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GREG GILBERT / THE SEATTLE TIMES

Scott Merritt, a Foss Maritime vice president, stands aboard the Shelly Foss at Seattle's Pier 90.

Expansion pushes tug giant into East

By Alwyn Scott

Seattle Times business reporter

Foss Maritime's tugboats push barges the size of football fields up the Columbia and Snake rivers as far as Lewiston, Idaho, and bring them back loaded with bounties of grain, oil and frozen potatoes to be sold around the world.

Across the lurching, freezing seas off Russia's coast, the tugs and barges of the Seattle marine-services company have moved thousands of tons of oil-drilling equipment to remote Sakhalin Island.

They have moved missile silos to Valdez, Alaska, from Vancouver, B.C.

And they guide cargo container ships to their berths in Seattle, Tacoma, Olympia, Everett, Los Angeles/Long Beach, San Francisco and other West Coast ports, through canals and waterways that seem to grow tighter as the ships grow larger.

The ships are getting so big, in fact, that at some ports there is only a few feet of maneuvering room.

"They use us to wiggle them in," said David Moore, chief engineer on the Foss Maritime tugboat Shelley Foss.

You might think tugs and barges are a bygone business, gently retired like Mike Mulligan's steam shovel. But at Foss Maritime, these hardworking boats are busier than ever, thanks in part to the surge in cargo ships coming from Asia.

Foss Maritime

Founded: 1889 by Thea and Andrew Foss

Services: Operates tugboats and barges, provides engineering, builds tugs.

Parent: Privately held Saltchuk Resources of Seattle

Employees: 1,000

Revenue: \$232 million in 2005

Operations: Alaska, Puget Sound, Oregon, California, Boston, Gulf Coast.

Source: the company

Foss has survived for 117 years by doing this work in the Northwest and around the globe.

It has grown to be one of the largest West Coast tug and barge operators, with about 1,000 employees and \$232 million in revenue last year, up from about \$200 million in 2004.

Now Foss plans to expand gradually along the East Coast, just as it has in the West over the past 20 years. It recently purchased Constellation Tug, a small company in Massachusetts, which adds Boston Harbor to its areas of operation.

Founded in 1889 by Thea and Andrew Foss, who began with a single rowboat painted white and green, the company grew with Seattle and Tacoma. It moved dirt from the Denny regrade, worked on the floating bridges and hung on to its motto: "Always ready."

The family sold the company to Dillingham Corp. in 1969. In 1987, it was purchased by Saltchuk Resources, a privately held Seattle company with more than \$800 million a year in revenue and 4,000 employees spread among a number of companies, including Totem Ocean Trailer Express, American Shipping Group and other maritime businesses.

Among Foss' recent accomplishments: creating a platform being used to build the new Tacoma Narrows Bridge.

Four powerful engines at the platform's corners hold it steady in waters that rage under the bridge, allowing huge pieces of roadway to be lifted into place.

It's a testament to Foss' engineering abilities, an important part of the business, said Scott Merritt, vice president of harbor services and regional towing.

But the core of the business is still those runty harbor roustabouts — the tugs.

The number of containers coming through the ports of Seattle and Tacoma surged 29 percent in the last two years. However, ship calls aren't rising at the same rate because the vessels are bigger.

In the last half-dozen years, the largest container ships have nearly doubled in size.

"Competition has been very intense," Merritt said.

Foss and its largest competitor, Crowley Maritime, have come to dominate the West Coast tug business because they have powerful boats that can handle the largest ships. Crowley, based in Oakland, Calif., is only three years younger than Foss.

"The market seems to demand sophisticated tugs, and they're the ones that have it," said Richard Berkowitz, Pacific Coast director of the Transportation Institute in Seattle.

Foss produces its own tugs, painted a trademark green and white. At its shipyard in Rainier, Ore., it makes tugs with up to 8,000 horsepower that can put more than 100 tons of pull on a line.

That's a lot, until you consider a full container ship can weigh 100,000 tons. The boats, known as tractor tugs and dolphin tugs, use propellers — as tall as a basketball player — that can swivel to point in any direction, delivering thrust where it's needed.

Foss' tugs can go six knots an hour sideways, said Eric Skewis, captain of the Shelley Foss tug, standing in the wraparound bridge overlooking the harbor.

With bigger cargo ships, tugs must be powerful and maneuverable, Merritt said. "We're putting a lot of horsepower in a little package that can put it anywhere you want it."

Foss has offices in Portland; Richmond and Long Beach, Calif.; and Mobile, Ala. From Mobile, it runs a special ship that moves Boeing Delta IV rockets to Cape Canaveral in Florida and Vandenberg Air Force Base on the California coast.

It also carries Boeing plane parts on barges from Seattle up to Everett.

Berkowitz said he expects Foss' move to Boston Harbor will shake up competition there, because many tug operators use less-capable boats.

"Foss going over to the East Coast will probably help spur larger and more sophisticated tugs into Eastern markets," Berkowitz said.

Merritt called it a "a long overdue evolution for Foss to expand its brand outside the West Coast." While he values Crowley as a rival, he's clearly pleased Foss got there first.

You wouldn't know all this was going on from Foss' modest headquarters building tucked behind West Nickerson Street, on the Lake Union Ship Canal.

Beyond constructing world-class tugs and barges, the locally owned company seeks to do two things: earn a profit and operate in a way that would make employees proud to have their children work there, part of Saltchuk's philosophy.

"I've been here 16 years and I'm still a new guy," says Skewis, whose roots with Foss go back two generations.

His late grandfather, George Edward Skewis, designed vessels that today carry ore from the Red Dog mine, 200 miles north of the Arctic circle in Alaska, to ships waiting offshore.

"He taught me to row a boat before I could ride a bike," Skewis said. "Once I saw that big green and white tugboat, that's where I wanted to be."

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