



The Maryland Port Administration

PRESS RELEASE

FOR IMMEDIATE RELEASE
December 21, 2011

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WORLD'S FIFTH-LARGEST CONTAINER COMPANY TO BEGIN SERVING PORT OF BALTIMORE

Baltimore Will Become First U.S. Port of Call for Germany-Based Hapag-Lloyd

(BALTIMORE, MD) --- Governor Martin O'Malley today applauded the decision by Germany-based Hapag-Lloyd, the fifth-largest container company in the world, to begin a direct, weekly container service from North Europe to the Port of Baltimore. Baltimore, which is positioned within the third-largest U.S. consumer market, will be the first U.S. port of call for this service. The new business is expected to bring about 30,000 containers annually through the Port.

"This is outstanding news for the Port of Baltimore and the thousands of people employed there," said Governor O'Malley. "More containers mean more work and more stability for the Port labor force. I want to thank our public-private partner Ports America Chesapeake for playing a vital role in attracting this new business. It demonstrates that our continued investment in the Port of Baltimore is the right path to follow as, together, we build a stronger future for our state."

This will be the first opportunity for Baltimore to serve as first U.S. port of call for a container service. More cargo is offloaded generally at first ports of call than at subsequent ports visited by a ship. The new service will be part of Hapag-Lloyd's Gulf of Mexico Express. It will begin in Thamesport, England and will transit to Le Havre, France; Antwerp, Belgium; and Bremerhaven, Germany. It will then travel to the U.S. and stop in Baltimore, then travel to Veracruz, Mexico; Altamira, Mexico; Houston; New Orleans; and Charleston. The first ship due into Baltimore is scheduled to arrive in February. Following the beginning of the new service, the Port of Baltimore will include three of the world's top five container carriers in its portfolio.

"Ports America Chesapeake welcomes Hapag-Lloyd AG to the Port of Baltimore and is pleased to have the opportunity to provide stevedoring and terminal services at Seagirt Marine Terminal," said Ports America Chesapeake President and CEO Mark Montgomery. "We believe that its first U.S. port call in Baltimore will be very successful. Baltimore's strong local market and access to the CSX National Gateway should provide customers with faster, more economical days to market."

In November 2009, Governor O'Malley announced a 50-year agreement between the Maryland Port Administration and Ports America Chesapeake. Under the agreement, Ports America runs the daily operations at Seagirt Marine Terminal and is constructing a 50-foot berth and purchasing four super Post-Panamax cranes. The berth is ahead of its original schedule and will be finished in August 2012, two years before the completion of Panama Canal expansion. At that point it is expected that a larger number of ships, including mega-sized vessels, will travel to East Coast ports that have the necessary channel and berth depth to reach their customers more quickly and less expensively than the current practice of going to West Coast ports and sending the cargo across the country on rail. At the completion of its 50-foot berth, Baltimore will be only the second U.S. East Coast port to have both a 50-foot channel and 50-foot berth.

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World's Fifth Largest Container Company Coming to Port of Baltimore

The partnership between the MPA and Ports America is expected to produce 5,700 new jobs, while the total investment and revenue to the State of Maryland has the potential to reach up to \$1.8 billion over the life of the agreement. It is also generating \$15.7 million per year in new taxes for Maryland.

The Port of Baltimore ranks 11th nationally for the total dollar value of cargo and 13th for the amount of cargo tonnage handled out of 44 port districts in the U.S. Out of about 360 U.S. ports, the Port of Baltimore ranks as the top port in the nation for handling farm and construction machinery, trucks, imported forest products, imported gypsum, imported sugar, imported salt, and imported iron ore. During the first six months of 2011, Baltimore handled more auto tonnage than any other U.S. port. Baltimore ranks second in the U.S. for exported coal and imported aluminum.

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