



Tow Bitts



The Foss boathouse in Tacoma as it appeared in 1918.

FOSS AT 130: HOMEGROWN COMPANY IS A WORLD LEADER IN THE TUG-BARGE INDUSTRY

When Norwegian immigrant **Thea Foss** started renting rowboats from her floating home in Tacoma in 1889, she hardly could have imagined that her small business venture would grow into one of the world's leading tug-barge operations.

From its humble roots, Foss Maritime has grown into an industry leader with harbor services operations on the east and west coasts of the United States and in Alaska and Hawaii. Foss also tows cargo all over

the world and performs project work in some of the planet's harshest environments.

Celebrating its 130th anniversary this year, Foss has built and continues to build its business through an emphasis on safety and a high level of service to customers, in keeping with its motto, "Always Safe, Always Ready."

"Foss and its family of maritime companies truly works tirelessly to meet the safety and operational requirements of our customers," said

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INSIDE



Celebrating 130 Years

Foss Maritime is celebrating its 130th year in business in 2019. *Tow Bits* takes this opportunity to review the history of the company, and President and CEO **John Parrott** pens a letter to the people who will be working at the company in 2149, 130 years from now.

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Expanding Fleet

Internally referred to as ASD 90s because of their azimuthing stern drives and projected 90 tons of bollard pull, the four tugs being built for Foss at Nichols Brothers Boat Builders are scheduled to be delivered next year.

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She Was ‘The Glue that Kept her Family Together’

Michele Seaver, one of three sisters who are the principal shareholders of Foss parent company Saltchuk, died unexpectedly on April 26. Her family said she was fully committed to everything she wanted to accomplish, no matter how improbable it seemed.

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Shipyard Targets Megayacht Business

If the leadership of Foss Shipyard in Seattle has its way, the facility will be expanding its business in the megayacht sector, servicing multi-million-dollar craft between 80 and 250 feet in waterline length. Drydocks like the three at the shipyard are ideal for the big yachts.

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The *Tow Bits* editor is Bruce Sherman and the graphic designer is Barbara Hoberecht. Loren Skaggs is manager of marketing and communications. *Tow Bits* is published by Foss Maritime for employees, customers and friends.

A letter to the Foss Community
Circa 2149

By **John Parrott**
President and Chief Executive Officer

While we at Foss are currently celebrating our first 130 years in the Maritime business, I thought this would be a good time to look ahead to the next 130.

The Foss of 2149 seems to be unimaginably far off, almost like a date from a science fiction movie. To **Andrew** and **Thea Foss**, I suppose 2019 would have seemed equally distant. I wonder what they dreamed the company they built together would look like in our time, and if we have lived up to their expectations. While 130 years would have been a very long time to look into the future, I have little doubt that Andrew and Thea thought about it — the company has always been forward looking, even from its earliest days.

It all started with Thea and a single rowboat. Rowboats gave way to motor launches, and launches paved the way for the first naphtha tugboats. Foss continued to innovate, making the early move to diesel tugboats, developing the innovative teardrop hull, and building the first tractor tugs, the first tanker escorts, and the first hybrid tugs. We are a company that has thrived on firsts.

Imagine sitting around the boat-house in those early years, watching sail replaced by steam, and steam replaced by diesel. I could see those first couple of generations of Foss managers, many of them Foss family members, looking into the

future and seeing the growth of the timber industry. Would they have also been able to guess that between 1970 and 1980 Foss would go from making almost 90 percent of its revenue from wood products to almost zero? Did they anticipate the revolution of containers and container ships?

In 2019, what are we looking ahead to? New forms of propulsion? Increased automation and artificial intelligence? Our ability to look forward has kept us afloat as the industry has changed around us. It is entirely possible that nothing we are doing today will be a significant part of your business in 2149.

If you are reading this in 2149, you probably still know most of this history of our first 130 years. But you also know something I don't: you know about new markets and opportunities which we are just now starting to explore. You will know the impact of our pioneering efforts in LNG transportation and bunkering, which is only now in its earliest stages of development. You will know about how we pioneered support for offshore wind farms, and helped transform our energy grid.

You will also know the storied histories of our fleet of ASD 90 vessels, which are just now under construction. In 2149, it is very possible that some of these vessels will still be on the water — perhaps

(Continued next page)



John Parrott



"The tradition of anticipating customers' needs and investing to meet them has been and will continue to be the cornerstone of our success."

– JOHN PARROTT.

(Continued from page 2)

as museum ships, as the 130 year old *Arthur Foss* is today. Or, who knows? They may still be at work — hardy relics from another era.

In 2149, you know a lot more about Foss Maritime's second 130 years than I do in 2019, but you should know that we are doing our best to look ahead. Know that a team of amazingly talented people in 2019 is doing its part to realize the dreams

of Thea, Andrew and everyone else who contributed to make the first 130 years such a remarkable success.

When our primary business was renting out rowboats, Thea and Andrew's sons — **Arthur, Wedell, and Henry** — purchased a small telescope so they could keep an eye on their customers. If they saw a rower getting tired, they would head out in their small motor launch and

offer to tow the exhausted rower back to shore (a complimentary service for Foss customers, a modest fee for others). While we do not yet have a telescope that allows us to see as far into the future as 2149, this tradition of anticipating customers' needs and investing to meet them has been and will continue to be the cornerstone of our success.

FOSS ORDERS FOUR NEW HARBOR TUGS; INCLUDING OPTIONS FOR SIX MORE

Construction is underway on the newest class of Foss harbor tugs.

Foss has entered a contract with Nichols Brothers Boat Builders (NBBB) in Freeland, Wash., for construction of four harbor tugs with an option for six more. In making the deal for the new vessels, Foss is initiating its first new-build program for harbor assist/escort tugs since the last of 10 Dolphin Class vessels was completed in 2009.

Construction on the first vessel is well underway. The keel was laid in a ceremony at NBBB in February. **Nicole Engle** of Foss parent company Saltchuk laid down the ceremonial first weld.

Under an ambitious construction schedule, the first of the new tugs is scheduled for delivery in January 2020, with the other three following in March, July and October. The vessels are being referred to internally as the "ASD-90" class, referring to their azimuthing stern drive propulsion systems and their projected 90 tons of bollard pull. However, the actual name of the class and the names of the vessels have not yet been released.

"It's a very tight timeline but we're confident they can do it," said **Janic Trepanier**, a Foss naval architect who is managing the project. "They've already built 10 tugs of this class, including one that we operate under charter, the *Delta Lindsey*."

The new tugs, at 100-foot long

will be substantially bigger than the 78-foot Dolphins. Their size and muscular pulling power also make them ideal for tanker escorts and assists. They also will be well equipped for Ro/Ro escorts, barge maneuvering and other harbor work

While the basic tugs will be much like the *Delta Lindsey*, there will be a number of upgrades, including the new tugs' MTU Tier 4 engines, which will meet the EPA's highest standards, reducing particulate and nitrogen oxide emissions to near zero.

They also will be equipped with Rolls-Royce 255 ASD Drives and Markey winches. The tugs are based on a design by Jensen Maritime Consultants of Seattle.

The first two, which will be outfitted for rescue towing, are scheduled to go to the San Francisco Bay Area and to Southern California.

"The tugs will support Foss's continuous dedication to deliver the highest level of service to our customers while being environmentally friendly," Trepanier said.

"The new tugs are designed to upgrade our fleet and improve the company's ability to provide timely harbor and port services to a variety of customers," said Foss President and CEO **John Parrott**. "By offering



Nicole Engle, right, one of the principal owners of Foss parent company Saltchuk, watches as her initials are inscribed on the keel by Nichols Brothers Journeyman Welder **Justina Mackie**.

lower maintenance down time, greater operating efficiencies and lower emissions, these new tugs help expand our nearshore and offshore capabilities."

Tor Hovig, Nichols vice president of sales and customer relations, noted that the contract is his company's first with Foss. He added:

"It allows us to work with one of the most respected players in the U.S. tug and workboat industry," he said. "With the series of vessels included in this program, we look forward to working with Foss for a long time ahead."

Homegrown Company is a Tug-Barge Industry World Leader

John Parrott, president and CEO.

“We also are constantly looking ahead to ensure our relevance within the industry for the next century.”

Thea Foss was certainly looking ahead when she bought her first rowboat for \$5 from a neighbor and painted it green and white, still the Foss colors. She then bought another, at a profit, and before long she had parlayed her original investment into a fleet of rowboats. Her carpenter husband **Andrew** built more, and after a year, the business was flourishing.

They soon began purchasing and building motor launches to deliver stores to ships anchored in the Tacoma harbor and to carry crewmembers to and from shore. And in 1916, Foss purchased its first tug, a five-year-old 37-footer which it renamed the *Foss 9*. The company continuously added to the fleet, and in less than a decade was poised to become the leading tugboat operator on Puget Sound.

The company also operated its own shipyard in Tacoma (later moved to Seattle) in which it built five tugs between 1927 and 1931.

The Depression, World War II and the Post-War Era

With a steady book of business, Foss survived the depression and five of its tugs supported naval construction projects in the South Pacific During World War II. One of those tugs, the *Justine Foss*, met with tragic consequences when the Japanese invaded Wake Island. The captain and mate were executed and **Drew Foss**, son of the founders, was taken prisoner and served out the war in a prison camp in Japan.

Meanwhile, Foss was involved in numerous interesting projects at home, including laying the world’s longest unspliced submarine power cable across Puget Sound. The company’s activities in Alaska also

were growing, and in 1941 Foss became the first company to provide Bering Sea ports with bulk petroleum service by barge.

No class of tugs contributed more to the company’s success in the post-war era than the Miki-class vessels built for U.S. Army service. Foss purchased four of the high-horsepower tugs shortly after the war and five in the 1950s, and they became the backbone of the company’s ocean fleet.

Foss also had expanded its fleet with its entry into the Southern California market with the purchase of Pacific Towboat and Salvage Co., better known as PacTow, in 1949. Fleet expansion accelerated in the 1960s with a continued buildup of Pacific Northwest Harbor Services, regional towing and ocean work. During that decade, 41 tugs, no less than 23 of them new, entered Foss service.

The Foss Family Sells the Company

In the late 1960s, it became apparent that the company soon would not have enough family members to perpetuate itself. Consequently, in 1969, **Henry Foss**, the youngest son of Thea and Andrew, and the heirs of their other sons **Arthur** and **Wedell**, decided to sell the company to the Dillingham Corporation of Honolulu, a well-respected and successful transportation and construction company.

The late 1960s and 70s saw the addition of 14 new tugs and five used tugs to the Foss Fleet, including a number of vessels built by the McDermott Shipyard group in Louisiana that are still in service today.

But tumultuous times were to follow in the 1980s for Foss, which not only faced a downturn in business but also experienced the leveraged buyout of its parent company, Dillingham,



Thea Foss

by an investment-banking firm that proceeded to dismantle Dillingham by selling off its operating units. Foss, like other Dillingham companies, was required to maximize cash and minimize capital spending.

In the summer of 1987, Foss was sold to the Seattle-based investment group, Totem Resources, which since has been renamed Saltchuk and still owns Foss today. The sale to a company that eventually would become one of the nation’s largest transportation conglomerates turned out to be a highly positive development for Foss. Totem had the resources to support Foss’ growth and the desire to let Foss operate as a stand-alone company.

Tractor Tugs, Dolphins Show Technical Prowess

During Foss’ 130-year history of innovation, never has there been a more important technological development than the company’s introduction of cycloidal propulsion tractor tugs in the 1980s, the first of their kind on North America. Six of them were built at Tacoma Boatbuilding, and all are still in

service today.

Technological advances continued in the 1990s with the christening of two specialized Foss-owned barges designed for lightering ore concentrates at the Red Dog Mine in Northern Alaska, which Foss still undertakes every summer when the ice clears.

Another highlight was the addition to the Foss fleet of two enhanced tractor tugs. At 155 feet in length and packing 8,000 horsepower, the tugs were the largest and most powerful tractor tugs in the world and are still dedicated to tanker escorts and assists on Northern Puget Sound.

Those tugs were designed by an in-house Foss team with assistance from Glosten marine architects, which also assisted Foss in the design of the Delta Mariner, a 310-foot ship Foss continues to use to carry Delta IV rockets downriver from their manufacturing site in Decatur, Ala., to launch sites in Cape Canaveral, Fla., and Vandenberg Air Force Base, Calif.

In 2003, Foss reached another milestone with the launch of the Dolphin-class tug construction program at its Rainier Shipyard in Oregon. The yard built 10 of the high-powered, 78-foot harbor tugs, designed to assist big ships in tight waterways. The last of those, the *Carolyn Dorothy*, was launched in 2009 and was the world's first hybrid-powered tug, with high fuel efficiency and low emissions. A second dolphin, the *Campbell Foss*, was subsequently converted to hybrid power.

The Rainier yard also successfully completed several new construction projects for third parties, including building a Washington State Ferry for Columbia River service. Between 2013 and 2017, three Arctic Class, 132-foot ocean-going tugs were built at the yard and added to the Foss fleet.

The *Carolyn Dorothy* was the world's first hybrid-powered tug.

ExxonMobil Sealifts, Consolidation and More NewTugs

Also notable during the first two decades of this century, Foss completed five major sealifts for ExxonMobil to oil developments on Sakhalin Island in the Arctic off Russia's east coast, the most recent in 2017. For its 2017 work, Foss received a commemorative medallion from ExxonMobil for its performance.

Meanwhile, all five of Saltchuk's tug barge holdings were combined under the Foss banner in 2013. They are Foss Maritime, AMNAV, Young Brothers and Hawaiian Tug & Barge in Hawaii and Anchorage-based Cook Inlet Tug and Barge. That combination gave Foss the distinction of having the nation's largest coastal tug and barge fleet.

The fleet continues to grow. Foss recently signed a contract with Nichols Brothers Boat Builders in Freeland, Wash., for construction of four harbor tugs with an option for six more. And Young Brothers, by press time, is expected to have taken delivery of the last of four new ocean-going tugs built by Louisiana-based Conrad Shipyard.

Foss also recently announced that its Cook Inlet subsidiary is purchasing the assets of Crowley Maritime's Prudhoe Bay operations, including tugs, barges, heavy machinery and other equipment.

And under Parrott's presidency, the company has been reorganized, placing an increased emphasis on regional offices and with managers who have strong leadership skills.

The new structure, according to Parrott, "Puts us in a much stronger position to meet our commitments and is making us more nimble and responsive to customer needs in each of the markets we serve."

Parrott likes emphasizing the importance of the talents and experience of the company's employees, while not minimizing the high quality of its fleet, shipyard and other physical assets.

"Not one of those tugs leaves the dock, nor does anything happen in our shipyard without the support and staffing of the great employees that are the heart of our company," he said.

This article, written by Tow Bitts Editor Bruce Sherman, appeared originally in the June issue of Pacific Maritime Magazine.



Saltchuk's Michele Seaver: 100 Percent Committed to Dreams, Family

By Hilary Reeves

The day before Michele Seaver's sudden passing on April 26, she joyfully assisted in the birth of a healthy Palomino filly on her farm in Mount Vernon, Washington.

"More often than not, in the spring, whenever we would invite her somewhere, she would say, 'I can't go — it's foaling season,'" said Michele's sister Denise Tabbutt. "It became known as one of many '*Micheleisms*.'"

Michele, Denise, and younger sister Nicole Engle are Saltchuk Resource's principal shareholders. Their father, Mike Garvey, joined seven other investors to buy TOTE in 1982.

"She loved animals since day one."

Michele was born on July 24, 1962, and grew up in rural Bellevue alongside Denise and Nicole. Michele was the eldest.

"She always had dreams — she was like her dad in that way," said Michele's mother, Lynn Garvey. "And there were animals everywhere, always. She started small: dogs, cats, hamsters, rabbits, a bird, a pig — then horses. All of a sudden, there was a barn erected in front of our kitchen window."

"She convinced our dad to build her a barn," said Nicole, laughing. "She wasn't the typical eldest sibling, at least not when we were kids. She was very independent."

The Garvey house sat adjacent to Bridle Trails State Park, known for its extensive network of horse trails. Michele and Nicole both rode and showed horses. Michele graduated from Forest Ridge School of the Sacred Heart in 1981.

"One of my favorite memories of growing up with Michele was waking up at 4 a.m. to braid our horses for a show, eating from a box of doughnuts," Nicole continued. "Being with Michele always made me feel...safe."

"She was a mystery to me," said



From left: Saltchuk Principal Shareholders Nicole Engle, Michele Seaver, and Denise Tabbutt.

Denise. "She would have these huge dreams, and over and over again I would think, 'how are you going to get that done? How are you going to do it?' But she surprised us time and time again. The last few years, I've been thinking, 'Michele, you made it. You're exactly where you wanted to be.'"

"The last few times I talked to her, I was able to say, 'Michele, you are such an inspiration to me,' said Nicole. "She would always reply, 'I love you, sis.'"

Michele was nothing if not 100-percent committed to anything and everything she wanted to accomplish, according to her family. No matter how improbable it seemed.

"Michele's life evolved in different ways than her sisters," said Lynn Garvey.

"She would tell us her plans, and we'd have our reservations," said Denise. "But she surprised us again and again. She figured out a plan and she got there. I think it was really the prevailing theme of her life."

Michele's first big dream — aside from her childhood love of horses — was to run her own business. She took up baking, and started a bakery and

then a restaurant.

"From hiring and training employees, planning menus, waking up at 2 a.m. to start baking — she did it all," said Denise in her remarks made at Michele's private service on May 12. "The customers came and her food was awesome."

But Michele's biggest dream was still on the horizon. In 2000, she married Rick Seaver, and the couple had a son, Aiden, in 2004. Soon after, the family purchased the farm outside of Mount Vernon. Red Wagon Farm allowed Michele to begin breeding, training and eventually selling Dutch Warmbloods.

"Michele didn't want to own a few horses," Denise continued. "She wanted a full-on breeding and training operation. She researched, built connections in the dressage community, flew to Holland and made connections there, designed a barn and arena...she worked her butt off. We joked early on that she couldn't call it a business if she had no revenue, only expenses. She surprised us again. She wasn't just successful — she was pioneering. We found out after she died that there's debate over whether one of

her horses is the first- or second-best Dutch Warmblood in the country.”

And it wasn't just her dreams Michele gave her all to — she threw herself into overcoming unexpected challenges as well. Five years ago, she learned she was pre-diabetic and chose lifestyle changes instead of medication.

“She worked hard at strength training, yoga religiously three days a week and changed her lifestyle,” Denise said. “After two years, she was not diabetic. Her doctor used her as a poster child for other patients.”

Denise and Nicole remember Michele as being healthier and happier than she'd ever been in her adult life, and all her ‘Micheleisms’ — grinding her own flour, her obsession with essential oils, her Amazon shopping habit — now inspire a sense of gratitude in the family she left too soon.

“When Michele decided to pursue something, whether it was in her personal or professional life, she was in 100 percent, no matter the challenges before her,” said **Tim Engle**, president of Saltchuk and Michele's brother-in-law. “Yet this determination was coupled with grace and empathy for those around her, and she somehow always managed to accomplish her goals with a winning smile and infectious laugh. She gave that smile to her son Aiden who will hopefully carry it forward.”

The Garvey sisters first began working in the family business in their early 20s.

Denise and Nicole gradually deepened their involvement, while Michele stayed in the background. Running a family business is difficult in today's corporate climate, but the family was committed to their success, going back to school together to study family-owned businesses specifically, hiring a family business advisor, and instituting quarterly family meetings.

“Denise and Nicole got involved in Saltchuk right away, but Michele's capabilities...everyone became aware of them later,” explained Lynn Garvey.

“My father was a small business owner, so I grew up with all the ups and downs of taking risks in business. Michele's dad was involved in many different business ventures before TOTE, and he always said that you learn more from your mistakes than your successes. Michele was also fearless in that respect.”

“Michele had her father's business savvy,” echoed **Mark Tabbutt**, Saltchuk chairman and another of Michele's brothers-in-law. “She was very comfortable embracing risk. She was a huge supporter, with her trust being such a big factor in allowing us to make many large bets since she became a significant owner.”

Because Michele and her husband Rick were less involved in the company's day-to-day operations, explained Denise, they played the perfect balancing role.

“Michele was extremely smart, able to sit back identify the important, big-picture things,” she said. “She drove the family office. She wanted to make sure the next generation had a path to be together in partnership. She cared deeply about our employees being taken care of and given opportunities for advancement. She valued leadership and a strong succession plan.”

John Stoddard, who worked for Michele in the family office, said that sandwiched between the laughs and good times was “example after example of what really made Michele special: compassion, empathy, wisdom, optimism, practicality, and work ethic that raised the bar for all of us. She worked tirelessly to leave her world, our world, in better shape

than it was when she arrived. Michele leaves behind a legacy anyone would be proud of.”

In an unintended poignant tribute, Michele's namesake tug, the *Michele Foss*, returned to Bellingham Harbor after years at sea around the world on the morning of her death.

“Michele was the glue in our family,” Denise concluded. “She was the glue that kept the six of us together in our ownership role at Saltchuk and our family office. Michele, Nicole and I were a great team — ‘Sister-Power,’ she always used to say. We complemented each other's strengths and weaknesses. We had a common purpose which drew us closer together. We will miss her every day.”

In remembrance of Michele Seaver, her family welcomes donations to Skagit Animals in Need (SAIN).



Michele Seaver tries out the captain's chair in the pilothouse of her namesake tug at its christening in 2015. With her are husband, **Rick**, and son **Aiden**.

This article appeared originally in the People of Saltchuk web magazine on the Saltchuk.com website.



Established Industry Leader Returns to Alaska to Become President of Cook Inlet Tug & Barge

Cook Inlet Tug & Barge (CITB), an independently managed subsidiary of Foss Maritime Company, announced that industry veteran **Jeff Johnson** has been named as the company's new president. Johnson brings to CITB a deep understanding of the maritime industry and nearly two decades of leadership experience.

Johnson joins CITB after 16 years with ARCO and BP Shipping. Most recently Johnson served as director and general manager of BP Maritime Services. He was based in Singapore with accountability to provide crewing and maritime talent needs for BP Shipping and BP Group globally.

"We conducted an extensive search to find an established and renowned industry leader, a person that will continue the growth trajectory at Cook Inlet Tug & Barge," said **John Parrott**, president and CEO of Foss Maritime. "Jeff's impressive background, coupled with his strong desire to return to Alaska, made him the perfect choice to lead CITB in serving our customers and communities around the state."

Johnson began his career at sea in the fishing industry of Alaska. After a period with ARCO Marine's tanker fleet and Polar Tankers, he transitioned ashore with ConocoPhillips in 2003 as a marine superintendent before becoming the fleet operations manager accountable for international and U.S.-flagged tanker fleets as well as the company's U.S. inland tug and barge fleet.



Jeff Johnson

"I am very excited to join Cook Inlet Tug & Barge and be a member of this incredible team," said Johnson. "I've always been impressed with the people at Cook Inlet and their unique ability to operate year-round in the harsh environment of Alaska."

Johnson joined BP in 2007 in Alaska as the BP Shipping marine affairs advisor acting as the local face to external parties before moving to Houston in 2010 as the assurance capability manager for BP Shipping. In this role he served as the interface to BP's upstream in the Americas, and led the provision of technical support to the Alaska Tanker Company before becoming manager, environmental and external affairs for BP Shipping.

In 2014, Johnson was appointed to lead BP Shipping's presence in the U.S. as President, BP Shipping (USA), also taking the lead in interfacing with federal and state legislative and regulatory entities. In his role as director and general manager, BP Maritime Services based in Singapore, Johnson led the provision of crewing and maritime talent for BP Shipping and the BP Group since 2017.

"Foss and CITB have been in the process of expanding our fleet," said Parrott. "With the addition of assets along the North Slope, and the relocation of vessels to the area, we are committed to continuing to expand our service offering throughout the region. Jeff's ability to manage every aspect of projects, to interface with

regulatory groups, and to identify talent and opportunities makes him the ideal person to lead our ongoing investment in Alaska."

Johnson was a committed responder during the *Deepwater Horizon* incident in 2010 and has been an active member of the mutual response team (MRT) supporting BP Group needs globally. He has been a passionate proponent for diversity and inclusion and has driven forward BP Shipping's 'believe in zero' approach to safety.

"Opportunities in Alaska abound for Cook Inlet Tug & Barge because of the people and the experience the team brings to the table," said Johnson. "The equipment CITB brings to the table coupled with its unique capability of operating in Alaska makes CITB an exciting place to come with a bright future."

Johnson previously served on the board of directors for the Marine Preservation Association (MPA) and the Chamber of Shipping of America, and has been an active member on the Western States Petroleum Association Marine Committee and BP Board member alternate for the Alaska Tanker Company.

He holds a USCG master's license, a BS Degree in Business Administration from Northern Arizona University in Flagstaff, and a BS Degree in Marine Transportation from the California Maritime Academy in Vallejo. In addition, Johnson completed coursework at the Sloan School of Executive Management at MIT in Cambridge, Mass.

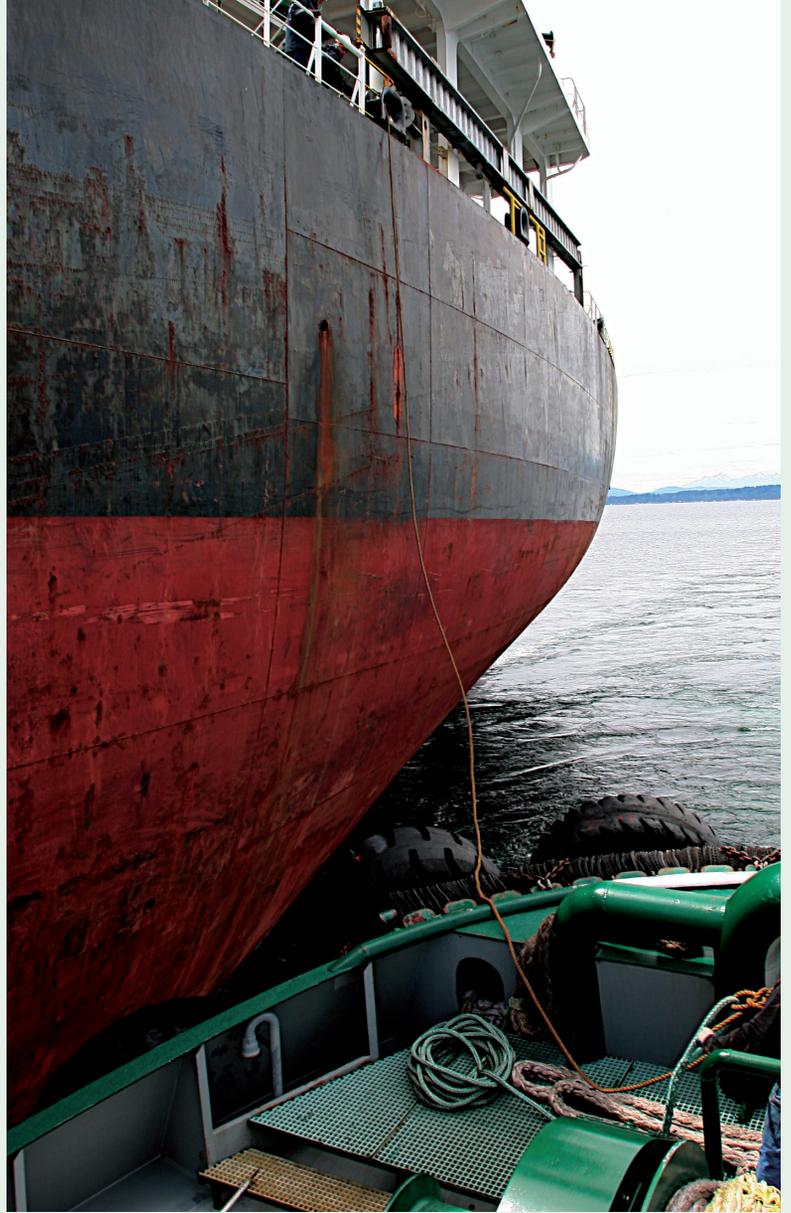


Jeff's ability to manage every aspect of projects, to interface with regulatory groups, and to identify talent and opportunities makes him the ideal person to lead our ongoing investment in Alaska." – **JOHN PARROTT**.

GRAIN TERMINAL ASSIST

It was another “day in the life” as the Foss tugs *Lynn Marie* and *Wedell Foss* recently assisted the bulk carrier *Panstar* into the Port of Seattle’s Terminal 86 grain export facility, operated by Louis Dreyfus Corporation. The ship, which sails under the flag of the Marshall Islands, is 738 feet in length and is listed at 76,629 deadweight tons. After loading a cargo of grain in Seattle, the *Panstar* was headed to Nagoya, Japan.

With his hands on the controls of the tug’s azimuthing stern drives, Capt. **Ed Ehler** of the *Lynn Marie* steers toward the ship’s stern.



Deckhand **Rich Nagle** gets ready to feed a line up to the ship.

The *Wedell Foss* prepares to leave the ship, safe it its berth.



New Program Improves Worker Safety at Seattle Shipyard

By **Grant Johnson**

Vice President, Health, Safety, Quality and Environment

Strains and sprains have long been considered a risk of working in a heavy industrial environment, but they do not have to be. The Foss Seattle Shipyard is taking these kinds of injuries seriously. We have recently partnered with a company called Vimocity, which is helping us identify new ways for workers to move to avoid these common types of injuries.

It is an important concern. Over the past five years, strains and sprains have accounted for almost a third of all injuries in the shipyard, and for half of all costs due to injury. Strains and sprains to the back, knee, shoulder and ankle cost the company hundreds of thousands of dollars each year, to say nothing of the pain and discomfort of our employees. If we are truly

putting safety first as a company, then we need to address this problem.

Enter Vimocity. Vimocity is a company that seeks to treat the root cause of soft tissue injuries and chronic pain by helping people learn to move differently.

The Foss Seattle Shipyard began working with Vimocity in February with risk assessments and onsite observation sessions. They have since taught multiple workshops and have performed more than 100 Functional Movement Screens (FMS). These screens are evaluations of individual employee movement patterns, designed to identify ways for people to improve their movement and to reduce soft tissue injury. The FMS is scored on a rating of 1-21, with 14 or above being considered a great score, and a significantly reduced risk of injury. The shipyard is working toward an overall goal to exceed an FMS

score of 14 or better.

Since implementing this program, shipyard staff have made impressive gains in their overall FMS score. Of the 54 employees who have so far performed both an initial and follow up FMS, Vimocity has noted an overall improvement in FMS score of 76 percent. This is a dramatic reduction in injury risk. Just as important, these employees have also reported a 76 percent reduction in instances of pain. People are feeling better.

Grant Johnson



Functional Movement Screens evaluate individual employee movement patterns.



FLYING THE SAFETY FLAG

The prestigious Foss "Always Safe" flag flies over a Foss tug at the Port of Long Beach. Foss crews worldwide are awarded the right to fly the flag if they have had no lost-time incidents for a month or more. In the background is the Gerald Desmond Bridge over the port's Back Channel.



Cook Inlet Tug & Barge Acquiring Crowley's Assets on North Slope

Cook Inlet Tug & Barge (CITB), an independently managed subsidiary of Foss Maritime Company, has entered into an asset purchase agreement with Crowley Vessel Sales Group to purchase all of Crowley's Prudhoe Bay, Alaska, assets — including tugs, barges, heavy machinery and other vehicles and equipment.

“These assets are already positioned on the North Slope,” said **John Parrott**, president and CEO of Foss. “They are operationally ready to perform shallow draft tug and barge services and offer us the opportunity to expand our Alaska operations.”

The vessels and marine assets have spent their entire operating years on

the North Slope.

“CITB plans to streamline its operation by focusing on marine equipment and partnering with established shore side service providers in Prudhoe Bay in order to provide leaner options to the oil and gas industry,” said Parrott.

HONOLULU BOAT FIRE

The Foss tug Freedom poured water on the fishing vessel St. Peter at the Port of Honolulu in mid-April, helping the local fire department to extinguish a spectacular blaze. U.S. Customs and Border Protection personnel had been inspecting the vessel and had asked the crew to muster on the pier when the blaze started, apparently caused by a stove burner that had been left on in the galley. There were no reports of injuries or pollution.



Photo by Hawaii Pilot #16, Ed Enos



SECOND NEW TUG JOINS HAWAII FLEET

*Foss subsidiary Young Brothers, LLC, Hawaii's inter-island tug and barge company, blessed the Kapena Raymond Alapai upon its arrival to Hilo. The new tugboat is the second of four new technologically-advanced tugs to be added to the fleet. The Kapena Raymond Alapai is named after **Raymond Alapai**, one of the original Young Brothers captains.*

Megayacht Maintenance and Repair Business Holds Great Promise for Foss Shipyard

The Foss Seattle shipyard, which historically has focused on maintaining large fishing boats, tugs and other commercial vessels, is pushing its way into a new line of business: servicing megayachts.

The target market includes multi-million-dollar craft between 80 and 250 feet in waterline length, too big for yacht yards that typically haul out smaller boats with slings on wheeled “travelifts.” Drydocks like the three at the Foss yard are ideal for the megayachts.

Additionally, the machinery, propulsion equipment and other systems on the big yachts are similar to that of commercial vessels that have been the shipyard’s stock in trade.

“Boats this large typically need more services than the smaller yards can provide,” said shipyard Director

Jon Hie. “They need a full-service yard like we are. This kind of work is right up our alley.”

Although the Foss yard has performed maintenance work on large yachts from time to time in the past, it has never really targeted that business. But Hie said that the workboat and fishing industries are consolidating, so it’s a good time to go for it.

How will Foss penetrate the market?

“The business is largely word-of-mouth,” Hie said. “If you have a satisfied customer, they tell others. They tend to compare notes. A satisfied customer is the best advertisement you can have.”

The yard’s sales staff also will be making contacts with brokers who perform management services for megayacht owners, often

including making arrangements for maintenance.

There are, of course, tasks the owners of megayachts require that Foss craftsmen cannot provide, such as installing or repairing luxurious upholstery or furniture. But those kinds of jobs can be handled by subcontractors.

And that brings up another point — the principal difference between work on commercial craft as opposed to megayachts.

“On a commercial vessel, they’re concerned more about function than form,” Hie said. “The owners of these large yachts want them to be functional, of course, but they also want a pretty boat. They don’t want to see any evidence that the vessel was in a shipyard.”

The 173-foot megayacht *Ice Bear*, in drydock at Foss Shipyard in Seattle in the fall of 2012. Large yachts similar to the *Ice Bear* have been in the yard from time to time, but until now, Foss hasn’t targeted the business.



Former Foss COO Named AWO Chairman

Scott Merritt, retired Foss chief operating officer, has been elected chairman of the American Waterways Operators (AWO), succeeding Chairman **Tom Marian**, general counsel at Buffalo Marine Service.

In a speech at its recent Spring Convention, Merritt highlighted AWO's significant accomplishments in its 75 years but stressed that the organization can only take "the briefest of pauses" as there is still much work to be done for the organization. "Like **Dabo Swinney** of Clemson or **Nick Saban** of Alabama will tell you, work on the next season starts the day after the championship game, and that day is now. We have real opponents and a playing field that is changing as we stand here today."

Merritt pointed to an ever-increasing array of state-led legislative initiatives and a "political climate none of us has seen" as reasons to continue to maintain and strengthen the power of the voice of the AWO as an advocacy organization.

Merritt joined Foss in 1983 as a dispatcher in Seattle and served in a number of positions until 1993, when he opened the company's San Francisco Bay operation as its first manager. Later, as regional director on the Bay, Merritt oversaw the growth of the region from a one-tug operation to a full-fledged provider of maritime services, including tanker escort, ship assist, sand dredging and ship bunkering services.

He returned to Seattle and in

2005 became senior vice president for Harbor Services and Regional Towing and then senior vice president of operations, before being named COO in January of 2017. Merritt retired from his nearly four decades long career with Foss at the end of 2018.

"We are very proud that Scott has been selected to chair an organization as critical to our industry as the AWO," said **John Parrott**, president and CEO of Foss.



Scott Merritt



"We are very proud that Scott has been selected to chair an organization as critical to our industry as the AWO," – **JOHN PARROTT**

HOUSEBOAT SALVAGE JOB

*Foss has launched a number of floating homes over the years, but salvaged one for the first time in March after it sank while being towed up the Lake Washington Ship Canal in Seattle. Foss Terminal Manager **Steve Britton** said the houseboat was sitting on the bottom near Foss Shipyard with water halfway up its first floor when the Foss 300 floating derrick lifted it part way out. The load, however, turned out to be nearly double the 85,000 pounds first reported, so it had to be re-rigged before being set on the terminal pavement, shown in the photo. The entire evolution took several days, and the floating home, deemed a total loss, was then broken up and hauled away.*



NEW GENERAL COUNSEL CALLED AN “EXCELLENT FIT” FOR THE FOSS TEAM

Seasoned corporate executive **Sloane Perras** has joined Foss Maritime as vice president, general counsel and chief ethics officer. Perras will lead the company’s Legal and Risk Management Group where she will provide legal counsel, advise on business strategies and best practices, and direct ethics and compliance programs.

Prior to joining Foss, Perras served as chief administrative and legal officer for The Krystal Company — a privately held retail brand. Perras regularly reviewed the company’s enterprise risk strategies, financial controls and flows of revenue. She managed the risk management functions and provided enterprise strategy for innovation, regulatory compliance and HR risk mitigation. In addition, Perras worked closely

with the leadership team on corporate governance, including reporting directly to the Audit Committee on cyber and privacy issues.

“We are very pleased to have Sloane join Foss Maritime,” said **John Parrott**, Foss president and CEO. “She has impressive experience and is an excellent fit on our team.”

Prior to her role at The Krystal Company, Perras was acting general counsel for Aaron’s, Inc; a Fortune 1000 national leader in sales and leasing of rent-to-own home goods. Before joining Aaron’s she worked in companies involved in the global supply chain. As an in-house lawyer, she was the vice president, assistant general counsel and assistant



Sloane Perras

corporate secretary of Americold Logistics, LLC, and corporate counsel of Expeditors International of Washington, Inc.

“I’m proud to join a company with such a rich history of safety and innovation in waterway commerce,” said Perras, “I’ve worked in a variety

of complex business and regulatory environments and look forward to putting my years of experience into safeguarding the values and reputation of Foss — and in being a part of its continued growth.”

Perras has a degree in Finance from University of Florida and earned her law degree, Cum Laude, from University of Georgia School of Law.



GMS ATTEND CRISIS MANAGEMENT TRAINING

*Foss regional general managers recently attended a crisis management training session at the company’s Bay Area headquarters. They are, from left, **Michael O’Connor**, Pacific Northwest, **Paul Hendriks**, SoCal, **Henry Palmer**, San Francisco Bay, **Marjorie Zoretic**, Atlantic, and **Art Dahlin**, Columbia/Snake River.*

TOW BITTS MOVING TO ONLINE PUBLICATION

The world is going to online publishing and so is Foss Maritime.

This will be the final printed version of the *Tow Bitts* newsletter, which Foss has been publishing for

employees, vendors, customers and friends for almost 55 years. The first edition was printed in 1965, and it has been produced regularly since then.

But it’s 2019, and paper, printing

presses and the U.S. Postal Service are no longer the most efficient way to distribute information.

Going forward, with just a few keystrokes, you can go to the recently created *Tow Bitts* section of the Foss website, foss.com.

**SATISFACTION
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Rapport is not developed over the telephone. Face-to-face interaction builds long-term business relationships.

—FROM SATISFACTION GUARANTEED
BY BYRD BAGGETT



Tow Bitts Editor Retires After Long Maritime Journalism Career

By Jenny Rose Ryan

In the past 19 years, the maritime industry has changed a lot. Foss Maritime has continued to shift with the industry, grow the business and expand its geographic footprint and service offering. In that time, this newsletter has changed as well; going full-color in 2006 and increasing to six issues per year. One thing that has stayed the same, **Bruce Sherman** leading the way as editor, reporter, photographer and cataloger of all things Foss over the years.

From his first issue at the helm in spring 2000, Sherman has covered the projects, changes and fleet of Foss like he once covered the beats he was assigned as a reporter. After nearly 20 years, Bruce is a master at telling interesting stories of the maritime industry's work and its people. But now, with the publication of this issue — his 88th — Sherman is officially retiring from his maritime reporting duties.

Covering this changing landscape has come naturally to Sherman, who was born into a newspaper family in Newport, Rhode Island, and got his start in the region at the *Seattle Post-Intelligencer*. He first worked at the family business, the *Newport Daily News*, after graduating from the University of Pennsylvania with a degree in architecture. Then, he moved to Seattle in 1976 and started at the night desk at the *PI* — calling law enforcement agencies all over the state to get details on cases, and otherwise tending to the big news that happened overnight.

“It was a great job for a 25-year-old,”

he said.

From there, he moved to the business page, then the marine beat. In total, Sherman spent 13 years at the *PI* before he left in 1989 to start his communications business, working mainly with ports and maritime companies.

The best part of the job with Foss?

“Being on the water,” said Sherman.

Watching the people who run things and how they operate heavy equipment and complicated vessels has also been fascinating for Sherman.

“It’s interesting, logical work. Plus, mariners are often multiple generations and they love to tell stories.”

Sherman has a few stories of his own, including one of his most memorable experiences on the job for Foss, which took place on San Francisco Bay.

“We were under the Golden Gate Bridge. The tug I was on was going to do a tanker escort, so I had to transfer to another one. They backed up stern to stern, and just as I was about to take a step, a wave came,” he said.

It was a close call, but he managed to keep himself and his camera equipment from taking an unwelcome plunge.

He also fondly remembers time spent offshore at the Pacific Area Lightering Zone, which is serviced by Foss.

“I spent a couple nights on a tanker where I observed lightering, interviewed the skippers, and then



Bruce Sherman, right, with Foss President and CEO **John Parrott** at a recent company social gathering.

rode the tanker back to shore. It really gave me a sense of the scale of what Foss is achieving every day, and the importance of being safe as this work is completed,” he said.

Over the years, the job has taken him to all corners of the Foss business — from christenings to personal profiles — as Sherman followed scoops and gathered information for articles. He’s worked with the same designer for layout since 2006 — **Barbara Hoberecht** — and has enjoyed watching the business change and respond to market forces.

When asked what he is most looking forward to in retirement, Sherman is quick to mention his upcoming Van Isle 360 yacht race around Vancouver Island and the sailing he plans to do on his 24-foot sailboat on Lake Washington. In the winter, he teaches skiing at Summit West. He also plans to spend time with his three grown children and grandchild.

“It seems the only thing that stays the same at Foss is change,” said Sherman. “**Gary Faber** used to talk about reinvention a lot, and how necessary it is to stay relevant, and I think Foss continues to do that.”

“I spent a couple nights on a tanker where I observed lightering, interviewed the skippers, and then rode the tanker back to shore. It really gave me a sense of the scale of what Foss is achieving every day, and the importance of being safe as this work is completed,” – **BRUCE SHERMAN**





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NEW TUGS

Foss has entered a contract to build four new tugs at Nichols Brothers Boat Builders in Freeland, Wash. Story on Page 3.