

The Marine Assistance Industry Journal

A Quarterly Newsletter Volume XXXII- April 2018

Chairman's Address-



Standing By,

John Ward

C-PORT Chairman

Finally, Spring is here! Some of you are still digging out from under the snowy winter storms while others may be doing final preparations on vessels and equipment getting ready for what most believe will be a great boating season. As we continue to morn the loss of a few of our own within the industry, I would like to remind everyone to take a very close look at their operation. The tragic events that have taken place within our industry the last few months have reminded us just how risky our business is. Let's face it, accidents happen, and if you do this long enough it certainly can happen to you or your staff. We can minimize this risk through training and making sure our operators are focused on safety. Safety should be a culture within your operation. It is up to you to build that culture. There are several tools on the C-PORT website you can use to help if you need it. If you need anything give us a call.

Professional Salvors Save Lives and Property-

When the Florida legislative session ended on March 9, professional salvors and recreational boaters heaved a sigh of relief. Promoted as a consumer protection bill, the proposed salvage of pleasure vessels bill would have harmed the very group it sought to protect. It misunderstood and misconstrued the concept of marine salvage and disregarded the negative affect it would have on all maritime businesses in Florida. C-PORT, with industry partners' support, spent countless hours educating legislators of the risk to boaters and to the industry that the proposed bill presented.

The salvage bill would impact every salvage situation outside the confines of a regular tow, regardless of the billing method used by the salvor. As written, it applied to every situation is not covered by a towing membership. It contradicted federal statute and decades of established case law by attempting to carve out new state laws to manage salvage claims for "pleasure vessels." It attempted to recreate standards for boat salvage currently provided in law for motor vehicle repairs, and ignored that boat salvage is more closely aligned with negotiating with a firefighter when a home is on fire. The bill created new circumstances of liability for boaters and salvors in cases where boaters reject a salvor's assistance and there is property damage, death of boaters and environmental damage.

Professional salvors have been providing lifesaving and property saving services for decades, with assistance to over 40,000 Florida boaters each year, over 130,000 cases throughout the nation. C-PORT members are dedicated to providing prompt, professional assistance to all boaters, and to actively partner with the U.S. Coast Guard and local public agencies. Everyone has a stake in educating boaters to create a positive boating experience. Salvors remain transparent in communicating that some incidents are not routine towing situations at the time of service, as best as circumstances allow, without the need for additional legislation.

<u>Protect Salvor's Rights!</u> Your contribution will help C-PORT continue its mission of representation, protection, and defense of the marine assistance towing and salvage industry. Visit the C-PORT website at <u>www.cport.us</u> to see how you can help!



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Towing Safety Advisory Committee (TSAC) held its Spring meeting on March 20- March 21, 2018 at the Charleston Marriott, Charleston, SC. It was announced that Captain Scott Kelly, USCG Chief, Office of Operating and Environmental Standards, had taken the Commanding Officer position at the USCG Marine Safety Center. Captain Kelly was not able to attend the meeting and the group congratulated him through a written resolution that included the committee's gratitude for his service.

The work groups presented their reports for the committee's consideration. Of particular note to the marine assistance industry:

The TSAC Regulatory Reform Recommendation was finalized. It contained 52 suggested deletions or revisions to the regulations. The committee asking Coast Guard to review and to modify all licensing exams to make them current and credential specific. The request for the marine assistance industry to be exempted from Radar Observer Endorsement was included along with the recommendation that Coast Guard support legislation that is pending that would remove the need to have a 5 year refresher course. Tina Cardone, executive director, C-PORT, explained that the industry is not required to carry RADAR on their vessels. "While many of our members chose to have RADAR on their vessels, the course and resulting endorsement has nothing to do with the equipment being used. There are other better ways to show proficiency in the use of equipment." For Great Lakes operators, TSAC recommended that the FCC inspection and testing regulation be removed altogether as it is antiquated. For those who are not aware, due to a treaty with Canada, all VHF radios must be tested for accuracy by the FCC for those operating on the Great Lakes. There were a number of Subchapter M recommendations for revision included as well.

C-PORT went on public record asking Coast Guard to task TSAC and MERPAC, if appropriate, to create a credential under the Master of Towing umbrella that would allow the marine assistance industry to do their small platform, dock movement, parade floats, etc., towing. Prior to the creation of Master of Towing, they were able to perform these types of tasks under the authority of their license. The change created a gap in service. The industry has been searching for a way to remedy this and it was becoming critical with the retiring of grandfathered operators and the difficultly in finding new captains so licensed to work in the industry. Coast Guard was asked that if they agreed to take up this tasking, to expand it to review the entire Master of Towing scheme. It was mentioned that there are a number of inconsistencies and problems with it, and it would be an opportunity to address everything.

SAVE THE DATE!

32ND C-PORT CONFERENCE AND MEMBERSHIP MEETING

NOVEMBER 11- 12, 2018

WYNDHAM LAKE BUENA VISTA

ORLANDO, FL







C-PORT took part in the California Boating Congress (CBC) held on February 28, 2018 at the Hyatt Regency, Sacramento, CA. Tina Cardone, executive director C-PORT, along with California association members, Phil Delano, Paul Amaral, David LaMontagne, and Sahra Otero, attended a number of sessions partening to besting the concern, and regulation in the State of

attended a number of sessions pertaining to boating, the economy, and regulation in the State of California.

C-PORT seized the opportunity to meet with legislators and their aides and staffers to discuss Harbors and Navigation Code 510, an antiquated law that the industry seeks to repeal. The code was written in the 1850s, and many of its sections are not relevant in modern boating times. The group was met with interest and received a commitment to work together to address the issues plaguing the industry in some California counties.

C-PORT executive director was a member of salvage discussion panel at California Maritime Academy on March

3, 2018. The panel was part of the Women in Maritime Leadership Conference held at the academy. Tina Cardone was joined by other prominent female leaders in salvage related industries. Rebecca Garcia-Malone, T&T Salvage, organized the session entitled "think Like a Salvor" and acted as facilitator. Participating in the open discussion with Cardone were Sarah Burroughs, Global Diving & Salvage, Samina Mahmood, Cashman Equipment Corp., Erika Eriksson, Energy & Marine Risk Services, Karen Hays, Alaska Tanker Company, and CDR Jennifer Stockwell, USCG. The students listened as each panelist described the part they played in the maritime industry and the unique skill set each panelist held. The group answered questions and enjoyed one on one guidance to the students.



A new course was added to the C-PORT risk management library. C-PORT is committed to encouraging its members' growth and development through education, and is dedicated to establishing standards for professionalism and good business practices throughout its membership. Managing risk is part of the industry's daily routine. The inherent benefits of a safe, risk managed company include better insurance premiums, smoother cash flow within the company, a good reputation in the community and the industry, and long term financial success. C-PORT offers specially created courses to enable its members and all marine assistance industry professionals, to further their knowledge of risk management techniques. The most recent addition premiered at C-PORT's January 2018 conference in Jupiter FL. "How To Make a Bad Decision" is now available online.

C-PORT offers its members a reduced cost for the online courses. Interested operators are asked to visit the C-PORT website at www.cport.us for more information.

Calendar of Events:

Maritime Law Association Meeting (MLA), New York, NY	5/1-5/4/2018
American Boating Congress (ABC), Washington DC	5/9-5/11/2018
National Association of Boating Law Administrators Conference (NASBLA), Indianapolis, IN	9/9-9/12/2018
Association For Rescue At Sea Awards (AFRAS), Washington DC	9/13/2018
Towing Safety Advisory Committee (TSAC), Cleveland, OH	10/23-10/24/2018
C-PORT Conference and Membership Meeting, Orlando, FL	11/11-11/12/2018
Sea Tow Annual Meeting, Orlando, FL	11/13-11/15/2018

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INSURANCE CORNEI



ARE YOU AWARE OF YOUR POLICY EXCLUSIONS?

All insurance policies (whether Marine or not) contain certain exclusions. The general purpose of an exclusion in an insurance policy is to eliminate coverage for a particular risk or exposure. Many times these exclusions exist because they are better insured elsewhere under a separate policy.

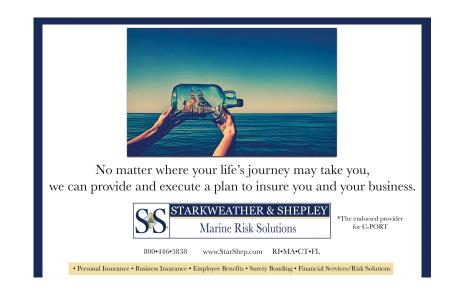
Here are some commonly found exclusions contained in the C-PORT operator's Insurance policies. By bringing these exclusions to your attention as areas of concern, we are also offering potential solutions at the same time.

- Pollution: This coverage has been basically eliminated from all insurance contracts. Some insurance companies offer to include a buyback with limited coverage. Separate policies are always strongly suggested for any business with exposure to contracting operations. Pollution policies generally proved coverage for bodily injury, property damage, clean-up onsite and offsite, in transit and at disposal sites. The C-PORT policy with Travelers does include some limited Sudden and Accidental Coverage on the vessels and the Marine General Liability but this should be supplemented with a separate Pollution policy.
- Employment Practices Liability: Encompasses wrongful termination, sexual harassment, discrimination, retaliation and other employment issues. Standard policy forms have been narrowed to exclude these areas. If you are hiring and/or firing employees, this is a very valuable coverage. Marine General Liability, Workers Compensation, USL&H or Jones Act all would not respond to any type of Employment Practices Liability related claim.
- Electronic Data/Cyber Risk: Maintaining third party or employee information within internal networks and websites creates various exposures to loss with respect to network security, data privacy and media/electronic content and personal injury. Are you keeping your customer and/or employee information in an electronic or paper file? How reliant are you on your computer system and would you have the financial means to pay a ransom to retrieve your information? If these types of losses concern you, this coverage should be secured.
- Crime: There are multi-faceted coverage dimensions, including but not limited to Employee Dishonesty, ERISA Compliance, Money & Securities, Computer Fraud, Funds Transfer Fraud and Social Engineering Fraud. Would it be possible for you or an employee to unknowingly transfer funds to a third party by receiving a phishing email? These are important coverages to consider if these loss scenarios concern you.

These are only a few of the important coverages available. It is important to remember not all Marine insurance policies are created equal. Make sure to check your policy for your carrier's specific wording. Please keep in mind exclusionary language may also be found in the "Definitions" section of your policy which might further reduce and eliminate coverage.

As a benefit of our C-PORT membership, Starkweather & Shepley will provide a free consultation and review of your current insurance program to ensure completeness of coverage. Please feel free to reach out to me directly.

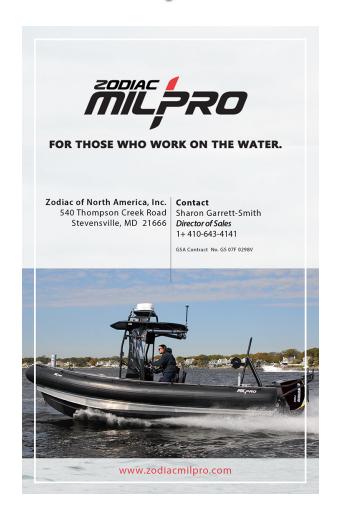
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Congratulations to C-PORT on 31 Years as the Voice of the Marine Assistance Industry

- John, Pete, Phil & the Safe/Sea Crew





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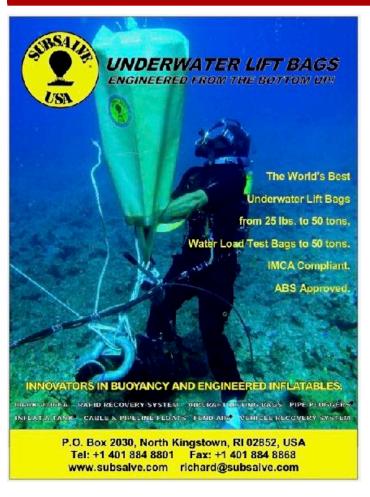
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NOTICES

Risk Management Training Courses are available on the C-PORT website, <u>www.cport.us</u>. The program C-PORT administers centers on these concepts:

- Risk: "possibility of loss or injury"
- Risk Management: "The identification, analysis, assessment, control, and avoidance, minimization, or elimination of unacceptable risks.

C-PORT is committed to encouraging its member's growth and development through education and is dedicated to establishing standards for professionalism and good business practices throughout its membership. With the increase in accidents and economic pressures facing our industry, many companies have lost sight of the importance of training and proper risk management skills. Our mission is to provide our members with programs that will enable their growth and development into the future, while minimizing the impact of looming USCG regulation in response to Congressional directive and safety records.

Contact Tina Cardone at tcardone@cport.us or 954-261-2012 with any questions regarding this program.

Marine Assistance Company Operations Guideline, exclusively for C-PORT members. These guidelines promote safe operations and provide regulatory guidance. C-PORT members may obtain access to this document at the C-PORT website, www.cport.us or contact Tina Cardone at tcardone@cport.us or 954-261-2012.

Insurance Program for Marine Assistance Companies - Administered by Starkweather & Shepley Insurance Brokerage, Inc. - Designed for organizations dedicated to marine assistance and towing. This Program offers an extensive portfolio of quality insurance products and services to address a wide range of marine exposures. -800-788-8225; *lwagner@starshep.com*.

ACAPT- Accredited for Commercial Assistance and Professional Towing- C-PORT has developed the ACAPT program to recognize the professional who is willing to adhere to standards of service, training, and equipment.

With the growth of the marine assistance towing and salvage industry has come a strong need for assurances of towing industry professionalism and expertise. The boating public, US Coast Guard, and state and local public agencies are often unsure of the qualifications of vessels offering assistance, sometimes leading to a reluctance to accept private assistance, and to a negative image of the industry being portrayed in the press. The ACAPT distinction recognizes the professional who is willing to adhere to high standards of service, training, and equipment.

Visit the C-PORT website at www.cport.us or contact Tina Cardone at tcardone@cport.us or 954-261-2012 with any questions regarding this program.

BOSAR for Commercial Assistance- Created through the support of NASBLA's BOAT program and the USCG Office of Boat Forces, is designed for the marine assistance operator, providing reinforcement of knowledge gained by virtue of their captain's license and experience. It also enhances their ability to work as a true partner with local agencies and the US Coast Guard. This course is open to any marine assistance company who wants to host the training. Instructors and course materials are provided by C-PORT. Notify Tina Cardone at teardone@cport.us or 954-261-2012 if you have an interest in hosting a class.



C-PORT was founded in 1986 to act as a liaison between the marine assistance industry and public agencies and organizations involved with boating safety, marine assistance, marine salvage and other marine-related operations. Our members are dedicated to providing prompt, professional and timely assistance to all boaters and to actively partner and cooperate with local law enforcement and U.S. Coast Guard. They are professionals, dedicated to the growth and development of their respective businesses and committed to furthering the advancement of our waterways and the boating community. For more information, contact C-PORT at (954) 261-2012 or visit www.cport.us.