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Two Ships from Beaumont Fleet Sell for \$1.6 Million
New Orleans Firm to Recycle Both

The U.S. Department of Transportation's Maritime Administration has sold two obsolete ships to Southern Scrap Material, LLC, for \$1,675,376. The New Orleans-based firm has purchased the *American Explorer* for \$1,052,788, and the *Courier* for \$622,588. Both ships are currently moored at the National Defense Reserve Fleet site in Beaumont, Texas, and are expected to depart within 45 days.

While most ship disposal contracts in recent years have involved the federal government paying to have ships recycled, in this transaction the recycler is purchasing the ships. High worldwide prices for scrap steel have recently made such ships more valuable to recyclers, who sell the steel and other materials recovered from the ships. Since the beginning of fiscal year 2001, the Maritime Administration has awarded contracts to recycle 122 ships from all of its fleet sites; 28 of those contracts have been sales, and most of the sales have been within the past 18 months.

"These ships have served the American people well, and continue to serve by fetching the best value for the taxpayer dollar," said Maritime Administrator Sean T. Connaughton. The *Courier* is a breakbulk ship built in 1962 in Chester, Pa., as the *Export Courier*. Its name was changed in 1982. The *American Explorer* is a tanker built in 1958 at the Ingalls shipyard in Pascagoula, Miss.

The Maritime Administration keeps ships in three National Defense Reserve Fleet sites to support Armed Forces movements and to respond to national emergencies. Those sites are the Beaumont Reserve Fleet in Beaumont, Texas, the James River Reserve Fleet in Newport News, Va., and the Suisun Bay Reserve Fleet in Benicia, Calif. When the ships become obsolete, the Maritime Administration arranges for their disposition in an environmentally sensitive manner.

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