



PRESS RELEASE

RAYMOND HIGHLIGHTS BENEFITS OF RFID FOR LOGISTICS EFFICIENCY AND SUPPLY CHAIN SECURITY

Horizon Lines Chairman Points to Projects Already Underway in Alaska and Puerto Rico Trades

JACKSONVILLE, FL (Jan. 19, 2007) — Radio Frequency Identification technology (RFID) can help solve one of the intermodal transportation industry's most difficult challenges by providing real-time inland container visibility, Charles G. (Chuck) Raymond, Chairman, President and CEO of Horizon Lines, Inc. (NYSE:HRZ), told a meeting of transportation professionals here last night.

Roughly 8 million containers entered the United States intermodal transportation network last year and that number is expected to double by 2015. "One of the more troubling aspects of this increase in intermodal traffic is the lack of real-time information that follows these containers," Mr. Raymond said.

Highlighting the potential of RFID technology to help solve this problem, Mr. Raymond announced that Horizon Lines has completed implementation of the ocean carrier industry's first fully functional end-to-end intermodal active RFID tracking solution. The system was implemented by Horizon Services Group, the technology research and development subsidiary of Horizon Lines, in cooperation with a major U.S. retailer to track shipments from the Pacific Northwest to stores in Alaska.

Mr. Raymond also discussed a pilot project underway in the Puerto Rico trade, where Horizon Services Group is testing the deployment of a real-time container monitoring system based on Global Positioning Satellites (GPS) and Cellular/Satellite Communication technologies. This system could provide shippers of high-value merchandise with the ability to monitor shipment location, temperature, humidity and other variables during transit.

"Visibility is a powerful enabler," Mr. Raymond said. "Having information on shipments early in the process – who is shipping what to where and why – and then integrating that information into a real-time tracking system will streamline the entire shipping process. Shippers will achieve savings from tighter inventory management. Carriers will obtain better asset management and in-transit control. And the by-product of that visibility and efficiency, as I've said many times before, is better security."

Mr. Raymond spoke at a dinner hosted by The Propeller Club of the United States Port of Jacksonville chapter. The Propeller Club's goal is to educate legislators and the public as to the importance and necessity of all waterborne commerce.

About Horizon Lines

Horizon Lines, Inc. is the nation's leading Jones Act container shipping and integrated logistics company, operating 16 U.S.-flag vessels on routes linking the continental United States with Alaska, Hawaii, Guam, and Puerto Rico. Horizon Lines also owns Horizon Services Group, an organization with a diversified offering of cargo management and tracking services being marketed to shippers, carriers, and other supply chain participants. Horizon Lines, Inc. trades on the New York Stock Exchange under the ticker symbol HRZ.

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