



The Maryland Port Administration PRESS RELEASE

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LARGEST EVER REGULAR SERVICE CONTAINER SHIP MAKES FIRST VISIT TO PORT OF BALTIMORE

Ship is Largest Port Can Handle Until 50-foot Berth is Constructed

BALTIMORE, MD – The Port of Baltimore today welcomed its largest regular service container ship ever when the Mediterranean Shipping Company's (MSC) Rita made its initial call at the Port of Baltimore's Seagirt Marine Terminal. The MSC Rita will be part of a direct, weekly service from Baltimore to the Far East. The ship, which can carry a maximum of approximately 8,085 TEU's (Twenty Foot Equivalent Unit) containers, represents the largest class ship the Port of Baltimore can handle until its 50-foot berth is constructed. In November, Governor Martin O'Malley announced a 50-year partnership with Ports America Chesapeake that will allow the Maryland Port Administration (MPA) to lease its 200-acre Seagirt Marine Terminal to Ports America. A key element of the agreement is that Ports America will fund and construct a 50-foot berth for the Port that is expected to result in increased business opportunities and larger vessels that will be able to dock at the Port. The 50-foot berth will allow ships carrying up to 10,000 TEU containers to visit Baltimore.

"We are very happy to welcome the MSC Rita on her maiden voyage to the Port of Baltimore," said MPA Executive Director James J. White. "We eagerly anticipate construction and completion of our new 50-foot berth so we will have the water depth to regularly welcome ships of this size and even bigger—fully loaded."

The MSC Rita weighs about 105,000 gross tons fully laden, is 1,065 feet in length, 187 feet high, and 140 feet wide. Previously, the largest regular service ship to visit Baltimore was the 6,700-TEU MSC Michaela in 2007.

"I am very proud that the MSC Rita, named after my daughter, is the largest regular service ship at the Port of Baltimore," said MSC Vice President USA E. Lorenzo DiCasagrande. "MSC is a longtime partner and friend of the Port of Baltimore and State of Maryland. We look forward to the construction of the 50 foot berth so we can bring even larger ships to Baltimore."

With the development of a 50-foot berth, the Port of Baltimore will become only the second port on the East Coast with a 50-foot berth and 50-foot channel. When the Panama Canal expansion project is completed in 2014, it is expected that a greater and larger number of ships will travel to East Coast ports to reach their customers quicker and less expensively than their current route of going to West Coast ports and sending products by rail to markets throughout the country. Without a 50-foot berth, those larger ships would not have enough water depth to dock and bring additional business to the Port of Baltimore. The cost to develop the 50-foot berth and four cranes is approximately \$105.5 million.

"Ports America is honored that the MSC Rita will join the Golden Gate service calling the U.S. East Coast," said Ports America Chesapeake CEO Mark Montgomery. "This 8,000 TEU vessel is the largest vessel to call Baltimore and we look forward to the opportunity to service this new class of vessel."

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Largest Regular Service Container Ship at Port of Baltimore

The 50-year partnership with Ports America became official on January 12. In addition to funding the 50-foot berth and four state-of-the-art cranes, Ports America also made an immediate \$140 million payment to the Maryland Transportation Authority (MdTA), the current owner of Seagirt, for needed system preservation of its roads, tunnels, and bridge facilities. Ports America will also make an annual payment and provide ongoing revenues to the MPA throughout the contract and be responsible for investing in other infrastructure at Seagirt. The State of Maryland will continue to own Seagirt.

The partnership is expected to produce 5,700 new jobs, while the total investment and revenue from this agreement to the State of Maryland has the potential to reach more than \$1.3 billion over the life of the agreement and will generate \$15.7 million per year in new taxes for Maryland.

Of the 5,700 new jobs that will result from this agreement, 3,000 jobs will be one-time construction jobs over the next three years for Port and MdTA highway improvements. Another 2,700 permanent direct, indirect and induced jobs will come from the increased and sustainable container business that the Port will see upon completion of the 50-foot berth in 2014.

In addition to full control over daily operations of Seagirt and the obligation to design and build the 50-foot berth within MPA's required standards, Ports America receives:

- A known future base payment for 50 years and all net revenues;
- The right to move and consolidate all current container business to Seagirt;
- Control over timing and nature of system preservation costs as long as standards are met;
- Funding capital obligations allow Ports America to invest in new technology as it sees fit.

The Port of Baltimore employs about 16,500 workers. Out of about 360 U.S. ports, Baltimore is ranked number one for handling roll on/roll off cargo; trucks; imported forest products; and imported gypsum, sugar and iron ore. The Port of Baltimore is ranked 14th nationally for total foreign cargo tonnage and 12th for total dollar value of cargo. The Port is responsible for about \$3.6 billion in personal wage and salary income. Activities at the Port of Baltimore generate about \$388 million in state and local taxes.

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