

# G&G now short-sea shipbuilder

By Rick Eyerdam

Each year when short-sea shipping advocates gather to raise the dead, the chant remains the same:

- Short sea removes trucks from highways, saving lives and reducing congestion.
- The Jones Act and the Harbor Maintenance Tax add insurmountable costs to an already costly concept.
- Ships must be built at a U.S. yard and manned by U.S. crews.
- Ships must pay HMT fees if they carry cargo from one U.S. port to the next.
- Shippers require reliability, which means a regular weekly rotation. That requires a small fleet of at least four vessels.
- No U.S. company can afford to begin a Jones Act short-sea enterprise by building or buying coastal freighters and hoping for customers.
- Even if a shipping line could afford four new vessels, there are no yards in operations in the U.S. that custom-build economical coastal freighters.

All of this was true until recently when G&G Shipping of the Port of Dania decided to build its own vessels at its newly leased shipyard outside of Palatka, Fla., on the St. Johns River.

The project, St. John's Shipbuilding, involves the revitalization of an existing 98-acre shipyard that had endured hurricane damage. It still offered the grid of tracks and the foundations for sheds to construct steel vessels up to 260 feet with a 70-foot beam.

The yard also came with Bobby Barfield, a 20-year resident of Palatka who operated the yard in its heyday and is now manager for Steve Ganoë and Mike Grandonico, the G&G principals.

Ganoë and Grandonico have supervised construction of their 10-ship fleet in other yards. But, as their business escalated to regular weekly rotations among the islands of the Bahamas and the Port of Dania, downtime became critical and the partners were not always at the top of the list at Florida's yacht-oriented yards.

So the team selected among the best



Steel workers build the first deck of the 160 foot offshore service vessel under construction at St. John's Shipbuilding.

craftsman working on their last new vessel and hired them to join Barfield at St. John's Shipbuilding.

"Now when we call the shipyard, we know somebody will be answering the phone who is interested in our business," Ganoë said with a laugh.

But he quickly added, "We are an open-for-business shipyard with one client's ship under construction and we will always put our customers first."

Within months of revitalizing the moribund yard, St. John's Shipbuilding won its first contract to build a 165-foot, all-steel offshore supply vessel for Robert Perez, who will operate the ship in the Gulf of Mexico oil patch.

Barfield offers 30 years of experience, including 20 at that yard, the G&G partners are experienced managers and the 25 employees are also experienced shipbuilders and steel workers, Ganoë said. "We did not have much of a problem with a learning curve."

The company is automating its facility for quality control and inventory control and has just completed a shed for joinery.

"We are working with the Corps of Engineers on permits to rebuild some bulkheads and we are working with Putnam County to pave a dedicated access road to our site so none of our trucks need to pass through the neighborhoods," Ganoë said. "It's funny. We are

bringing a hundred good jobs and a lot of business to the nice, hardworking people up here and the county government doesn't even seem to know we are here."

Ganoë said he can see a time in the future when the yard is building as many as six ships at a time and employing more than 100, "especially if we can find a way to get involved in using the vessels we build in short sea, Jones Act commerce."

The yard also has the capability to build steel barges and to repair steel hulls and diesel engines.

Ganoë said all ships built at the yard "from OSVs (ocean survey vessels) to dinner cruise vessels" will be inspected by the American Bureau of Shipping and the Coast Guard according to the Code of Federal Regulations. And each will qualify for a coastwise endorsement.

The current G&G fleet operates just below the 500-ton threshold but is still capable of transporting 660 tons with an on-deck loading area of 6,200 square feet capable of stacking 14 40-foot containers and 28 20-foot containers in addition to roll-on, roll-off cargo.

"It is a very cost-effective vessel," Ganoë said. "It does very well in the Bahamas trades. If we enter the U.S. coastal trades we might want to stretch it over 500 gross tons so it could run up to Charleston with 45 TEUs," Ganoë said. "It is a very doable thing." ☞