



Ship Recycling under the Jones Act

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**Your US Flag end-of-life asset
is the
raw material
for a recyclable commodity**

**How do you get
the best value
for that raw material?**

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- ***Current Hierarchy of non-US Flag Customer Concerns:***
 - 1) ***Price per ton***
 - 2) ***Efficiency***
 - 3) ***Management of Waste Stream***

- ***Hierarchy of US-Flag Customer Concerns & the Proposed IMO Convention:***
 - 1) ***Liability Trail: Management of Waste Stream***
 - 2) ***Efficiency /Capacity***
 - 3) ***Price per ton***

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Life-Cycle Concerns

- **Current Situation**
 - **Uneven Playing Field Internationally**
 - Responsible recyclers capitalize regulatory costs.
 - Irresponsible scrappers, pollute.
- **Under IMO Convention**
 - **Regulatory Compliance becomes a manageable cost center.**

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International Vessel Recycling Capacity

- **IMO Convention could level playing field**
 - Equalize disparity in investment on Environmental/Safety & Health
 - Encourage capitalization
 - Stabilize the commodity market
- **Make US Ship Recyclers Competitive**
 - Level domestic regulatory playing field

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Perspectives for the Jones Act Ship/Fleet Owner

- The market is going to favor recycling companies that are in the business for the long-haul. A company that can get you the best value under:
 - US regulatory environment
 - IMO Convention, EU standards
 - Metal commodity markets

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Capacity Building to Meet the Potential Market

- **Ship Recycling Company concerns:**
 - Keeping overhead costs under control
 - NIMBY
 - Infrastructure constraints
 - Regulatory or trade barriers
 - Commodity markets
 - Inflow Interruptions

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- **Established in New Orleans in 1900**
- **Full-service metal recycling; US Gulf-wide**
- **Top 10 US ferrous and non-ferrous producer**
- **Division of multi-national metal recycler, EMR, Ltd.**

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- **Involved in marine ferrous production over 60 years**
 - **Blue & Brown Water**
 - **Vessels, barges, off-shore, & platforms**
 - **Commercial & Military**
- **Able to expand geographically or to meet market requirements**

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Domestic Capacity

- **Currently three marine ferrous yards in US Gulf area.**
- **Expanding:**
 - **Tanker-capable facility on Mississippi River**
 - **Contemplating footprint on east and west coast; capability to expand to meet market**

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Southern Recycling Ensures **Customer Confidence**

- **Process**
- **Regulatory Compliance**
- **Company Stability**
- **Competitive prices**

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Thank You!
For further information:

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