Dear Customers:

You have heard me on numerous occasions talking about the limitations of our national infrastructure handling import freight. As the import trade has grown in double digits for years and ocean carriers have increased the size of their largest vessels from 4000 TEUS/vessel just a few years ago to now 9000 TEUS/vessel our ocean ports have failed to keep pace. The result is an extremely fragile infrastructure beginning with the ports on all coasts. Every small irregularity such as weather, holidays and disruption of sailing schedules immediately results in chaos.

Below hereto is a message from Maher Terminals Inc. to one of its carrier customers (Hanjin). Maher is one of the major terminals in the New York/New Jersey port complex and the tone of the message speaks for itself. I thought that this would be of interest to you as it illustrates the current conditions at the ports very well and comes right from the source.

Best regards

Andreas

Andreas Bauermeister
Executive Vice President
Voice (617) 884-0991 Ext.890
Personal Direct Fax Line (617) 887-7990
Email: andreas@seajet.com
Please visit us on the web at www.seajet.com

Quote

The terminal has been severely hampered and hindered by these past weeks holiday schedule, with vessel bunching and congestion. The terminal is almost at capacity and we are very close to not being able to work ships due to field space. The trucking community has not picked up the imports at the rate that we need them to be delivered. We need to have a huge delivery week if we expect to get out of this congestion problem. The discharge figures have been extremely high over this holiday period and we need to get the imports moving quickly to support the vessels that have bunched over this same period. This lack of import delivery has caused the operating group to limit the receiving of vessels for export return because the volume on terminal has moved overwhelmingly to import cargo. As of this morning we have over 9,000 import loads on terminal. At these volumes we need to deliver about 1,500 imports daily and the number has been about 1,000. We need help from you all to please contact your import haulers and customers to pick-up import loads. Your help in assisting us delivering the import loads will result in better space management for future ships as we work our way out of the holiday backlog.

Thanks for your cooperation and understanding.

Regards,

***H. James McGeehan*, *Director of Operations – FST*, *Maher Terminals Inc*.**

Unquote