

**FOR IMMEDIATE RELEASE
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**CHIEF EXECUTIVE OF MAJOR U.S.-FLAG CARRIER CALLS FOR
EXPANDED MARITIME SECURITY FLEET**

Washington, DC – The U.S.-flagged and U.S.-crewed ships operating in international trade and enrolled in the Maritime Security Program (MSP) represent the United States’ best investment in military sealift – a “best buy” – and should continue to be expanded, according to Mr. Raymond P. Ebeling, Chairman & CEO of American Roll-on Roll-off Carrier, LLC (ARC).

Ebeling also serves as Chairman & CEO of the National Defense Transportation Association (NDTA), an educational association comprised of approximately 10,000 government, military, and industry personnel dedicated to fostering a strong and efficient global transportation and distribution system in support of national security.

“The global transportation services provided by U.S. carriers to the Department of Defense represent a significant commitment to the national security of the U.S.,” said Ebeling. “There is not sufficient organic capability to provide long-term military sustainment without the U.S.-flag industry’s contribution. The MSP fleet provides the right balance of reliability and cost-effectiveness for meeting military sealift requirements.”

Programs such as MSP and the Voluntary Intermodal Sealift Agreement (VISA) ensure a commercially viable U.S.-flag fleet in the international trades and provide the Department of Defense with assured access to reliable sealift resources in peacetime and wartime.

The MSP-based, U.S.-flag international fleet is “far more reliable than foreign options” and is “12 times more cost effective than the organic fleet,” Ebeling said, citing a recent independent study by the NDTA. He also referenced a recently commissioned government study that estimated the cost to the U.S. Government to obtain a comparable capability to the U.S.-flag MSP fleet at \$65 billion, with the costs to manage, maintain, and operate it greater still.

Ebeling made several suggestions to strengthen the MSP fleet, specifically recommending that the 2015 expiration date be eliminated to ensure long term stability to both commercial industry and the Department of Defense; that the 25-year age limit on MSP vessels be extended to 30 years in recognition of today’s ships’ operational realities; and that the annual MSP stipend be analyzed and periodically adjusted for competitive parity against foreign-flagged vessels.

An additional suggestion by Ebeling is to remove barriers to investment recognizing the reality that 80%- perhaps 90%- of the capital invested in the MSP fleet has come, directly, or indirectly from international sources. “Our primary customer, the U.S. Department of Defense, knows this,

and is not troubled by it because of the strength of the MSP program, the ironclad VISA contract, and most importantly, the true partnership that exists” between the U.S. Transportation Command and the U.S.-flag fleet, crewed by U.S. citizen merchant mariners, according to Ebeling.

He went on to note that “all U.S.-flag shipping is dependent for its very existence on the foundation of legislated maritime policy. Simply put, U.S.-flag shipping requires, for its survival, that the U.S. government maintain a long-term maritime policy and committed support programs.”

Ebeling advocated an expansion of the MSP fleet to grow the U.S.-flag fleet and to further support military sealift. He offered a cost-savings scenario in which the 10 oldest Ready Reserve Fleet (RRF) vessels would be removed, and 10 new slots would be added to the MSP program, thereby resulting in 10 newer, more militarily-useful vessels with two active crews per vessel, resulting in net savings of \$10 million to the U.S. Government.

“The U.S.-flag fleet in the international trades clearly plays an important role in U.S. military and economic security, and we are supportive of efforts to grow that fleet,” said Darrell Conner, president of the Propeller Club’s DC Chapter.

Ebeling’s remarks come on the same day that the International Propeller Club of the United States recognizes Congressman Gene Taylor, Chairman of the Seapower and Expeditionary Forces Subcommittee of the House Armed Services Committee, for his consistent and strong support of the United States maritime industry and its role in promoting U.S. economic and national security.

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The International Propeller Club of the United States, Port of Washington, DC is a grassroots, non-profit organization dedicated to the enhancement and well-being of all interests of the maritime community on a national and international basis. Our goal is to educate legislators and the public as to the importance and necessity of all waterborne commerce. For more information about the Propeller Club, or to become a member of the Propeller Club, Port of Washington, DC, please contact Darrell Conner, President, at 202-661-6220.

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