

= MV Geysir =

MV Geysir is a U.S.-flagged general cargo / container ship owned by TransAtlantic Lines LLC . Originally named Amazonia , the 90 @-@ meter ship was built by American Atlantic Shipping in 1980 to serve a route from the United States to Brazil . In 1983 , the ship was seized by the United States Maritime Administration for nonpayment of government loans .

In 1984 , it was renamed Rainbow Hope and leased by a small startup company to serve a route between the United States and the American military base at Keflavik , Iceland . As Rainbow Hope the ship was central in an international disagreement between the United States and Iceland that would span years , be compared by The Chicago Tribune to the plot of the movie The Mouse That Roared , and involve political personalities including Antonin Scalia , Ruth Bader Ginsburg , Ken Starr , Elizabeth Dole , George Schultz , and Ronald Reagan .

After finally losing the Iceland route , the ship was renamed Juno , bought by Norwegian owners and worked in the Norwegian trade from 1996 to 1999 . In 1999 , it was bought by TransAtlantic Lines , renamed Geysir and put back on the U.S. ? Iceland route , leading to further tensions between the United States and Iceland . After the 2006 closing of the United States Naval Station in Keflavik , the ship has gone on to carrying cargo to U.S. activities in the Azores .

= = Construction = =

Then named Amazonia , the ship 's keel was laid on 1 January 1977 at Equitable Shipyard in Madisonville , Louisiana . Its hull , constructed from ordinary strength steel , has an overall length of 90 @.@ 1 metres ( 296 ft ) , a beam of 13 @.@ 7 metres ( 45 ft ) , and a moulded depth of 6 @.@ 7 metres ( 22 ft ) . Its three general cargo holds have a total bale capacity of 2 @,@ 945 cubic metres ( 104 @,@ 000 cu ft ) or grain capacity of 3 @,@ 341 cubic metres ( 118 @,@ 000 cu ft ) . The ship has a gross tonnage of 2 @,@ 266 GT and a total carrying capacity of 2 @,@ 032 long tons deadweight ( DWT ) .

Amazonia was built with eight ballast tanks , having a total ballast capacity of 770 cubic metres ( 27 @,@ 000 cu ft ) . Other major features of the ship 's structure include its five diesel oil tanks , two lubricating oil tanks , two potable water tanks , a chain tank , and a waste water tank . The ship was built with two cranes , which have since been removed .

The ship features a MAN B & W Diesel A / S 8L28 / 32A main engine with eight 280 @-@ millimetre ( 11 in ) cylinders with a 320 @-@ millimetre ( 13 in ) stroke for maximum continuous power of 1 @,@ 961 @.@ 98 kilowatts ( 2 @,@ 631 @.@ 06 hp ) driving a bronze propeller . Electrical power is generated by two 400 kilowatts ( 540 hp ) auxiliary generators . Construction of the ship was completed in 1980 .

= = History = =

In the early 1980s , the company American Atlantic Shipping , a wholly owned subsidiary of American Maritime Industries , built three 2 @,@ 000 DWT multi @-@ purpose ships to carry cargo between the United States and Brazil : the Amazonia and her two sister @-@ ships , America and Antilla . In 1983 , the United States Maritime Administration took possession of the three ships after American Atlantic defaulted on Title XI payments .

= = = Rainbow Hope = = =

In May 1984 , entrepreneur Mark W. Yonge of Monmouth County , New Jersey founded Rainbow Navigation for the sole purpose of serving the route between the United States and United States military base at Keflavik , Iceland . Using money he earned from a ship @-@ chartering company , Yonge chartered Amazonia from the Department of Transportation and renamed it Rainbow Hope . The company consisted of one ship , a crew of 22 , and seven full @-@ time employees . Icelandic companies had serviced the Iceland route since the late 1960s . Yonge submitted a bid quoting the

same rates that the Icelandic companies were charging and invoked the Cargo Preference Act of 1904 . Rainbow won an \$ 11 million contract to carry 70 % of the cargo on the route , and immediately began to work the route under contract to the Military Sealift Command .

According to an official of the U.S. State Department speaking on the condition of anonymity , " Almost right at the start , Iceland let their feelings be known about losing the business ... For the Icelanders , who are entirely dependent on seagoing trade , it was an issue of national sovereignty . " Minister Counselor for the Icelandic Embassy in Washington , Hordur Bjarnason informed the Reagan Administration that Iceland " could not accept that a foreign shipping company would have a monopoly on carrying the cargo to Iceland . "

Before Rainbow Hope ever left the pier , the Department of Transportation approached Rainbow trying to defuse the situation . The New York Times characterized the ensuing fight as Rainbow Navigation versus " the Navy , the National Security Council and the Departments of State , Defense , Justice and Transportation to the President himself . " During 1985 , Iceland raised the matter with the United States Department of State at least six times , including a meeting in Lisbon in June of that year between Secretary of State George Schultz and Foreign Minister of Iceland Geir Hallgrímsson . Schultz described the matter as a " major irritant in U.S. ? Icelandic relations " and relations were strained to the point that Iceland threatened to start boarding U.S.-flagged ships and to close the Keflavik base .

Schultz 's State Department attempted to solve the problem in a number of ways . It tried and failed to have the 1904 Cargo Preference Act amended . It made an offer to pay Icelandic shipping firms monetary damages for loss of the route , which was refused . President Reagan asked United States Secretary of the Navy John F. Lehman , Jr. to determine if Rainbow 's claim under the Cargo Preference Act was valid , and on 8 August 1985 , Lehman declared Rainbow 's rates to be " excessive and unreasonable . " Within four days , Rainbow pressed suits in United States District Court against " the Department of the Navy and various other federal agencies " as well as " the Secretary of the Navy and various other government officials in their personal capacities . " The suits demanded declaratory and injunctive relief from the federal agencies and monetary damages from the named individuals . The International Organization of Masters , Mates & Pilots , representing Rainbow Hope 's crew , joined Rainbow in the suits .

On 15 October 1985 , the District Court issued its order , granting Rainbow 's requests for declaratory and injunctive relief , and ordered the government to withdraw a call for new bids . The government appealed the finding . On 27 January 1986 , the panel of the D.C. Circuit Court of appeals consisting of future Supreme Court Justice Antonin Scalia , future Starr Report special prosecutor Kenneth Starr and Senior Circuit Judge Carl E. McGowan upheld Rainbow 's victory . During the appeal , the government 's attorneys conceded that Lehman 's finding of Rainbow 's rates to be " excessive and unreasonable " was politically motivated , and the court found some arguments put forth by Shultz and Lehman " extraordinary " and having " no rational basis " . In particular , Scalia wrote that the " factual basis for ( Lehman 's ) assertion ( wa ) s utterly lacking . " During this time , Transportation Secretary Elizabeth Dole supported Rainbow , according to the Chicago Tribune , as a viable employer of United States mariners .

Eight months later , the government took a different approach to solve its problem with Rainbow , in the form of the 1986 Treaty Between the United States of America and the Republic of Iceland to Facilitate Their Defense Relationship . This treaty , negotiated by future Secretary of Veteran Affairs Ed Derwinski , updated the 1951 U.S. ? Iceland treaty , adding an explicit exemption of the Cargo Preference Act , guaranteeing 35 % of the contract would go to Icelandic companies , and giving Icelandic companies an opportunity to compete for up to 65 % of the contract . " At the time , Derwinski said , " If we don 't solve this problem , then the U.S. will be in a cod war " . The United States Senate ratified the treaty one day before Reagan left for Reykjavik to attend a summit meeting with Mikhail Gorbachev . Reagan met with the President of Iceland , Vigdís Finnbogadóttir , before seeing Gorbachev , giving his guarantee that the majority of the contract would be returned to Icelandic shipping companies .

Though a tumultuous time , Rainbow Hope kept at least part of the Iceland route from 1987 through late 1990 . In the 1987 bidding , Rainbow was the only U.S. company to bid . Bids from Icelandic

competitors were lower , giving them 65 % of the carriage rights , while Rainbow Hope secured the remaining 35 % . In the 1988 bidding , the Navy changed the bidding process in a way Rainbow found unfair , and Rainbow took a new case to the Washington D.C. District Court . By May 1988 , the court had issued a preliminary injunction halting the bidding process and ordering carriage be continued under the terms of the 1987 contracts . In November 1988 , the court granted a summary judgement for Rainbow , finding the new bidding system illegal . This judgement held for nearly two years , but was ultimately overturned on 24 August 1990 , when a panel of Judges Ruth Bader Ginsburg , Douglas H. Ginsburg and David B. Sentelle of the U.S. Court of Appeals , Washington D.C. Circuit , reversed the lower court 's decision .

= = = Operational incidents = = =

In addition to the almost non @-@ stop succession of challenges related to the contracts on the U.S. ? Iceland run , Rainbow Hope was involved in a few notable operational incidents . The most notable of these involves a labor strike that prevented Rainbow Hope from discharging cargo , keeping the vessel at anchor for 22 days . The ship was scheduled to depart bound for Iceland on 24 September 1984 , but the U.S. Government and Rainbow were aware there was the possibility of a strike by Icelandic longshoremen scheduled to begin on 4 October . Rainbow Hope arrived at Njarðvík , Iceland on 8 October , while the strike was already underway . Rainbow repeatedly contacted the U.S. government for instructions , but none were given . The ship remained idle at anchor for 22 days unable to discharge its cargo . The strike ended on 30 October , and the cargo was delivered the next day . The government paid Rainbow \$ 266 @,@ 370 @.@ 50 for the delivery , but Rainbow filed suit in the 3rd Circuit Court seeking remuneration for the extra 22 days of waiting . The court denied the claim , and appeals lasted until 24 June 1991 , when the appeals court upheld the earlier decision .

Other operational incidents of note include a 1988 fire during a return voyage from Iceland to the United States which forced the ship to stop in Newfoundland for repairs , and a crane breakdown on 15 November 1991 during cargo operations that required repairs be made in Praia da Vitória , Azores .

= = = Juno = = =

The ship 's certificate of inspection was deactivated by the United States Coast Guard on 9 May 1994 , rendering it unable to move . On 28 March 1996 , the vessel had been sold to " owners in Jamaica " and the Coast Guard prevented the ship from receiving oil and proceeding from its berth until a valid certificate of financial responsibility could be provided .

In late 1996 , the ship was purchased by the company Noro of Haugesund , Norway under a 6 @,@ 000 @,@ 000 Norwegian krone ( approximately \$ 800 @,@ 000 in 1998 U.S. dollars ) mortgage by Sparebank 1 SR @-@ Bank . On 31 December 1996 , the new owner registered the ship under the Norwegian International Ship Register and wages for the journey to Norway were guaranteed by Sparebanken Rogaland . The ship was inspected in Hampton Roads , Virginia , on 22 April 1997 . On 30 June 1998 it was transferred to the Norwegian Ship Register . It was spotted by amateur enthusiasts in Haugesund on 26 October 1998 . On 12 January 1999 , the ship was renamed Juno . On 17 November 1999 , the ship was declared free of financial encumbrances and sold to the American company TransAtlantic Lines .

= = = Geysir = = =

In 1997 , Gudmundur Kjærnested decided to start a shipping company to serve the Iceland route . Then an Icelandic citizen , educated in the United States , and having worked at Van Ommeren shipping for seven years , he was familiar with the route and its history . Kjærnested 's college roommate at Babson College , Brandon C. Rose , came from an affluent family whose yearly business revenues were estimated at \$ 200 million per year . Rose offered to back the company ,

and together they started the two companies TransAtlantic Lines LLC and TransAtlantic Lines Iceland in February 1998 . The two were originally even partners in both ventures . Shortly thereafter , they accepted an offer from shipping company American Automar to purchase 51 % of the company , along with a never @-@ exercised option to buy 51 % of another Icelandic company largely owned by Kjærnested , Atlantsskip .

The company made several preparations to bid for the Iceland contract . Rose secured a million @-@ dollar letter of credit from the State Bank of Long Island to back early operations . The company did not yet own any ships , but did secure four letters from U.S. shipping companies pledging to supply vessels sufficient to cover the charter requirements . One of the pledged vessels was the supply boat Native Dancer .

Eight bids for the 1998 U.S. ? Iceland run were solicited by the Military Traffic Management Command on 30 January 1998 , and six bids were received . Observers speculate that the bids were from the Icelandic company Eimskip , Dutch shipping company Van Ommeren , Atlantsskip , TransAtlantic Lines , and TransAtlantic Lines Iceland . In September 1998 , the Military Traffic Management Command awarded 65 % of the Iceland contract to TransAtlantic Lines Iceland , the lowest overall bidder , and the remaining 35 % to the TransAtlantic Lines LLC , the lowest bidder among American shipping companies . The portion awarded to TransAtlantic Lines LLC had a cumulative total value of \$ 5 @,@ 519 @,@ 295 and was set to expire by 31 October 2000 .

Within a month , TransAtlantic re @-@ flagged Juno to the United States and renamed it Geysir at the Port of Jacksonville . In response to the awards , the government of Iceland lodged a protest with the U.S. State Department , arguing that " TLI was not a true Icelandic shipping company " and " lacks the necessary experience , technical capability , financial responsibility , and material connection with Iceland " Shipping companies Van Ommeren Lines ( USA ) and Eimskip of Iceland , which had previously serviced the Iceland route , sued the United States protesting the award . The district court found for Van Ommeren and Eimskip , requiring the Army to restart the bidding process . TransAtlantic appealed the decision , and on 11 January 2000 the Court of Appeals reversed the lower court 's decision , finally securing the contract for TransAtlantic .

On 4 December 2000 , members of the Coast Guard Marine Safety Office observed an accidental discharge of approximately 250 US gallons ( 950 l ) of diesel fuel from one of Geysir 's tank vents into the Elizabeth River . In 2001 , the Coast Guard of Iceland detained the vessel leading the American Bureau of Shipping to temporarily revoke the ship 's safety construction certificate and safety equipment certificate .

On 8 September 2006 , with the Cold War well over , the United States ceremonially disestablished Naval Air Station Keflavik and its twenty @-@ three tenant commands , a process begun that March . The closure marked the end of the 65 @-@ year military presence , the last 45 years of which coordinated under the United States Navy with activities of the National Guard , Air Force , and Army .

On 3 February 2009 the United States Transportation Command awarded TransAtlantic a \$ 15 @,@ 078 @,@ 334 contract to carry cargo between the United States and the terminal in Praia da Vitoria , Azores . This contract , serviced by the Geysir , is expected to be completed by 29 February 2012 , and was a 100 percent Small Business Set Aside acquisition with two bids received .

As of 2010 , the ship is owned and operated by TransAtlantic Lines LLC . The company currently owns and operates 5 vessels , including one tug @-@ and @-@ barge combination . Four of these vessels are chartered by the Military Sealift Command , and perform duties such as delivering cargo to U.S. military activities in Diego Garcia and Guantanamo Bay , Cuba . TransAtlantic Lines has no collective bargaining agreements with seagoing unions .