



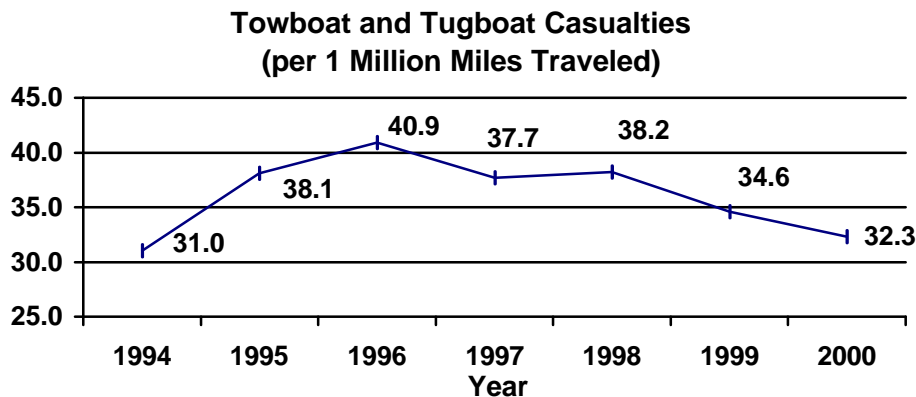
Our Compass Always Points to Safety:

What You Should Know About Tugboat, Towboat and Barge Industry Safety

America's tugboat, towboat and barge industry moves 800 million tons of cargo a year on our nation's inland and coastal waterways. Moving this cargo safely – minimizing risks to people, property, and the environment -- is the industry's number one goal. The Coast Guard-AWO Safety Partnership, a groundbreaking public-private partnership between the U.S. Coast Guard and The American Waterways Operators, the national trade association for the tugboat, towboat and barge industry, tracks trends in towing industry safety performance. Using government data from the U.S. Coast Guard and U.S. Army Corps of Engineers, the Partnership monitors vessel casualties, oil spills, and crew fatalities, promoting continuous improvement and providing focus to Coast Guard-industry safety initiatives.

Vessel Casualties on the Decline

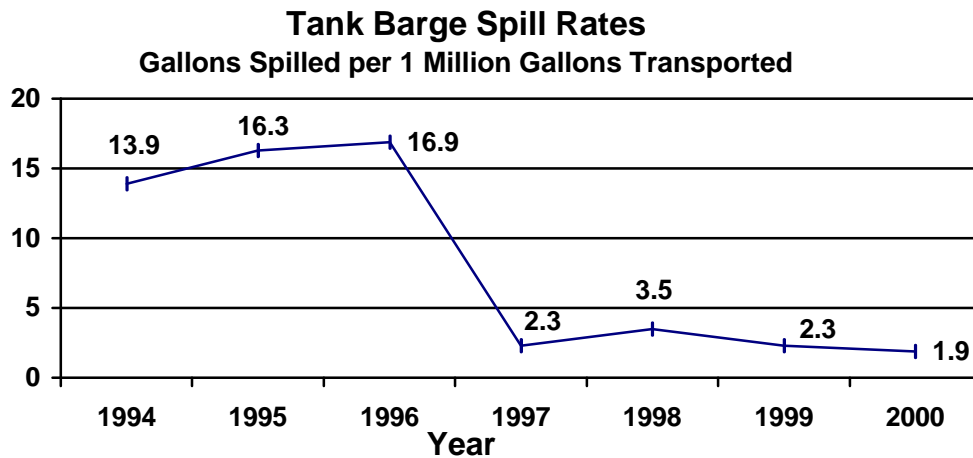
- Since 1996, there has been a **clear downward trend** in vessel casualties involving tugboats, towboats, and barges. Vessel casualties include allisions (collisions with fixed objects such as bridges, locks, or docks), collisions, groundings, capsizings, breakaways, equipment failures, explosions, fires, floods, loss of electrical power, loss of vessel control, sinkings, and structural failures. The chart below shows the number of tugboat/towboat casualties per one million trip miles, based on U.S. Coast Guard and U.S. Army Corps of Engineers data.



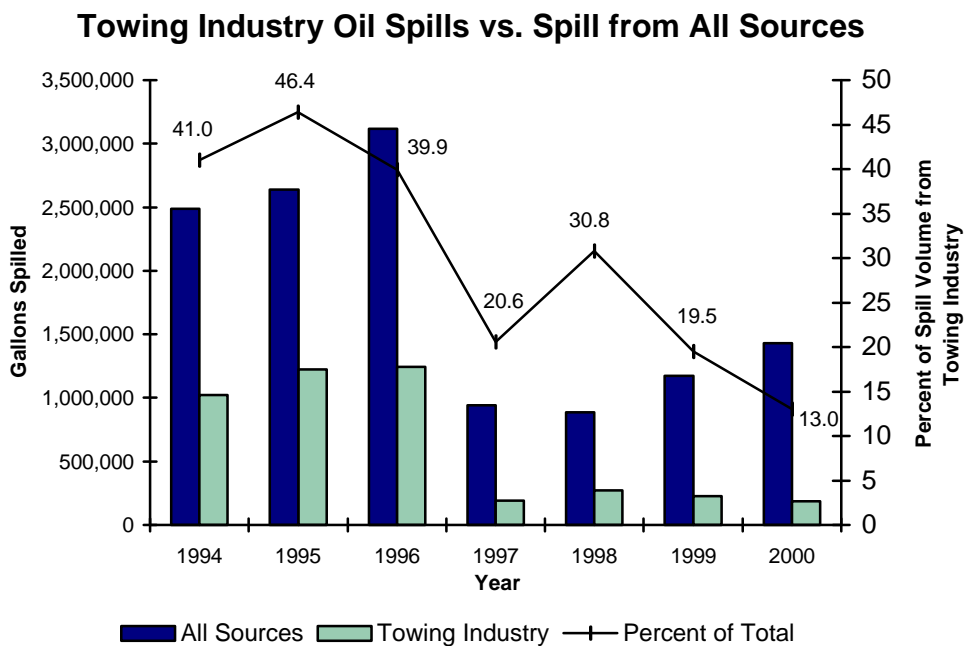
- Collisions, allisions, and groundings – the three casualty types that account for the greatest share of towing vessel casualties – are all on the decline, driving the downward casualty trend. In 2002, the Coast Guard-AWO Safety Partnership launched a Bridge Allision Task Force aimed at improving public safety by developing recommendations to prevent bridge allisions and mitigate the consequences of bridge strikes.

Oil Spills Drop Sharply

- Spills from tank barges have **dropped dramatically** in the decade since enactment of the landmark Oil Pollution Act of 1990. The volume of tank barge spills declined by 86 percent between 1994 and 2000, from 955,582 gallons in 1994 to 133,540 gallons in 2000. Put another way, in 2000, 99.9998 percent of oil moved by tank barges was delivered safely, as measured by volume spilled compared to volume transported. The chart below, based on U.S. Coast Guard and U.S. Army Corps of Engineers data, illustrates the decline in tank barge spill rates.

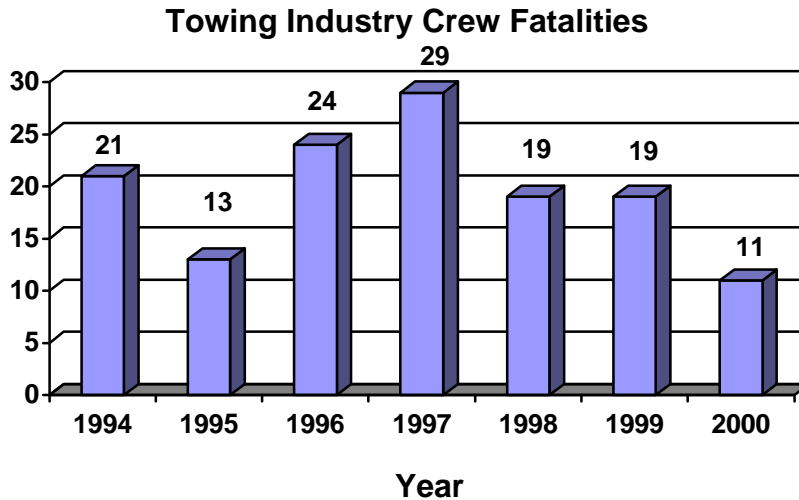


- The percentage of oil spilled from towing industry sources (tugboats, towboats, tank barges, and freight barges) continues to **drop in comparison** to other marine spill sources (such as tank ships, cargo ships, and facilities). In 2000, spills from towing industry sources accounted for only 13 percent of marine oil spills -- down from 19.5 percent in 1999 and 30.8 percent in 1998, as the chart below demonstrates.



Crew Fatalities Show Improvement

- Towing vessel crewmember fatalities hit a **record low in 2000**, the latest year for which U.S. Coast Guard data is available. In 2000, there were 11 fatalities, a 15 percent decrease from the previous low of 13 fatalities in 1995 and a 62 percent decrease from the peak of 29 fatalities in 1997. While it is premature to declare the emergence of a downward trend, the Coast Guard-AWO Safety Partnership is studying the data to identify causal factors that will help to focus ongoing efforts to prevent crew fatalities.



Safety: A Continuing Journey

Members of The American Waterways Operators are committed to being leaders in marine safety and environmental protection. Through the Coast Guard-AWO Safety Partnership and the AWO Responsible Carrier Program, a third-party-audited safety management system which all AWO members must adopt as a condition of membership, AWO members continue to strive to improve the industry's safety performance and safeguard the public trust. For more information about AWO, visit our Web site at www.americanwaterways.com, or call us at (703) 841-9300.