

Journal of Commerce

No timeline for Baltimore port reopening following bridge collapse



The 948-foot-long container ship Dali, chartered by Maersk, collided with the Francis Scott Key Bridge spanning Baltimore's Patapsco River early Tuesday morning. Photo credit: Rob Carr / Getty Images

Michael Angell, Associate Editor | Mar 26, 2024, 5:45 PM EDT

The Port of Baltimore will remain closed for the foreseeable future after a Maersk-chartered container ship lost power and crashed into the Francis Scott Key Bridge early Tuesday, collapsing the span and sending construction workers on the bridge into the Patapsco River. At least six workers remained missing, authorities said; two were rescued from the water.

With the fifth-largest container port on the US East Coast now effectively isolated from waterborne traffic, the deadly accident will, at least temporarily, reconfigure the region's supply chain. Mediterranean Shipping Co., the world's largest container carrier, said it expects it will be "several months" before it can resume calls to Baltimore.

Baltimore is the largest port along the East Coast port for handling roll-on, roll-off cargo such as cars, light trucks and farm equipment, processing 389,096 auto units last year.

The port's closure could put pressure on container lines as they divert vessel calls, challenging ocean service reliability at other US East Coast ports and even generate congestion if there's vessel bunching at those gateways.

"This is a major disaster and will create significant problems on the US East Coast for US importers and exporters," Lars Jensen, CEO of Vespucci Maritime and a *Journal of Commerce* analyst, said in a LinkedIn Post. "The bridge collapse will mean that for the time being it will not be possible to get to the container terminals - or a range of the other port terminals - in Baltimore."

President Joe Biden, speaking from the White House, promised to put the full weight of the federal government behind recovery efforts in Baltimore, including funding the entire cost of reconstructing the bridge. "I directed my team to move heaven and Earth to reopen the port and rebuild the bridge as soon as humanly possible," Biden said.

According to S&P Global Market Intelligence, Baltimore handled around 3% of all imports landing at US East and Gulf coast ports, and 10% of US Northeast containerized imports, in the 12 months to Jan. 31, 2024. The port accounted for almost 10% of furniture imports into the Northeast during that period and 16% of the region's imports of home appliances, S&P said.

Market sources have told the *Journal of Commerce* that IKEA and Bob's Discount Furniture are among the port's active furniture shippers. Cardboard manufacturer ND Paper and agribusiness The Andersons are also among major users of the port.

Alternative routings for vessels looking to drop off or remove cargo from the region include Wilmington, Delaware; Philadelphia and Norfolk, said S&P Global analysts, noting that the three ports ranged from 120 miles to 260 miles from Baltimore via truck.

Still, the effect of the bridge collapse and Baltimore's temporary isolation is expected to have a "limited" effect on the US economy overall, the analysts said.

"While the regional economy will be impacted owing to increased congestion and cargo disruption with traffic rerouted to other bridges and tunnels, the bridge's reconstruction will eventually have a modest offsetting positive effect with increased

public infrastructure spending," said S&P Global, parent company of the *Journal of Commerce*.

No timeline for port reopening

The US Coast Guard said it received a report at 1:27 am Tuesday that the 948-foot container ship *Dali* struck the Francis Scott Key Bridge. Maryland Gov. Wes Moore said in a statement that the *Dali* reported losing power prior to the collision.

Jennifer Homendy, chair of the National Transportation Safety Board (NTSB), said a press conference that search-and-rescue efforts were still underway late Tuesday for at least six construction workers who were on the bridge at the time of its collapse. She did not offer a timeline on when the port would reopen.

"Right now, it's about people and addressing the needs of those that were impacted, that's the focus," Homendy said. "I don't think anybody at the NTSB command post is thinking about the next steps for getting things cleaned up. They are working to find out who was impacted and how do we address that, because that is and should be the priority always."

The Maryland Port Administration said in a statement that due to bridge strike, "vessel traffic into and out of the Port of Baltimore is suspended until further notice." It said that trucks are still being processed at the port's main container terminal, Seagirt.

The port said in its last update that "at this time we do not know how long vessel traffic will be suspended."

The Francis Scott Key Bridge, which opened in March 1977, is part of Interstate-695, an auxiliary route of the main interstate thoroughfare I-95.

No Maersk personnel onboard vessel

The Maritime and Port Authority of Singapore, which flagged the 9,962-TEU ship, said the *Dali* had 22 seafarers on board. None were injured.

The ship is owned by Singapore-based Grace Ocean Pte. Ltd., which has a fleet 54 ships of various types, including six container ships, five of which are chartered to Maersk, according to Sea-web, a sister product of the *Journal of Commerce* within S&P Global.

The *Dali* is operated by Singapore-based Synergy Maritime, Sea-web data shows. It is deployed in the 2M Alliance's TP12/Empire service between North Asia and the US

East Coast. Baltimore was the last US call before heading to the Port of Colombo in Sri Lanka, according to its last AIS track.

Maersk said in a statement to the *Journal of Commerce* that the *Dali* "is time chartered by Maersk and is carrying Maersk customers' cargo. No Maersk crew and personnel were on board the vessel."

The carrier added it was "horrified by what has happened in Baltimore, and our thoughts are with all of those affected."

Synergy Maritime said in a statement that the vessel was outbound from Baltimore under control of two local pilots at the time of the accident. It said all crew members and the two pilots have been accounted for and there has been no pollution from the accident.

"The US Coast Guard and local officials have been notified, and the owners and managers are fully cooperating with federal and state government agencies under an approved plan," Synergy said.

Trucks still working Seagirt terminal

Seagirt, which handled approximately 1.12 million TEUs last year, is also home to three other Asia services along with the TP12/Empire. Those include the Ocean Alliance's Taiwan Strait/AWE3 service, Mediterranean Shipping Co.'s Santana service and Zim Shipping's ZXB service.

The 2M Alliance also operates two trans-Atlantic services that call Baltimore, with other container lines operating various services from India and South America that also call the port. It is not known yet how those services may be rerouted.

Maersk said in a customer advisory that cargo on the TP12 service, its two European services, and a service from South Africa would omit Baltimore "for the foreseeable future, until it is deemed safe for passage through this area."

According to Ports America's vessel arrival schedule, some 18 container ships were expected to arrive at Seagirt between March 26 and April 6. Those include Evergreen Marine's 14,000-TEU *Triton* and *Talos*, which are deployed in the Ocean Alliance's Asia service and expected to call over the next two weeks. Another ship in 2M's TP12 service, the 10,000-TEU *Maersk Yukon*, was expected to call in the next week.

MSC, Maersk's partner in the 2M Alliance, said in a statement the Dali was carrying cargo for MSC customers. The carrier also said it expects it will take "several months" to resume calls at Baltimore.

"We are expecting substantial delays to cargo aboard the (Dali) and currently standing on the quay in Baltimore," MSC said. "Further to the port authority's closure of the port, we also have no choice but to omit Baltimore from all our services for the foreseeable future, until the passage to port is reopened and declared safe. We expect this to take several months and all MSC customer cargo will be rerouted and discharged at alternative ports in the meantime."

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