

Soundings

March 2006

Dear Team:

In 1987, when my partners and I were trying to come up with a name for our Tug and Barge Company, we were really impressed with the name "Olympic".

First, we loved the region in which we lived, we respected its pristine environment and quality of life. The old growth timber of the Olympic National Forest has been a treasure to this Nation and our State. The year round snowy peaks of the Olympic Mountain range provide so much to enjoy and appreciate. Since the word "Olympic" was synonymous with the beauty of the region, it inspired our shareholders and directors to draft our mission statement so that we were committed to providing the safest marine petroleum transportation possible to service our customers and the communities where we operate. We truly feel that we are trustees to the environment and to the inhabitants from all walks of life that are indigenous to the region.

Second, we were impressed with the Olympic Games and the athletes that compete in them. The athletes do it primarily for the love of the sport, the love of their country and their desire to be the best in the world. Like true Olympic Athletes, we respect our competitors and their abilities. We know that in order for us to succeed we have to work and train harder, each and every day. I have been enjoying watching the Olympic Games this past month. It is amazing how the difference between Gold Medals and 4th place are fractions of a second, inch, or point. Their commitment, passion, dedication, perseverance and sacrifices are unbelievable.

At Harley Marine Services, our shareholders are committed to providing you with the best equipment and training that are available. We are committed to doing our best in providing you a great future and opportunity for advancement. We are a company that is respected and recognized by our customers, competitors and communities we serve for being a responsible and quality marine transportation company. We know that you are equally as committed to being the best that you can be each and every day. You have all demonstrated that Olympic spirit.

We feel after a lot of sacrifices and hard work by our entire team, we will all be in a position for a medal or other types of rewards that recognize success. You are all champions and have my respect. I hope to stand on the top of the podium with all of you when they play our National anthem and they place the Gold medals around our necks.

Sincerely,
Harley Franco



The Ernest Campbell alongside Barge Norton performing their weekly fire drill on the Blair Waterway in Tacoma, WA.

MARCH HOLIDAYS

March 1 - Ash Wednesday
March 17 - St. Patrick's Day
March 20 - Spring Begins



March Birthdays

**Happy Birthday to
All of You!**



Harley Marine Services

Keith Barnes 17th

Olympic Tug & Barge

Julio Ibanez-Kunz 1st
Warren Carley 4th
George Thoreson 15th
Michael Everhart 28th
Steve Felton 30th
Peter Caron 30th

Pacific Coast Maritime

Paul Hanson 5th
Mark Hurst 19th

Public Service Marine

Ty Ammons 30th

Pacific Terminal Services

Larry Lamb 3rd
Robert Robertson 10th

Starlight Marine Services

Lora Lessard 14th
Chris Ramos 21st
Allen Hartman 26th

Westoil Marine Services

Giuseppe Logrande 3rd
Patrick Speers 10th
James Garvey 11th
Demitri Palley 12th
Eduardo Soto 18th
Todd Bonsky 21st
Kennard Watkins 30th
Robert Hernandez 31st

If you would prefer that your birthday is not listed, please contact Stephanie Wright via e-mail.

swright@harleymarine.com



Spotlight – Tom Appleton Olympic Tug & Barge, Senior Port Engineer

At Olympic Tug and Barge, we think of Tom Appleton, Senior Port Engineer, as the “Human Shipyard.” Since Harley Franco hired Tom in 1992, he has been a stalwart, loyal addition to the Olympic team.

Tom has been in the Marine industry all his life. In fact, he was introduced to Harley and the Olympic team when he worked for Brix Maritime in the late 1980’s. At that time, Olympic moored its one barge at the Brix dock. Tom was on hand to give mechanical advice, and he even occasionally helped do repairs for the tiny Olympic fleet.

Knowing Tom’s experience, skill and work ethic, Harley wanted the chance of have Tom on board. Harley casually mentioned to him, “If you ever want a job give me a call”; one day came when Tom did just that. He began working for the company almost immediately.

Since that time, Tom has proven himself to be one of the most valuable and valued employees at Olympic Tug and Barge, and in all of Harley Marine. Over the years he has put in countless hours keeping the gear in top working order and in compliance with both industry and company standards.

Tom’s loyalty and hard work should be a model for any incoming engineer. His prudence and wisdom regarding all things mechanical have saved the company both money and headaches.

“He is a leader on the waterfront and all of our marine personnel can learn by his example and work ethic,” says Gregg Nelsen, Director of Engineering.

“Best of all,” Harley likes to say, “he’s my friend.”

Tom and his wife Bertie have two grown children and one granddaughter. When he’s not spending time with his family or keeping our fleet healthy, he enjoys “playing” with his Hot Rods. He currently works on a 1956 yellow Ford Pickup Truck and a 1930 Ford Model A Street Rod.

What's New at Starlight Marine Services?

The month of February was very productive and beneficial for SMS. To begin, Barge Bonnie R. and Tug St. Andrews were added to the growing fleet at Starlight. The combination is a great fit and they are now working hard in the San Francisco Bay. Two mooring spud barges were added, although one will most likely go to LA.

Starlight is also in the process of moving office locations. The office has been placed in location and a security fence has been put up to protect the office and surrounding area. Although this will be a functioning place for the boats almost immediately, the office will not be up and running for another 3-4 months because of the delay in the permitting process for electrical power. Special thanks to Lora Lessard who has taken over for John Paxson in spearheading this project.

“With our new additions and improvements Starlight Marine’s presence in the San Francisco Bay is progressing and continually growing. We are all very excited and looking forward for additional advancements.” Chris Swan



Storm of the Year in Dutch Harbor, Alaska

The beginning of the New Year made its mark by leaving 6 feet of snow in a four week period, extremely cold weather, and chilly winds in Dutch Harbor. Mid-February temperatures rapidly warmed and rain began to fall and fall and fall. Winds were marked at 130 mph (at the local airport) and the weather was shaping up to be perfect conditions for a landslide. And that is just what happened.

As reported from the crew on the Gyrfalcon: “North Pacific Fuel warehouse was totally destroyed and pushed across the street and onto the Trident dock. Magone Marine lost tons of equipment, including Sue Magone’s car into the water from 2 slides in their area. We had a major slide happen on the port side of where we tie up that washed 3 containers into the middle of the street and missed our “empty” company vehicle that was parked in the Longshoreman’s lot by about 20 feet.”

Words alone cannot explain the damage and disaster. To the right you can see pictures that have been provided by the Gyrfalcon crew after the storm. The Gyrfalcon and crew were not hurt or damaged during the storm. They spent a couple hours shuttling stranded people from the old Western Pioneer dock to the city dock on the tug.

“Along with mud, other equipment and debris in the mix we consider ourselves lucky. We are doing what we can here but Mother Nature had her way this time. Hope things get better soon, this one hit hard!”



Mastercard and Visa Credit Card Telephone Scam

If you are the holder of one of these cards, this current telephone scam may be of interest, especially if you receive such a call.

The caller purports to be from either Mastercard or Visa Card Security Fraud Department. They provide a fictitious identification number and inform you that your card has been flagged due to its use in an unusual purchase pattern.

The caller provides details of your card and address and asks you if you have purchased a particular item from a named company involving an amount normally under \$250. After you have confirmed that you have not purchased such an item, the caller informs you that they have been keeping a watch on this named company, who have been involved in other dubious transactions and as a result, your account will be credited with the mentioned sum of money.

You are told that there will be an investigation and that if you have any questions you should call the telephone number on the rear of your card and ask for 'Security'.

Now comes "the sting"! You will then be asked to provide the three-digit security number on the back of your card as proof that you still have it in your possession. If you give out this information the caller will have the necessary means to make telephone or internet purchases, which they will do immediately after finishing the conversation with you.

There are various possibilities of how the caller came into possession of your card details, address and telephone number. What they don't have and require from you, is the three digit security number.

Should you receive such a call, tell the person you will call your card issuer for verification; finish the call and immediately telephone the number shown on the back of your card to report the call.

Source: Mike Hawkins, Chief Investigator – Signum Services Ltd.

Think Tank

This month has been busy for everyone up and down the coast. Our ports General Managers are working hard to meet the demands of all our customers, regulatory compliance, fleet relocation / allocation, and personnel issues. The HMS group is working on compliance issues, ISM / ISO certification, maintenance projections and issues. We are managing our new build projects along with the job of bringing the new 40,000 bbl barge on line. Crews are also working hard along the coast, providing the best service possible to our customers. Everyone has shifted into overdrive, but let us not forget the highest priority we have and that is being absolutely as safe as we humanly can.

We can not sacrifice safety to personnel, environment, or equipment for expediency. As we approach and start each work day we must each take a minute to remind ourselves to be conscious of the apparent and unapparent safety hazards that we may face in the course of our duties. Whether we are driving a tug, loading a barge or working ashore **Safety First is our goal and it should be our Mantra.**

Keith Barnes
Harley Marine Services

THE PASSING OF THE QUEENS

The RMS QUEEN MARY 2 - the largest cruise ship in the world honored the original RMS QUEEN MARY, as the namesake vessel passed the original QM twice on February 23rd. As the QM 2 passed the original QM, she sounded a special greeting to her elder sister on her ship's whistle - one that added special meaning, since the QM 2 carries one of the original whistles from off the elder QM, whose deep bass note can be heard up to 10 miles away!

This was a historical event, since this was the first (and probably the last) time the two great ships can be seen in such close proximity of one another.

The QM 2, which is 113 feet longer (1,132') than the original QM, nearly TWICE the beam (135'), and nearly TWICE the gross tonnage (151,400), made her debut in 2004 -- 37 years after the original QM stopped sailing after more than 30 years of service on the North Atlantic. The original QM is permanently berthed at the Port of Long Beach, and is operating as a hotel and convention center. She has become an "icon" for the City and Port of Long Beach, since arriving here in 1967, and she has been visited by millions of tourists and residents over the years.

March Anniversaries

Happy Anniversary and thanks for your support and contributions to the Harley Marine Family.

Harley Marine Services

Leslee Flynn - 10 years

Millennium Maritime

Richard Jabuka - 6 years

Olympic Tug & Barge

John Walker - 12 years

George Thoreson - 12 years

Denis Rovin - 11 years

Justin Hutton - 6 years

Steven Manning - 5 years

Ricky Ellington - 2 years

Pacific Coast Maritime

Paul Hanson - 12 years

Public Service Marine

Tina Schaffer - 9 years

Ty Ammons - 5 years

Gabriel Cleope - 3 years

Anthony Green - 1 year

Starlight Marine Services

Daniel Bridgman - 1 year

Westoil Marine Services

Walter Fourness III - 13 years

Marc Delgadillo - 7 years

Garrick Gilham - 3 years

John Nickels - 2 years

Jason Stutes - 1 year

Nicholas Firkins - 1 year

Copernicus to Receive Continued Support from Cystic Fibrosis Foundation Therapeutics to Further Develop Non-Viral Gene Therapy for Cystic Fibrosis

Cleveland, Ohio, February 14, 2006 – Copernicus Therapeutics, Inc. announced today it had reached an agreement with Cystic Fibrosis Foundation Therapeutics, Inc. (CFFT) whereby CFFT will continue to fund development of Copernicus' potential gene therapy for cystic fibrosis (CF). The agreement provides \$1.5 million for 2006 with the potential for \$4.6 million in additional funding for 2007 if satisfactory progress continues. The research plan included in the agreement anticipates that if satisfactory progress continues in 2007, CFFT will continue to support Copernicus' CF gene therapy development and clinical programs through completion of a multiple dose phase II clinical trial. Copernicus' unique, non-viral nanoparticle formulation is intended to deliver a normal copy of the CF gene to the affected lung cells of CF patients, and may provide a therapy that treats the root cause of CF. Copernicus' first clinical trial, supported by CFFT, demonstrated the desired safety profile and encouraging biological improvements were observed.

“We have had a productive relationship for a number of years with CFFT and we share the common goal of providing a safe and effective therapeutic for people with CF,” said Robert C. Moen, M.D., Ph.D., president and CEO of Copernicus. “This agreement further expands our partnership with the CFFT. We look forward to working with them in meeting the critical need for an effective gene-based therapy for the lung manifestations of CF. Copernicus' DNA nanoparticles are designed to safely and efficiently transfer a normal copy of the CF gene into the airway cells of the lung and thus “correct” the underlying genetic basis of the disease.”

“We are encouraged by the promise of Copernicus' technology and are pleased to further expand our relationship with them,” said Robert J. Beall, Ph.D., president and CEO of the CF Foundation and CFFT. “Gene-based therapeutics offer hope for a potentially life-saving treatment that tackles the root cause of CF, rather than only treating its symptoms. We are grateful for many people, the patients who volunteer for studies, and for those who generously support the CFF and our CF research program like that at Copernicus.



An Old Irish Blessing

May love and laughter light your days,
and warm your heart and home.
May good and faithful friends be yours,
wherever you may roam.
May peace and plenty bless your world
with joy that long endures.
May all life's passing seasons
bring the best to you and yours!



Join me in welcoming beautiful
Madeleine Elise Coleman to the
Harley Marine Family.
Date of Birth – January 31, 2006.
Weight – 7 lbs. 2 oz.
Length – 20 inches

“She is healthy and both
Deirdre and I are glad that she
is now here and having a good
(though sometimes exhausting)
time getting to know our first
child.” Scott Coleman
Olympic Tug & Barge, Mate

First Aid Classes
World Headquarters - Seattle, Washington

American Environmental Services will be conducting
First Aid / CPR courses for Olympic Tug & Barge employees on
the following dates:

Wednesday 8 March

Wednesday 12 April.

Classes will start at 0800 each day and last for
approximately 6 hours. Sign up will be on a first come first serve
basis with priority being given to vessel crews. Each class will
take 10 persons.

The course presentation is a multimedia presentation,
including lecture and discussion with students, which targets
information to the specific needs of marine employees and
operators. Students will participate in hands on skill use,
instructor guided discussions, and written test to ensure that the
material covered is retained by the student in a time proven
system.

Contact Mike Curry for spaces in these classes.

mcurry@harleymarine.com

206-447-3057

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