

Sea-Land to spend \$100 million on ships

By CHUCK KLEESCHULTE
Daily News business reporter

Sea-Land Service Inc., one of the two container shipping lines serving the Railbelt, Monday announced that it is spending \$100 million to buy three new diesel-powered container ships to carry freight vans to the state.

Sea-Land said the ships, each capable of carrying up to 700 40-foot containers, will increase the company's weekly cargo capacity to Alaska by 46 percent.

The announcement is the third in three months of major capital improvements in freight service to Alaska.

SeaWay Express, a new barge line, announced in October it is spending \$20 million to build two

giant, triple-deck freight barges for use between Seattle and Seward. SeaWay's service is slated to open in March.

Crowley Maritime Corp., current operator of a rail-barge freight line from Seattle to Whittier, also is remodeling, adding a second deck on six of its barges so they can carry vans in addition to railcars. Its new service is set to start March 15.

Between the two firms, more than 25,300 more vans can be carried to the state yearly, not counting the 11,400 additional vans that can be hauled here as a result of the Sea-Land announcement.

Doug Tipton, general manager of Alaska operations for Sea-

Land, acknowledged his firm is making a major cash commitment to new equipment at a time of increasing competition. But he said the condition of his line's current equipment forced the decision.

"We had to decide whether we wanted to stay in the market or get out. We felt we had to put something back," Tipton said Monday.

Starting in late 1986, the new ships will replace Sea-Land's current World War II vintage freighters. The new ships are capable of 20-knot speeds, 20 percent faster than the current vessels.

Their speed and the fact that the new ships will be powered by fuel-efficient diesel engines should

reduce the company's costs, said President R. Kenneth Johns in a prepared statement.

"The new ships will provide Sea-Land with operating costs competitive with all other transportation modes to Alaska and also help buoy a depressed U.S. shipyard industry," Johns said.

He said Sea-Land will be ready to submit specifications and design requirements for the vessels to yards early this year. The ships are being funded from tax-deferred earnings from a special capital construction fund.

The improvement program also calls for construction of new containers and chassis and improve-

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Sea-Land to upgrade ships

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ments in cranes and shoreside facilities, said Jack Baker, the executive vice president who heads the company's Alaska division.

Baker said the program strengthens Sea-Land's "long-standing" commitment to the Alaska trade. The company was the first to provide year-round containership service to Anchorage 20 years ago. Currently, Sea-Land calls at the Port of Anchorage three times a week and delivers freight to Kodiak once a week.

Feeder vessels provide reg-

ular service from Kodiak to other points in southwest Alaska and the Aleutian Islands.

The new ships will include technological improvements, such as the ability to carry refrigerated containers below decks and a new system for securing on-deck containers. They also will have greater flexibility to carry 20-, 35- and 40-foot containers, Baker said.

Sea-Land Service is the principal operating arm of Sea-Land Industries Investments, Inc., a subsidiary of R.J. Reynolds Industries Inc.

business

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Anchorage Daily News/Jim Lavrakas

Port of Anchorage security guard Carl Abey has a look at the Greek tanker Cepheus, which ran aground with a load of aviation fuel over the weekend.

Damaged fuel tanker has unloading problem

By TERRY CARR
Daily News reporter

A 535-foot damaged tanker loaded with aviation fuel remained moored to the dock at the Port of Anchorage Tuesday while officials tried to figure out how to unload it.

Coast Guard Capt. Glenn Haines said small amounts of fuel spilled from the Greek tanker Cepheus when it ran aground across Knik Arm from

the port Saturday, and more was spilled when initial attempts were made to unload it.

Haines termed the spills "negligible. The amount is not of a quantity to threaten the environment at this time."

The tanker was bound from the East Coast to Anchorage with a load of aviation fuel owned by MAPCO Petroleum Co. of Fairbanks.

Haines said water has mixed with

some of the fuel aboard the Cepheus. The contaminated fuel probably will be either unloaded into shore tanks at the Anchorage port where the water can be removed or loaded onto another barge and moved to a place where it can be processed.

The uncontaminated cargo could be unloaded and delivered to MAPCO.

The tanker was carrying 209,000 barrels of aviation fuel when it struck a submerged rock formation about 7

a.m. The vessel was pulled free about an hour and a half later by the tugboat Mogul and towed to the port.

Haines said an investigation is still under way into the reason the Cepheus struck the rocks, which appear on charts of the area.

He said five of the vessel's 27 cargo tanks were damaged, but cold weather, ice and tides have prevented a precise survey of the damage.