



The International Propeller Club of the United States

Promoting the Maritime Industry Since 1927

December 2020

Newsletter

Message from the President



2020 has been a year unlike any other year in the history of the International Propeller Club. Some Clubs are having financial challenges. Some members are struggling. There have been few opportunities for members to get together socially to break the monotony of being at home. The physical, emotional, and financial burden on everyone has been overwhelming and unlike anything our nation has encountered in more than a century.

An essential service to our country, our members were able to keep commerce moving – transporting critical goods to keep our nation's supply chains fed. Our industry has served as the nerve center

for the movement of critical goods, medical supplies, and now every imaginable product from holiday gifts to PPEs. Our role and value cannot be underestimated in the logistics of the global supply chain.

It is also a time when we have come together as an organization to support each other through natural disasters and the global pandemic. Clubs generously came forward to support our members whose lives were devastated by hurricanes, notably Lake Charles, Louisiana. People learned how to use Zoom and other platforms to communicate safely. The virtual "Salute to Congress" event gathered members from Anchorage to Istanbul. Our virtual Port Presidents Meeting, combined with an outstanding Maritime Leadership Conference, was a big success.

2021 will start with vaccinations for COVID-19 being disbursed throughout the U.S. and Europe. I am hopeful that by mid-summer we will be able to hold our more traditional meetings and social gatherings.

As 2020 draws to a close, let us take time to remember those who have died or taken seriously ill this year from COVID-19. Now, more than ever, it is a time to value family, friends and those who are in need and reach out to them, if only virtually, to tell them that we are grateful to have them in our lives.

Stay masked, distanced, and safe as better days are ahead.

Niels Aalund
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Executive Vice President's Corner

**Did we effectively advocate for the
maritime industry in 2020?**

The bylaws of the International Propeller Club state that the purpose of the Club is to promote “private sector enterprises in ownership and operation of waterborne and intermodal transportation systems, including associated and support industries”. The Mission Statement of the Club in our Strategic Plan states that the Club “is dedicated to the promotion and development of the maritime industry, commerce and global trade” and “to be an advocate and champion for the maritime industry, uniting the full spectrum of industry professionals around the globe”.

We have no other purpose. But are we doing what we can to really promote the maritime industry?

Advocating entails 3 components: gathering information, developing a position, and conducting activities to support that position.

Club meeting should be used to carry out these 3 components. It will also bring members together for a common purpose – one that may affect their very livelihood.

As you begin to plan your 2021 activities, which may continue to be impacted by COVID-19 restrictions, you should consider:

- Hosting a State of the Port address by the leader of your port – and invite the Press to attend (even virtually).
- Participating in a Job Fair to help people learn about the career opportunities that are available in the maritime industry.
- Working with high schools and community colleges, again to help people learn about the successful careers that are available in the maritime industry.
- Requesting Federal and State officials to address your Club. Coast Guard and CBP personnel enjoy connecting with the maritime community at informal gatherings such as your Club meetings.
- Inviting Federal and State officials to be ex-officio members of your leadership.
- Writing to elected representatives at the State and Federal level to urge their support for positive maritime policies. This includes participating in IPCUS sponsored email campaigns regarding maritime issues.
- Supporting charities that help IPCUS achieve our goal of promoting the maritime industry and preserving our maritime heritage. This can include college scholarships for maritime education, grants to maritime museums, Sea Scouts, and providing maritime training materials for high school students.

Some Clubs have clearly carried out strong maritime advocacy programs in 2020. Other Clubs need to strengthen their advocacy programs.

If we are not doing these types of initiatives – are we really an organization advocating and promoting the maritime industry or are we an organization primarily composed of individuals in the maritime industry whose primary purpose is to provide humanitarian service in our local community?

The International Office is here to help you develop an effective maritime advocacy and promotional program for your Club. Please reach out to us any time you feel that we may be of assistance.

IPCUS Welcomes New Board Members

The Board of the International Propeller Club approved three new members to the Board and a new 1st Vice President. These individuals have helped rebuild their Clubs and we look forward to their efforts with the IPCUS board.



Andrea Hough

A 2012 graduate of Texas A&M Galveston, Ms. Hough was the President of the Student Propeller Club chapter at A&M. Today she serves as the President of the Houston Club. Starting out her professional career at Kirby Corporation, she subsequently founded her own company, DC Business Loans, to help provide financial backing and



Annick Scott

Annick Scott is the new Regional Vice President of the North and Central Europe Region. Born in Gourin, Brittany, France, Mrs. Scott has lived for many years

in the United States as well as France. She used her knowledge and skills in the training and industrial fields, mostly transport oriented: Maritime, Air, Rail Road and was President of the Propeller Club Nantes Saint Nazaire.

As a member of the French Federation of the Mechanical Engineering Industry, representing the West France Region, Mrs. Scott Annick organized actions to increase the competitiveness and market share of the companies and developed the cooperation in a regional, national, and international network.



Mark Valenti

A civil engineer by training, Mr. Valenti is the President of the Propeller Club of Tampa. He is currently Associate Vice President at WSP USA, an engineering firm in Tampa, FL. Throughout his career he has worked in projects in and around the port area and has been a major contributor to the maritime

community in the Tampa area.



James Patti

James Patti is the new 1st Vice President of IPCUS. He is also the president of the Maritime Institute for Research and Industrial Development (MIRAID), a non-profit that represents U.S.-flag shipping companies that have collective bargaining relationships with the Masters, Mates & Pilots Union (MM&P). Jim was awarded the International Propeller Club Maritime Person of the Year in 1990, has been a member of the Washington, D.C. Propeller Club for several decades, served on the Board since 2014.



To effectively promote the maritime industry, individuals need a basic working knowledge about maritime policy. Previous columns may be found on our web page under the Fact Sheets Tab. This column will focus on the Federal Maritime Commission and the authorities and responsibilities of that Federal agency regarding conferences and competition.

Federal Maritime Commission – Conferences & Competition

The Federal Maritime Commission (FMC) has several missions. The purpose of this column is to explain their responsibilities with respect to conferences, shippers, and competition.

The Shipping Act of 1984, currently codified at 46 U.S.C. 40101 – 41309, sets forth the duties and powers of the FMC as it applies to ports, shippers, and common carriers (i.e. container ship operators). It allows container ship operators to get together in a “conference” reach an agreement regarding terms and conditions and provision on services. However, that agreement must be submitted to the FMC for review. If the Commission does not disapprove the agreement – then it becomes effective in 45 days (which can be extended).

The area that is typically of most concern is whether the agreement results in a “reduction in competition”. Under 46 U.S.C. 41307, the Commission may bring a civil action in a U.S. District Court if they have determined that an agreement is likely to “produce an unreasonable reduction in transportation service or an unreasonable increase in transportation costs”.

In addition, 46 U.S.C. 41102(c) states that a “common carrier, marine terminal operator, or ocean transportation intermediary may not fail to establish, observe, and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property” – this includes drayage and demurrage times and charges.

There are currently 3 major conferences – 2M, the Ocean Alliance, and THE Alliance. The FMC recently increased the reporting requirements for these conferences and they must now submit data on a monthly basis. U.S. shippers and trucking companies have raised several concerns regarding the activities of the conferences and their members.

The Commission recently stated that “The expanded commission investigation will seek to determine if the policies and practices of those shipping companies related to detention and demurrage, container return and container availability for U.S. export cargoes violate 46 U.S.C. 41102(c).” Some trucking companies have stated that they have been told by the drayage company that they cannot return a container on the scheduled date – and then are charged late fees for missing the date. The Commission’s order can be found at this link: [Fact Finding 29](#) The Commission’s investigation will continue on a regional approach because freight delivery challenges differ around the United States.

There are also concerns by agricultural exporters regarding practices related to the carriage of U.S. exports including refusal to carry export cargo, cancelling export bookings, lack of appointments, changing empty return dates, and lack of notice according to the Agriculture Transportation Coalition. Carriers have begun managing their capacity of

containers and ships – and removed capacity from various trade routes. In addition, carriers claim that it is not their responsibility to get containers to rural areas where the agricultural products are located. Freight rates from North Asia to the West Coast of the United States have increased 44% in the second half of 2020 – from \$2,700 /FEU to \$3,900/FEU. So carriers are trying to get their empty containers back to China as quickly as possible – without making them available for U.S exporters.

As you can see, there are many reasons why containers are sitting on U.S. docks and why U.S. exporters goods are not being shipped. The FMC is examining all of these issues – meanwhile exporters are considering whether or not changes need to be made to U.S. law to better protect U.S. exporters and not foreign-flag carriers.

2020 Advocacy Highlights

This year IPCUS has stepped up its advocacy for the maritime industry. Starting with a new web page that better defines who we are and what we support, IPCUS has also forged strategic partnerships with other maritime organizations so that we can jointly promote the maritime industry. While trade organizations are commonly comprised of corporate members, IPCUS members work for their corporate members. The difference is – IPCUS members work for all segments of the maritime industry.

Therefore, we must form alliances with many associations – such as the [American Waterways Operators](#) and the [American Maritime Partnership](#). Our new web page is designed to provide

information to our members so they can more effectively advocate for the maritime industry – as well as demonstrate to others in the maritime community why they should join their local club's efforts to champion the maritime industry.

Some specific initiatives that IPCUS supported at the U.S. national level include:

Crew Change

In September – IPCUS joined other maritime organizations to ask that the leadership of the House and Senate contact U.S. Customs and Border Protection (CBP) asking that they facilitate crew transfers on ships in U.S. ports. Due to COVID-19, this has become a humanitarian crisis with some mariners unable to leave a ship and return home for over a year. The letter can be viewed at this link: [IPCUS – CBP letter](#)

Entry/Clearance Process

In May, IPCUS and the other members of the National Association of Maritime Organizations, wrote CBP asking that they streamline the notice of arrival and entry/clearance process. The letter can be viewed at this link: [IPCUS/NAMO letter](#)

Equitable Distribution of funding from Harbor Maintenance Trust Fund

In May, IPCUS joined the American Association of Port Authorities (AAPA) in writing a letter to the leadership of the U.S. Senate urging that Water Resources Development Act (WRDA) provide an equitable distribution of funds regionally as proposed by AAPA. The letter can be found at this link: [IPCUS/AAPA letter - Funding](#) Additional background information can be found at this IPCUS Factsheet: [Dredging Fact Sheet](#)

\$3.5 billion in COVID-19 relief for U.S. maritime industry

In July, IPCUS wrote the leadership of the House and the Senate urging them to provide \$3.5 billion in relief to the U.S. maritime industry due to the impact of the

COVID-19 pandemic. A copy of that letter can be found at this link: [IPCUS Relief Letter](#) In addition, IPCUS initiated a grassroots advocacy campaign for our members to contact their Senators and Representatives urging them to support this \$3.5 billion request using a portal supplied by the Navy League. IPCUS joined a follow-up letter with AAPA and other maritime organizations supporting this funding in December.

Opposed to Jones Act waiver for oil & gas industry

In April 2020, IPCUS joined other leaders of the U.S. maritime industry in a letter to President Trump opposing any waiver of the Jones Act to allow foreign-flag ships to transport products for the oil and gas industry between U.S. ports. A copy of that letter can be found at this link: [JA waiver letter](#) In addition, an alert was sent out to all of our members urging them to email President Trump to let him know of their opposition to any such waiver. This email contact was done using a portal supplied by the Navy League.

In 2021 we plan on expanding this advocacy effort in the United States and in Europe to enhance the global transportation system.

Maritime Legislation – 2020



National Defense Authorization Act of 2021

The major maritime legislation passed this year was H.R. 3695, the National Defense Authorization Act (NDAA) of 2021.

This year the NDAA also includes authorization of appropriations and statutory changes to the authorities of

3 other Federal maritime agencies:

- The Maritime Administration
- The Coast Guard
- The Federal Maritime Commission

The full NDAA Conference Report agreed to by the House and the Senate can be viewed at this link: [NDAA 2021 CR](#)

President Trump has threatened to veto the NDAA. However, it is expected that that veto will be over-ridden by the House and Senate.

A detailed summary of this legislation will be sent out separately due to its length and can be found at this link: [CG-MARAD-FMC Auth](#)



Water Resources Development Act of 2020

On December 21, 2020, the House of Representatives passed the Water Resources Development Act of 2020 (WRDA 2020) as part of end of year omnibus and COVID-19 relief legislation.

This critical legislation will fund navigation projects, flood control projects, and other critical infrastructure performed by the Army Corps of Engineers. This bill will unlock the \$9.3 billion surplus in the

Harbor Maintenance Trust Fund for projects around the United States.

A summary of the major provisions in WRDA 2020 can be found at this link: [WRDA 2020 Summary](#)

Merchant Mariners of World War II Congressional Gold Medal

On March 13, 2020, President Trump signed into law the “Merchant Mariners of World War II Congressional Gold Medal Act of 2020 (P.L. 116-125). The medal will be given to the American Merchant Marine Museum. Duplicates will be made available for sale from the U.S. Mint. However, the Mint is increasing the price for these medals effective January 1, 2021 from \$39 to \$150.

Some maritime organizations would like to help fund the purchase of these duplicate medals for the surviving merchant marine veterans from World War II.

On Deck

United States

Committee on the Marine Transportation System

Webinar on COVID-19 testing for mariners

On November 18th, the Committee on the Marine Transportation System (CMTS) hosted a webinar on “Covid-19 Testing Strategies for U.S. Merchant Mariners” The slides and more information can be found at this link: [CMTS – COVID](#)

Federal Maritime Commission

Port Everglades construction projects & COVID-19

On November 6, 2020, the Federal Maritime Commission (FMC) issued a [news release](#) stating that Commissioner Louis Sola met with Port Everglades leadership to discuss passenger vessel and cargo vessel construction projects and the impact of COVID-19 on the cruise ship industry. More information can be found at this link: [FMC – Sola](#)

Supply chain fact finding expanded

On November 20, 2020, the Federal Maritime Commission issued a [news release](#) stating that it approved a [Supplemental Order](#) that expands the authority of [Fact Finding 29](#), “International Ocean Transportation Supply Chain Engagement”. The Supplemental Order authorizes Commissioner Rebecca F. Dye, as the designated Fact Finding Officer, to investigate ocean carriers operating in alliances and calling the Port of Long Beach, the Port of Los Angeles, or the Port of New York and New Jersey. The expanded Commission investigation will seek to determine if the policies and practices of those shipping companies related to detention and demurrage, container return, and container availability for U.S. export cargoes violate 46 U.S.C. 41102(c). The order can be found at this link: [FMC 29 Supp](#) (See EVP Column on the FMC)

National Transportation Safety Board

Report on fatal CONCEPTION fire

On November 12, 2020, the National Transportation Safety Board (NTSB) issued the [report](#) of its investigation of the fatal fire on the small passenger vessel Conception anchored on the north side of Santa Cruz Island off Santa Barbara on 2 September 2019 killing 34 individuals (33 passengers and one crew). The probable cause of the accident was the failure of the operator, Truth Aquatics, Inc., to provide effective oversight of its vessel and crewmember operations, including requirements to ensure that a roving patrol was maintained, which allowed a fire of unknown cause to grow, undetected, in the vicinity of the aft salon on the

main deck. Contributing to the undetected growth of the fire was the lack of a Coast Guard regulatory requirement for smoke detection in all accommodation spaces. Contributing to the high loss of life were the inadequate emergency escape arrangements from the vessel’s bunkroom, as both exited into a compartment that was engulfed in fire, thereby preventing escape. The report can be viewed at this link: [NTSB: Conception](#)

In a related report, on December 1, 2020, the Department of Justice (DOJ) issued a [news release](#) stating that the captain of the P/V *Conception*, a Santa Barbara-based dive boat that caught fire last year near Santa Cruz Island, resulting in the deaths of 33 passengers and one crew member, was indicted today by a federal grand jury on 34 counts of seaman’s manslaughter. See this link: [DOJ: Conception](#)

Safer Seas Digest 2019

On December 10 2020, the National Transportation Safety Board (NTSB) published its [Safer Seas Digest 2019](#), providing lessons learned from marine casualty investigations. The Digest may be viewed at this link: [Safer Seas Digest 2019](#)

Maritime Administration

Center of Excellence for Maritime Education Application

The Maritime Administration (MARAD) issued a [press release](#) announcing that it is accepting applications from community colleges and technical colleges that prepare Americans for careers in the maritime industry to apply for a Centers of Excellence (CoE) designation. More information can be found at this link: [MARAD: COE](#)

Congress

Congressional Gold Medal - Merchant Mariners WWII medals

On November 30, 2020, Representative Garamendi (D-CA) introduced a bill (H.R. 8825) to authorize the Maritime Administrator to use

certain appropriated funds to purchase duplicate medals authorized under Merchant Mariners of World War II Congressional Gold Medal Act of 2020, and for other purposes. While Public Law 116-125 authorizes the issuance of the Medals, the problem is that the cost of purchasing duplicate Congressional Gold Medals is increasing on January 1, 2021 from \$39 to \$150. The text of this legislation can be found at this link: [HR8825IH](#)

Occupational Safety and Health Administration (OSHA)

MACOSH members sought

On December 8, 2020, the Occupational Safety and Health Administration (OSHA) announced that the charter for the Maritime Advisory Committee on Occupational Safety and Health (MACOSH) had been renewed and the invited interested persons to submit nominations for membership. Nominations must be received by 22 January. [85 Fed. Reg. 79040](#) (12/8/20) [[2020-26877.pdf \(govinfo.gov\)](#)].

Government Accountability Office

Offshore wind projects

On December 8, 2020, the Government Accountability Office (GAO) issued a [report](#) on offshore wind projects, finding that planned projects may lead to the construction of new vessels in the US, but industry has made few decisions amid uncertainties. The Report can be viewed at this link: [GAO: Offshore wind](#)

Library of Congress

Water Resources Development Act of 2020

On December 10, 2020, the Congressional Research Service (CRS) of the Library of Congress issued a [report](#) summarizing the Water Resources Development Act of 2020 ([S. 1811](#)). The Report can be viewed at this link: [CRS: WRDA2020](#)

International

International Maritime Organization (IMO)

Priority COVID-19 vaccinations for seafarers

On December 1, 2020, the IMO issued a [news release](#) welcoming the recent UN resolution in support of seafarers and recommending priority COVID-19 vaccinations for seafarers. The news release can be viewed at this link: [IMO COVID Priority](#)

Women in Maritime

On November 30, 2020, the IMO issued a [news release](#) highlighting its Women in Maritime program, building future maritime leaders. The news release can be viewed at this link: [IMO: WIM](#)

Crew change protocols

On November 12, 2020, the IMO issued a [news release](#) stating that at its recent session the Maritime Safety Committee (MSC 102) formally approved an [MSC circular](#) recognizing the industry-developed protocols, which set out general measures and procedures designed to ensure that ship crew changes and travel can take place safely during the pandemic. The release can be viewed at this link: [IMO: Crew Change](#)

2021 Maritime Zero-Low Carbon Innovation Forum

On November 17, 2020, the IMO issued a [news release](#) stating that it and the United Nations Environment Program (UNEP) will jointly organize, with financial support from Norway, a Maritime Zero- and Low-Emission Innovation Forum in June 2021. The release can be viewed at this link: [IMO: Carbon Forum](#)

Race to zero shipping emissions

On November 11, 2020, the IMO issued a [news release](#) about accelerating the race to zero shipping emissions. The release can be viewed at this link: [IMO Zero Emissions](#)

European Maritime Safety Agency (EMSA)

Overview of marine casualties

On December 9, 2020, the European Maritime Safety Agency (EMSA) posted its [report](#) entitled Annual Overview of Marine Casualties and Incidents 2020. This report can be downloaded at this link: [EMSA Annual Overview](#)

United Kingdom

Report of maritime prosecutions

On December 3, 2020, the UK Maritime and Coastguard Agency (MCA) issued its [report](#) of prosecutions from January 2020 for breaches of maritime legislation. The list of actions and the report can be found at this link: [UK Maritime Prosecutions](#)

2019 marine accident statistics report

On November 25, 2020, the UK Marine Accident Investigation Branch (MAIB) posted its [2019 Marine Accident Statistics Report](#). The complete report can be found at this link: [MAIB 2019](#)

United Nations

Resolution supporting seafarers

On November 24, 2020, the United Nations (UN) General Assembly adopted a [resolution](#) urging Member States to designate seafarers and other marine personnel as key workers and seeking international cooperation to address challenges faced by seafarers as a result of the COVID-19 pandemic to support global supply chains. The resolution can be viewed at this link: [UN: Key Workers](#)

Paris MOU

Paris MOU – CIC on emergency systems & procedures

On November 20, 2020, the Paris MOU issued its [report](#) on the results of the 2019

Concentrated Inspection Campaign (CIC) on Emergency Systems and Procedures. The complete report can be viewed at this link: [PMOU: Safety Inspections](#)

Around the Clubs

Northern California

On November 18th and 19th, the Northern California sponsored a virtual (Zoom) conference titled “Storms, Flooding and Sea Level Defense 2020. The 2-day conference featured speakers from Texas, the Louisiana, the Mississippi River Region, and Amsterdam.

Los Angeles / Long Beach

On November 17th, 2020, the Los Angeles/Long Beach Club had a “Fireside Chat with Mike DiBernardo and Noel Hacegaba (the Deputy Executive Directors of the Ports of Los Angeles and Long Beach).

On December 3, 2020, the Los Angeles/Long Beach Club had a virtual meeting where Bill Shea from DCLI spoke on the Chassis Markets in a Season of Change.

On December 15th the Los Angeles/Long Beach club had their Annual General Meeting and Virtual Holiday Get Together via Zoom.

San Diego

On December 4th, the San Diego Club held their Holiday Mixer and Annual Business Meeting at the Galley at the Marina.

Port Canaveral

On November 12, 2020, the Port Canaveral Club held their annual meeting and Veterans Day commemoration at which the President of the Veterans Memorial Center spoke to the Club.

On December 2, 2020, the Port Canaveral Club had their Annual Holiday Party at which their officers for 2021 were sworn in. Congratulations to incoming President Steve Hovan.

Port Manatee

In November, the Port Manatee Club held their 16th annual Golf Classic to support the future of their maritime businesses.

Tampa

On December 15th the Tampa club held their annual Holiday Luncheon with Mayor Jane Castor as their guest speaker. Attendees were asked to bring a gift for the Tampa Port Ministries to distribute during the holidays.

Istanbul

On November 12, 2020, the Istanbul Club held a Zoom meeting with a theme of “Transformation in the Age of Disruption at which their speaker addressed “Who’s Minding Your Data” and focused on computer and data security.

Portland

On November 12, 2020, the Portland Club held a virtual dinner meeting via Zoom at which presentations were made on the International Marine Terminal and the proposed Maine international Cold Storage Facility.

Seattle

On November 18, 2020, the Seattle Club joined with other maritime organizations in the pacific northwest to sponsor a Webinar titled “Post-Covid Economic Recovery in 2021?!” Speakers included the Washington Secretary of Commerce and members from various segments of the maritime industry.

On November 19, 2020, the Seattle Club held a virtual “Maritime Industry Career Fair” where people could learn about an amazing career in the maritime and fishing industry – where the average wage is more than \$20,000 above the average wage in the State of Washington!

On December 17, 2020, the Seattle Club held their “Virtual Holiday Party” to celebrate the holidays together, play some games, and win some prizes – and help the Sea Scouts!

Tacoma

The Tacoma Club had Eric Johnson, Executive Director of the Port of Tacoma, as their guest at their November meeting. Mr. Johnson spoke about the port’s Strategic Plan and what is going on at the port lately.

The Tacoma Club has begun their fundraising raffle that includes:

- A beautiful kayak
- Being a groundskeeper for a day for the Seattle Mariners
- An autographed Seattle Seahawks mini helmet
- 4 tickets to CHOWDOWN!

Washington, D.C.

In lieu of the normal holiday party, the Washington D.C. Club is inviting their members to take a night off and enjoy the evening with their loved ones! Instead of spending money on a holiday party this year, the Club will be donating \$5,000 to the non-profit Organization of Black Maritime Graduates. The purpose of this organization is to recruit, mentor, provide scholarships, and network for minority cadets and professionals. See [OBMG](#)

Happy Holidays!

John Cullather
Executive Vice President

Cheryl Rothbart
Associate Executive Director