



Tow Bitts



Sheila Newman

A HOLIDAY MESSAGE: HARD WORK AND SACRIFICE KEPT FOSS IN THE GAME

By Gary Faber
President and Chief Operating Officer

With the holiday season upon us, I believe the time is right to recognize our employees, customers and vendors for their part in furthering a number of positive developments at Foss Maritime in 2010.

In 2010, we continued to implement cultures of safety and environmental awareness, believing this effort is both the right thing for us to do as corporate citizens and that it is critical to our future success as a business.

Our industry continues to struggle under the pressure of the flat economy, but we stayed in the game as a result of hard work and sacrifice by everyone at Foss.

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Hybrid Greener than Expected

The test results are in, and the hybrid-powered tug *Carolyn Dorothy's* emissions are lower than Foss expected when the tug was introduced in January 2009. The tests were conducted on behalf of the California Air Resources Board by the University of California, Riverside, Center for Environmental Research and Technology.

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Heavy Weather Rescue

Heading north for a refit at Foss Rainier Shipyard, the *Edith Foss* was in the right place at the right time when a 30-foot fishing boat lost power south of Point Sur on the central California coast. The tug delivered the boat and its two-man crew safely to Monterey Bay.

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Big Job on the River

In a job expected to last about a year, Foss is making about 40 tows up the Columbia and Snake Rivers, delivering oil production modules from Vancouver, Wash., to Lewiston, Idaho. The modules are to be carried over the road to the Kearl Oil Sands development project in Alberta, Canada.

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Haiti Salvage Job

Foss was on the team that salvaged a ship-to-shore crane that toppled from a marine terminal during the earthquake in Haiti in January 2010. Then the Foss barge used for the job was secured to become a temporary marine terminal in Port au Prince.

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Corporate Group Moving

The Foss corporate group is moving to Seattle's south Lake Union neighborhood, next door to a building occupied by parent company MRG. The current office building on West Ewing Street, a former warehouse built in 1903, will be torn down.

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Tough Guy's Soft Side

Don't let Ship Repair Superintendent **Mike Port's** tough outward demeanor fool you. He has a soft side, which he demonstrates as a volunteer, teaching English as a Second Language classes and working in the Emergency Room at Seattle Children's Hospital.

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Constellation, Gulf Caribe and ACTC To Operate Under Foss Brand

Foss subsidiaries Constellation Maritime, based in Boston, and Gulf Caribe Maritime, based in Mobile, are being rebranded as Foss Maritime, a change that will be reflected on stationery, business cards, building signs and other branded materials.

Foss also has announced that its global cargo-carrying subsidiary, America Cargo Transport Corp. (ACTC), will be rebranded as Foss International.

President and Chief Operating Officer **Gary Faber** said the rebrandings are the culmination of the full integration of the operations, formerly run separately as subsidiaries, into Foss, including their adoption of the Foss cultures of safety and operational excellence.

"We will henceforth be one Foss," Faber said. "The rebrandings will reinforce the message to our customers that they will see the same culture and the same management practices wherever we do business."

Foss purchased Constellation in 2006 and formed Gulf Caribe as a separate entity in 1988. They will operate as the Atlantic Division of Foss.

ACTC was acquired in 2007. Going forward, Foss International also will encompass the *Delta Mariner*, which carries rocket-related cargo for the

United Launch Alliance and formerly was operated by Gulf Caribe. Along with former Foss Global activities, Foss International's aim is to develop the international activities and presence of Foss.

Megan Aukema, a marketing consultant who has been working with

Foss since 2006, said the goal in establishing a brand is to identify what sets a company apart from its competitors and how a company can talk about that in a way that engages customers and prospects.

"Building a strong brand is really about delivering a promise of value to customers," Aukema said. "You will notice that there are certain themes you hear Foss repeat all the time: themes of safety, environmental commitment, respect for customers and employees and responsive customer service."

"With the current rebranding of subsidiaries," she added, "we will work to be consistent in our communications to customers and prospects across the entire company."

While printed materials, signs and most other branded materials used by Constellation, Gulf Caribe and ACTC will be converted soon, Foss will repaint and add its logo to tugs and barges as schedules permit.



On the Cover

Artist **Sheila Newman's** painting, "Ready in All Weathers" was selected for reproduction on the 2010 Foss Holiday card. It was among 26 paintings submitted in this year's competition for placement on the card and the 2011 Foss calendar. The calendar paintings and an article about double-winner Charles Fawcett are on Pages 12 and 13.

Tow Bitts

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The *Carolyn Dorothy* is the world's first hybrid-powered tug. Foss will convert another tug to hybrid power in 2011.

World's First Hybrid Tug Even Greener Than Expected; Tests by California Air Agency Endorse New Technology

Foss Maritime's hybrid tug is performing even better than originally hoped, beating expectations on emissions and bringing cleaner air to southern California communities and the ports of Long Beach and Los Angeles.

That's a finding of *Evaluating Emission Benefits of a Hybrid Tug Boat*, a report released by the California Air Resources Board (CARB). It details third-party testing of the *Carolyn Dorothy*, the world's first hybrid tug. Among the reports conclusions:

"Tug boats are a good application for the hybrid technology."

"The CARB study is better than we had hoped," said **Susan Hayman**, Foss Maritime's Vice President of Environmental and Governmental Affairs. "We anticipated that the *Carolyn Dorothy* would show significant reductions in emissions compared to a conventional tug. The report confirms it and then some."

Hayman pointed to Foss' partnership with the ports of Los Angeles and Long Beach as an example of how innovation can work for the benefit of both the private and public sectors.

"This intensive testing has demonstrated that hybrid technology holds great promise for tug boats and potentially other vessels operating in our ports. Based on what we've seen so far, we're very pleased that the *Carolyn Dorothy* is going to be joined

in San Pedro Bay by a second hybrid in mid-2011 that will represent another step forward in the evolution of hybrid technology," said **Bob Fletcher**, Deputy Executive Officer, California Air Resources Board.

A side-by-side comparison of two Foss Maritime dolphin-class tugs—the *Carolyn Dorothy* and the conventional tug *Alta June*—showed significant emissions reductions:

- 73 percent reduction for particulate matter (PM)
- 51 percent reduction for nitrogen oxide (NOx)
- 27 percent for carbon dioxide (CO₂)

The testing was performed by a team at the Center for Environmental Research and Technology at the University of California, Riverside (UCR). The testing program was conducted in the Ports of Los Angeles and Long Beach over a seven-month period from January to July, 2010.

"Developing a suitable protocol to accurately establish the benefits of a hybrid technology was challenging," said **Dr. Wayne Miller**, Adjunct Professor and Associate Director of CERT at University of California, Riverside. "UCR was helped with a broad team of many interested partners, including local, state and federal regulatory agencies; the developer and user of the technology and others listed in the report."

Testing to determine the emission

benefits of using a hybrid system on a tug included the following steps:

Power from the engines and batteries, and vessel location was recorded while the tug boats worked typical assignments. These data were analyzed to produce activity profiles of the fraction of the time that the tugs spent in each operating mode.

In-use emission measurements were made on the propulsion and auxiliary engines to determine the gaseous (CO, CO₂ and NOx) and particulate matter (PM) emissions across that engine's entire operating range.

Activity data coupled with emissions data were used to determine the total in-use emissions in grams per hour from each tug.

The total in-use emissions for each tug were compared and allowed UCR to calculate the percentage reduction of the gaseous and particulate matter emissions and benefits of the hybrid technology.

The conventional dolphin tug, Foss' *Alta June*, was powered by two diesel engines and two auxiliary generators, while the hybrid tug, Foss' *Carolyn Dorothy*, operated on two smaller main diesel engines, two auxiliary generators and 126 batteries. All engines in both vessels met the EPA Tier 2 marine emission standards.

The *Carolyn Dorothy* was introduced in the ports of Long Beach and Los Angeles in January of 2009.

HOLIDAY MESSAGE *(Continued from the cover)*

As for operational positives in 2010, we reached a multi-year agreement to extend the contract under which we have been lightering ore to bulk carriers at Alaska's Red Dog Mine for the last 20 years. In another multi-year agreement, we are basing an emergency-response tug year-round in Neah Bay, Wash., to assist disabled vessels in Puget Sound and off the coast.

Our Global Services Division's business showed some life, with our biggest tugs, the *Lauren Foss* and *Corbin Foss*, working on offshore construction last winter for PEMEX in Mexico. Global Services also barged thousands of tons of food aid to Haiti following the January 2010 earthquake and has assisted with reconstruction of the port

of Port-au-Prince. (See article, page 9.)

This fall, we began barging oil field production modules up the Columbia River to Lewiston, Idaho, for over-the-road transport to the Kearl Oil Sands development project in Alberta. (See article, page 6.)

And our Atlantic Division completed 14 tows from Maine and South Carolina, barging construction modules to the Motiva Port Arthur Refinery, which will be the largest refinery in the United States.

Early this year, we implemented a divisional structure that focuses the company on the geographic regions where we operate and puts us in a better position to grow when the economy turns around. Foss now has

a Pacific Division, an Atlantic Division and a Global Services Division in addition to Shipyards and Technical Services.

Thanks again to our loyal customers, top-rate vendors and, most importantly, our world-class employees. We are still pushing a big bow wave of economic difficulty, but we are well-positioned and have proven that we have staying power.

Next year will be better, but we are not on the downhill pull yet.

Stay focused, stay eager, stay safe.



Gary Faber
President and Chief Operating Officer.



Photo courtesy of Jan's Marine Photography

HEADED FOR HER NEW HOME

Foss has bare-boat chartered the brand new tug Delta Lindsey from Bay & Delta Towing of San Francisco. The 100-foot, 6,850-horsepower ASD assist/escort tug was built by Nichols Bros. Boat Builders on Whidbey Island, north of Seattle. Foss Pacific Division Vice President David Hill said the tug will help handle new business on the West Coast and provide back-up support for the Kearl Oil Sands module towing project on the Columbia River. In the photo, the Foss tug Pacific Star, background, moved the new tug on Sept. 18 southward on Puget Sound near Shilshole Bay to Foss Shipyard, where it was painted in Foss colors before being crewed and dispatched to its first job.

Edith Foss Rescues Fishing Boat off California Coast

A quirk of fate turned out to be a stroke of luck for three sport fishermen, whose disabled 30-foot boat was rescued in the face of a building storm by the tug *Edith Foss* on Sept. 4, 12 miles south of Point Sur on the central California Coast.

The *Edith*, normally based in Southern California, happened to be on its way to the Foss Rainier Shipyard on the Columbia River when the Coast Guard put out a call for emergency assistance for the vessel *Extasea*, which lost engine power when a wave washed over its transom and flooded its engine compartments.

“We plotted their position, set our course, and we were on the scene in about 30 minutes,” said *Edith Foss* Capt. **Joe Cotton**. “The weather was getting progressively worse, with gale force winds forecast, and it became apparent that their lives were in jeopardy.”

Conditions at the time included a 25- to 30-knot northwesterly wind with an 8- to 12-foot swell that was building. Cotton called it “snotty, with real steep waves.”

So the captain and his crew had a safety meeting to develop a plan for the rescue. They then had the fishermen rig a bridle on the bow of their boat before attaching the *Edith’s* tow line. The *Edith* towed the boat for ten hours, about 38 miles north to Monterey Bay, where they passed it to a Vessel Assist craft, before resuming their trip to the Columbia River.

“Everything was safe and sound, nothing broken, end of story,” Cotton said. He commended his crew for dealing with the situation “calmly and flawlessly” and added, “I’m just glad we were there to help.”

Fisherman **Thomas Rotondo** said he and his friend **Matt Parisek**, the boat owner, had been fishing in Monterey Bay but decided to go outside to a black cod hole they could find with their GPS.



Crewmembers on the *Edith Foss* were, from left, Engineer **Rocky Rinehart**, Mate **John Nickels**, Capt. **Joe Cotton** and Able Seaman **Greg Kuglis**.

“The current was so strong it was pulling our lines off the spot too fast,” he said. “And then this wave came over the stern, went through the exhaust vents and right on the carbs and flooded them out.”

They were drifting toward shore and were close enough to the beach to see the waves breaking, he said, adding he and Parisek were relieved when they saw the *Edith* approaching from a distance,

He said the work of the captain and crew was “outstanding.”

“I was really impressed with the way the whole thing went,” Rotondo said.



The tug *Edith Foss*, seen through the windshield of the *Extasea*.

ALWAYS SAFE

Foss Towing 155 Oil-Production Modules to Lewiston, Idaho; Complex Project Showcases Work in Petroleum Industry

Foss this fall started work on a contract that will involve up to 40 tows of oil production modules up the Columbia and Snake Rivers to Lewiston, Idaho, and which will once again showcase Foss's ability to handle big, complex projects for major petroleum companies.

The 155 pieces of production equipment, some about the size of a truck ranging to modules as big as a house, are being built in Korea for the Kearl Oil Sands development project near Fort McMurray, Alberta. Exxon Mobil Canada and Imperial Oil are the developers.

Ships are carrying the modules to the Port of Vancouver, Wash., where they are being loaded on Foss barges for the 65-hour, tandem tow to Lewiston. From Lewiston, the modules are to be trucked over the road through Idaho and Montana and into Canada.

The tugs *Betsy L* and *PJ Brix* are assigned to the project and were making about one round trip a week this fall until December 14, when river traffic was shut down until March to repair and maintain locks at seven dams on the Columbia-Snake River system.

The tow winch on the *Betsy L* was re-built for the project, and Foss customized two barges to handle the modules. They are the *Sitka*, a former ocean-going chip barge, and the former *Maukana*, now the 286-3.

Mark Troutman, Portland port engineer, said major work on the *Sitka* included removing a 22-foot-high perimeter fence and wooden wear deck and engineering and installing a ballasting system. The ballasting system on the 286-3 was rebuilt, and a 60-foot-high house was removed. Both barges were sandblasted and painted.

"The schedule made this work very challenging," Troutman said, noting



The first module is loaded on the Foss barge 286-3 at the Port of Vancouver, Wash., on Oct. 8.

that Advanced American Construction assisted with the work. "It was a drop-dead schedule of less than a month for work that under normal circumstances would take about two months to complete."

Foss Pacific Division Vice President **David Hill** gave credit to Foss personnel for "their expertise and the team effort leading up to this project...It really has been a complex project to bid and kick off."

He said the module-towing job could last through next October and could lead to more work after that. "It's a big project for us, and it positions us well not only for future oil sands projects in Canada, but for petroleum development elsewhere in other geographies."

The Kearl Oil Sands effort comes on the heels of another year-long effort for the petroleum industry, in which Foss towed production modules from Maine and South Carolina to Texas for construction of the Motiva Port Arthur Refinery, the largest refinery in the United States. (Continued on page 8.)



The *Pacific Escort* stands by as two big Liebherr cranes lift the first module onto the specialized barge Foss 286-3.

Drew Areth



A longshoreman fixes a shackle to a module before it is lifted onto a Foss barge at the Port of Vancouver.



Project Manager **Steve Gormiak** of Foss watches as a module is loaded onto a Foss Barge at the Port of Vancouver.

David Dumont



The *Betsy L* is in the lead and the *PJ Brix* is pushing the tandem barges upriver near Lewiston in the first tow of the project.

Drew Arenth



An employee of heavy-lift company Mammoet is controlling a self-propelled modular transporter (SPMT) to offload modules at the Port of Lewiston.

Drew Arentz

KEARL OIL SANDS *(Continued from page 6.)*

Previously, Foss spent three seasons delivering modules from Korea to an Exxon Neftegas oilfield development site on Sakhalin Island, Russia.

The Kearl Oil Sands project will be one of Canada's largest open-pit mining operations and could eventually produce up to 245,000 barrels a day. Start-up for the initial phase of the project is scheduled for late 2012.

Oil sands like those being developed in the Kearl Oil Sands project are a naturally occurring mixture of heavy oil, water and sand. The consistency of oil sands is similar to peanut butter.

The mining process consists of using high-capacity shovels and heavy-

haul trucks to scoop up the oil sand and take it to an on-site facility where it will be converted to a slurry for transport to a plant for extraction of the oil, called "bitumen."

Kearl will be connected to a substantial North American pipeline system, which will carry the bitumen to refineries.

David Dumont of Foss Subsidiary Harbor Marine Group is preparing the barge loading and ballasting plans for the Kearl Oil Sands project.

"The individual modules are not that big, but the sheer number of them makes this project challenging," Dumont said. "Everything has to be

well orchestrated."

Other key Foss personnel on the project have included: Capt. **Steve Gorniak**, project manager; **Dan Brechtel**, safety manager; **Drew Arentz**, manager of project services; **Gaylord Newbry**, barge superintendent, Lewiston; Capt. **Dan Mullican**, port captain; and **Don Collar**, quality assurance supervisor in Lewiston.

Also: **John Brown**, barge superintendent; **Randy Kotka**, CSR shop foreman; and the maintenance crew of **Mitch Wilson** and **Alex Agustus**. Legal, health-and-safety, and other shoreside personnel also have contributed.

Foss Tug and Barge Join Salvage Team in Port au Prince; Mobile Harbor Crane Fell into Harbor During Earthquake

Foss and its subsidiary America Cargo Transport Corp. (ACTC) joined forces with T&T Bisso in early September to salvage a partially submerged ship-to-shore harbor crane in Haiti. The crane toppled into the water during the earthquake that struck Port au Prince on Jan. 12, 2010.

The Foss tug *Caribe Pioneer* and the crane-equipped barge *Columbia Boston* worked with ACTC personnel and salvage experts from T&T Bisso to extract the Gottwald crane from the water in pieces and carry it to shore. The heaviest piece lifted from the water was 117 short tons.

The trip to Port au Prince for the salvage job was one of 27 voyages to Haiti for ACTC (soon to be known as Foss International) since the earthquake. Most of the voyages carried

food aid or U.S. military equipment.

After the crane was salvaged and T&T Bisso confirmed that the berth and surrounding area was clear of debris, the *Columbia Boston* was moved into position as a temporary replacement for the cargo pier that collapsed at the site.

Foss Global Business Development Manager **Mike Lauer** said retrieving the crane, as is the case with many salvage jobs, was challenging and potentially dangerous.

“You have to assess its stability and structural strength,” he said. “It can shift, or it can break while you’re lifting it.”

Foss Director of Operations for Projects **Doug Pearson**, and **John Bates** of the Atlantic Division outfitted the *Columbia Boston* with a four-

point mooring system. **William Roy** with Foss Global assembled the 4600 Manitowoc crane used in the salvage and pile driving operations.

The ACTC team included Project Manager **Robert Wagoner**, Barge Master **Dick Bibeau**, Crane Operator **William Roy**, and pile driving lead and welder **Steve Imhoff**. T&T Bisso provided a salvage master, five divers and a tender.

Foss Vice President for Global Towing and Transportation **Vince Godfrey** and **Wagoner** handled the business side of the job.

Caribe Pioneer crewmembers were: Capts. **Ronald Hopwood** and **Sonny Nguyen**, Mate **J. Trupiano**, Engineer **Jeremy Abel**, and Able Seamen **Eugene Thetford**, **Ann Hopwood**, **W. White**, **B. Barnes** and **Ron Gibbs**.



The *Caribe Pioneer* stands by as a lower section of the crane is hoisted onto the barge *Columbia Boston*.



A large section of the Gottwald crane is lifted from Port au Prince harbor.



A cargo ship is alongside the newly-placed barge *Columbia Boston*, serving as a temporary pier in Port au Prince.

FOSS AND BISSO HAVE AGREEMENT TO TEAM UP ON SALVAGE RESPONSES

In addition to teaming up on the recent harbor crane salvage in Port-au-Prince, Foss and T&T Bisso have a cooperative agreement to share resources in handling responses to vessel groundings, sinkings, fire damage and other salvage operations.

Under the agreement, Foss will provide tug and barge services when required by Bisso, according to Capt. **Igor Loch**, Foss operations director.

Bisso is one of the world’s major

players in the salvage industry. Its main bases are in Houston and in Singapore, and the company has salvage equipment in both locations.

“Our agreement with Bisso extends their reach,” **Loch** said. “Under new Coast Guard Regulations, they are offering their services to major tanker companies as a salvage operator and emergency response firefighting provider, and we are part of their team.”

The new Coast Guard regulations

require tanker operators to have standing response plans and contracts with marine firefighting and salvage service providers.

Bisso and Foss had a joint display at the Prevention First 2010 conference in Long Beach in mid-October. Sponsored by the California State Lands Commission, the conference was a symposium on onshore and offshore pollution prevention and a technology exhibition.

Cochran Wins State Forklift Driving Championship

Ron Cochran of Foss Shipyard in Seattle put his hand-eye coordination skills and 25 years of experience to good use on Sept. 29 to outperform 14 others and win the Washington state forklift driving championship at the Spokane Convention Center.

It was Cochran's third trip to the state finals, where he finished 7th in 2009. He qualified for the finals at the Spokane Regional competition, one of three in the state, which drew 68 of the state's best forklift drivers.

Finishing second was a Boeing driver who was a previous state champion and won the Seattle regional competition with a perfect score.

The Materials Handling panel of the Washington State Governor's Industrial Safety and Health Conference sponsors the contest. **Al Rainsberger**, Foss director of health and safety, is chairman of the Materials Handling group.

"I always have my right hand on the controls and steer with my left," Cochran said of his successful driving technique. "And I always watch the load, so if it shifts, I can save it."

Drivers are required to perform a



Cochran, right, displays the winner's plaque. With him is Director of Health and Safety **Al Rainsberger**.

number of tasks in the competition to demonstrate their skills. They include lifting and setting loads, tilting a basketball through a hoop, and steering a load of pipe through a pair of offset stanchions.

"That one was easy for me, because I'm always grabbing pipe at Foss," Cochran said.

Rainsberger explained that competitors are required to perform the tasks at a "safe but productive speed."

"You could have a guy out there driving slow as molasses, but he's never going to get a job anyplace," he joked.

Cochran has been working at Foss for three years and previously worked for Associated Grocers, now part of Los Angeles-based Unified Grocers.

"You've got 15 of the best drivers in the state at the finals, and competing against them was a great experience," he said.

BOSTON GROUP MEETS TO FORM REGIONAL SAFETY COMMITTEE

Foss Boston-based personnel had their first Regional Safety Committee meeting on Oct. 26, continuing a process underway around the country through which Foss is integrating all divisions and formerly autonomous subsidiaries into its safety systems and procedures.

"We're getting the basics of the program together there, and we will be going into the Shipmate Plus program in 2011," said **Al Rainsberger**, Foss director of health and safety. (Shipmate Plus is a behavior-based safety program designed specifically for marine operations.)

Rainsberger noted that the group,

formerly Constellation Maritime purchased by Foss in 2006, already has made great strides in safety performance.

"They haven't had a lost-time injury this year or in 2009," he said. "Back three years ago, they were having six to seven recordable injuries and three or four of those were lost-time injuries. They've definitely gained ground."

Among topics discussed at the safety meeting were ensuring improved access to vessels by using gangways or ramps, rather than, as Rainsberger describes it, "jumping from dock to boat."

The group also discussed

bolstering requirements and establishing training for entering confined spaces on vessels. They also addressed equipment issues specific to their region and established plans and goals leading to their next meeting.

Attending were Engineer/Mechanic **Jeff Nichols**, Deckhand **Jim Coluntino**, Mate **Chris DeModena**, Mechanic **D. J. Ross**, Welder **Orlando Carias**, Deckhand **Josh Fogg**, Able Seaman **Fred Fox**, Mate **Paul Vitale**, Port Engineer **Andy Mathieson**, Operations Director **Bob Manning**, Rainsberger, Capt. **Rick Villa** and Engineer **Jason Yereance**.



ATLANTIC DIVISION TUGS PASS ISM AUDITS

The crews of the Boston-based tugs Orion and Leo recently passed the first vessel-specific ISM audits for the Atlantic Division. The audits were conducted by ABS over the course of two days at the home dock in Charlestown, Mass. Quality Assurance Manager **Jim Peschel** said, “The successful completion of this audit not only demonstrates that these vessels comply with international safety standards, but more importantly they demonstrate that the East Coast operations are fully integrated into Foss’s Safety Management System. Congratulations to the crews and to the shoreside staff that made this so successful.” Crewmembers on the tugs were: Orion, Capt. **Doug Richmond**, Mate **Chris DeModena**, Chief Engineer **Jason Yereance** and Deckhand **Max Vinal**; and Leo, Capt. **Rick Villa**, Mate **Marco Lograsso**, Chief Engineer **Mal Morrill** and Deckhand **Jim Coluntino**. In the photo above, **Morrill**, left, and **Villa** display the ISM certification sticker awarded to the Leo.

BAY AREA GROUP REACHES 1,000-DAY SAFETY MILESTONE

The Foss San Francisco Bay Area division in late October passed 1,000 days without a lost time injury, prompting applause and congratulations from Regional Operations Manager **Bob Gregory**, who called on his personnel to pursue continued improvement.

“One thousand days without a lost-time injury was seen as an insurmountable goal only a few years ago, but now a zero-incident culture is close to reality,” Gregory said. “Your individual efforts and your commitment to the safety of your co-workers, customers and vendors

have made this cultural shift possible by embodying our motto of ‘Always Safe, Always Ready.’”



Twenty-six paintings in Contest; Fawcett is Big Winner

Charles Fawcett, a retired master mariner and yachtsman who lives in Bellevue, Wash., was the big winner in the contest to select paintings for the 2011 Foss calendar and 2010 holiday card. He was the only one of 20 artists who entered the contest to have two winning paintings, one depicting the

Foss Seattle Shipyard and a second of a Foss tug accompanying a container-ship into the Port of Seattle.

The 11 winning paintings were selected from 26 submitted by artists from the Northwest and California, according to Foss Executive Assistant **Colleen Liman**, who coordinated the

contest. Winners receive a \$500 reproduction fee and retain the right to sell their paintings.

Fawcett is a native of England and the son of an artist. He lived aboard a sailing barge on the River Thames as a child and went to sea as a cadet at the age of 16 in the British Merchant



January, *Keegan Foss Assisting Pearl Ace*, James R. Williamson



February, *Green Assist*, Robert Naf



March, *Carolyn Dorothy at Long Beach*, Clarence Miller



April, *Justine Foss – Errand of Mercy*, Byron Birdsall



May, *Ballard Shipyard*, Charles Fawcett



June, *The Arthur Foss Assisting a Tanker on San Francisco Bay*, Ron Snowden

Marine, working on cargo, munitions and passenger vessels and obtaining an unlimited master's license.

He came ashore at the age of 24 and worked his way up the management ladder in the shipping industry, continuing to paint in his spare time. In 1984 he was transferred with his family to New York, then later to San Francisco, before settling in

Seattle in 1999. He retired as manager of a liner service for FESCO in 2005.

In addition to his travels as a mariner, Fawcett has raced and cruised yachts of all sizes on most of the world's oceans.

"Not unnaturally, my knowledge and affection for the sea is reflected in my art," he said.

Painter **Charles Fawcett** is a double winner in the calendar art contest.



July, *Evening Arrival*, Charles Fawcett



August, *Eagle Cliff Passage*, Marshall Johnson



September, *The Tacoma Boys*, Michael Corcoran



October, *Awaiting Assignment - Fidalgo Bay*, Julie Creighton



November, *Towing Alaska*, Robert Tandeki



December, *Jeffrey Foss - On Station*, Eugene Erickson



New hire **Max Starnitzky** throws a line over a cleat under the watchful eye of Chief Engineer and assistant instructor **Tony O'Neill** (blue shirt), during a training session for entry-level employees at Bay Area headquarters in Richmond.

Laura Rosenberg

Bay Area Training Program for New Marine Employees

In order to enhance the skills and knowledge of entry-level employees dispatched to Foss by labor union hiring halls, Foss Richmond recently held a Basic Deckhand Training Class led by Port Capt. **John Butcher**, Deckhand **Carl Turner**, and Chief Engineer **Tony O'Neill**.

The class followed a modified version of the Deck Department Training Guide developed by Director of Marine Operations and Assurance Capt. **Igor Loch**, Capt. **Mark Grosshans** and Southern California Port Capt. **Jim Russell**. The class also served as a beta test before releasing the program to all of Foss.

Each prospective deckhand,

engineer, and tankerman was given an eight-hour course on basic line handling, tug etiquette, able seaman duties, barge movements, coastal towing, and ocean towing. Completion of such a course would be mandatory prior to being allowed to work on a Foss San Francisco Bay Tug.

The San Francisco Bay region will continue testing the program by extending the training period from the eight-hour day to two additional days of shadowing an experienced deckhand, engineer, or tankerman on ship-assist and barge-move jobs. The candidate will then be evaluated on their learning ability, ability to retain lessons learned, willingness to ask

questions, and general safety attitude.

The intent of this program is to ensure that the individuals new to the towing industry coming to work on Foss vessels, or those from other areas of the industry and new to Foss, will be familiar with the basics of the vessels they will be working on and will also have a good initial understanding of overall job expectations and basic skills.

ALWAYS READY



NEW WIRE FOR THE DREW

Foss Shipyard worker **Jim Foxx**, foreground, is at the controls, unwinding a new port tow wire onto the ocean-going tug *Drew Foss*. The two-inch cable is 2,200 feet long. During the *Drew's* recent brief layup, the yard also inspected, but did not replace, the starboard tow wire, and performed some electrical work and other maintenance tasks.

HIGH LIFT FOR THE FOSS 300

Rigger Foreman **Johnny Warnes**, foreground, stood by as the Foss 300 derrick lifted deck gear from the stern trawler *Northwest Explorer* on Wednesday, Oct. 27, at Foss Shipyard in Seattle. Foss prepped and painted the main deck of the vessel, operated by B & N Fisheries of Seattle. The yard also painted the underbody and upper deck, performed Kort nozzle steel repairs, replaced some steel at the bow, inspected the steering and replaced zinc anodes. Ship Repair Superintendent **Mike Port** supervised the work.





DRYDOCK DRIVING MADE EASIER, SAFER

*A welder recently worked on a new system for adjusting the position of wooden blocks that support vessels in the Seattle shipyard's largest drydock, which has improved safety and ease of operation for wheeled equipment. The new system provides flatter guides, through which the blocks are pulled with chains, enabling yard vehicles to pass over the guides more easily. "We had manlifts fall over and wheels come off equipment, most of which doesn't have any suspension," said shipyard Production Manager **Hap Richards**, who designed the new system.*

IMO CHIEF IN SEATTLE

***Efthimios Mitropoulos**, in the foreground, secretary general of the International Maritime Organization, addressed the Propeller Club of Seattle on Sept. 14. He discussed IMO initiatives including cooperative efforts to reduce piracy, reducing emissions for vessels and world shipping. Mitropoulos is a native of Piraeus, Greece, and has been head of the IMO since 2004. Behind Mitropoulos, from left, are **Marc Warner** (president of the Seattle Propeller Club), **Chris Koch** (president of the World Shipping Council), Foss Director of Oil Field Services **Paul Gallagher** (vice president of the Seattle Propeller Club) and **Bill Bryant** (Port of Seattle Commission).*





Director of Human Resources Lisa Sulock, with the new Foss corporate building behind her, says the move to the South Lake Union district will “give us more of a professional feel.” Parent company MRG’s building, is on the far left with the curved balcony.

Foss Corporate Group Moving to South Lake Union District; Current Ewing St. Headquarters Building to be Demolished

The 85 employees of the Foss corporate group will be moving to a two-story office building on the south shore of Seattle’s Lake Union sometime in the first quarter of 2011, putting them next door to parent company Marine Resources Group.

“Moving to South Lake Union will definitely give us more of a professional feel,” said Human Resources Director **Lisa Sulock**, who is orchestrating the move. “Also, separating from marine operations and the shipyard, will enable them to function more independently as a regional entity and use us as a resource, as our other regions do.”

She said the move to 1151 Fairview Ave. N. also would make it easier for the corporate group to work with people at MRG.

The corporate staff makes up the bulk of the occupants of the 107-year-old Foss administration building, formerly a warehouse, on West Ewing Street on the Lake Washington

“Separating from marine operations and the shipyard, will enable them to function more independently as a regional entity and use us as a resource, as our other regions do.”

– Lisa Sulock, Human Resources Director

Ship Canal.

The Northwest Marine Operations staff also currently occupies the building, but will move to other quarters at Ewing Street. The old administration building will be demolished, and the site could be left as open space, used for storage or for expansion of the shipyard.

Sulock said consolidating the corporate staff has been under consideration for several years.

Early options were rebuilding on Ewing Street or moving to downtown Seattle. Foss early this year became aware of the availability of the building next to MRG.

The current tenants are expected to be out of the building by the first of the year, when Foss will start a remodeling project that will take about eight to ten weeks.

On the first floor will be Foss Human Resources, MRG Payroll, MRG Accounts Payable/Accounts Receivable and MRG Finance. On the second floor will be the Executive staff, Engineering, Health, Safety, Quality, Legal, Risk, Marine Assurance, IT and Foss Global, which will move from its current quarters in Tukwila, Wash.

Sulock said the entire project is expected to be completed by the middle of 2011.

Mike Skalley traces Foss HQ history, page 22.

Shipyard Superintendent's Tough Exterior Hides Soft Side; Mike Port's Volunteer Work Proves He has a Good Heart

Mike Port would be the first to concede that as a ship repair superintendent at Foss Shipyard in Seattle, he is known for a tough and uncompromising approach to getting things done.

So it might surprise some who work with him that the stocky, bald and white-bearded Port also has a soft side.

Two nights a week, after supervising rough-and-tumble shipyard workers and overseeing some of the shipyard's most challenging projects, Port works as a volunteer. On Monday nights, he helps teach English as a Second Language at Edmonds Community College, and on Thursday nights, he works in the emergency room at Seattle Children's Hospital.

It all started a couple of years ago, when Port, now 61, and his wife were discussing retirement plans. "I said I'd like to do some volunteer work and go back to college and probably work part time," Port recalled.

And then one thing led to another.

His wife, **Hiroko**, is a native of Japan who spoke no English when he met her. So when Port saw a poster seeking assistant instructors for ESL classes, it seemed like a no-brainer. "I had a lot of experience in the area," he said.

His current class includes adults of many nationalities, including Cambodians, Vietnamese, Gambians and Latinos.

"English is an incredibly hard language to learn for someone who is not a native speaker," he said. "These people come to class after work—It's really a commitment on their part and it's enjoyable for me to see their development and to feel that I'm helping someone make their life easier in their newly adopted country."

No less rewarding is Port's Thursday night job at Children's



Mike Port, shown outside the Seattle Children's Hospital emergency department, where he volunteers every Thursday night.

Hospital, where he transports patients, assists nurses when needed, makes coffee, replenishes gowns and gets intravenous pumps from Central Supply.

"It's just about anything that doesn't require medical training," he said. "There are some nights when it's heartbreaking, and it sticks with you a long time, but on the whole it's really gratifying and there are a lot of fun moments too."

Like when he got a hug from a mom after comforting her son while a doctor set his broken leg, or when he hands out stickers to the kids, or when he's getting to know the nurses, technicians and doctors whom he

describes as "truly top notch."

He also is a regular whole blood and platelet donor, noting, "It doesn't take much time, but it can save lives."

Port is a 21-year Foss veteran who started out as a chief engineer in the ocean fleet, and then came ashore to work as a machinist and engineer (including 11 years in the San Francisco Bay Area) before becoming a superintendent.

The only son of a career U.S. Marine officer, it's not difficult to identify the source of Port's tough side.

"But where does the soft side come from?" he asked. "I couldn't tell you."



NTSB CHIEF TOURS PACIFIC STAR

The National Transportation Safety Board's (NTSB) new chairman, **Deborah Hersman**, third from right, got a tour of the Foss tug *Pacific Star*, right, at Seattle's Pier 90 during a recent industry familiarization trip to the Northwest. In the photo, from left, are NTSB Member **Mark Rosekind**, Pacific Star Chief Engineer **Tim Melton**, Deckhand **Ken Kovatch**, Capt. **Doug Hajek**, Hersman, Capt. **Doug Bezona** and Foss Director of Oil Field Services **Paul Gallagher**. While in Seattle, the NTSB chairman and her staff also visited a Glacier Seafoods factory trawler, the simulator at the Pacific Maritime Institute, the office of Holland America Line and the crisis communications center at U.S. Coast Guard Sector Puget Sound at Pier 36.



CARING FOR GRACE COLE PARK

Six Foss employees went to work with rakes, shears, shovels and other tools on Friday Sept. 24, helping to clear invasive species from hilly terrain at Grace Cole Park in Lake Forest Park, Wash. The volunteer effort was organized in conjunction with United Way of King County's annual Day of Caring, which encompasses numerous projects and volunteers from many companies in the Seattle area. In the photo, from left, at the park entrance, are **Angie Upchurch**, **Ross McDonald**, **Cassie Gamm** and **Amy Kaeser** (both from Friends of Cedar River Watershed, which coordinated the work at the park), **Jamie Littlejohn**, **Tina Wissmar** and **Shawna McLean**.



FOSS BIKERS RIDE FOR MS

Team Foss raised more than \$9,000 for the National Multiple Sclerosis Society Sept. 11 and 12 in a two-day cycling event based in Mount Vernon, Wash. Participants followed loops from 22 to 92 miles on courses ranging from La Conner and Whidbey Island north to Bellingham and battled steady rain and a strong southerly wind on the second day. “We all persevered, and a few of us even enjoyed it,” said team captain **Rick McKenna**. It was the second year Foss has participated in the event. In the photo are, front row from left, **Alex Hill** (Dave’s son), **Dave Hill**, **Mike Lauer** and **Steve Kimmel**, and, back row from left, **Anna Hill** (Dave’s daughter), **Dan Larson** (a friend of Rick McKenna), **Nancy Hill** (Dave’s wife), **Tina Wissmar**, **Shawna McLean**, **Mary Chalker** (Rick Chalker’s wife) and **Rick Chalker**. **Rick McKenna** and **Pat Fulnecky** were on the team but are not in the photo.

BAY AREA GROUP IS FIRST TO PASS VOLUNTARY COAST GUARD EXAMS

The commander of the 11th Coast Guard District, covering the San Francisco Bay Area, has congratulated the Foss northern California group for successfully completing voluntary safety exams, noting, “With great initiative, you have shown Foss Maritime to be an industry leader in safety and compliance.”

The Richmond-based group was the first at Foss to complete the voluntary exams of all its vessels. Capt. **Igor Loch**, Foss director of operations, said all Foss regions are participating in the program. Thirty-six tugs around the country have passed, and completion is pending for two others.

In a letter to Regional Operations

Manager **Bob Gregory**, Rear Adm. **J.R. Castillo**, 11th District commander, said the company’s Bay Area success “is due in no small part to the investment Foss Maritime has made in safety management.”

He continued: “The teamwork between management and crew is clearly evident to my towing vessel examiners. Foss Maritime’s willingness to work closely with the Coast Guard has made it a pleasure for our personnel to visit your vessels and interact with your professional crews.”

Foss boats are undergoing the voluntary safety examinations as part of a “bridging” program to new regulations under which inspections

will become mandatory for all towing vessels.

Loch said the recognition by the Coast Guard was the result of “efforts and hard work” by the Bay Area group. “This is a notable achievement to receive such recognition,” he added.

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By Byrd Baggett





PRACTICING SPILL CONTAINMENT

During a drill on Nov. 8, the tug *Henry Foss*, right, moved the Marine Spill Response Corporation tankbarge *Ibis* south on Tacoma's Commencement Bay at less than a knot as a Ballard Diving workboat, in the foreground, towed oil containment boom through the water. The drill was a practice session for *Foss* and Ballard Diving, both MSRC contractors that could be called to action to battle a real spill. The *Ibis* was formerly owned by *Foss*, when it was named the *Foss 111*. MSRC Regional Response Supervisor **Chris Stadiem** coordinated the drill, and the *Henry Foss* was under the command of Capt. Henry "Scooter" Rochon.

SCOUTS TOUR ARTHUR FOSS IN LONG BEACH

The *Foss* Long Beach division recently hosted a group of boy scouts from Troop 824 in Yorba Linda, Calif., giving the boys a safety orientation and a tour of the tug *Arthur Foss*. Hosting the scouts on the tug were Capt. **Gary Smith**, Engineer **Victor Hupp** and Able Seaman **Nunzio D'Orio**. In the photo above on the tug are, from left, Boy Scouts **Reeder Loveland**, **Dakota Campbell**, **Adam Worden**, **Justin Thorp**, **Jared Bogler**, **Graeson Garrett**, **Nolan Voge**, and **Tommy Martin**.



Foss HQ: Tacoma Boathouse to a Seattle Office Building

By Mike Skalley

Foss corporate headquarters has moved five times since the company was founded in Tacoma in 1889. The move to the south Lake Union district in Seattle will be the sixth move. What follows is a summary of Foss corporate moves necessitated by growth and other circumstances over the last 121 years.

Original float house located at Twelfth and Dock Street in Tacoma in 1889. This was the first home of the Foss family after their arrival from Minneapolis. Their house was slab-sided, with a tarpaper roof and meager furnishings with no running water or conveniences.

In 1891 the Foss family moved along the waterway to the foot of the Union Pacific Railroad Bridge. There they began construction of a larger residence with three family rooms above and a storage room below for the rowboats. The original floathouse was also moved and it became the workshop. **Andrew Foss's** first business was incorporated as the "Foss Boathouse" located at the "South side of the Eleventh Street Bridge."

Their first business card, advertised Sail and Rowboats for rent. The first Foss shipyard opened by Andrew Foss and his brothers **Iver** and **Peter** in 1892 consisted of saw-horses, beachcombed and salvaged lumber and a tool chest. However the yard was able to produce oars and rowboats. With increasing revenue the family was able to buy a two horsepower naphtha powered launch, named *Hope*. This first launch was used to deliver mail and supplies to the sailing ships anchored in Tacoma harbor. This became a lucrative venture, so Andrew and his brothers began building launches in their rustic shipyard. He enlarged the shipbuilding site and bought second-hand woodworking machinery. By 1905 the Foss fleet consisted of numerous rowboats and ten naphtha powered launches.

With the increased business, more



The "Foss Boathouse" in 1891, located at the south side of the Eleventh Street Bridge in Tacoma. **Andrew** and **Thea Foss** are standing at the top of the stairway with daughter **Lillian**. Their two sons, **Arthur** and **Wedell** are in the second rowboat from the left.

work space became necessary. A third move was made in July, 1906 to provide tie-ups for the launches, storage for the rowboats, and housing for a store, office, shop and living quarters. The boat-house (later a dormitory and store) ended up on piling next to the bulkhead and the floating workshop was moved and joined to the end of the new floating pier. All facilities were grouped together and a more unified operation was now possible at the new address, 400 Dock Street. At this time the corporate name changed to Foss Launch Company. The Foss store furnished all supplies for the launches, and later on the tugs—from food to towing gear. The crews from the boats and the yard were furnished all their needs from the store. With most necessities provided for the crews there were few regular paydays but money was available when needed. Otherwise, payment for work came at termination and it was always generous. **Thea** and **Andrew** looked after their men as if they were family. This caring for their employees was passed on to their three sons, **Arthur**,

Wedell and **Henry**. Anyone working for the Company soon considered themselves as part of the family, and the end result was a solidarity of purpose.

Shortly after the move to 400 Dock Street an all out effort was made in developing the towing business, principally log towing. Tacoma was dotted with lumber mills, cutting up tremendous quantities of logs and the consumption was so great the logs had to be towed in from distant areas of Puget Sound. The need for tugs was certain. The larger launches were put to work towing logs instead of transporting passengers, but they were under-powered. The Foss family realized it was necessary to have "real" tugboats. An immediate quick-fix, in 1916 was to purchase three steam powered tugs from the Olson Tugboat Company. These three tugs became the backbone of the Foss tug fleet while Andrew was designing and building a new fleet of tugs at his Tacoma shipyard. With numerous tugs and launches in the fleet, the corporate name of the company was changed to Foss Launch & Tug Company in 1919.

The growth of company operations in 1920 spread northward when Wedell and Arthur relocated to Seattle, buying the assets of Rouse Towing Company located at the Bolcom Dock in Ballard. In 1922 the Seattle division was incorporated under the name “Foss Company” with Arthur Foss as its president and Wedell Foss as Vice-President. Andrew Foss retained the role of president of Foss Launch & Tug Company in Tacoma with Henry Foss as Vice-President. With the rapid growth in the Puget Sound Towing market the Seattle division expanded by buying numerous surplus tugs and barges. The company required more space for their marine facilities and in 1933 purchased an old rubber factory on several acres of property located at 660 West Ewing Street on the North slope of Queen Anne Hill. This marked the entry of Foss at its current location with the offices being in the same building for well over 75 years.

A year after the acquisition of the assets of Wagner Tugboat Company in 1939, the Foss brothers made the decision to merge Foss Company of Seattle and Foss Launch & Tug Company of Tacoma into one company, Foss Launch and Tug Company, with the corporate headquarters remaining in Tacoma. Branch offices remained in Seattle and Port Angeles.

The Tacoma operations continued to expand rapidly, with the family purchasing several more surplus tugs and barges for use in gravel, chip, oil and chemical towing. A larger facility was needed for the expanding operations, so another move was necessary—this time in 1944 to 225 East F Street on Tacoma’s Middle Waterway. This was the final location change in Tacoma, although the facilities have been upgraded over the years. The headquarters included management offices, accounting, payroll, operations, and dispatch. For the vessels, a complete store, shoreside repair facility, paint factory, a marine ways and a drydock able to handle the largest of the ocean going tugs which had been added to the fleet



A 1949 photo of the current Foss property on Ewing St. The carpenter shop and other repair facilities are located in the buildings to the left of the white administration building. The area where the current shipyard and terminal are located was used as moorage for war surplus vessels purchased by the Foss family, as well as barge storage and public marinas. The building currently housing the Purchasing and Billing Department is also visible in its current location, just to the right of the back of the administration building.

at the end of World War II.

By the late 1960’s it was apparent the Foss family would, in the near future face a serious problem of family personnel to perpetuate the business. The company had competent personnel at the management and operations level but very little succession at the active stockholder level. In 1969, the stockholders, Henry, and the family heirs of Arthur and Wedell decided to insure the Company’s long term future position by joining in a stock exchange with an established and successful company with maritime interests. The Dillingham Corporation of Honolulu was selected as the corporation of choice. Foss became a part of Dillingham’s maritime group in July of 1969. The “official” headquarters of Foss Launch & Tug Company changed from Tacoma to Seattle very shortly after the acquisition by Dillingham.

Tacoma remained the largest of the “outports” with concentration on ship assist and wood products (chips and logs). Seattle had concentration on ship assist, petroleum barging, sand and gravel and chemical towing, as well as the headquarters for the ocean towing fleet. Other outport locations, all with emphasis on wood products were Port Angeles, Everett, and Bellingham.

In 1987, Foss Launch & Tug Company was purchased by Totem Resources Inc. and the corporate name was changed to Foss Maritime Company, but the address remained unchanged as it had since 1933: 660 West Ewing St. This year, 2010, marks the 78th year of occupancy by Foss at the well known 660 West Ewing Street.

Editor’s Note: Mike Skalley is the Foss company historian and the author of “Foss, 90 Years of Towboating.”

PEOPLE NEWS

PASSINGS

Ron Freeman
Retired PNW Captain

Alex Taylor
Deckhand, SOCAL

RETIREMENT

Bob Wingle
Deckhand, Marine Transportation





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Drew Arenth

HEADED UP RIVER

The Betsy L led the way, above, with the PJ Brix bringing up the rear, as Foss moved the first eight of about 155 Korean-built oil production modules up the Snake River near Lewiston, Idaho, on the morning of Oct. 14. The modules are to be carried over the road to the Kearl Oil Sands development project in Alberta, Canada. Article on Page 6.