

INTERLAKE STEAMSHIP COMPANY



A MESSAGE FROM MARK BARKER



I am excited to be relaunching The Interlake Log back into circulation. The Log has traditionally been a way to communicate and share the events and news of what is happening at Interlake. As I reflect on what to write in this letter, I am reminded of something my father, James R. Barker, often says: "these are interesting times we are living in". I believe this is true for so many of the periods in the history of Interlake and it is especially true for us today.

For more than a decade, Interlake has been busy modernizing its fleet to make it highly efficient and environmentally responsible. Those investments have been significant, and were necessary to ensure that our fleet is positioned to meet the needs of our customers in the future. We repowered four steam vessels with heavy fuel capable diesel engines and we re-engined the M/V Paul R. Tregurtha. New generators were installed on the James R Barker. All of our vessels have received, upgraded automation consoles. We have also installed emission-reduction technology on five of our vessels to ensure that we are meeting or exceeding the emissions standard set forth by the EPA. We are proud that our Exhaust Gas Scrubber (EGS) vessels are recording lower stack emissions than if we were operating on low-sulfur diesel oil without EGS technology.

We have also been working on ensuring our systems ashore can also meet the needs of our employees, vessels, vendors and external customers. With that in mind, we recently implemented a new Quality Management System or as we refer to it, the Interlake Management System (IMS). This system will help us map our processes, audit them for conformity and make corrective actions to ensure that we are putting out a consistent quality product for both our internal and external customers. To support the Interlake Management System, we built a data warehouse to benchmark our performance and we will analyze that data on a regular basis to continually improve.

We can trace the roots of this Company back to the late 1800s and we did not get here by standing idle. We are always moving forward and planning for the future. Building the next generation of the Interlake Team, reinvesting in our vessels and even building a new vessel for the first time in 35 years.

We cut steel on our new vessel in the summer of 2019 and as of April of 2020 the shipyard has passed 3,000 tons of steel fabrication milestone. We will lay the keel of this new vessel this summer with delivery still on schedule for early 2022. When this vessel sails in 2022 it will be new capability and capacity for the Interlake fleet and the Great Lakes.

All of this focused work by the Interlake team afloat and ashore has been the key to our success. With our systems and our team, we will manage "these interesting times we are living in" together. As a Company and a nation, we always have challenges, some bigger than others. The key is not to fear those challenges, but to face and to navigate safely through or around them. I am proud to say we are doing that today. We are working with our employees to ensure their safety and support their families in this time of uncertainty. We are working with our customers as we see and feel the economic and industry impacts of the stay-at-home orders of each state. And we are working with our industry to help develop the best policies and procedures to face the current challenges.

While the times are uncertain, our path is not. We are certain that we have the strength in the Company and its people to look to the future. We plan to be here for another 100 years delivering for our customers on the Great Lakes.

We look forward to sharing the stories of our people and our success as we relaunch the Interlake Log.



IN MEMORIAM RELIEF CAPT. MARK DOLAN

We lost an important member of the Interlake family on May 5. Relief Captain Mark Dolan passed away following complications while recovering from surgery. He was 58.

He leaves behind his wife, Cheryl Oslund, and two teenage children, Kai, 17, and Gavin, 15, and a legacy that includes a love of working and sailing on the Great Lakes.

In pursuit of a second career, Mark graduated from Great Lakes Maritime Academy in 2002. He sailed with Interlake as a cadet, went to work for American Steamship Company and then joined Interlake in 2011, first as a mate and later becoming a relief captain in 2015.

"Mark absolutely loved the water. His job was on the water and his passion was sailing," says Cheryl, who met Mark at her sister's wedding in 1998 and the two were married in 2000. "He loved his job. He loved the responsibility. He loved the work, he loved the technicality of it, everything. He didn't regret getting into being a merchant marine at all. It was a job that provided for his family. When he worked, he worked and when he was home, he really took advantage of his free time. It was family first for Mark and that was really wonderful."

He learned to sail in high school from close friend Interlake Captain Steve Hughes, who not only taught him the in's and out's of sailboating but also gave him the details about life as a merchant mariner.

"We always thought when we started to have children, while he would be away quite a bit each year, the time he would be home would prove to be really useful because he would have, 20 or 30 days of free time just to spend with our daughter and then with our children," Cheryl says. "Even his first sea project, it was hard to have him away, but at the same time, I would visit him and I just saw that he really was enjoying the work. He was really enjoying the people."

His love of sailing led him to racing events on the Great Lakes to yacht deliveries that took him from Rhode Island to the British Virgin Islands.

The family plans to have a Celebration of Life event in September.

"I just couldn't bear to give them a Zoom funeral, you know?" says Cheryl. "We're going to have an evening where we have a lot of rum and some beer and wine and some food and drinks. We're going to tell stories and lies about Mark and have a nice time. And we're going to celebrate his life."



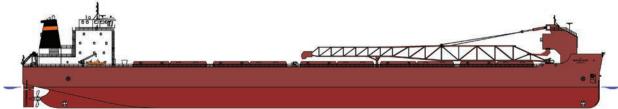




OUR NEW BUILD: HULL 788







HIGHLY EFFICIENT 639-FOOT RIVER CLASS VESSEL

We sat down to talk with Ian Sharp, our Director of Engineering for Special Projects and Project Manager, on our new 639-foot Bulk Carrier being built at Fincantieri Bay Shipbuilding in Sturgeon Bay, Wisconsin.

What has been happening since the first steel was cut in August?

lan Sharp: Steel cutting has continued and by May 2020, we expect to have 3,000 short tons of steel fabricated ready to assemble into modules that will be installed in the parallel midbody and after end of the ship.

Where is the new build in the process of being designed?

lan Sharp: The design of the ship for the most part is finished. At this time, we are now well into the detail drawing construction phase which I would say is about 70% complete. During this drawing stage critical drawings including: structural, machinery, piping and electrical arrangements are being sent to American Bureau of Shipping for approval. Also, at this time technical specifications are being written and prepared by the shipyard and sent out to various vendors for them to provide proposals so that the shipyard can select equipment that meets the Owners Contract Specification.

What is lofting?

lan Sharp: Lofting is a drafting technique where most of the thousands of plate and shape parts of the vessel are lifted, using computer-aided design (CAD) from the engineering drawings to be individually and highly detailed to facilitate fabrication. Lofting today at Fincantieri Bay Shipbuilding is done both manually and automatically where the information is extracted from a virtual 3D model of the vessel.

In the case of plate parts, all parts, from side shell panels to small brackets are lifted from the construction CAD drawings and virtually nested on flat plate. The parts on the plates are nested to minimize waste. The electronic file (referred to as nest tape) is coded with instruction to the CNC burn machine to cut the parts and to apply etched information, such as bending information and to burn bevels where needed.

For the lofting of shape parts, angle, flat bar, bulb flats, etc. a highly detailed drawing is developed for each part, either manually and automatically to instruct ship fitters to cut the parts to length and to prepare the end preparation required for the situation.

Fabrication

Ian Sharp: The fabrication portion of the work scheduled for construction, between the middle of 2019 through early 2021 will consist of fabricating and assembling the midbody side tanks, midbody center units, aft end unit, bow units, aft deckhouse units, exhaust stack unit and forward deckhouse units. These individual units will be staged ashore positioned for easy access into the drydock.

What is the first part of the ship that will be assembled in the drydock?

lan Sharp: This would be Hull Phase #1, which consists of about 400 feet of parallel midbody plus the stern section of the ship below the Spar Deck. The steel weight of this section of the ship would be about 4,000 short tons. The float out of Hull Phase #1 is scheduled for about December 2020 to make sure that the drydock is available for use before the start of winter repair work.

What happens during winter work when the yard is busy doing repairs and maintenance on the other boats?

lan Sharp: The Shipyard will continue to work on our new ship during the winter repair work time period. When winter work in the drydock is finished and the drydock is available, the midbody and stern will be moved back into drydock and the forward section including the forward machinery space and the bow will be installed.

How long did you work on the original design of the ship?

lan Sharp: We worked on various preliminary designs including a tug-barge or ship, various ship dimensions, cargo carry, various propulsion packages and loading and unloading docks, location of the unloading boom and many more. The time spent on all the preliminary work and the final design was between 2 to $2\frac{1}{2}$ years.







We know you have been involved with the design or building of many other vessels, both in the United States and in other countries throughout the world. You have designed tug barges, self-unloading ships, ammonia carriers and bulk carriers, including the Stewart J. Cort, the first thousand footer on the Lakes. What is exciting to you about this new ship?

lan Sharp: The most exciting to me is that this ship will be the first new ship designed and built on the Great Lakes in 36 years. Another exciting fact is that Interlake Steamship Company elected to purchase American-made steel from ArcelorMittal. This steel was made from taconite pellets that were transported in our company's ships from the Upper Lakes to the steel mill in Burns Harbor. Also, the main engines, reduction gear and ship service generator were all purchased and built in America. These facts along with all of the other American companies that are furnishing equipment that is going to be installed in our new ship is very uplifting and exciting.

What is the most unique thing about this new ship in your opinion?

lan Sharp: There are many unique systems installed on this ship and one of these is the unloading system. The unloading system is a combination of gravity unload with mechanical assist using two front-end loaders. When one looks at the midship section, there are no slope plates. The cargo hold is a very large box that was designed to provide maximum cubic volume. This type of cargo hold allows Interlake Steamship Company to load and unload all normal cargoes that a self-unloader handles but also other cargoes such as large windmill towers, steel coils and slabs and other large machinery items.

Another feature of this cargo hold is the 5 very large hatches located on the Spar Deck. These cargo hatches are 54 feet wide and 80 feet long and can be opened or closed by one crew member.

This is very different hatch arrangement from the typical Laker of this size which would have 16 to 18 hatches and hundreds of hatch clamps that are all released and secured manually every loading and unloading. A time-consuming job by at least two (2) crew members. Also, on our existing ships the hatches are opened and closed using a hatch crane operated by another crew member.

The unloading system is unique in that the ship can be unloaded by one crewmember located in one of the two unloading control rooms, one forward and one aft. From either station, the operator can control the large basket gates, belt speed, slew, raise and lower the boom and control and ballast system.

What about the forward boom, how significant is that?

lan Sharp: I believe it is very significant. With the forward boom, it allows the new ship to unload in ports we could not unload in with our current ships in our fleet, without risking the ship's propeller or rudder. That gives our marketing department additional opportunities to carry other cargo to various ports that we could never transit into before.



PARTNER SPOTLIGHT: SAMSEL SUPPLY COMPANY

Meet Mike Samsel, vice president of Samsel Supply Company, the second-generation, family-run business that has been a go-to supplier to the commercial marine industry on the Great Lakes since about its founding more than 60 years ago.

As vice president, Mike helps lead the company started by his father, Frank Samsel, in 1958 on the banks of the Cuyahoga River in the Cleveland Flats. Frank, who had sailed with the Hutchinson Fleet, hung his shingle on Old River Road selling his first product lines of wire rope, chain blocks, load binders and manila rope.

In the early 1960s, Frank bought the supply division of the Upson-Walton Company, and Samsel expanded its offerings to safety equipment, deck equipment, shackles, turnbuckles, and any hardware needed aboard vessels.

"That's when we got more involved with the marine industry, but from then on it's just been a partnership," says Mike, who sailed as a deckhand the summer after he graduated from high school. "The guys in the marine industry are really easy to work with because everything's done with a handshake. It's really a family-type business."

And just like families, they can be demanding, often needing supplies delivered in an accelerated time frame or during a narrow window when the boats are tied up at the dock.

"We can respond quickly to what the customer needs across all industry segments we serve and the marine industry kind of taught us that," he says. Samsel inspects Interlake's life rafts and supplies much of the fleet's deck-related safety equipment such as personal flotation devices, mooring lines and rope.

In his free time away from spearheading the family business, Mike enjoys the great outdoors.

"I pretty much chase critters with a stick and string," says the 57-year-old and that includes being and avid fisherman and accomplished bow hunter. "I like chasing big game with my bow and arrow, whether it be in Ohio chasing white tailed deer or out west hunting antelope or elk. I've been lucky enough to go to some pretty cool places. I've been to South Africa and I was able to hunt Red Stag in New Zealand."



CREW SPOTLIGHT: DAVE GUAY

With nearly 44 seasons of sailing with Interlake, Chief Engineer David Guay still vividly remembers the day he knew he wanted to pursue a career in the maritime industry.

It was a sportscar not a boat that sealed the deal.

The inspiring set of wheels were driven by a local kid who had graduated from Maine Maritime Academy.

"He had all the toys and I thought it was pretty cool," says Guay with his East Coast accent. "I set my goals right then and there to do this."

By 22, Guay had achieved his goal, earning his degree from the same academy based in Castine, Maine, logging sea time on the Great Lakes as a cadet aboard Cleveland Cliffs' Stmr. Walter A. Sterling (now Interlake's M/V Lee A. Tregurtha) and working his first job on offshore supply boats in the Gulf of Mexico.

"I had only been out there a month or two when I got a phone call from my mother," he says chuckling. "They called ship-to-shore radio for the rig, out in the middle of the Gulf, for me and I was down here on the supply boat. I looked up at the rig, and I said, 'Well, how am I going to get up there?"

Guay had to climb into net on the deck of the supply boat and be lifted by a crane - a jack-up rig - and then deposited on the deck of the rig.

"I get to the radio office and my mother tells me 'You just got a call. They need a new engineer on a brand new ship being built which happened to the James R. Barker'," he says.

He fitted out the Big Barker in her maiden season the Lakes in 1976 and after a miner's strike in 1977 furloughed him for four months, he fitted out Interlake's other new build and the Barker's sister ship, the Mesabi Miner.

"That was ok actually because I got married that year so I had a four-month honeymoon," he says, adding that it was a good time for him to join the company because there was plenty of opportunity for motivated mariners. He started as a third engineer and got his permanent Chief Engineer position on the Herbert C. Jackson in 1993.

A driving curiosity and strong work ethic fostered in his youth continues to fuel Guay today.

"I remember working on old junk cars that my father gave me that I fixed up and brought back to life. That's where I got my mechanical nuts and bolts - to take something, take it apart and see what makes it tick," he says.

"This ship right now," he says motioning around the control room of the Mesabi Miner where he has been the Chief Engineer since 2001 and currently manages an engine department of seven crewmembers. "I always want to know what makes it do what it does and why. I'm always meticulous on how it's repaired, and make sure that it starts at its optimum level, make sure that everything is perfect. That's the way I've always been."

Reflecting on his time working on the Lakes, Guay says it's been a sacrifice with time spent away from his wife and two daughters but that his career provided "a good living for all of us, and the kids have never wanted for anything. It's been a comfortable life."

In his free time off the ship, Guay says he and his wife enjoy traveling, most recently exploring the Caribbean islands.

"She wanted to go on cruises years ago. I wouldn't go on a cruise because why would I want to go on a cruise when I work on a ship?" he says smiling. "Finally, I caved in and it's been the best fun that I've ever had - the entertainment, the relaxation, the ports and the excursions - they are just a ball!"



SEEING DOUBLE

Our 1,004-foot fleetmates and sister ships - our M/V James R. Barker and M/V Mesabi Miner - side by side May 25 for a crew change at MERC in Superior.

SEWING GOODNESS







Meet Cailyn King, daughter of Katie and First Mate & Relief Capt. Mike King.

Only 12 years old, her love of community service led her to put her hobby of sewing to incredible use during the COVID-19 pandemic.

She started making protective face masks for family members and to donate to local hospitals and businesses.

Meanwhile Interlake was having difficulty finding masks for its crew members on the boats. Cailyn eagerly volunteered to make hundreds for the fleet.

"I really wanted to help out and keep everyone safe on the boats," Cailyn says. "I know lots of the people that work with my dad on the boats and consider them family."

With assistance from her mom, Cailyn got to work cutting fabric and elastic pieces to make 250, enough for 30 to each boat. She spent at least three hours a day for three weeks working on the colorful, pirate-inspired masks. When it's all said in done, she'll had made 400 masks which includes some for those who work in the corporate office.

It roughly took Cailyn 10-15 minutes per mask but there were multiple steps of sewing and trimming, then ironing and pleating. Each mask was then bagged with a tag that read: "Stay Healthy & Fair Winds" - Made by Cailyn King.

"I feel very proud that I was able to accomplish this large task and help the crew on the boats," she says.

AMERICAN MARITIME HEROES



In April, Chief Steward Sissy Payment and Conveyorman Gary Payment, sister-and-brother merchant mariners with Interlake, were selected as American Maritime Heroes.

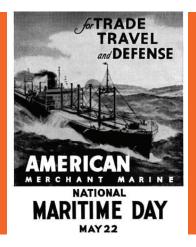
The Payments were national recognized along with other select American maritime frontline workers - on land and on sea - that worked to keep America's supply chain moving throughout this pandemic.

The siblings grew up in Sault Sainte Marie, Michigan, and had been sailing together on our M/V Mesabi Miner earlier this season.

Excited about the recognition, Sissy and Gary said they were happy to be able to do "their part to help America".

Social distancing is a skill our sailors have long perfected out of necessity. Here a captain and his daughter wave to each other at the Soo!



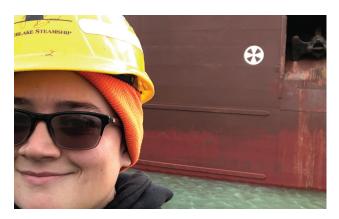


NATIONAL MARITIME DAY

Every May 22nd is National Maritime Day, celebrating the hardworking Americans in the maritime industry who play an essential role in our national supply chain. So much of what we use every day relies on maritime transportation to get to its ultimate destination.

A White House proclamation signed this year on this date echoed those sentiments: "Since the founding of our great Nation, we have relied on merchant mariners to deliver goods to market and strengthen our national security."

We celebrated the day by featuring the career stories of two of Interlake's hardworking merchant mariners.



Alex Althaus is no ordinary seaman; although technically she is.

An OS deckhand in her third season sailing with Interlake, she says she does whatever it takes to "hang with the boys on deck" and makes whatever improvements or sacrifices she needs to to reach her goals working on the ships.

"There aren't many females that have it in them to do what I do in a male-dominated industry," says the 29-year-old Findlay, Ohio native.

She says one of the most interesting aspects about being a merchant mariner is that as you sail away from land, it's really an invisible yet essential industry.

"The country simply wouldn't progress without these materials we haul, and that's something to be proud of despite all of the challenges of being underway and out on the Lakes," she says. "If you invest in Interlake, it will be returned. My job absolutely has challenges, leaving everything I know and work hard for is difficult but with great risk comes great reward."



Meet Captain Bob Thibaudeau, Master of our M/V Paul R. Tregurtha and senior most captain in the Interlake fleet.

Now in his 41st season sailing with Interlake, Captain Bob stands at the helm of the longest vessel to ever sail the Great Lakes. At 1,013.5-feet, she is considered the Queen of the Lakes.

Stellar shiphandling and his affable and engaging personality has earned him somewhat of a rock-star following among freighter fans and "boat nerds" on the Lakes.

A graduate of Great Lakes Maritime Academy, Bob joined Interlake in 1979 alongside three other graduates all of whom became captains in our fleet. His first boat was our M/V Lee A. Tregurtha after becoming a captain in 1994.

He says the best parts about being a merchant mariner is "knowing that you are hauling cargoes that affect millions of lives and we make a difference."

ANNUAL WINTER MEETING

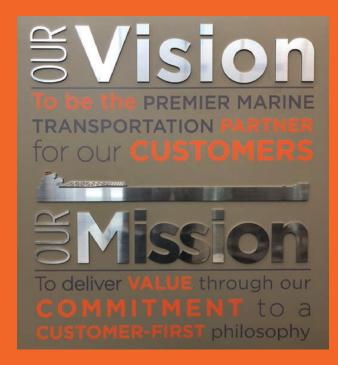
Our annual Winter Meetings were held February 19-23, 2020 at The Gaylord Palms Resort and Convention Center in Kissimmee, Florida. More than 160 people attended the meetings including our Captains, Chief Engineers, Relief Captains and Relief Engineers, Interlake leadership teams and office personnel as well as spouses and special guests. The meetings were capped off by a reception, dinner and retirement ceremony honoring Captain Joe Ruch for his four decades of service at Interlake.







In a milestone moment for our company, we were inspired to have these five merchant mariners sailing aboard our M/V James R. Barker last summer.





Our Mission, Vision and Values are at the core of what we do every day, on land or on water. We proudly feature them in the lobby of our corporate offices in Cleveland and in prominent places aboard our vessels.

