

★ **MARINE TRANSPORTATION** All marine vessels in excess of 3,000 tons were requisitioned by the Government during the year, but were assigned to us as time charter agent for the War Shipping Administration. Two of the vessels were operated full time in the service of the United States Navy. The requisitioning of vessels sharply increased the transportation costs of the Company.

Delivery was taken on two new tankships during the year. Contracts placed in 1941 for construction of two tankships, scheduled for delivery in 1943, were transferred to the United States Maritime Commission.

One tankship was lost by enemy action during the year. The vessel was insured by the War Shipping Administration under an arrangement which provides that just and fair compensation shall be paid to the owners. Early in 1943, the War Shipping Administration requisitioned a tankship of the Company for sale to a member of the United Nations.

The marine fleet at December 31, 1942, consisted of ten tankships, aggregating 105,000 dead-weight tons, and 29 barges and small craft. Certain other tank vessels were chartered from the Government during the year.

Some shipments of products to the Northwest were made by tank car but the necessity for this service lessened as the year progressed. As rapidly as Northwest conditions would permit, Company tank car facilities were dispatched to the East Coast to assist in relieving the critical fuel shortage in that area. At the end of the year approximately 15% of Company owned rolling stock was active in that service.