

Foss Reorganization Taps Executive Talent, Aligns Company with Changing Marketplace



Scott Merritt, left, and Gary Faber are now the two top Vice Presidents at Foss Maritime.

Foss Maritime has announced a reorganization of top management designed to address changing market conditions, help the company continue to grow and provide opportunities for talented and upcoming executives.

As part of the reorganization, **Scott Merritt**, formerly Vice President for Shipyards, Engineering and Project Management, becomes Senior Vice President for Harbor Services and Regional Towing.

Gary Faber, formerly Foss Executive Vice President, takes on the new position of Executive Vice

President for Marine Transportation and Global Services.

Both will report directly to **Paul Stevens**, Chairman of Foss Maritime Company and President and Chief Executive Officer of Foss' parent company, Marine Resources Group (MRG).

Stevens said Merritt and Faber will be, "very independent, with full autonomy to run their respective divisions of Foss and work toward improving their profitability."

In conjunction with the changes, **Steve Scalzo**, President and CEO of Foss since 2000, becomes Chief

Operating Officer of MRG, where he will address strategic issues and growth opportunities at Foss and the five other marine transportation services companies owned by MRG. Plans for Scalzo's move were announced last spring.

"We have a very experienced team here at Foss," Scalzo said. "It's important that the team continue to work together, focus on the customer, and represent the Foss brand well."

Merritt said creation of the autonomous harbor services division re-emphasizes the company's commitment to customers.

"Our harbor services line of business is the historical core of what Foss Maritime does," he said. "We operate in every major West Coast port. It's a mature market, it's a challenging and competitive market, and it requires that we focus on serving our customer needs."

Faber's division will concentrate on continued expansion of what has been a growing area for Foss: marine transportation and worldwide projects.

The company recently signed a contract with Exxon Neftegas Limited to provide heavy-lift transportation services this year for an oil-development site in the Russian Far East. Foss was involved in a similar project in 2003.

Faber said creation of the two autonomous divisions, "gives us an

CONTINUED ON PAGE 2

New Executive Lineup

Foss has reorganized its executive team to address the changing maritime marketplace, promote growth and provide opportunities for its talented and rising managers.

.....Cover

Siberian Sealift

Foss will muster a fleet of six tugs, five barges, a dredge and a team of about 70 people to undertake a massive sealift from Korea to an oil field development site on Russia's Sakhalin Island this summer.

.....Page 3

Dutch Harbor Drama

Sidney Foss Captain **Bob Farrell** and his crew battled seas up to 35 feet and hurricane-force winds to help keep a bulk carrier off the rocks while the Coast Guard rescued 20 crewmen.

.....Page 6

Wedell's a Winner

Marine and engineering personnel gave the *Wedell Foss* high marks for maneuverability and power following a propulsion system upgrade at Foss Shipyard. The *Henry Foss* also is receiving the power boost.

.....Page 8

Salvage Successes

Foss equipment and ingenuity met the test recently in two far-flung salvage jobs, one off Washington's Cape Flattery and the other off the coast of Mexico.

.....Pages 10 and 11

On the Run to Shelton

A photo essay tracks the crewmembers of the *David Foss* as they head from Tacoma to Shelton to pick up a load of wood chips from a Simpson Timber mill. Foss and Simpson have been working together since 1925.

.....Page 12

Plane Crash Retrospective

Historian **Mike Skalley** chronicles Foss' successful lift of a crashed passenger liner from the waters off Puget Sound's Maury Island in 1956.

.....Page 14

Great Year for Grain

Grain volumes on the Columbia-Snake river system jumped 21 percent last year as farmers produced an above-average harvest and China stepped into the market.

.....Page 16

Reorganization

CONTINUED FROM PAGE 1

ability to respond quickly when opportunities are presented ... With our reorganization, we don't have a one-size-fits-all mentality. We will tailor ourselves to the needs of our respective and very different markets and react quickly to the needs of our customers."

Stevens said the reorganization also gives Foss, "the unique opportunity to give key executives in our company additional experience and broaden their skill base."

As part of the reorganization, Foss also addressed safety management, which continues to carry the highest priority for the company. **Bruce Reed**, former Northwest Regional Director, will oversee safety programs as Vice President for Administration Services and Quality Assurance.

"Continued implementation of the 'safety culture,' as well as pursuit of our ISO certification are very important goals for this company," Reed said. "We are on track to continually improve on what already is enviable safety and quality performance."

Other Foss appointments include: **Tim Brewer**, former Director of National Accounts, becomes Vice President of Sales; **Toby Holmes**, formerly Director of Market Research at MRG, becomes Director of Pricing and Market Strategy at Foss; and **Shelly Rieger**, former Director of Marketing, becomes Director of Marketing and Planning.

Also, **Don McElroy**, former Vice President for Marine Transportation and Petroleum, becomes Senior Vice President for Marine Transportation and Petroleum; and **Andy Stephens**, former Director of Marketing and Planning, becomes Vice President for Shipyards, Engineering and Project Management.

Faber, 53, is a 33-year veteran of maritime industry management with all but a few years of that in towboating. He is a 1973 graduate of the U.S.

Merchant Marine Academy and spent 27 years with Crowley Maritime, rising to become Vice President of Operations.

He joined Foss in 2002 as Senior Vice President of Engineer-ing, Shipyards

and Project Management. A year ago, he was named Executive Vice President, responsible for Marine Transportation and Petroleum, Shipyards and Purchasing, and International Operations/Joint Ventures.

Merritt, 44, is a 1983 graduate of California Maritime Academy and joined Foss in December of that year as a Customer Service Representative in Seattle. Two years later, he entered the University of Washington School of Business and worked in a variety of jobs at Foss before and after earning a masters degree in business administration in 1987.

In 1993, the company moved him to San Francisco, where Merritt managed the startup and growth of the Foss Bay Area operations. He returned to Seattle last year as Vice President, Shipyards, Engineering and Project Management, with responsibility for Purchasing and Material Control.

With our reorganization, we don't have a one-size-fits-all mentality.
— Gary Faber



Tow Bitts is published quarterly by Foss Maritime for Foss employees, customers and friends. Changes to the *Tow Bitts* mailing list should be referred to the Marine Personnel office in Seattle, (206) 281-3821/3830. *Tow Bitts* editor is **Bruce Sherman**, graphic designer is **Stacy Mutnick** and coordinator of production is **Gil Graham**, Foss Vice President of Human Resources.

Foss Maps Return to Eastern Russia to Mount A Massive Sealift to Sakhalin Oilfield Project

A flotilla of Foss tugs and barges, plus a marine and shoreside team of nearly 70 people, this summer will perform a sealift in the Russian Far East that will be the culmination of nearly two years of planning and will form the basis of a new line of business for Foss.

Exxon Neftegas Limited has awarded Foss a two-year contract to carry oil field support and production modules from a manufacturing site in Ulsan, South Korea, to its remote oil development project at Chayvo, on the north end of Sakhalin Island.

Four line-haul tugs, two assist tugs, four module barges, an equipment barge and a dredge will be assigned to the project. Each of the linehaul tugs will make four 21-day round trips between Ulsan and Chayvo, their barges carrying modules weighing up to 1,600 tons.

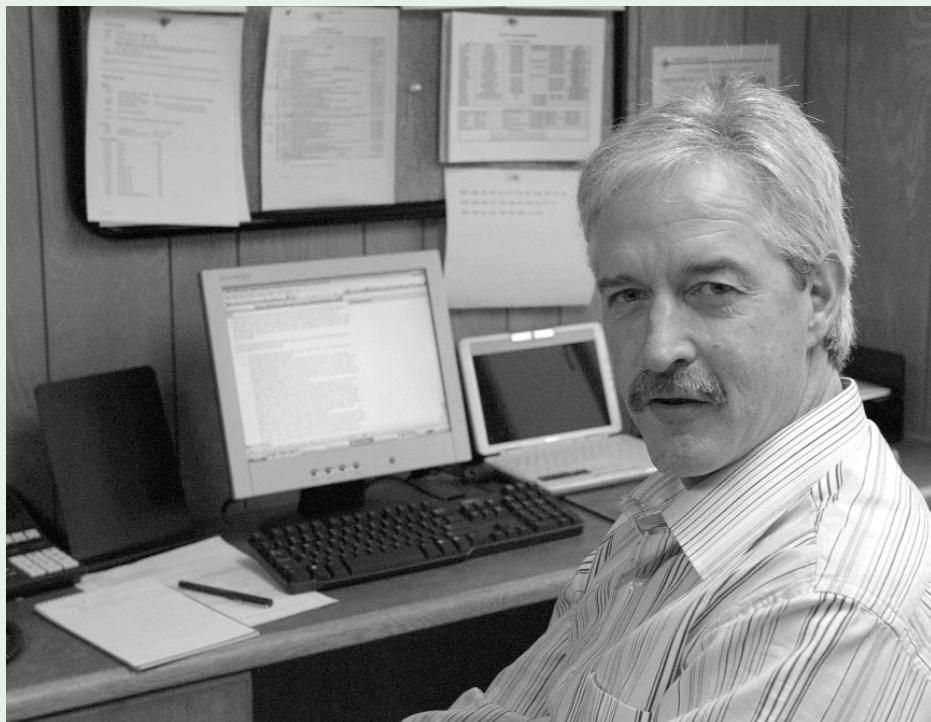
Planning for the project began in the fall of 2003, soon after Foss completed a challenging though much smaller sea lift for Exxon Neftegas. The recent contract was awarded, in part, based on Foss' success in the first effort.

Foss Executive Vice President for Marine Transportation and Global Services **Gary Faber**, who is leading the effort, said both planning and execution are far more complex than they would be for a similar project on the U.S. West Coast or in Alaska.

"You have the typical facets of a large-scale project, and on top of that you add the international component," he said. "For example, we will be picking up cargo with U.S.-flag vessels in Korea and delivering it to Russia.

"Plus you have the challenge of working with a project team that is in five different time zones, and the vessels and crew will be in a different environment and a different regulatory regime. Unwavering attention to detail is of paramount importance."

Each of the linehaul tugs will make four 21-day round trips between Ulsan and Chayvo, their barges carrying modules weighing up to 1,600 tons.



Larry Johnson is Foss Project Manager for the Sakhalin Island sealift.

The challenges also are formidable from an operations standpoint, according to Project Manager **Larry Johnson**.

"You're basically working in an open ocean environment," Johnson said, noting that breakwaters and other port-related improvements are underway in Chayvo but are not yet completed.

The tugs are slated to leave Seattle in late April for the four-week run to Ulsan. The plan calls for the work to be done before the onset of Asia's typhoon season, enabling the fleet to return to Seattle by early fall.

Johnson said the weather limits are forcing Foss to compress what would normally be an entire year of operations for a similarly-sized project into just five months.

"We have to work around the weather and the tides and there are going to be a lot of other contractors working in the area installing pipelines, oil rigs and you

name it," Johnson noted. "There will be up to 20 other marine contractors."

Faber said the project is similar in scale to Foss' annual lightering project at the Cominco Red Dog Mine in Northwestern Alaska.

"One of the reasons we have gone after this project so enthusiastically is that this is a new line of business for Foss," Faber said. "We are committed to developing a business line in international project management and oil field services outside the United States. We're not just in it for the quick hit. We're in it for the long haul and we are building an organization around this business line."

Landing the latest Exxon Neftegas contract wouldn't have been possible for Foss without the strong support received from its parent companies, Marine Resources Group (MRG) and SaltChuk Resources, according to Faber.

"They stepped up and gave us the encouragement and, more importantly, the funding," he said. And fortunately, we were able to get the contract and pay them back."

CONTINUED ON PAGE 4

Eastern Russia

CONTINUED FROM PAGE 3

In addition to Faber and Johnson, key managers on the job have been; **Leiv Lea**, contract administration; **Paul Gallagher**, commercial work; **Don Collar**, Port Operations; **Herb Gazeley**, vessel operations; **Warren Snyder**, engineering; **Scott Newall**, equipment management; and **Mike Sutton**, safety.

Staff based on Sakhalin include **Dmitry Klimko**, **Alexei Krasnev**, **Irina Brybrina**, **Aleksey Bukin** and **Ben Warner**. When the project is underway, there will be 36 sailors, 12 Chayvo shoreside staff, and 16 Russian equipment operators.

The tugs on the job will be *Lauren Foss*, *Drew Foss*, *Howard Olsen*, *Emma Foss*, *David Foss* and *Duncan Foss*. In addition to the four barges, Foss will have a 16-inch, cutter-head suction dredge at the site.



In 2003, Foss used the ramp barge Beach Bear to unload cargo at Chayvo. Port-related improvements are now underway there.

Klimko and His Family Travel Back to Native Land; He's Navigating Complex Regulatory Environment

Meet **Dmitry Klimko**, our lead man in Russia.

Klimko, Project Administrator for the Sakhalin Island effort, has established a Foss branch office in the island's capital city, Yuzhno Sakhalinsk.

He also has been spending time in Moscow, making sure all the necessary permits are in order and ensuring that Foss will be in compliance with all applicable regulations when the sealift begins next summer.

"There are many little details that are very important in Russia," he said recently. "Government regulation is very strong here, and you need to take care of everything in advance."

The consequences of not being prepared, he said, could be an expensive delay in a project that has a very narrow, three-month window of time for completion between Sakhalin Island's winter and the fall typhoon season.

Klimko is a native of Minsk, in the Republic of Belarus, formerly part of



Dmitry Klimko, in his Foss jacket, poses on a bridge over the Moscow River. Behind him is the Kremlin, Russia's seat of government.

the Soviet Union. He emigrated to the United States in 2001 with his wife, **Tina**, and two children, **Artiom**, who was 6 at the time, and **Anastasiya**, who was 1.

They followed friends to Bainbridge Island, a Seattle suburb, and Dimitry soon landed a job in the accounting department at Foss.

He was appointed Sakhalin Project Administrator after Foss successfully completed its first sealift there, in 2003, and Foss moved him and his family to Russia in the fall of that year.

Tina was about to have their third child, **Alexandra**, who was born in November 2003, so she and the children stayed in a Moscow apartment near relatives rather than endure the harsh Sakhalin weather, while Dmitry traveled back and forth.

"Knowing the political environment and culture is very important when doing business in Russia," he said. "So it's good that Foss and I got together. I appreciate working for the company, and I hope Foss appreciates me."

Klimko said he and his family will look forward to returning to Seattle after the multi-year Sakhalin project is completed.

"My kids think Bainbridge island is their homeland right now," he observed.

New Publication Aims to Help Foss Promote Safety Culture

Foss this spring will begin regular publication of a new newsletter aiming to further a “safety culture” at the company.

Entitled *Safety Currents*, the newsletter will include articles about safety initiatives at Foss, accident investigations, and profiles of people who contribute to the safety culture. It will be distributed exclusively to employees.

With the newsletter, Foss hopes to provide a forum for employees to share ideas on safety. *Safety Currents* also will include a question-and-answer

section called “Ask the Safety Mate.”

Through implementation of the safety culture, Foss is encouraging employees to make safety a consideration in all tasks, fully integrating the notion of safety into the company’s way of life.

Safety and Quality Assurance Director **Mike Sutton** is senior editor of the newsletter. Sherman Communications, which produces *Tow Bitts* for Foss, also will work with the company on *Safety Currents*, with **Kurt Hoehne** as editor and **Stacy Mutnick** handling graphic design and production.

Safety Came First on Sidney Foss In Stormy Dutch Harbor Rescue

Planning, preparation and coordination were the keys to safety aboard the Sidney Foss in the most participated in the dramatic attempt to rescue a general freighter in harsh weather, with wind and high seas near Dutch Harbor, Alaska in early December.

The long experience of many of the crew members also was an important factor in bringing the tug through the ordeal without a single injury. The only damage to the tug — a deck decklight blown out when the crew was putting out its emergency warning — had been predicted before the operation began.

In spite of winds that reached 70 knots and seas up to 30 feet, the Sidney got a line up to the freighter. Shipology flew and pulled on the ship for 21 hours. December 7 and 8, during the ship's progress to the north and being towed as the Coast Guard planned the rescue of 50 crew members. Six were lost when one of the rescue helicopters crashed.

"We had several after meetings before leaving Dutch Harbor," Captain Bob Farrell said. "We talked generally about what we were going to do, the gear lined up at the pier and had everything happened in a night," said Chief Engineer Chad Adams.

A final safety meeting was held before the tug, commanded by Captain Farrell, set out to sea. "I was careful to maintain control at all times, really," he said. "I was not sure we could stay in position when we could only see the tug. If you get too far to the side and over, that's a problem."

Mike Scott Olson said, "Everything went pretty well."

The tug and its crew received a true top priority award for their effort and a commendation from the Coast Guard.

In addition to Farrell, Olson and Adams, members of the Sidney crew were Training Mate Jerome Blinck, Able Seaman Steven Tim O'Brien and Able Seaman Steven Cook. Chris Miller



Wendell Koi Photos

Maiden Voyage

The bunkering barge *San Pedro* made its maiden voyage December 11, 2004, newly refitted with equipment that enables it to process vapors displaced when oil tankers load cargo. In the photo above, the tug *Pacific Spirit* nudges the barge up against the tanker *Neptune Voyager* at ChevronTexaco’s offshore terminal, *El Segundo Moorings*, near the Los Angeles-Long Beach harbor. At left, vapor removal operations are underway.

Sidney Foss Fights Extreme Sea and Weather, Delaying Freighter's Fate as CG Plans Rescue

The tug *Sidney Foss* played a key role in a dramatic attempt to save a powerless cargo ship near Dutch Harbor in early December, pulling on the ship for 11 hours in extreme sea and weather conditions and buying time for the rescue of 20 crewmembers by the U.S. Coast Guard.

Captain **Bob Farrell** reported seas up to 35 feet and wind gusts reaching 70 knots amid snow and ice storms as his crew got a line on the ship and slowed its progress to the beach by half in the night-long effort that ended when the *Sidney's* tow-line parted.

Although Coast Guard helicopters rescued 20 members of the ship's crew, six died when one of the helicopters was engulfed by a wall of water and fell into the sea. The ship hit the rocks of Unalaska Island and broke apart.

The 72,000-ton, 738-foot long bulk carrier *Selendang Ayu*, owned by a company in Singapore, was carrying a load of soybeans from the Pacific Northwest to China when it experienced engine trouble near the Aleutian Islands.

The *Sidney* was in Dutch Harbor on a routine cargo run for Samson Tug &



The wreck of the Selendang Ayu, as photographed on December 23 by the U.S. Coast Guard, 15 days after the incident.

Barge Company and headed for the drifting freighter, about 40 miles north of Dutch Harbor, based on a request by the Coast Guard.

None of the *Sidney's* five crewmembers received even minor injuries in the two-day mission, and the tug

received only minor damage, when the tow line was being paid out and took out a deck floodlight.

"We had several safety meetings before leaving Dutch Harbor," Captain Farrell said. "We talked generally about what we were going to do, the guys lined up all the gear and had everything set and ready to go before departing Dutch Harbor."

A fourth safety meeting was held before the tug rounded Cape Cheerful into the open ocean, which Farrell noted "wasn't very cheerful."

"Everybody had input on how we were going to do this and how everything was laid out," Farrell said. "Because of that it worked really good, exactly as it was supposed to work the first time out."

The *Sidney* crew opted not to use its line gun to send a messenger to the ship, but instead took a heaving line from one of the ship's crew members, who hit the tug deck on the first try. Other than that, everything went according to plan.

"Everybody went to their position on the lines where we talked about it, and everything happened just right," said Chief Engineer **Chad Alton**.

Crewmembers worked on the main deck only when the *Sidney* was



U.S. Coast Guard photo shows helicopter rescue of a crewmember from the Selendang Ayu on December 8.

Guiding Principle

Foss has been known for its “Always Ready” Service since the company’s founding by Thea Foss in 1889. This unique commitment is a significant cultural strength and differentiates Foss and our employees from other providers.

— From the Foss “Always Ready” Guiding Principle.

in the lee of the ship. Out of the ship’s lee, they were mainly on the higher, boat deck.

Farrell said he was never worried about the tug holding up, but was careful to maintain control at all times, noting, “we didn’t want to get into a position where we could trip the tug. If you get too far to the side and over, that’s a possibility.”

Mate **Scott Olson** said, “Everything went picture perfect.”

The tug and its crew received a Foss Top Mariner Award for their effort.

“Foss is enormously proud of the crew and what they accomplished,” said **Don McElroy**, Senior Vice



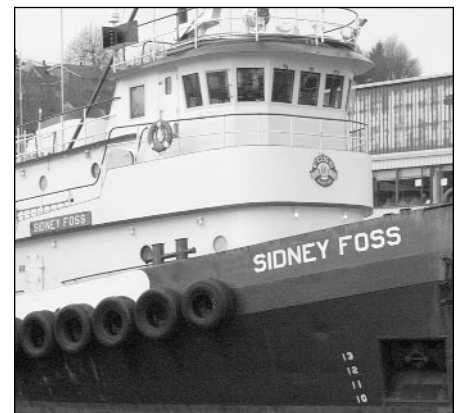
Crewmembers on the *Sidney Foss* during the effort to rescue the *Selendang Ayu* were, from left, Mate **Scott Olson**, Captain **Bob Farrell**, Able-Bodied Seaman (AB) **Tim Gleeson**, Chief Engineer **Chad Alton**, Training Mate **Jeremy Ritchie**, and AB/Cook **Chris Miller**.

President for Marine Transportation and Petroleum. “They stood by the Foss motto of “Always Ready” service and reflected that to the Coast Guard and everyone else involved in the attempt to save that ship and all those people.”

Rear Admiral James C. Olson, 17th Coast Guard District Commander, commended Captain Farrell and his crew.

“Your cooperation and professionalism were critical to the successful rescue of 20 crewmen from the *Selendang Ayu*,” Olson wrote in a letter to Farrell. “Search and Rescue is a challenging endeavor. It is even more so given the harsh climate, vast distances and poor radiotelephone communications that exist in the Bering Sea.”

In addition to Farrell, Olson and Alton, members of the *Sidney’s* crew were Training Mate **Jeremy Ritchie**, Able-Bodied Seaman **Tim Gleeson** and Able-Bodied Seaman/Cook **Chris Miller**.



The *Sidney Foss* in flat water at Foss Shipyard in early February.

Foss Teams With Salvage Experts To Support the Fuel Lightering Effort after Freighter Grounding

In addition to assisting in the rescue effort on the *Selendang Ayu*, Foss supported the salvage operation, providing portable asphalt tanks used to unload 145,000 gallons of oil and oily water from the grounded freighter near Dutch Harbor, Alaska.

Representatives of SMIT Salvage of Houston, en route to Dutch Harbor after the grounding, met with Foss representatives at Seattle-Tacoma International Airport to discuss available Foss resources, including vessels, personnel and support equipment.

“SMIT prepared a detailed lightering plan and they were selected to perform the work by the Incident Command Team. They asked us for

assistance in sourcing portable 2,500-gallon tanks that could be airlifted by helicopter. These special tanks also needed heaters, so the oil could be pumped from them when landed ashore,” said Foss Marine Transportation Sales Director **Paul Gallagher**.

The tanks and heating equipment were loaded aboard the Samson Tug & Barge ZB-335 in Seward, Alaska, and the barge was towed to Dutch Harbor by the tug *Drew Foss*.

Special heavy-lift helicopters were used to shuttle the tanks back and forth from the ship, according to Gallagher, who said the lightering operation was completed in mid-February.

Thumbs Up for Wedell's Propulsion Upgrade; Henry Foss also Receiving a New ASD Unit

Foss marine and engineering personnel gave thumbs-up assessments of the souped-up tractor tug *Wedell Foss* in late January as it returned to service with a third propulsion unit and about 56 percent more horsepower.

"At this point, it appears that we can do anything we need to do with this tug and then some," said Captain **Mike Blake** as he headed for a ship-assist job in the Tacoma harbor on January 20.

"It's a handful, with another drive to keep track of, but we're getting better by the day, better by the job."

The new propulsion unit is an azimuthal stern drive (ASD), which Foss Shipyard installed behind the tug's two Voith-Schneider cycloidal propulsion (VSP) units. It is the first-ever marriage of the two propulsion systems, and the sister tug *Henry Foss* is receiving the same upgrade.

Foss Engineering Director **Don Hogue** said the *Wedell* "met or exceeded all of our expectations" during sea trials.

The company's goal for the bollard-pull test, for example, was 100,000

pounds, and the *Wedell* pulled 114,000 pounds. "That's tremendous, an excellent performance," Hogue declared.

The tug is rated at about 5,000 horsepower, compared to its previous 3,000 horsepower.

During the design of the upgrade, Foss engineers and naval architects from Glostien & Associates took great care to ensure that the washes of the VSP and ASD units would not conflict, and Hogue said that's a "non-issue."

"The boat is very smooth and performs really well," he said.

Hogue gave credit for much of the success of the repowering project to the shipyard and to Foss' vendor partners.

Blake traveled to Rotterdam with Foss Captain **Dave Corrie** to train on a triple ASD tug there before the *Wedell* upgrade was finished. They, in turn, are training other captains to operate the groundbreaking tug.

The tug, according to Blake, is more maneuverable than it was with the VSP units alone, and as the captains become

more experienced, they will be better at using that maneuverability.

"Following a ship up the waterway at a right angle was something nobody was capable of doing before, except in Rotterdam," he said.

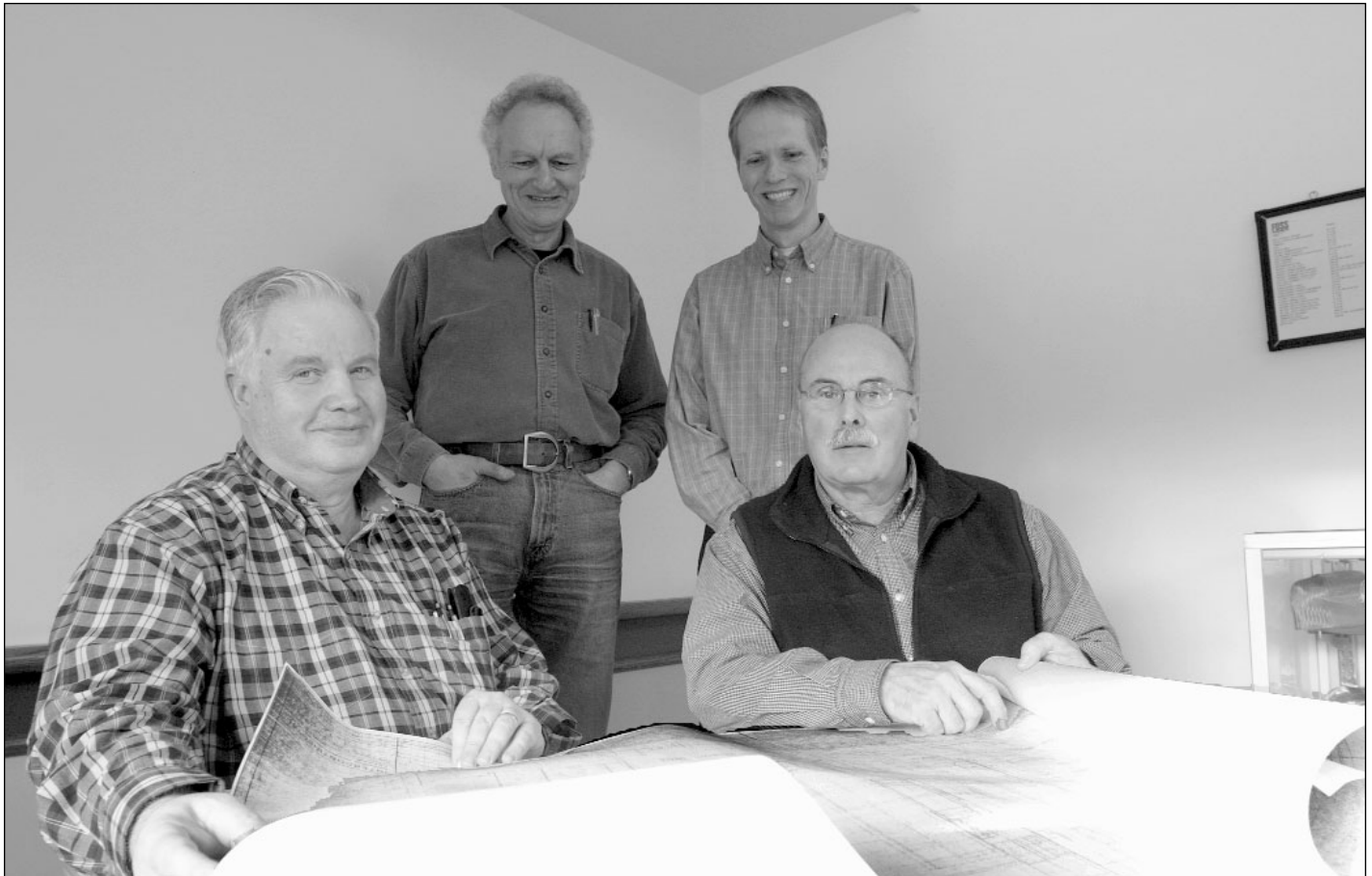


In one of its first jobs after going back into service with a third propulsion unit, the Wedell Foss assists the Evergreen Line ship Ever Grade into its berth at the Port of Tacoma.



Captain **Mike Blake**, left, works the control for the new ASD drive on the *Wedell Foss*, while Captain **Doug Hajek** operates the control for the VSP units.

'Team Foss' Engineers Innovative Projects That Keep Company at Industry's Forefront



Engineering team members are, seated from left, **Warren Snider** and **Don Hogue**, and, standing from left, **Joel Altus** and **Gisli Olafsson**.

Meet the Foss Engineering Group, which over the last few years has completed several innovative projects that are keeping the company at the technological forefront of the industry.

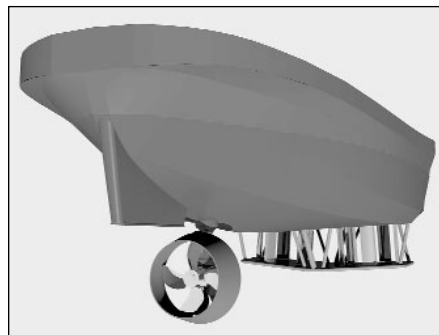
Led by Engineering Director **Don Hogue**, the group developed the concept that transformed the *Daniel Foss* and two other vessels from conventional tugs into modern tractor tugs.

The group also spearheaded the design and is assisting with construction in two current projects: building the new "Dolphin-Class" tugs at the Foss Rainier Shipyard and adding third-leg propulsion units to the *Wedell Foss* and *Henry Foss*.

"In our engineering conference room, we put up a sign a number of years ago that says, 'Dare to Dream,'" Hogue said, "and we do that within the confines of acceptable engineering

principles and the physical laws of the universe.

"We marry this with our collective practical experience to solve some very challenging problems, providing



Graphic shows the position of the new ASD Drive under the aft section of the hulls of the *Wedell* and *Henry Foss*. The existing VSP units are mounted about a third of the way back from the bow.

innovative solutions to meet our customer's needs."

Hogue's personal specialties include concept design, project management and engineering. His team includes:

- **Warren Snider**, naval architect, senior project manager and the group's principal writer of vessel specifications.
- **Joel Altus**, who specializes in deck machinery and is a recognized industry expert on the application of synthetic lines and rigging assemblies.
- **Gisli Olafsson**, who handles naval architecture, project management and engineering and recently moved to the engineering group from Foss Shipyard.

"They all are just incredibly talented people and great team players," Hogue said of his group.

CONTINUED ON PAGE 17

Harbor Tug Heads to Sea for Tanker Rescue; Job Takes Marshall 1,000 Miles into Mexico

The high-powered harbor tug *Marshall Foss* ventured far from its Long Beach home port and normal duties last fall to aid in the rescue a tanker fully laden with gasoline and disabled off the coast of Mexico.

The *Marshall* is usually assigned to ship assists and tanker escorts in the

Los Angeles-Long Beach area. But for this job, the tug traveled 1,000 nautical miles south to Mazatlan, where it took on fuel before heading offshore to relieve a Mexican Navy tug that had been first on the scene.

“The *Marshall* can’t carry enough fuel for the entire trip, which is why it

had to stop in Mazatlan,” said Foss Southern California Marine Operations Manager **Wendell Koi**. “But it does have adequate horsepower, and it has a tow winch exactly for these kinds of jobs.”

The tanker was the gas-turbine-powered *Diligence*, operated by Maritrans. The ship, the former *Chevron Louisiana*, is rated at 40,000 dead-weight tons and measures 651 feet in length and 96 feet in beam. It developed engine trouble about 200 miles south of Mazatlan and 200 miles offshore, Koi said.

The ship was far enough at sea that it was never in danger of grounding, Koi said, and weather was never a threat to the operation.

The *Marshall Foss* is powered by two azimuthal stern drive (ASD) units packing a total of 6,300 horsepower. The trip to Mazatlan, beginning October 31, took four and a half days, and the return trip to Southern California took about seven days at an average speed of about 6 knots.

The tanker’s steering system was operable during the tow, making for a steady ride north, according to Koi.

The *Diligence* discharged its cargo in Los Angeles, and then the *Marshall* towed it to Southwest Marine shipyard in San Diego for repairs.

Crewmembers for the Mexico voyage were captains **Mark Walsh** and **Paul Kendriks**, Mate **Joe Mayer**, Engineer **Rocky Rinehart** and Cook/Deckhand **Zack Villanueva**. Cook/Deckhand **George Martinez** and Engineer **Dan Reed** joined the crew for the tow to San Diego.



The *Marshall Foss*, shown during a tanker escort, is equipped with a tow winch and packs enough horsepower to double as an ocean tow boat.

Satisfaction Guaranteed

Never justify a problem.
Fix it instead.

— From “Satisfaction Guaranteed”
By Byrd Baggett

Foss Combines Email and Ingenuity to Ace Salvage Job 200 Miles off Washington Coast

State of the art communications and old-fashioned ingenuity combined to produce a successful salvage effort by the tug *Lauren Foss* and its crew 200 miles off Washington's Cape Flattery late last fall.

Foss was hired for the job November 11 by the Greek salvage company Tsavlis, which reported that a dry-bulk carrier operated by one of its customers and bound for Vancouver, B.C., had suffered a casualty and needed assistance.

The *Lauren* departed from Port Angeles after loading 1,800 feet of oil-containment boom and taking on a team of four divers from Global Diving & Salvage of Seattle. Also on board was Salvage Master **Mick Leitz** of Fred Devine Diving and Salvage in Portland, flown to Port Angeles in a chartered plane to join the effort.

During the 12-hour run to the ship, Leitz and the *Lauren's* engineering staff fabricated a variety of patches to cover the as-yet-unseen problem area.

By the time the *Lauren* arrived, the ship had ballasted up, revealing a small puncture, which Leitz and the tug's crew covered with a 12-inch diameter patch made of steel plate and neoprene. The divers never went in the water.

"Due to the state of the art communications on the *Lauren*, Captain **Bill Archer** was able to email photos from



Salvage crew members **Scott Miller**, left, and **Tom Ohryn** prepare to apply a patch, fabricated aboard the *Lauren Foss*, to a freighter off the coast of Washington.

the scene," said Foss Marine Transportation Sales Director **Paul Gallagher**. "He also spoke with the customer and ship owner's representatives to survey the problem, determine the temporary patch requirements, and then satisfied both the Canadian and U.S. Coast Guard and the Washington Department of Ecology that the repairs had been made."

Based on Archer's reports, according to Gallagher, the Canadian Coast Guard gave the ship clearance to proceed to Vancouver.

Members of the *Lauren's* crew, in addition to Archer, were Mate **Doug Lee**, Chief Engineer **Jim Greenlund**, Deckhand Engineer **Glen Lockhart**, Cook Deckhand **Morry Henry** and Training Able-Bodied Seaman **Brian Svec**.

Beach Bear Straddles The Tacoma Harbor

Foss used the ramp barge *Beach Bear* on January 2 to move five straddle carriers a couple of miles from Husky Terminal to Blair Terminal at the Port of Tacoma. Evergreen Line will use the Port-owned "strads" at its new facility, Pierce County Terminal. The 57,000-pound, 40-foot-tall vehicles, used for moving containers and loading them onto train cars, were deemed too big to move over the road. The tug *Shelley Foss* was assigned the towing duties.



Mike Wasem, Port of Tacoma Photo

On the Run to Shelton for Simpson Timber Co.; Up to Five Trips a Week for Longtime Customer

The Shelton run for Simpson Timber Company is an important staple for Foss and part of a continuous relationship with Simpson that goes back to 1925.

Foss Pacific Northwest Customer Service Manager **Mike Skalley**, who oversees scheduling for the operation, said Foss makes three to five runs a week from Simpson mills in Shelton, hauling barge loads of chips mainly to the company's kraft paper mill in Tacoma.

Foss also delivers chips from Simpson's Shelton mills to other Puget

Sound destinations as well as to mills in British Columbia.

Six barges are dedicated to the business, towed by either the *David Foss* or the *Benjamin Foss*. Both are "Super D" class vessels, 78 feet long and delivering 2,250 horsepower. The loads include fir chips, hemlock chips and mixed chips, and the round trip from Tacoma takes about 12 hours.

These photos were taken by photographer **Mike Stork** on a recent trip by the *David Foss*.



1



5



- 1 Captain **Herb Metz**, in the pilothouse of the David Foss.
 - 2 The David Foss pulls an empty chip barge south toward Shelton under the Tacoma Narrows Bridge. The west tower of the second bridge, currently under construction, is visible on the left side of the photo.
 - 3 Engineer **Dan Hall** checks a fluid level in the David's engine room.
 - 4 Mate **Shawn O'Connor** passes a line to Deckhand/Engineer **Bill Cross**.
 - 5 The David Foss works with the barges at a Simpson loading site in Shelton.
 - 6 Cook **Rebecca Wood** cooks up scrambled eggs for breakfast.
- Photos by Mike Stork.



Looking Back

Successful Salvage Operation Followed the 1956 Crash of a Passenger Jet in Puget Sound

By Mike Skalley

On April 2, 1956, a Northwest Airlines Stratocruiser ditched into Puget Sound waters two miles off Maury Island shortly after taking off from Seattle-Tacoma International Airport. The aircraft had 38 passengers and crew aboard for the transcontinental trip to New York, with intermediate stops in Portland and Chicago.

The pilot knew the plane was in trouble about four minutes after takeoff. At an altitude of 1,200 feet, excessive

vibration and shaking enveloped the plane, although the engines were running smoothly.

The pilot radioed Sea-Tac tower that they had an emergency and were returning to the airport. The vibrations continued to increase to the point the pilot felt the plane might crash prior to its return to Sea-Tac. The decision was made to make a controlled ditching into Puget Sound.

The plane landed evenly in the water, and remained afloat for fifteen minutes before sinking into 396 feet of water.

Thirty-three of the 38 passengers and crew were safely rescued.

Several days later Foss Launch and Tug Co. was contracted by Northwest Airlines to attempt the delicate salvage operation. On April 10, salvage crews from Foss and Walter McCray diving successfully lassoed the sunken plane with huge lariats of steel cable. The plane was inched along the bottom of Puget Sound three-quarters of a mile until it lay in 50 feet of water just offshore from Maury Island.



The crashed airliner comes out of the water off Puget Sound's Maury Island.

On Thursday, April 12 the steam derrick *Foss 300*, towed by the tug *Foss No. 18* arrived on scene. Two divers from Walter McCray Diving went right to work putting additional cable slings around the plane in preparation for lifting to the surface.

An optimistic salvage crew, indicating confidence the aircraft could be safely brought to the surface, hooked onto the 60-ton Stratocruiser with cables from the Foss derrick at 0800. The fuselage began to rise out of the water about 0815. Cables cut into the fuselage and wings as the wreckage rose higher.

By 1030 all but a crushed section of the nose was out of the water and had been swung over a Foss deck barge. While suspended, it was noted that the plane's belly had been ripped open, its tail broken off, and the nose smashed in. One engine was gone. Officials speculated that most of the damage was done in dragging the hulk from the crash site to shallow water.

By noon the airliner was resting on the Foss barge in preparation for its short voyage to a U.S. Navy pier in Tacoma where representatives of the Civil Aeronautics Board would study the fuselage and other debris in an attempt to learn the exact cause of the accident.

Henry Foss, who directed the salvage of the Northwest Airlines plane, was inclined to give luck a lot of the credit for the successful raising of the plane.



The plane was placed on a deck barge and taken to Tacoma for examination by representatives of the Civil Aeronautics Board.

“Luck plays a big part in a salvage job like that,” he said. The first day we worked on this job we could do nothing right. The second day we could do nothing wrong.

“When you are trying to get a hold of something 400 feet underwater, where you can't see what you're doing, there's certain to be an element of luck involved.”

He added, “I was born into this business, and I've seen the part that luck can play.”

Both Foss and Walter McCray Diving received high praise for the successful salvage of the Northwest Airlines plane, working under very difficult conditions.

Editor's Note: Mike Skalley is Foss' Manager of Customer Service in the Pacific Northwest, the company's historian, and the author of "Foss — 90 Years of Towboating."

Former Foss Counsel Joe Langjahr is Named To Maritime Security Advisory Committee

Joe Langjahr, former Foss General Counsel and currently Vice President and General Counsel for Foss parent company Marine Resources Group, has been appointed to the first panel of the National Maritime Security Advisory Committee.

Langjahr's appointment, along with the appointments of the 19 other members of the group, was announced in early January by the U.S. Coast Guard. The panel was

established by Congress in the Maritime Security Act of 2002.

The group will meet four times a year to advise the Coast Guard and the Department of Homeland Security on maritime security and policy matters.

“We look forward to working with the committee to continue strengthening our efforts to protect our ports and waterways while keeping them open for commerce,” said Admiral Thomas H. Collins, Commandant of the Coast Guard.



Joe Langjahr

A Better Than Average Crop and Chinese Buying Boost Grain Traffic for Foss on the CSR System



The Foss barge F450, shown as it was launched in 2002 at Zidell Marine in Portland, is one of two new grain barges the company is operating on the Columbia-Snake river system. Foss has a total of seven barges in the service.

An above average crop of wheat in the Pacific Northwest and China stepping into the marketplace as a major new buyer combined to produce significant gains in 2004 for Foss Maritime and other companies that barge grain down the Columbia-Snake river (CSR) system.

Foss CSR Regional Director **Tim Beyer** said the spike in grain volumes came at a good time, following a fairly dismal volume year in 2003.

"It is our hope for more of the same in 2005," Beyer said. "But that is contingent upon a good crop year and continued demand for Northwest wheat, as the ship-handling side of the business could drop this year following the recent departure of 'K' Line container-ships from the Port of Portland."

Total grain traffic on the system was up approximately 21 percent in 2004, compared to the previous year. The 2004 total, however, was still about 29 percent below peak traffic

between 1995 and 1999, which averaged 1,977 loads annually via barge, according to Beyer.

Foss has seven single-purpose grain barges serving the export market. Two primary line-haul tugs, the *Clarkston* and *Lewiston*, push the barges along with other Foss bulk, break-bulk, and containerized cargoes in common four-barge tows. The service operates seven days a week year-round, with the exception of the annual three-week locks closure in March. The tugs *P.J. Brix* and *Noydena* supplement as needed.

Jan Mosby, Grain Merchandiser for Foss customer Kalama Export Company, LLC, said wheat farmers in Washington, Oregon and Idaho produced 301 million bushels in 2004, compared to 278 million bushels in 2003 and 243 million in 2002.

The growing harvest, plus the U.S. Government releasing wheat held in storage, helped keep prices stable, Mosby said.

On the demand side, buying remained relatively constant year-to-year for traditional customers Japan, Korea, Thailand and the Philippines. But China, with a weak domestic crop, bought 60 million bushels, and Pakistan bought 15 million bushels.

"We don't expect that to continue, because they had strong harvests after their purchases last year," Mosby said. "Our exports will be the same or down a little bit during the coming year."

As for the possibility that Portland's container business will fall, Beyer said the Port has outlined an aggressive program to attract new customers to replace the "K" Line box ships and is optimistic because of the congestion at the West Coast's larger container ports.

Also, a dredging project scheduled to begin this summer will take the lower river from 40 feet to 44 feet.

"Getting a new container line or two is one of the Port's number-one priorities for 2005," Beyer said.

Engineering

CONTINUED FROM PAGE 9

The *Daniel Foss* was converted in 1998 by replacing its propellers with twin azimuthal stern drive (ASD) units. Similar conversions subsequently were executed on the *Peter Foss* and the *Mikiala II* operated by sister company Hawaiian Tug & Barge Young Brothers.

In the current Dolphin-class construction effort, Foss has established a new-build program at Rainier, using modern modular construction techniques to build small but high-powered ASD tractor tugs.

In the *Wedell Foss* and *Henry Foss* projects, Foss is adding an ASD unit to each boat, supplementing their twin Voith-Schneider cycloidal propulsion (VSP) units. It is the first time any company has married the two, radically different propulsion systems on the same tug. Initial full-scale testing has exceeded concept design and customer expectations, according to Hogue.

Along with Foss Shipyard, Hogue also gives credit to Foss' vendor partners for their contributions to these successes. Those partners include naval architects Glostten Associates for the repowering, conversion/upgrade projects and Robert Allan on the Dolphin-class boats. Marine Industries Northwest upgraded the *Daniel Foss* and *Peter Foss*, and Foss Shipyard performed the upgrade on the *Mikiala*.

Cummins Northwest, NC Machinery and Markey Machinery have been invaluable on the mechanical side, Hogue said. Other vendor partners have included Rolls-Royce and Schottel.

"They are part of what I call team Foss," he added. "When we do major projects, we call our vendor partners in right from the get-go and include them in our confidential planning and engineering meetings. They sit right alongside us as equal partners in putting these projects together and overseeing the actual physical work, tests and sea-trials."

What's next for the Engineering Group?

"We are working on a couple of very creative and exciting projects for Foss currently," Hogue said. "I wish I could talk about them, but stay tuned, and we will be sharing them with you in the months ahead."



Mike Stork Photos

Hosting Mariners of the Future

About 1,000 students from Puget Sound-area high schools learned about careers in the maritime industry February 3 at the Seventh Annual Maritime Career Day at the Odyssey Maritime Discovery Center on the Seattle waterfront. Foss, once again, was well represented at the event. Top photo, Marine Personnel Supervisor **Norm Manly** hands out literature at the company's booth. Bottom photo, members of the *Shelley Foss* crew at the event were from left, Cook **Kip Smith**, Captain **Ron Freeman**, Deckhand/Engineer **Greg Smith** and Chief Engineer **Dave Moore**. Not pictured was Mate **Ole Christensen**. Others pitching in included **Toby Holmes**, Director of Pricing and Market Strategy, who brought the tug *Henrietta Foss* to the event. Shipyard Administrative Assistant **Mindy Osbjornsen** and Buyer **Gary Wightman** helped staff the booth.

Rainier Yard Building More Dolphin Tugs; Next One is Heading to Foss in Long Beach

The Foss Rainier Shipyard this year plans to deliver its second and third new “Dolphin-Class” tugs, nearly identical twins of the *Mikioi*, which the yard finished last summer for Foss sister company Hawaiian Tug and Barge Young Brothers (HTB YB).

Early this year, about 15 craftsmen had construction of the second of the

new 78-foot ship-assist tugs well underway. The mid-section was being built on the yard’s large ways, the superstructure was nearly complete, and the bow and stern modules were being fabricated.

The boat will go to Foss in Long Beach, where more and bigger ships are placing increased demands on Foss’ assist capabilities, said Southern

California Marine Operations Manager **Wendell Koi**.

“This new boat will enable us to continue covering our customers needs,” Koi said.

The new boat will have a horsepower upgrade. Each of its azimuthal stern drive (ASD) drive units will pack 2,540 horsepower, compared to the *Mikioi*’s 2,365 horsepower per unit.

Also, the new tug will have two staterooms in the forward, below-deck section where the *Mikioi* has only a void space for storage. Another new feature will be a line-handling winch on the aft deck.

Rainier Shipyard Superintendent **Tony Silva** said construction of the third new tug will begin, and more manpower will be added, after the hull sections of the Long Beach tug are joined, probably in April.

The customer for the third tug has not been announced. All of the new tugs, however, are being built for the operating companies of Marine Resources Group, parent of Foss, HTB YB, and four other tug-barge operations.

Meanwhile, HTB YB reported that the *Mikioi* has been a top performer in Honolulu Harbor.

“She’s doing everything we ask of her and then some,” said Operations Manager **Mark Houghton**.



Tony Silva Photo

The mid-body section of a new Dolphin-Class tug is under construction on the large ways at the Foss Rainier Shipyard.

Exploring the Craig Foss

*An Explorer Scout troop of teen-age girls from Bellevue, Washington, toured Foss headquarters and Foss Shipyard on February 17. Shown here at the wheel of the Craig Foss, photographed through the pilothouse window, are, from left, sisters **Morwena and Rhiannon Probert-Baker** and **Courtney Brown**. The Foss headquarters office building is reflected at right.*



State Praises and Feeds Foss Craftsmen As Superferry Departs Seattle Shipyard

Washington state transportation officials praised the work of Foss Shipyard craftsmen and treated the workers to sandwiches and cookies recently at a ceremony observing completion of a 14-week re-fit of the Super-class ferry *Kaleetan*.

“This project was part of our effort to help build up the shipbuilding industry on Puget Sound and make sure it has a secure future for ourselves, the ferry system and all of you,” state Transportation Secretary **Doug MacDonald** told the workers.

They gathered for the event February 11 in the top-deck passenger lounge of the ferry, which a few minutes later would head through the Hiram Chittenden Locks to Puget Sound and to State Ferries headquarters at Seattle’s Pier 52.

Earlier in the day, the state announced plans to build four new ferries, most likely at the larger Todd Pacific Shipyard on Seattle’s Harbor Island.

The *Kaleetan* refit included addition of an elevator, for which Foss cut through five decks and used the *Foss 300* crane to lower the 57-foot unit into the vessel. Other work included installation of three generators, a new main electrical switchboard, a new alarm and monitoring system, and a variety of security upgrades.

“We appreciate the skilled craft work that went into the repairs, and we thank you very, very much for what you’ve done,” said ferry system Executive Director **Mike Anderson**.

Foss Shipyards Director **Jim Stewart** said the project had its challenges, as all do, but he added, “the neat thing about this project is we had a great team effort with the state, our subcontractors and the Foss crew, and we were able to make it a successful project.”

The subcontractors included Harris Electric, Industrial Resources, Inc., and Absco Alarms.

Stewart noted that safety is the “highest priority” at Foss and added, “I’m very proud to report that the Foss crew has not had any lost time accidents on this project.”



The Foss banner comes down as the Kaleetan prepares to leave Foss Shipyard.



*Washington Transportation Secretary **Doug MacDonald** thanks Foss Shipyard craftsmen for their work on the state ferry *Kaleetan*.*

Hawaiian Tug Getting a Power Boost To Handle Big Inter-Island Cargo Barges

Foss Shipyard in early March began a two-month overhaul of the tug *Hoku Ke'a*, owned by its Honolulu sister company, adding new propellers, nozzles and rudders to boost bollard pulling power by up to 50 percent.

Hawaiian Tug and Barge Young Brothers (HTB YB) Operations Vice President **Mark Houghton** said the upgrade will give the 108-foot, 4,000-horsepower *Hoku Ke'a* enough muscle to maintain transit times while towing bigger barges coming into the company's inter-island cargo fleet.

"What we hope to get is bollard pull equivalent to a tug in the 5,000-horsepower category," Houghton said. "The upgrade will give us the reserve bollard pull we need to maneuver larger

barges through the weather and sea states we have in the winter months, while at the same time consuming less fuel than a 5,000 horsepower-equivalent vessel."

Shipyard Project Manager **Dave Palmer** said the tug is receiving Nautican high-performance fixed nozzles, skewed propellers and triple-vented "shutter" rudders. The yard performed a similar upgrade two years ago on the HTB YB tug *Moana Holo*, increasing its bollard pull 57 percent.

Houghton said the *Moana Holo*, at 3,000-horsepower, displayed its strength in early February, pulling a bulk carrier free from of a reef at Barbers Point after a 7,200-horsepower tug owned by another company failed to perform.

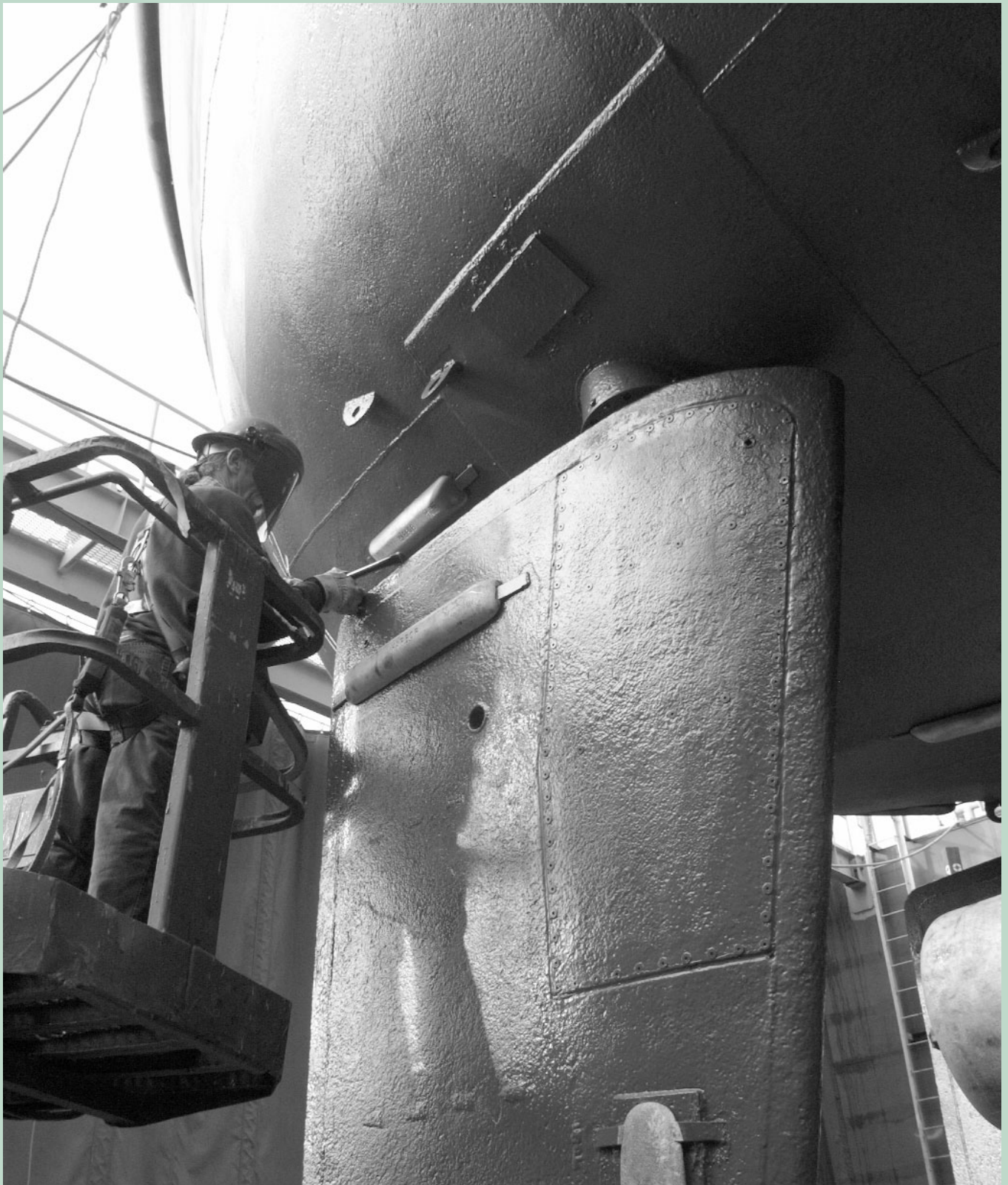
"That speaks volumes about the effectiveness of the Nautican conversion," he noted, while also giving credit to the "skilled operators and mariners" on the *Moana Holo* and two other tugs that helped in the effort.

Houghton said HTB YB recently chartered a 330-by-86-foot barge, the *Aleutian Trader*, which is substantially larger than the company's other barges. The company is considering acquisition of more big barges, and a Nautican upgrade of the *Hoku Ke'a's* sister tug, the *Hoku Loa* also is under consideration.

While at Foss Shipyard, the *Hoku Ke'a* will receive a new stern tow pin and roller assembly, standard drydocking work such as painting, sea-valve maintenance and inspection, and some fendering work.



The *Hoku Ke'a*, tied up at Foss Shipyard in early March, is ready for its Nautican retrofit



Ready for Alaska

Shipfitter **Ed Collins** of Foss Shipyard in Seattle puts some finishing touches on one of two newly-painted rudders of the fish processing ship *Pribilof*, owned by Norquest Seafoods Inc. The 222-foot ship was a perfect fit for Foss Drydock No. 2, which is 220 feet long. The ship was up for three weeks in January. Both tail shafts and both rudder stocks were pulled and repaired, and workers installed a new tail shaft bearing. The yard also installed two new steel hull plates, patched a third, and cleaned and painted the hull from the keel to the waterline. **Danny Gipson** was Ship Superintendent on the job.

Foss Manager Crawford Lends Expertise As High Schoolers Conduct Oil Spill Drill

Foss Manager of Contingency Planning **John Crawford** helped students at Ballard Maritime Academy get a sense of what a real oil spill response might be like when he acted as a mentor and coach during a drill held at the school January 20.

Crawford set up Foss status boards, used to track real incidents, and distributed vests identifying the incident commander and other response leaders among the approximately 30 participants. Their script called for a collision between a tanker and the ferry *Coho* near Port Angeles, with a spill of about 50,000 gallons.

“More than anything, the drill taught them teamwork and to delegate tasks,” said Crawford, who has experience in real-life spill response.

“They did very well with what was a limited introduction to the incident command system.”

He was particularly impressed with how well the youngsters worked with a National Oceanic and Atmospheric Administration computer program which predicts spill trajectories.

“They were inputting real-time data from the drill scenario to develop the hypothetical spill trajectories,” Crawford said. “It’s amazing how adept they are

with computers today.”

The students, led by teacher **John Foster**, divided into sections such as the command group, operations, planning, logistics and finance. They also had a media spokesman and simulated the deployment of boom and vessels.

It’s amazing how adept they are with computers today.
— **John Crawford**

“I was coaching and answering any questions they had,” Crawford said. “Sometimes they’d give me a blank stare, and I’d drop a little hint.”


Ballard Maritime Academy is a “school within a school” at Seattle’s Ballard High School, where students take courses that give them a broad introduction to careers in the maritime industry.

Foss is a longtime supporter of the academy and its prime sponsor, the Youth Maritime Training Association (YMTA). Foss Marine Personnel Supervisor Norm Manly is the YMTA’s president.



Dean Wong/Ballard News-Tribune Photo


John Crawford provides some advice during a spill drill at Ballard Maritime Academy in Seattle. The students, from left, are **Joseph Simons**, **Kim Michels** and **Edward Ehler**.



Spotlight on Safety

Injuries


Rate of recordable injuries per 100 workers, per year



Year	Lost-Time Injuries	Recordable Injuries
2004	1.5	2.5
2003	2.5	3.5
2002	2.5	3.5
Industry Average	5.0	5.0

- Recordable injuries are injuries requiring medical treatment.
- Lost-time injuries are injuries which cause a worker to miss time on the job.

Spills



Year	Spills
2002	1
2003	1
2004	0

- Spills reported are those occurring during oil cargo transfers.
- A spill is defined as any spilled material that produces a visible sheen on the water.

People News

NEW EMPLOYEES

John Picinich

Pipe Shop Foreman, Seattle Shipyard

Trea Schocken

Project Analyst

PROMOTIONS

Tim Beyer

CSR Manager to CSR Regional Director

Tim Brewer

Director, National Accounts to Vice President, Sales

Tim Engle

Manager SF Bay to SF Bay Regional Director

Gary Faber

Executive Vice President to Executive Vice President, Marine Transportation and Global Services

Paul Hendriks

Captain, SoCal to Superintendent of Lightering Operations, SoCal

Toby Holmes

Marine Resources Group Director Market Research to Director Pricing and Market Strategy

Don McElroy

Vice President, Marine Transportation and Petroleum to Senior Vice President, Marine Transportation and Petroleum

David McCloy

Captain, SF Bay to Port Captain, SF Bay

Scott Merritt

Vice President, Engineering, Shipyards and Project Management to Senior Vice President, Harbor Services and Regional Towing

Doug Pearson

Port Captain, Marine Transportation to Operations Manager, Marine Transportation

Bruce Reed

Northwest Regional Director to Vice President, Administration and Quality Assurance

Shelly Rieger

Director of Marketing to Director of Marketing and Planning

Andy Stephens

Director Marketing and Planning to Vice President, Engineering, Shipyards and Project Management

James Van Wormer

Captain, Marine Transportation to Port Captain, Marine Transportation

RETIREMENTS

Frederick "Mike" Cook

Captain, Marine Transportation

Everett Lewis

Captain, PNW

Dennis Smith

Able-Bodied Seaman, Marine Transportation

PASSINGS

Barbara Benine

Retired, PNW Railcar Group

Francisco Diego

Retired Cook, PNW

Mindy Osbjornsen Photo



Safety Break

Each of about 150 employees of Foss Shipyard were treated to a free coffee drink last November in recognition of their successful participation in the company's effort to enhance the safety culture at Foss. Sipping at the temporary espresso stand were, from left, laborers **Jared Tegantvoort** and **Mike Flynn**. With them was President and Chief Executive Officer **Steve Scalzo**.



Muscled Up

The tug Wedell Foss was back on the job in early January in Tacoma after receiving a third propulsion unit that increased its horsepower by about 56 percent. An article and more photos appear on page 8.



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