



SPRING 2013

ASSOCIATED

WIRE

News & Updates from Associated Terminals

As part of its ongoing strategy of fleet upgrades,

Associated Terminals has recently ordered its eighth new crane from Gottwald Port Technology of Düsseldorf, Germany. Based on the excellent performance and additional capacity provided by the TALLEY-PEREZ, the company has again chosen the 8400B model. Conrad Industries has again been commissioned to build the new barge. This marks the sixth barge that Conrad has built for Associated.

The addition of the 8400B model will further increase the company's capacity to handle large volumes for Associated's customers. "We have made significant progress in providing the best equipment available for our industry and will continue this trend in 2013. We remain committed to providing the safest, most efficient equipment so we can continue to provide our customers with industry-leading service," stated Todd Fuller, President of Associated Terminals.

The crane is scheduled to arrive in New Orleans by the end of July and is scheduled to be in service by the first of September 2013.

The floating crane will be the eighth crane delivered in the last five years making Associated an industry leader in the replacement of conventional equipment with state of the art assets.

Associated
Invests
in
8th
Gottwald
Crane



by **Zeljko Franks**
Vice President and
Terminal Manager



24 MILLION TONS

in one year! What an accomplishment and another major milestone in the continued growth of our company.

As we all know, many factors contribute to reaching such an achievement: the acquisition of seven Gottwald cranes, with an eighth on the way, the continued investment in equipment and infrastructure within our operations, extended leases at the ports in which we operate, and securing long-term commitments from our valued customers.

However, the most fundamental component in all of the achievements of our company resides in our people, the Associated Terminals "Family". Whether it is handling cargo from a crane or elevator, loading trucks or railcars, or preparing equipment in a maintenance shop, each activity is essential to our success! Our employees have been, and continue to be, the source that makes our company strong. It is through this strength that such monumental achievements, such as the handling of 24 million tons in one year, are realized.

As we move forward into a new year, we will continue our efforts to maintain our position as the most efficient, cost-effective and above all, safest stevedoring company on the Mississippi River. We will do this by recommitting ourselves to the values that have advanced us to where we are today. Values based on the safety of each team member, hard work, dedication, pride in oneself, pride in our work, pride in our company, and an overall driving will to succeed. As we make this commitment together and embrace our values, we know the future success of Associated Terminals is placed on solid ground and the next milestone is simply a stone's throw away!

Associated Teams Reach Safety Milestones

The foundation of Associated's success is the commitment of each team member to work safely. This commitment is recognized when crews achieve safety and performance goals. In the last twelve months, nine teams have reached safety milestones.

The teams completed one, two, three or four years with no OSHA recordables and are all on track to reach additional milestones in 2013. Representing 686,350 man hours without a recordable incident, the crews recognized the importance of team work to achieve safety goals.

Each team was acknowledged for their achievements with a plaque commemorating the milestone and received award items to

recognize the years of incident-free performance. The pride of each team member was apparent when the awards were presented.

When asked how do these crews reach these milestones? What makes a crew an example to others? What makes them a representation of this accomplishment?, Brett Schneider, Corporate Health, Safety and Environmental Manager stated:

"These crews reach these milestones through proactive efforts and

teamwork. **When safety is the goal of the team, what makes them exceptional is team work by team players.** I and

our entire AT family look forward to recognizing our safety award recipients for bigger and better safety success in the future."

Last 12 Months

Baton Rouge: 4 years

Port of St. Bernard Rail: 4 years

Reserve Maintenance Department: 3 years

Derrick Barge Ability: 2 years

Derrick Barge Glenn S: 2 years

Derrick Barge K. Robertson: 2 years

Globalplex: 1 year

Associated Grain Terminals: 1 year



Associated and Conrad Industries Team Up for Sixth Barge for NEW Gottwald Crane

When Associated ordered its eighth new Gottwald crane, it turned to Conrad Industries to fabricate the 250ft x 72ft x 12ft barge for the floating crane. Conrad

Industries, which was founded in 1948 by Parker Conrad and specializes in the construction, conversion and repair of steel and aluminum marine vessels, has built the last six crane barges commissioned by Associated Terminals. Each crane barge has been built identical in size with mechanisms positioned in the same location for ease of use by the crews and for cost-savings in construction.

Project team working on 250 ft X 72 ft deck barge currently under construction at Conrad Industries Yard in Morgan City, Louisiana.

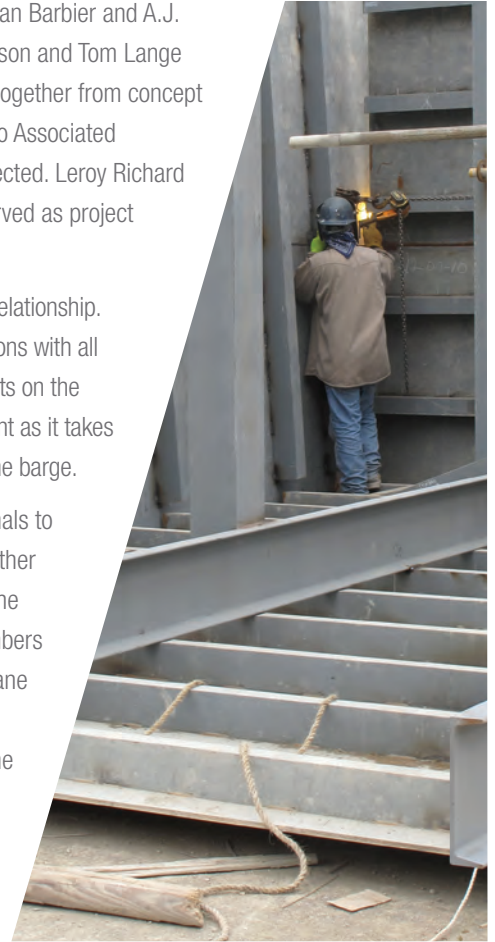


The project team is comprised of Leroy Richard, Brian Barbier and A.J. Blanchard from Conrad Industries and Kerry Robertson and Tom Lange from Associated Terminals. These individuals work together from concept to completion to ensure that each barge delivered to Associated Terminals showcases the quality workmanship expected. Leroy Richard (Conrad) and Kerry Robertson (Associated) have served as project managers for all six barges.

Cost efficiency is one of the benefits of the working relationship. Since each barge is built to the same size specifications with all mechanisms positioned in the same location, the parts on the multiple barges are interchangeable. This is important as it takes over 11,800 component parts to complete each crane barge.

The consistency of design allows Associated Terminals to move a team member from one crane barge to another without sacrificing safety or efficiency. In addition, the commonality between the barges allows team members to advance to new positions regardless of which crane barge they are currently working. For example, a deckhand on the Talley-Perez could move over to the Ability as an oiler if he has completed the STEPS (page 7) requirements to advance.

“The better an understanding a vendor develops of our operation and maintenance particulars, the more valued they become as a partner. Conrad has become a true partner to Associated. The addition of our 8th Gottwald crane will provide additional resources to service our customers,” stated Tom Lange, Vice President of Associated Terminals.



Associated
Terminals reaches
24
MILLION
Ton Record



Associated's Gottwalds unload barite on December 30th, contributing to the company's 24 million ton record.

On December 30, 2012, Associated Terminals of St. Bernard unloaded the 10 millionth ton of the year.

This contribution combined with record tonnage at Associated Terminals' multiple locations allowed the company to reach a milestone in 2012 by surpassing a record volume of over 24 million tons. This is another example of each employee adhering to the company's motto, "The Ability and Attitude to Accomplish Anything."

"This accomplishment is evidence that we are reaching our goal of providing our customers unmatched service and state of the art stevedoring equipment. This is a symbol of our team's hard work and our customer's commitment to AT. I am proud to say that this has been reached with a record number of teams recording injury-free hours," stated Todd Fuller, President of Associated Terminals.

To commemorate the ATSB achievement, Directors David Fennelly and Gary Poirrier presented the St. Bernard Port, Harbor & Terminal District Commissioners with a glass "A" award and a framed photo of the unloading of the 10 millionth ton. (photo right)

"Significant reinvestment and growth has allowed Associated Terminals to develop into a dynamic, diversified, and responsive organization making milestones like this possible,"

stated Chief Financial Officer, Kevin Tarleton.





FIRST AID TRAINING IN ACTION

No one truly knows what they will do in an emergency. The managers at Associated Grain Terminals never thought that they would render first aid during their work day but because of the training received from Associated Terminals in CPR and First Aid they were able to act quickly and concisely.

In early March, Associated Terminals' Human Resource Manager Joel James required medical attention while in a meeting at Associated Grain Terminals. Present at the office were Perry Becnel, General Manager, Keith Roach, Operations Manager, Alycia Vitrano, Logistics Coordinator, and Troy Louque, AGT Maintenance Manager. Immediately, Perry and Keith responded to the situation,

beginning CPR while Alycia contacted first responders. Their fast action and proficiency gave Joel the time needed for first responders from the Terrytown Volunteer Fire Department and paramedics from West Jefferson Medical Center to arrive and administer medical attention. Due to these efforts, Joel has recovered from this event.

To date, Associated Terminals has trained 255 individuals in CPR and First Aid and plans to continue ensuring that all employees receive the training and skills needed to respond in an emergency.

On April 11, 2013, Joel, his family, and fellow employees attended the Terrytown Volunteer Fire Department's monthly meeting. At the meeting, Joel thanked everyone involved and personally met the individuals who responded to the call. As a token of appreciation and to assist in future training, Associated presented the Fire Department with some training equipment they

lacked. Letters of thanks were presented to the individuals who were personally involved.

Tony Collins, Vice President of Associated Terminals, addressed the gathering and stated: "Words cannot describe how thankful we are to have Joel with us today. The quick actions and life saving measures of all involved made this possible. We will continue to train our personnel and will work diligently to stress the importance of CPR and First Aid training to others since you never know when you will have to respond to an emergency. The fact that Joel is here to thank everyone personally is proof of the importance of these life-saving measures."

LEFT: CPR training class. ABOVE: Left to Right: Keith Roach (AGT), Will Daviss (Director of Services EMT), Perry Becnel (AGT), Joel James (AT), Brandon Cambre (EMT), Ted Ward (Terrytown Volunteer Fire Dept.), and Rebecca Kerr (EMT) at Terrytown Volunteer Fire Department Annual Meeting.

ASSOCIATED TERMINALS OF ST. BERNARD VOLUNTEERS AT ARC

Bustling renovation activities took place on April 5th at Arc's Chalmette Community Center with Associated Terminals and Arc participants working together to refurbish Sterling Hall, the Center's multipurpose building. ATSB employees installed new ceiling tiles and participated in a major cleanup of the building which is slated to be completed by Fall 2013.

Arc serves adults 18 and older with intellectual and physical disabilities that delay their development and ability to function in society to their fullest potential. The center offers a variety of services including employment, socialization and recreational opportunities. Associated Terminals is proud to be a partner of Arc in St. Bernard Parish.



ATSB employees volunteer at ARC in St. Bernard. Left to Right: Brandon Russell, Leroy Mack, Kim Casby and Wilbert Boudreaux.

CARGO FOCUS: BARITE

The name “baryte” (American spelling is barite) is derived from the Greek word *baros* which means *weighty*, a reference to its unusually high specific gravity. 77% of the barite mined worldwide is used as a weighting agent. The United States is the third largest producer of barite with nine mines located in Nevada, Georgia, Tennessee and Missouri. China, the largest producer of barite has a production rate of nearly ten times as much as the U.S. and India (the second largest producer) combined. Approximately 40 additional countries are producers. While additional deposits are found worldwide, China’s ability to mine barite cheaply makes production uncommon in these other areas.

Last year, Associated Terminals transloaded more than one million metric tons of barite!

Every month, vessels with cargoes of barite from outside the United States arrive at Associated Terminals’ berths to be unloaded. With the use of 20 yard buckets, Associated loads 35 metric tons per swing into the customer-supplied barges.

Associated also handles barite on site at docks and in processing facilities on or connected to the Gulf Intracoastal Waterway. Associated’s recently acquired Hyundai 800 trackhoes discharge fully laden barges in under two hours to an awaiting Volvo A25F articulated truck. The truck then hauls the barite to separate stockpiles which are maintained by Associated Terminals with Komatsu D 61 EX series bulldozers.

The majority of the barite Associated Terminals transloads from vessels and all of the barite handled by the company at barite processors’ sites is used as a weighting agent in oil and natural gas drilling. In this process, barite is crushed and mixed with water and other materials and then pumped into the drill hole. The weight of this mixture counteracts the force of the oil and gas when it is released from the ground. This action allows the oil and gas rig operators to prevent the explosive release of the oil and gas from the ground. Currently, the majority of barite consumption in the United States is for this drilling application. However, the consumption of drilling mud fluctuates from year to year, as it is dependent on the amount of exploration drilling for oil and gas, which in turn depends on oil and gas prices.

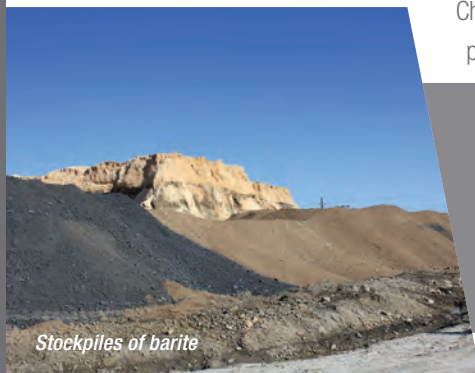
The mineral is also used as an additive to paints, enamels, and plastics; in the production of so-called “lead” crystal or “leaded” glass; in the production of brake pads and clutches for cars and trucks; as the source of barium chemicals; and to prevent radiation from computer monitors and television tubes.

Barite has the unique ability to strongly absorb X-rays and gamma rays. Consequently, it is used in medical science for special X-ray tests on the intestines and colon. It is also mixed with cement to make special containers used to store radioactive materials.

Associated transloaded more than one million metric tons of barite in 2012 and continues to be the leading handler of barite on the lower Mississippi River and at processing terminals in South Louisiana.



On-site unloading of barite in Amelia



Stockpiles of barite



Midstream vessel discharge of barite



AT’s New Hyundai 800 Trackhoe transloads barite from barge to a Volvo 25B.

INTERNAL PROCESSES FOCUS

Associated Introduces **NEW** Automated Logistics and Production Information Reporting System



Associated Terminals recently reached an agreement with DBIS, a subsidiary of Terex Port Solutions to purchase DBIS' Commtrac Dry Bulk Terminal Management System.

The purchase of this management system is anticipated to enhance operations management and utilization of logistical and production data.

The implementation of the Commtrac System will result in greater efficiencies. Utilizing interfaces with Associated Terminals' Gottwald cranes, existing rail and truck scales and PLC systems, the system will be able to provide real time production and storage data both internally and as requested by customers. Handheld devices will be incorporated, where necessary, to replace and reduce various paper reports that are currently required to track operational and cargo management activities. Long-term data tracking will also allow for the ability to identify and streamline current processes and procedures.

This system will provide internal benefits to Associated's employees and external benefits to its customers. The system will perform tasks which currently require numerous competing spreadsheets and reams of paper. Automated information reporting will allow the logistics team to further increase customer service by providing data to answer customer requests immediately. This system will also eliminate errors inherent with manual data entry. Implementation of the system is anticipated to be completed by September 2013.

Commtrac Capabilities

- Live interface
- Immediate information
- Ability to send alerts via crane interface
- Long-term data tracking
- Automated customer updates

NEW Competency-based Training Program Rolled Out

Associated Terminals announces the rollout of its new competency based training program, STEPS. Designed to provide consistency in training and skills competency for personnel, the STEPS program is the culmination of several months of research by a committee comprised of employees with various competencies within Associated Terminals' organization. The initial training of managers took place in early February.

"The hard work and time invested in this effort by the committee has resulted in an excellent program," commented Tony Collins, Vice President of Associated Terminals. Collins added, "It was the goal to develop both subjective and objective criteria to evaluate and ensure consistency in employee competency. This program provides a framework for advancement and career progression for our employees." A new team member with no experience knows what training will be required for advancement in the organization."

Associated Terminals will have the ability to continue to strengthen its corporate culture by hiring, training and molding talent in-house to its industry leading standards.

The STEPS program provides individuals a path to advance their career and compensation, with all training provided by the company at no cost to the employee. This program will help to ensure consistency amongst training programs.



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Associated Team Members Honored with Surprise Trip for Years of Dedication

Associated Terminals' Christmas Party was the backdrop for the companies annual recognition of its long-term employees. After recognizing eleven employees for 10 years of service with the company, President Todd Fuller invited seven team members who celebrated 15 years of service in 2012 to join him for an announcement. The big surprise? An all expense paid trip for two to destinations including New York, Hawaii, San Francisco, Disney, Las Vegas and a Caribbean cruise!

15
 YEARS OF SERVICE



“Surrounded by people who make Associated Terminals feel like a second family is an amazing feeling to me. The company has always put the wellness and safety of the employees and their families first. I have been blessed to be able to watch Associated Terminals grow into one of the most respected company’s here today. Thank you for the last 15 years, looking forward to another 15 years ahead.” -Forrest L. Russell, Operating Manager, Reserve



10
 YEARS OF SERVICE

Left to Right: Todd Fuller, Clement Bell, Roy West, Ricky Rousel, Kerry Robertson, Brian Deslatte, Dan Fredricks, Linda Estinopal, Lou Fos, Zeljko Franks, Tom Lange, David Fennelly, Leroy Mack (photo left)

Left to Right: Gary Poirrier, Todd Fuller, Michael Juneau, Jason Perez, Frankie Walker, Bodie Serigne, Ronnie Lopez, Forrest Russell, Danny Wright, David Fennelly (photo above)