessel Repairs, and a Broken Lock Combine to Cut U.S.-Flag Lakes Float 10 Percent in August

CLEVELAND – Continued high levels of steel imports, coupled with three large vessels idled for repairs and a lengthy closure of the MacArthur Lock at Sault Ste. Marie, Michigan, cost U.S.-flag Great Lakes fleets more than 1.1 million tons of cargo in August. The fleet moved 9.9 million tons of raw materials in August, a decrease of 10.3 percent compared to the 11 million tons hauled a year ago.

The iron ore trade was most affected by steel imports and vessels being out of service. Shipments totaled just 4.3 million tons, a decrease of 22 percent compared to a year ago. It takes on average 1.5 tons of iron ore to make a ton of steel in a blast furnace, so with foreign steel corraling more than 30 percent of the market, a downturn was inevitable. Also, the three large vessels idled for some or all of the month are active in the ore trade and have a combined per-trip capacity of more than 200,000 tons. One of the idled vessels returned to service on August 28. The other ships did not sail again until September 19.

Coal shipments were also affected by the temporary loss of carrying capacity. Two of the idled 1,000-footers also regularly work the coal trade. Each can carry more than 60,000 tons per trip, so their temporary lay-ups were a factor in the 12-percent dip in coal loadings.

Limestone was the bright spot in August. Shipments in U.S. bottoms totaled more than 3 million tons, an increase of 14 percent compared to a year ago.

The failure of the MacArthur Lock at Sault Ste. Marie, Michigan, on July 29 also impacted the month's totals. The lock did not reopen until August 17. More than 70 cargoes in U.S.-flag lakers totaling 1.6 million tons were delayed more than 150 hours by the closure during August. Vessels are already operating at their most efficient speed, so most of those 150 hours cannot be recouped.

Year-to-date U.S.-flag carriage stands at 52.4 million tons, an increase of 6 percent compared to the same point in 2014, but a decrease of 1.5 percent compared to the 5-year average for the January-August timeframe.

Lake Carriers' Association represents 16 American companies that operate 56 U.S.-flag vessels on the Great Lakes and carry the raw materials that drive the nation's economy: iron ore and fluxstone for the steel industry, aggregate and cement for the construction industry, coal for power generation, as well as salt, sand and grain. Collectively, these vessels can transport more than 100 million tons of cargo per year. More information is available at [www.lcaships.com](http://www.lcaships.com). Contact: Glen G. Nekvasil, Vice President (440-333-9996).

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*Information based on data from knowledgeable sources. However, accuracy cannot be guaranteed. Lake Carriers' Association assumes no legal responsibility for the outcome of decisions or commitments made on the basis of this information. This report represents the views of Lake Carriers' Association and may not necessarily represent the views of its individual members.*

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***The Association Representing Operators of U.S.-Flag Vessels on the Great Lakes***

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