



THE INTERLAKE STEAMSHIP COMPANY LOG

Volume 66, Number 1

Spring 2007

MARK BARKER NAMED INTERLAKE PRESIDENT

In celebrating milestones such as “20 Years under the Interlake Flag” (*see following article*), we also look ahead to the ongoing success of the company as we continue to provide reliable, efficient, and excellent customer service.

On April 27, 2007, the Interlake Board of Directors announced the election of **Mark W. Barker** to the office of President, succeeding **James R. Barker**, who will continue as Chairman and Chief Executive Officer.

Mark Barker has most recently been Interlake vice president and treasurer. He has also served as director of engineering, assistant vice president, and fleet engineer. Previously, he held assistant engineer positions aboard several Interlake ships. A graduate of the State University of New York at Fort Schuyler, he received his M.B.A. from the Case Weatherhead School of Management in Cleveland. His background and experience enhance the company’s top-down, hands-on management style that enables quick response to customer needs and company issues.



Interlake President Mark W. Barker

“We congratulate Mark on becoming President. We are committed to this company and the industry it serves,” said **James R. Barker**. “Mark’s solid business and maritime background will provide this company a sound and stable leadership platform into the future. We have a competent and very capable work force of which I am very proud. With all of your support and continued diligence, we will continue to grow and improve this company. To each and every Interlake employee, thank you for the last 20 years, and I look forward to the coming years of challenges and success.”

INTERLAKE MEETINGS

20 YEARS UNDER THE INTERLAKE FLAG



and CEO. Thus, “20 Years under the Interlake Flag,” was the theme of this year’s winter meeting, held in March in Marco Island, FL.

The Interlake Steamship Company has been operating on the Great Lakes since 1913, but it was 20 years ago, in 1987, that the fleet became privately held under the leadership of **James R. Barker**, chairman



Interlake Chairman and CEO James R. Barker

“It has been a great journey for 20 years,” said Interlake Chairman **James R. Barker** in his opening remarks. “We are in a good position as we look forward.” He addressed several items affecting the Great Lakes vessel industry in general, and Interlake Steamship in particular – including capacity issues, environmental concerns, labor issues, and the dredging crisis.

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20 Years under the Interlake Flag, cont.

“We must remain cost competitive, while at the same time maintaining our fleet for the future,” Mr. **Barker** said. “We want to deliver a great customer experience.” He noted that 2006 investments in our fleet included purchase of *MV MESABI MINER* and the major project of the *LEE A. TREGURTHA*’s power plant conversion.

He warned that we must not become complacent. Company initiatives aimed at improving productivity are achieving results, but industry-wide situations, such as the continuing dredging crisis as well as dock-related difficulties, have caused inefficiencies in cargo movement. There are serious environmental and financial hurdles to dredging on the Lakes. Many disposal sites are full or nearly full. The dredging situation is particularly acute on the Great Lakes, which have long been shortchanged when it comes to allocation of Federal money for dredging. The US Army Corps of Engineers’ per capita spending on Great Lakes dredging amounted to \$0.52 per ton of cargo carried last year on the Lakes. In contrast, per capita spending on the Missouri River amounted to 30 times that amount, or \$15 per ton of cargo carried. Because of this, the Great Lakes region faces a dredging backlog of over \$200 million in operation and maintenance requirements. Interlake, in collaboration with Lake Carriers’ Association, other Great Lakes carriers, and a number of Great Lakes Senators and Congressmen, are working diligently to bring attention, focus and resolution to this critical issue.



John Hopkins

Vice President-Marketing & Marine Traffic **John B. Hopkins** reported that 2006 tonnage was down by about 1.5 million tons from 2005. Interlake’s 2006 season cargo total was carried in 585 trips, down from 2005’s 668 cargoes. The decrease was attributable to the *LEE TREGURTHA* being out of service for conversion, and the Str. **KAYE E. BARKER** being out of

service for 30 days. Tug-barge *DOROTHY ANN-PATHFINDER* loaded the highest number of cargoes in 2006 – 120. Second was Str. **HERBERT C. JACKSON** with 89. *MV PAUL R. TREGURTHA* hauled the most tonnage – over 3.7 million tons, or 19.85 percent of the fleet total. **John** also noted that revenue generated near season’s end in January and at the new season’s outset in March has become increasingly important. The 2007 sailing season appears full, so the fleet must maximize each operating day.

John reported that industry-wide, US-flag tonnage was up 3 million tons from 2005, reaching 110 million tons in 2006. Steel production was also up, yet steel imports set a new record due to material entering from China. Total US coal production was also up in 2006, with western coal showing the largest increase. In fact, **John** pointed out that western coal production has grown by over 100 million tons in the last six years.

There is potential new business connected with a number of projects and possible projects around the Lakes. Ore and coal forecasts for 2007 show a slight upward trend from last year, and **John** pointed to probable increases in the fleet’s stone and grain tonnage. “We are optimistic for 2007,” he said.

Mr. Barker noted that 2007 revenue is forecast to be about the same as 2006, but “we are hopeful we’ll do better.”

Quality, safety and environmental stewardship are the watchwords of Interlake Steamship. We are committed to providing quality service to each customer at the highest level of customer satisfaction. One critical customer satisfaction area is an efficient and timely loading and unloading process. Toward this end, as a highlighted goal, we will focus on minimizing those delays which we can control. Attention to system maintenance, personnel training, vessel and dock communication, analysis and upgrading of systems to improve efficiency, dispatch, and overall communication are essential to accomplishing this goal. All departments will play a role in this process. Initially, Fleet Superintendent **Ian Sharp** will be



Ian Sharp

attending many of the ships to meet with officers and crew and to review the ship’s conveyor system, maintenance and unloading process. This will give us a benchmark to measure improvement. Reviews like this are not made in a vacuum. We will be looking for input and comments from all sectors as we continue forward along the path of “continual improvement.”

Ed Priem of the Duluth office summarized 2006 fuel consumption and supply and discussed the forecast for 2007 consumption and fuel price trends. He talked about Minnesota’s biodiesel mandate, its effects, and a research project in conjunction with a University of Minnesota-Duluth researcher, in which biodiesel in varying percentages will be tested in our operating environment. **Ed** also discussed the move to ultra low sulfur diesel (ULSD) which at times has made it difficult to source the high sulfur product. “We will be looking at the specs of ULSD to see if it will work for us.”



Ed Priem

Vice President & Treasurer (now President) **Mark Barker** spoke about the Engineering department’s focus on completing projects that prepare our fleet for the future. “We are putting money back into the fleet, and that’s good for the long haul,” he said. Fleet Superintendent **Ian Sharp** pointed out that our winter work program this past lay-up period included over 750 work items. *MV PAUL R. TREGURTHA* and Str. **CHARLES M. BEEGHLY** were drydocked.

continued next page...

20 Years under the Interlake Flag, cont.

The Personnel department addressed a number of topics and brought in speakers. **Tracy Tillotson** is the new director of AssistNOW, the employee assistance program division of Recovery Resources. She noted that AssistNOW primarily provides counseling services, but also offers many other services to help employees and their families in various life situations. She noted the value of mental, emotional, and social well-being, and the importance of early intervention when difficulties occur. The AssistNOW phone line (216-431-4140 or 800-840-4654) is answered 24 hours a day, 7 days a week by a qualified clinician. Confidentiality is assured, and networking capabilities exist for out-of-state services. The organization's website, www.assistnow.org, provides a wealth of information.



Chuck Kakuska

Chuck Kakuska, Sea-K's Licensing, presented up-to-date information on documentation and licensing issues, including the Transportation Worker Identification Credential (TWIC), and MMC (Merchant Mariner Credential) which will replace the MMD.

Attendees had the opportunity to play a round of golf or take a charter fishing trip. The final evening's dinner included a retirement celebration for Chief Engineer **Dennis Glasser**.

Thanks to Gary Schmidt, Ed Priem, Karen Wright, Rick Eichmueller, Laconda Anthony, Joan Burke, and everyone else who submitted winter meeting photos.



Mr. Barker congratulates Denny Glasser.



Did You Know?...

> **MINER Closes and Opens Season at Duluth-Superior**

MV **MESABI MINER** carried the last cargo of the season from Duluth-Superior when she left the Twin Ports on January 16, 2007, with a cargo of coal for Marquette, MI. When she returned to lay up at Superior Midwest Energy Terminal on January 19, it marked the final vessel movement of the 2006 season at the Twin Ports. Then on March 16, the **MINER** departed Duluth-Superior with the first cargo of the 2007 season – coal for Marquette, MI. She was the first commercial vessel to enter the Twin Ports when she returned on March 19 to load coal for Taconite Harbor, MN. She came back for another coal cargo for Marquette on March 22, and again for coal on March 24. This time, the cargo was headed below the Soo, to the DTE plant at St. Clair, MI.



MESABI MINER returns to Duluth on March 19, 2007.
--photo by Ed Labernik



MV MESABI MINER passes through a stretch of open water as she departs Duluth on March 16, 2007.

MV MESABI MINER in the ice field off Duluth, March 16, 2007.



--photo by Scott Briggs



--photos by Ed Priem

MV MESABI MINER departs Duluth, March 16, 2007.

> **MINER Opens Marquette**

When MV **MESABI MINER** arrived with her coal cargo on March 17, 2007, she opened the 2007 shipping season at Marquette, MI.



MV MESABI MINER arrived at Marquette on March 17, 2007.
--photo by Rod Burdick

> **MINER Provides a Path for Other Ships**

When MV **MESABI MINER** left Duluth-Superior on Friday, March 16, 2007, bound for Marquette with a load of coal, she was the port's first departure and was assisted by the US Coast Guard icebreaking tug *Biscayne Bay*. The ice was reportedly two to three feet thick in the harbor, and ice extended several miles out into Lake Superior with numerous windrows. Two weeks later, when the **MINER** was once again departing Duluth-Superior Harbor on April 1 – the USCGC *Alder* was out of operation for repairs, and the *Biscayne Bay* was gone from the area – the **MINER** served as the “icebreaker.” She cut a path that was then followed by the inbound MV *CSL Assiniboine* and Str. *Quebecois*.



USCGC Biscayne Bay assists MV MESABI MINER through the Duluth harbor ice, March 16, 2007.
--photo by Ed Labernik

Steven L. Mensen, grandson of retired Superintendent of Vessel Property **Louis H. Mensen**, serves as quartermaster aboard the USCG icebreaker *Biscayne Bay*, and was at Duluth-Superior for the break out of the **MESABI MINER** in March.

CORT IS 35

MV **STEWART J. CORT**, first thousand-footer on the Great Lakes, sailed from Erie, PA, on her maiden voyage 35 years ago, on May 1, 1972. Her bow and stern sections began life as “*Stubby*” in 1969 at Pascagoula, MS. *Stubby* entered the Lakes via the St. Lawrence Seaway in June 1970, bound for the Erie Marine shipyard at Erie, PA, where *Stubby* was separated and the midbody (built in Erie) was inserted.



Above: MV **STEWART J. CORT** at her winter layup berth, Duluth, MN, March 16, 2007.
--photo by Scott Briggs



Many people lined the Detroit and St. Clair Rivers on May 2, 1972, to see this giant ship for the first time. MV **STEWART J. CORT** was operated by Bethlehem Steel Corporation, and its successor International Steel Group, until June 2005 when the ship joined the Interlake fleet. She still wears “#1” on her after cabin, signifying her position as the first thousand-footer on the Lakes.

Left: Aft cabin, MV **STEWART J. CORT**, loading at BNSF #5, Superior, WI, August 2005.
--photo by Patrick Lapinski



AB/QMED SCHOOL ALUMNI

Congratulations to these people who attended the AB/QMED School held at Great Lakes Maritime Academy this past winter, and achieved their AB or QMED endorsements.

AB:

- Dennis Nelson
- Jason Benac
- Jason Schwiesow
- Richard Racz
- Thomas Moran

QMED:

- Mike McCord
- Skip Schlak
- Dennis Johnson
- Jason DeMenter
- Kyle Topham

Spring Shots

MV STEWART J. CORT, April 7, 2007.

-- photo by Scott Briggs



Strs. KAYE E. BARKER and CHARLES M. BEEGHLY at Marquette Ore Dock, April 27, 2007.

--photo by Rod Burdick



Left: Str. CHARLES M. BEEGHLY; Right: Str. HERBERT C. JACKSON and MV PAUL R. TREGURTHA at Bay Shipbuilding, Sturgeon Bay, WI, March 2007.

--photos by Dale Miller



Below: No bicycle riding today, MV PAUL R. TREGURTHA.

--photo by Kevin Davis

Below: Str. HERBERT C. JACKSON above the Locks, March 27, 2007.

--photo by Gary Schmidt

Above: MV PAUL R. TREGURTHA, Upper St. Marys River, March 27, 2007.

--photo by Gary Schmidt



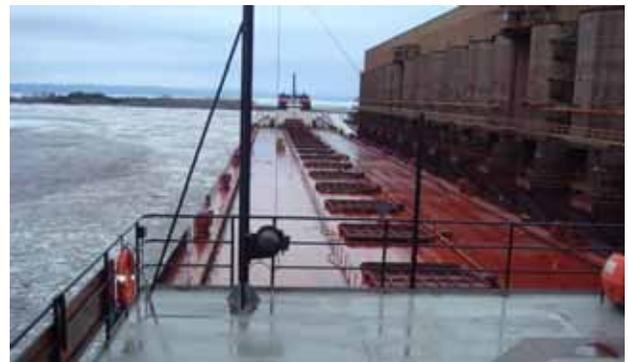
MV LEE A. TREGURTHA departing Marquette, April 26, 2007.

--photo by Rod Burdick



Above: Fuel barge Marysville alongside tug DOROTHY ANN while barge PATHFINDER unloads at Severstal Steel, Dearborn, MI, May 6, 2007. Below: Str. HERBERT C. JACKSON arriving and T/B DOROTHY ANN - PATHFINDER departing Severstal, May 6, 2007.

--photos by Mike Nicholls



Above: First cargo of the season for MV STEWART J. CORT at BNSF Ore Dock, Superior, WI, March 28, 2007. Below: MVMESABI MINER meets the CORT, May 10, 2007.

--photos by Scott Briggs



Right: MV PAUL R. TREGURTHA departs Duluth, April 26, 2007.

--photo by Ed Labernik

Fishing's Good at Taconite



Capt. Scott Briggs, MVMESABI MINER, has found a good fishing spot at Taconite Harbor. Above left is a 9 lb. rainbow trout caught on May 26, and above right, he's holding several fish caught -- and later fried -- on May 8, 2007.

1982 | 25 Years Ago...

In the World:

- ❑ World population was 4.61 billion.
- ❑ Magnetic resonance imagine (MRI) diagnostic machines were introduced in Britain.
- ❑ It was the Chinese Year of the Dog.
- ❑ Alva Nyrdal of Sweden and Alfonso Garcia Robles of Mexico shared the Nobel Peace Prize.
- ❑ Rail disasters killed 130 people in Algeria on January 27, and 120 people in Mexico on July 11.
- ❑ The British overcame Argentina in the Falklands War, which lasted from April 2 to June 15.
- ❑ The men's world Alpine skiing champion was Phil Mahre of the United States. The women's Alpine champion was Switzerland's Erika Hess.
- ❑ Tom Watson won the British Open golf tournament.

In the United States:

- ❑ US population stood at 231,664,458.
- ❑ Life expectancy was 74.5 years overall. Males could expect to live 70.8 years, and females 78.1 years.
- ❑ A first-class stamp cost 20 cents.
- ❑ The average unemployment rate was 9.7 percent.
- ❑ The average production worker labored 34.8 hours per week, and made \$7.68 per hour, or \$267.26 per week.
- ❑ Regular leaded gasoline averaged 122.2 cents per gallon; unleaded regular averaged 129.6 cents per gallon; and unleaded premium averaged 141.5 cents per gallon.
- ❑ On January 13, an Air Florida 737 crashed into the Potomac River after takeoff, killing 78 people.
- ❑ In Super Bowl XVI, the San Francisco 49ers defeated the Cincinnati Bengals, 26-21. Super Bowl MVP was San Francisco's Joe Montana.
- ❑ The NFL's MVP was San Diego's Dan Fouts. Rookie of the Year was Marcus Allen of the Los Angeles Raiders.
- ❑ In the Rose Bowl, it was Washington 28, Iowa 0. Clemson defeated Nebraska, 22-15, in the Orange Bowl.
- ❑ Herschel Walker won the Heisman Trophy.
- ❑ The Edmonton Eskimos defeated the Toronto Argonauts, 32-16, to take the Canadian Football League championship.
- ❑ The New York Islanders defeated Vancouver to win NHL's Stanley Cup.
- ❑ Wayne Gretzky was the NHL's leading scorer.
- ❑ The Los Angeles Lakers beat the Philadelphia 76ers, 4 games to 2, to win the NBA championship.
- ❑ The NBA MVP was Moses Malone of Houston. The NBA's scoring leader was San Antonio's George Gervin with 2551 points for the season.

- ❑ There were 77 operable nuclear reactors in the country. Nuclear plants generated 12.6 percent of the nation's electricity.
- ❑ 85 percent of households had color television sets; 21 percent had microwave ovens; 36 percent had automatic dishwashers; and 27 percent were equipped with central air conditioning.
- ❑ *Dallas* was the top-rated TV show.
- ❑ The Pulitzer Prize for fiction went to John Updike for his book *Rabbit Is Rich*.
- ❑ Record of the Year was "Rosanna," by Toto. Album of the Year was awarded to *Toto IV*, by Toto.
- ❑ Michael Jackson released the album *Thriller*, which sold more than 25 million copies.
- ❑ The Academy Award for Best Picture went to *Gandhi*. Best Actor was Ben Kingsley in *Gandhi*. Best Actress was Meryl Streep in *Sophie's Choice*.
- ❑ Other movies we watched included *E.T. the Extra-Terrestrial*, *Tootsie*, *An Officer and a Gentleman*, *The World According to Garp*, *The Best Little Whorehouse in Texas*, *Missing*, *The Verdict*, *Victor/Victoria*, *My Favorite Year*.
- ❑ NCAA Division I basketball champion was North Carolina.
- ❑ NCAA Division I women's basketball champion was Louisiana Tech.
- ❑ *Gato Del Sol* and jockey E. Delahoussaye won the Kentucky Derby. *Aloma's Ruler* took the Preakness. *Conquistador Cielo* won Belmont Stakes.
- ❑ Gordon Johncock won the Indianapolis 500 at an average speed of 162.026 MPH in his Wildcat-Cosworth.

On the Great Lakes:

- ❑ The shipping season was a continuation of the downward trend that had begun in 1980. The year saw decreases in tonnage volume at all US Great Lakes ports.
- ❑ The issue of waterway user fees commanded a lot of attention. Lake Carriers' Association, as well as national maritime interests, opposed the proposals that were made.
- ❑ An LCA Navigation Committee request to the National Ocean Survey was granted, resulting in approved courses being reflected on future editions of Great Lakes charts.
- ❑ There were 137 US-flag bulk cargo vessels (including tankers) on the Lakes, with a combined carrying capacity of 2,749,512 GT.
- ❑ Water levels were slightly above long-term averages, except for Lake Ontario, which was below its long-term average.

In the Interlake Fleet:

- ❑ Due to the downturn in business, Interlake began the year expecting to operate only six vessels.
- ❑ To improve fleet safety, nylon boarding ladder safety nets were installed on all active vessels.

In the News...



- The “Duluth Shipping News” column in the *Duluth News Tribune* included photos of MV **STEWART J. CORT** on January 15; MV **MESABI MINER** on January 19, March 20 and 26, April 2; Str. **KAYE E. BARKER** on April 7; and MV **JAMES R. BARKER** on April 23, 2007.
- The *Duluth News Tribune* of January 17, 2007, ran a photo of MV **MESABI MINER** departing harbor, the “Last ship out” of Duluth-Superior harbor on January 16.
- A color photo of MV **MESABI MINER**, taken on March 19, 2007, and captioned “Return of the Miner,” appeared in the *Duluth News Tribune* on March 20.
- A March 1, 2007, article in the *Duluth News Tribune*, “Battle for bigger Lakes locks,” about the lack of money for a new Poe-sized lock in the Federal budget, included a photo of MV **MESABI MINER** approaching the Soo downbound.

Retirements

Best Wishes to the following Interlakers who have “swallowed the anchor”:

Bradley Johnson - Second Cook - May 1, 2007

Maritime Day Observance

The United States celebrates National Maritime Day annually on May 22. This year’s Maritime Day luncheon in Cleveland, sponsored by the Propeller Club – Port of Cleveland, took place on May 24. Keynote speaker was Rear Admiral **John E. Crowley, Jr.**, Commander, Ninth Coast Guard District.

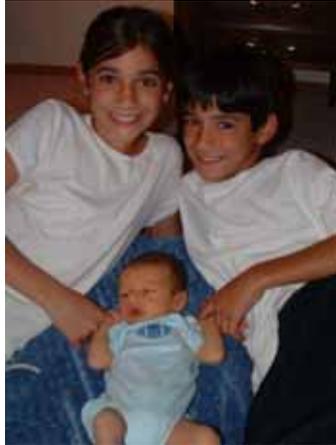
RADM **Crowley** addressed the “Operational Priorities of the Ninth Coast Guard District Commander.” He described the process of arriving at an operational focus – including getting to know the area and surroundings, understanding the challenges and threats, and then identifying operational priorities. RADM **Crowley**, who served on the Lakes earlier in his career, noted that the Great Lakes provide the special challenge of adaptation to the changing seasons. He also noted that there are many varied partners within the Great Lakes area, and the Coast Guard is challenged to stay in contact with the various segments of the maritime community.

Final Bells

Myrtle Tanula - Surviving Spouse - February 12, 2007

Grant Lewis - Porter (retired) - May 2, 2007

Just Launched...



Alyssa, Ryan, and Aidan, June 5, 2007

Aidan Joseph Zeitler, son of Supervisor - Marine Traffic **Derek** and **Christine Zeitler**, greeted the world on May 25, 2007, weighing in at 7 lbs. 0 oz., and measuring 20 inches long. He joins sister **Alyssa** and brother **Ryan**.

NEW USCG MARINER WEBSITE

The US Coast Guard has launched a website to provide merchant mariners with real-time information on the status of pending mariner credential applications. Merchant mariners can check the status of application throughout the verification and approval process by logging on to <http://homeport.uscg.mil/>, clicking on the Merchant Mariners tab, and then clicking on Merchant Mariner Application Status. When application information is entered, Homeport will display the information submitted with the application package and current application status information. Mariner credentials that have already been issued will be displayed in Homeport as "issued" for a 120-day period. Mariners who need additional information after visiting the website can request additional information by telephone or email.

—US Coast Guard Press Release, May 3, 2007

Congratulations!

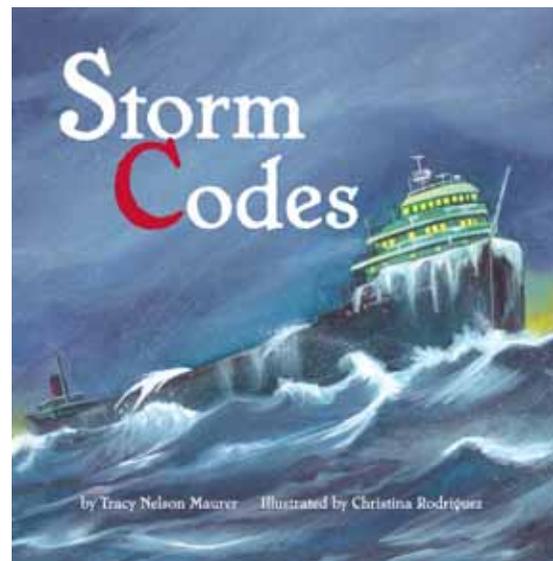
Michael A. Smith, son of **Robert (Bob)** and **Linda Waldron**, and **Lori-Beth DiLeo** recently announced their engagement. Both are residents of Inverness, FL. **Lori** is a 2000 Central Christian Academy graduate and has been attending Central Florida Community College, majoring in elementary education. She is currently employed with Citrus Memorial Hospital. **Michael** is a 1998 Clearwater High graduate and is currently employed with Century 21 J.W. Morton Real Estate Inc. Their wedding will take place in 2008.



Michael Smith and Lori-Beth DiLeo

New Children's Book

New this year is a children's illustrated book, published by Windward Publishing -- *Storm Codes*, about a November ice storm on the Great Lakes. The historically-accurate fictional story follows seven-year-old Katy and her mother as they wait through a November storm for her father's ship to return to Duluth, during the busy Great Lakes shipping days of the 1960s. Author **Tracy Nelson Maurer** is the granddaughter of the late Capt. **Harvey C. Almstedt**, who sailed several Cleveland-Cliffs ships, including Str. *Edward B. Greene* (now **KAYE E. BARKER**). Tracy said, "[This] is my small tribute to Great Lakes sailors and their families, and it's especially close to my heart because of my grandpa's love of sailing and his dedication to his career." *Storm Codes* will be released on July 4, 2007. You can find more information on the web at www.stormcodes.com or at Tracy's website www.tracymaurerwriter.com.



Storm Codes cover, courtesy Tracy Nelson Maurer

Interlake Steamship

Our Vision -

To be the premier self-unloading partner for our iron ore, coal, stone and other customers.

Our Mission -

To deliver value through our commitment to a customer-first philosophy.

Our Values -

We embrace the values of integrity, respect, high performance and accountability.

Quality, Safety and Environmental Policy

Interlake Steamship is committed to providing innovative solutions, quality service and the highest possible level of customer satisfaction. We operate in the safest and most environmentally responsible manner possible through established continual improvement, quality, safety and environmental management practices, while maintaining compliance with all mandatory rules and regulations.

Our website, www.interlakesteamship.com, has been redesigned. Check it out, and be sure to check for updates and additions!

LOG DEADLINES

Material received

by this date:

July 15, 2007

October 1, 2007

will be included

in this issue:

Summer 2007

Fall 2007

Back cover photo:

M/V MESABI MINER awaiting upbound passage through the Poe Lock, April 7, 2007.

--photo by Capt. Scott Briggs

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Send news -- shipboard news, family news, births, marriages, awards, etc. -- photos, and article ideas to:

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