



JOSEPH BONNEY

Missing the boat

Short-sea shipping may be getting somewhere — it finally has its own acronym. Speakers at a Maritime Administration conference this month used the verbal shorthand of “Triple S.”

And there was general agreement among conference attendees that revival of U.S. coastwise shipping is an idea whose time has come. It would save money, reduce traffic and improve the environment, said carriers, lawyers, consultants and representatives of ports, government agencies and labor unions.

But before we get carried away, let’s note that a few key players haven’t joined the game. Three immediately come to mind.

First are shippers. They pay the bills, and have unique power to make or break any start-up service for coastal waterborne movement of containers or trailers. If highway and rail delays continue to worsen, and if short-sea services can provide a competitive service, shippers will sign on. For now, they’re still watching and waiting.

Then there are truckers. With fuel costs rising and driver shortages worsening, truckers should be natural allies of short-sea shipping. Recall that when containerization pioneer Malcom McLean began moving containers by sea in 1956, his primary objective was merely to save money by moving loaded trailers by ship instead of over the road by truck.

That brings us to the third missing player. McLean was a classic entrepre-

neur, an independent thinker who planned carefully but had the courage of his convictions. He was not afraid to take a calculated gamble — a trait that would make him an odd man out in the current discussion of short-sea shipping services.

To be sure, entrepreneurs aren’t totally absent today. Rick Couch is making a go of Osprey Line, which now operates along much of the Gulf Coast and as far up the Mississippi River as Memphis. Columbia Coastal has operated successful coastwise feeder services for years. But many other proposals for new short-sea shipping services seem to be looking to the government to help cover their risks.

Although McLean was able to start his coastwise container service with surplus tankers acquired at low cost, the government didn’t make it easy. The laws of that era forced him to sell his profitable trucking company before he could invest in waterborne shipping. Then the Coast Guard nixed his original plan to carry oil in the tankers that carried his truck trailers on deck. He pressed on anyway, and his gamble paid off.

Today, the government can and should encourage short-sea shipping by funding Title XI shipbuilding loan guarantees, extending the Capital Construction Fund program to short-sea shipping and exempting coastal cargo from the harbor maintenance tax. Beyond that, any revival of short-sea shipping will be up to the industry — including shippers, truckers and entrepreneurs.

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