



# The NAMS Global eNews

October, 2021

David Pereira, President  
Matthew Knoll, Vice-President  
Richard Falcinelli, Secretary  
Ave Boudreaux, Treasurer  
Gregon Gant, Immediate Past President  
Jennifer Yovan, Association Director  
Phil Peterson, eNews Editor

## The President's Corner

Members,

I hope this letter finds you, your families, and colleagues all in good health. It's hard to believe we are almost twenty months into a pandemic stricken economy. Speaking to several of our members, I am glad to see that challenges have been met and that our respective businesses have adapted as best as possible to the conditions we all face. Our East Gulf members are now almost forty days into Hurricane Ida recovery. A lot of them are trying to rebuild their homes, businesses and serve their customers who are trying to stay afloat. Please keep them in your thoughts and prayers. The people in this region are resilient and they will lift themselves up in due course.

After the conference in New Orleans last spring, Matt Knoll and Jennifer Yovan put together a three day virtual training seminar May 17-19. It was very well attended and the software platform used was very popular with the attendees. We plan on doing the same thing next year after the conference. Those who cannot make it to Norfolk will have this as an option so they can earn credits through a virtual conference.



David Pereira, President

There are credit opportunities available before the end of this year at regional conferences in New England (Robert Paine), Central Atlantic (Lloyd Griffin), and Pacific Northwest (John Baird) regions. Please look at the website for details or contact Jennifer or the RVP directly. These guys all put on top notch presentations.

A virtual meeting of the board of directors was held on September 22<sup>nd</sup>. It was well attended. In addition to normal business, the board agreed that the 2022 NAMS Annual Conference will be held in Norfolk, VA on April 3-5, 2022 at the Marriott Norfolk Waterside, VA. If you can help Matt Knoll or Lloyd Griffin with attracting educational speakers for this event, please let them know.

As a reminder the terms for President and Vice President will end at the spring conference in Norfolk. Greg Gant will be soliciting interested members to run for these positions. An election will be held before the end of this year. Our strategic plan calls for new blood in governance of our organization, so I am optimistic that we get some good candidates to run for these positions.

Jennifer and I always have the door open. Please let us know if we can help you in any way.

Kind regards,

David M. Pereira, NAMSGlobal – CMS  
President

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## View from the Helm

This has been a very challenging year trying to keep up with work. Between the hurricane damage and the pandemic everyone has been very busy. I do Yacht & Small Craft work, and usually am holding three to five deposits for pending surveys. But with the pandemic there have been a tremendous number of boat sales, and last spring I was holding up to fifteen deposits. Getting field work done and reports out was a challenge, and my body is letting me know I was born in the first half of the last century and am no longer just out of college.

There are some excellent regional meetings coming up! You have already received several notices, and they are included in this copy of the eNews.

Be safe out there!

Phil Peterson, NAMS-CMS  
NAMS eNews Editor

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## Applicants/Members Change in Status

Name	Applying For	Region	Sponsor
Billy Swartz	Apprentice	West Gulf	Ed Shearer
Vernon Kevin Mudd	Apprentice	West Gulf	Richard Frenzel
Mark Hughes	Apprentice	South Atlantic	Bob Bartek
David Dando	Associate	Western Canada	Chris Small
Simon Bridgwood	CMS	South Atlantic	Michael Monahan
James Ruth	CMS	South Atlantic	Greg Gant
David Comeaux	CMS	East Gulf	James Stansbury
Brian Hale	CMS	North Pacific	David Pereira

Shahid Basheer	CMS	International	Matthew Knoll
Jeff Borders	CMS	South Pacific State	F. Lee Frain Jr.

**NAMS-CMS**

Name	Discipline	Region	Sponsor
Rajkumar Malhotra	Cargo	West Gulf	Darin Miller
Mark Fenton	H&M	International	International
Steve Lindholm	H&M	South Pacific State	David Pereria

**NAMS Associate**

Applicant	Discipline	Region	Sponsor
Daniel Gorman	Y&SC	Pacific State	Lee Frain Jr.
William Benns	Y&SC	New England	Richard Frenzel
Christopher Kirby	H&M	Eastern Canada	Mike Sulkowski
Jason Ponvelle	H&M	East Gulf	James Bailey
Timothy Gruden	Y&SC	South Pacific State	F. Lee Fran Jr.
Nicholas Lombardi	Y&SC	Central Atlantic	Lloyd Griffin

**NAMS Apprentice**

Applicant	Discipline	Region	Sponsor
Marga Pretorius	Y&SC	Central Pacific	Richard Martin
Robert Gerosa	Y&SC	New England	Robert Paine
Vernon Kevin Mudd	Y&SC	West Gulf	Richard Frenzel
William Swartz	Y&SC	West Gulf	Ed Shearer
Mark Hughes	Y&SC / Cargo	South Atlantic	Bob Bartek

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**Members Retiring**

Stephen Murphy, New Jersey  
David Swearingin, Texas

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## Crossed The Bar

Bruce Bacon, NAMS-CMS of Milford, Ohio died March 25, 2021. Bruce was the owner and Principal Surveyor of Neptune Marine Surveys & Services. In the mid-1970's, he decked for Dravo Mechling Barge Line. Later, he was a Barge Maintenance Representative for National Marine. He founded Neptune Marine Surveys in 1990 at Cincinnati, Ohio.

Bruce had been a member of the National Association of Marine Surveyors since 1999. He accepted assignments in Commercial Vessels, Container Loads, Salvage and Heavy Lift. Bruce volunteered for the NAMS Western Rivers Region screening committee in 2012, serving as Chair between 2013-2016. He also had certification from the International Institute of Container Lessors as a container inspector.



He is survived by his wife Connie Bacon; sons Joseph Bacon, Jonathan Bacon and Michael Bacon; brothers Matthew Bacon, Peter Bacon, Mark Bacon and Joseph Bacon. He served 30 years as a Scoutmaster with the Boy Scouts. Bruce led his three sons to become Eagle Scouts. Visitation was held at St Andrew Church, Milford, Ohio on April 9, 2021. He is remembered as a leader, a marine professional and a great friend to those in the River industry.

Ian T. Coffey, NAMS Past President 1990 – 1992

NOTE: We were unable to locate an obituary for Ian T Coffey. There is a link to a Facebook event for him [here](#):



Archie “Randy” Jordan, Jr.

Archie “Randy” Jordan, Jr. passed away on June 10, 2021; Loving husband of 43 years to Cheryl Jordan; Dear brother of Barbara Jordan. Services Private. Donations may be made in Archie’s name to Parkinson's Foundation 200 SE 1st Street Suite 800 Miami, FL 33131. [www.cremationsocietyofmd.com](http://www.cremationsocietyofmd.com)

## Candidate Recruitment 2022-2024 for NAMS President and Vice President

Good Day from Houston.

This is your Immediate Past President – Greg Gant. Elections for our national officers(President and Vice President) for the 2022 – 2024 biennium will be held in November to take office at our meeting in the Spring.

One of my responsibilities is the recruitment of candidates for these offices and election.

Two members have already stepped forward; but are there any other of you who would like to step up throw their hat in the ring?

If you are interested, please let Jennifer or me know.

Kind Regards,  
Greg Gant  
Immediate Past President  
NAMSGlobal  
greggant@sbcglobal.net

## Upcoming Educational Opportunities

### \* NATIONAL ASSOCIATION OF MARINE SURVEYORS

### Save The Date NAMSGlobal National Conference in Norfolk, VA

Our 2022 National Conference dates are April 3-5, 2022. It will be at the Marriott Norfolk Waterside Hotel. If you have any information on someone who would like to be a speaker at the conference, please contact NAMSGlobal Vice President Matthew Knoll.  
mknoll@hullsurvey.net

Further details will be released at a later date.

## Pacific Northwest

### North Pacific Regional Conference Oct. 22 - 23, 2021

Hopefully the COVID 19 situation will remain stable...so, it's time to register for our regional conference set for 22, 23 October 2021.

Tentative speakers and topics –

- Kitsap Transit - Hybrid and All Electric Passenger Ferries
- Joe Derie – Marine Surveyor Ethics and Collision Investigation
- Kevin Ritz – Marine Electrical and Corrosion
- Richard Rodriguez – Navigation Lights, Signals, and Day Shapes
- Kurt Kingman – Yacht Market Update
- Brain Holland -Yacht Design
- Kevin Cure – Expert Witness
- NAMS Recommended Marine Survey Report Content
- Victron Energy Products
- Lloyd Griffin - Tier III and IV Diesel Engines
- Kevin Ambrose and Bill Simmons – Marine Engine Surveys
- Wood Hull Restoration

Due to COVID, total number of attendees and speakers will be limited. NAMS members have priority registration until 1 October 2021 and will receive 11 general CE credits + 1 ethic credit (must attend both days). Cost \$135 per person for both days with attached mailed in registration form (checks made out to NAMS). If seating is available, \$150 at the door day of conference. So please register early. If the COVID situation changes, conference fee will be refunded. All federal, state, and local COVID protocols must be followed by all attendees and speakers.

For more information, click [here](#).

### **Contact Info:**

The National Association of Marine Surveyors

17049 El Camino Real, Suite 208,

Houston, TX 77058

281.480.6267

[office@namsglobal.org](mailto:office@namsglobal.org)

[www.namsglobal.org](http://www.namsglobal.org)

# New England Fall Regional Meeting

**2021 NE region fall meeting proposed agenda and schedule**

**NAMS members; \$130.00**

**Non-members and payment day of meeting; \$150.00**

## **Thursday October 21, 2021 1730-2100 3 credits**

Hampton Inn Kennebunk annual members round table meeting to discuss business of region and ethics lecture  
Heavy appetizers and refreshments in hotel conference room.

Agenda items; Growing membership ranks and apprentice program updates, latest updates from recent past national meeting. This meeting is open to NAMS members only.

## **Friday October 22, 2021 0800-1600 6 credits**

Landing school regional conference including tour of school, if possible, introduction from school representatives and NAMS representatives.

American Boat and yacht council handouts regarding latest recent changes to ABYC guidelines and recommendations.

0730-0800 coffee, distribution of name tags and registration

0800-0830 Introduction and outline of day

0830 Captain Andrew Kinsey Allianz Global Specialty

“Surveying concerns for the transport of out of gauge cargo on barges”

0930 Jonathan Klopman Principal Klopman Marine Surveyors Marblehead, MA

“Forensic analysis of gel coat gouging and cracking”

Various speakers with subjects related to technical report writing, vessel construction and latest USCG changes to regulations and latest boating safety statistics.

1600 Meeting Ends

Coffee water and snacks provided Catered lunch

Afternoon sessions and breaks including tour of school and talks by school faculty.

Please mail checks to; **NAMS NE** also include survey organization if applicable.

Mailing address; Dexter Holaday NE Regional meeting PO Box 856 North Kingstown RI 02852

For more information, click [here](#).

## 2021 Central and Mid Atlantic Marine Surveyors Regional Meeting

Dec. 3 & 4, 2021, Virginia Beach, VA

**Where:** Holiday Inn Virginia Beach Norfolk Hotel Conference Center  
5655 Greenwich, RD, Virginia Beach, Virginia, 23462, USA  
Phone: 1-757-499-4400

**\*\*Meeting is open to ALL MARINE SURVEYOR ORGANIZATIONS and MARINE INDUSTRY PROFESSIONALS:**

NAMS, SAMS, IAMI, IIMS, Industry Affiliates, Independents, Insurance Companies, Insurance Adjusters, Maritime Attorneys & Others

**Contact: Lloyd Griffin**  
**NAMS Central Atlantic Regional VP**  
747 Riverside Avenue  
Elizabeth City, North Carolina 27909  
252-333-6105 phone  
[Legriffin111@gmail.com](mailto:Legriffin111@gmail.com)

**\*\* Bring your tools to this year's meeting for some hands-on training:**

- The meeting is to let the surveyors use their tools and work with surveyors who specialize in different sectors of the Marine Surveying industry as experts.
- It will be a great opportunity to test your skills.
- If you do not have any of these tools, do not worry, bring what you have.
- Hammers, Voltmeters, Moisture Meters, Thermal Cameras, Cameras,  
Gloss meters

**\*\*As always, do not forget to start submitting to me your pictures of the **YOU CANNOT MAKE THIS UP** finding you found this year, you will get talk about your findings.**

**For complete information, click [here](#).**

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## **\* INTERNATIONAL ASSOCIATION OF MARINE INVESTIGATORS \***

Feb. 20 – 22, 2022, Orlando, FL IAMI 32<sup>nd</sup> Annual Training Seminar

<https://www.iamimarine.org/ats>

IAMI Virtual CMI Classes

<https://www.iamimarine.org/membernews/10099413>

## **\* INTERNATIONAL INSTITUTE OF MARINE SURVEYING \***

### **Online Seminars**

IIMS has launched a series of online only seminars to be delivered by experts in their fields using Zoom video conferencing technology. Each seminar will last approximately 90 minutes (with the exception of report writing, which lasts about 3 hours). New seminars will become available to review and book, so check back often.

<https://www.iims.org.uk/education/online-seminars/>

The International Institute of Marine Surveying (IIMS) also publishes a series of self help handy guides, written by acknowledged experts in their field, under the series title 'What a marine surveyor needs to know about'.

The paperback guides are available in a compact and handy A5 size. The series continues to grow and further titles will be published at occasional intervals covering a variety of topics. Click the images below of your choice for a more detailed description of the content of each handy guide.

Typically the guides are published at various price points between £20 and £35. The publications are currently only available directly from IIMS in paperback or in the slightly cheaper, downloadable [eBook pdf format](#).

IIMS Handy Guides:

<https://www.iims.org.uk/education/buy-iims-handy-guides/>

## **\* LLOYDS'S MARITIME ACADEMY \***

**A list of online Distance Learning courses here:**

<https://www.lloydsmaritimeacademy.com/page/Distance-Learning>

## **\* AMERICAN INSTITUTE OF MARINE UNDERWRITERS INTRO CLASSES \***

**AIMU has a number of distance learning programs, including webinars and e-learning:**

<https://aimu.org/edprograms.html>

## **\* AMERICAN BOAT AND YACHT COUNCIL \***

ABYC's course listing:

[https://abycinc.org/events/event\\_list.asp](https://abycinc.org/events/event_list.asp)

In addition, there are a number of free webinars **that include ABYC CEUs**. A partial list of subjects include:

- Common Mistakes in Fiberglass Repair
- Batteries
- Surveying Electrical Systems
- De-mystifying Basic Electrical Concepts and Standards

## **\* NORTHWEST SCHOOL OF WOODEN BOAT BUILDING \***

Week long classes continue to be postponed due to Covid-19:

<https://www.nswb.edu/systemsintensives/>

## **\* TOWING VESSEL INSPECTION BUREAU \***

The TVIB is presently offering virtual classes. Go to TheTVIB.org "News & Events" then scroll down to "training" for updates.

<https://www.thetvib.org/category/tvib-training/>

## **\* SOCIETY OF ACCREDITED MARINE SURVEYORS \***

Educational Courses, Seminars & Meetings for Marine Surveyors:

<https://www.marinesurvey.org/education/>

## **\* INDEPENDENT MARINE CONSULTANTS AND SURVEYORS\***

Courses listing here:

<https://imcs-training.eu/>

## **\* AMERICAN SOCIETY OF APPRAISERS \***

ASA is now offering eLearning classes, including the USPAP 7 hour refresher. Both the 15 hour introductory course and the 7 hour refresher courses are available online:

<https://www.appraisers.org/Education/national-asa-courses/eLearning/ondemand-class-schedule>

ASA Course listing here:

<https://www.appraisers.org/Education/national-asa-courses/national-class-schedule>

**NAMS DESIGNATED AN “ACCEPTED ORGANIZATION’ BY THE USCG FOR POST CONSTRUCTION SURVEYS OF COMMERCIAL FISHING VESSELS**

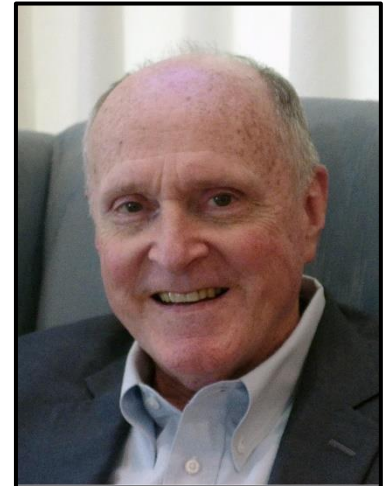
**CAPT Joe Derie, NAMS-CMS; AMS, SAMS; CMI  
Co-Chair, Fishing Vessel Technical Committee, NAMS  
Southwest Passage Marine Surveys, LLC**

The US Coast Guard has designated NAMS an “accepted organization” authorizing NAMS-CMS surveyors with the fishing vessel (FV) designation to conduct condition surveys, out-of-water surveys and verification of compliance measures as outlined in 46 USC 4503(d) (5), (6) and (7) for post construction surveys of new build fishing vessels between 50’ and 180’ in length. Those sections refer to the following requirements for those vessels:

(5) The vessel undergoes a condition survey at least twice in 5 years, not to exceed 3 years between surveys, to the satisfaction of a marine surveyor of an organization accepted by the Secretary.

(6) The vessel undergoes an out-of-water survey at least once every 5 years to the satisfaction of a certified marine surveyor of an organization accepted by the Secretary.

(7) Once every 5 years and at the time of a substantial alteration to such vessel, compliance of the vessel with the requirements of paragraph (3) is reviewed and updated as necessary.



**CAPT Joe Derie,  
NAMS-CMS**

Paragraph (3) referred to above states: The vessel—

(A) completes a stability test performed by a qualified individual;

(B) has written stability and loading instructions from a qualified individual that are provided to the owner or operator; and

(C) has an assigned loading mark.

More information can be found in USCG Marine Safety Information Bulletin #08-21, “Commercial Fishing Vessel Alternative-to-Class Requirements,” dated 25 August 2021.

The “accepted organization” designation was granted by the USCG after NAMS submitted a lengthy request, with extensive supporting documentation. After review, that request established to the USCG’s satisfaction, that NAMS policies and procedures for qualifying NAMS-CMS surveyors with the FV designation, produce surveyors with the qualifications to perform the services required in 46 USC 4503(d) (5), (6) and (7). To date NAMS is the only accepted organization designated by the USCG to perform those services.

NAMS had already been designated an accepted organization to designate surveyors to perform FV Safety Examinations and issue FV Safety Decals in accordance with 46 CFR 28.73. However it still had to apply to the USCG for the new designation.

Being designated an “accepted organization” for this new requirement is and displays the professionalism of NAMS as an organization, and enables NAMS-CMS with the FV designation to expand the services they can offer clients.

Anyone who wants to discuss this subject or has questions about Commercial Fishing Vessels should contact me at 503-236-6818.

## Hurricane Ida Does More Damage At Port Fourchon Than Previous Storms

Hurricane Ida passed directly over Port Fourchon, a major port servicing the Gulf of Mexico oil fields, and left a path of destruction. Here’s a link to photos taken in the days following the hurricane:

<https://www.houmatoday.com/picture-gallery/news/2021/09/04/photos-damage-port-fourchon-4-days-after-hurricane-ida/5726697001/>

## Family of 7-year-old boy killed while boating on Georgia lake is awarded \$200 million

A Georgia jury awarded \$200 million to the family of a 7-year-old boy killed in a 2014 boating accident on Lake Burton, according to attorneys representing the family. Ryan Batchelder was killed after the Malibu Response LX open bow ski boat he was in began taking on water and he fell into the lake. The boat’s driver, unaware that Ryan was in the water, put the boat in reverse and Ryan then “became entangled in the boat’s unguarded propeller” and sustained extensive blood loss and drowned, according to the news release from the attorneys. The boat was going about 5-7 mph and was carrying four children that weighed “below the maximum rated capacity,” according to the news release.



Ryan Batchelder (Photo from the Palm Beach Post)

Batchelder’s family, of Lake Worth, Florida, had filed a civil lawsuit against Malibu Boats West, Inc. and Malibu Boats, LLC in 2016. The family had been at a family reunion in Rabun County, Georgia when the accident occurred.

Malibu said it sympathizes with the Batchelder family for their loss of Ryan Batchelder and what the family has been through,” a spokesperson told McClatchy News. The Malibu boat involved in the incident “operated many hours with multiple owners and drivers without incident,” the spokesperson said. “Further, this boat model has over 30,000 years cumulatively in the field without another incident like this.” Malibu’s attorney Bobby Shannon contends that the boat’s operator caused the accident, the Journal-Constitution reported. The jury, however, found Malibu 25% responsible for Batchelder’s death after not providing any warnings on its “freeboard design being susceptible to bow swamping if weight was being carried in the bow seat, “and found the boat operator 75% responsible



2000 Malibu Response XL  
Courtesy Onlyinboard.com  
Note: This is not the exact boat involved in the accident

for Batchelder's death, the news release said. The jury awarded \$80 million for the Batchelder family's pain and suffering and wrongful death, the news release said. The \$80 million includes \$60 million applied to the boat's driver, but since he was not a defendant in the case, that amount cannot be collected, Drew Ashby, a Marietta-based attorney for the Batchelder family, told the newspaper.

An additional \$120 million in punitive damages from Malibu was awarded to the family, according to News4. Malibu intends to file post-trial motions and an appeal "in the event our post-trial motions are unsuccessful," the spokesperson said. "The facts in this case are clear," the Malibu spokesperson said. "The boat was not unsafe, which was reinforced by the jury's rejection of the plaintiff's design defect claims, and reflects the extensive evidence produced to show this boat was safely designed." The three-week trial and verdict came after several attempts to settle with Batchelder's insurance company, but they never offered more than \$2 million, according to the news release. *From the Macon, GA, The Telegraph.*

More information may be found here: <https://www.propellersafety.com/16106/legal-propeller/batchelder-vs-malibu-boats-trial-jury-awards-200-million/>

## **Hapag-Lloyd Boxship Cleared of Responsibility in SoCal Spill Inquiry**

The U.S. Coast Guard has considered and reportedly set aside the possibility that the boxship *Rotterdam Express* was responsible for the San Pedro Bay Pipeline oil spill off Orange County, California. After a port state boarding and an examination of her logbooks, the vessel has been released and allowed to proceed to her next port of call, according to operator Hapag-Lloyd. On Wednesday, the Associated Press reported that AIS data from MarineTraffic appeared to show the *Rotterdam Express* passing over the affected area of the pipeline three times. Hapag-Lloyd vigorously denied that the AIS data reflected the vessel's true position, and after the Coast Guard boarding, a company spokesman said that the ship was "no longer under investigation. "The pipeline spilled about 125-145,000 gallons of crude oil into San Pedro Bay over the weekend, and oil has been washing up on Orange County's beaches and wetlands ever since. About 800 people are involved in cleanup efforts and more than 5,000 gallons of oil have been recovered.

Federal, state and local law enforcement officials have launched a criminal investigation into the spill, centered on pipeline operator Beta Offshore and its parent company Amplify Energy. The inquiry follows revelations that the pipeline's operator may have waited more than three hours in between the time of the first low-pressure alarm and the time of pipeline shutdown. The first alarm sounded at 0230 on Saturday; shutdown occurred at 0601; and regulators were notified at 0907. Oil on the water off Orange County Oct. 3 (USCG)

This timeline does not appear to be consistent with previous public statements from Beta's parent company, Amplify Energy; at a press conference Tuesday, Amplify CEO Martyn Willsher told the OC Register that his firm became aware of the potential leak at about 0800 - more than five hours after the alarm and two hours after his firm had shut down the pipeline.

Amplify is part of the unified command managing the spill response effort, as is customary for a significant marine casualty, but Orange County District Attorney Todd Spitzer has asked the Coast Guard - the lead agency and Federal On Scene Coordinator - to stop appearing in public with Amplify officials and to cut Amplify out of the process of examining the pipeline.

"We don't let criminals conduct their own investigation into their crimes - why would we allow the owner of the oil pipeline to conduct its own investigation into the oil spill?" Spitzer said in a social media post. "Our beaches and coastline are what draw people from around the world to Orange County and the people responsible for endangering our wildlife and marring our picturesque beaches and shorelines must be held accountable."

Late Thursday, the U.S. Coast Guard announced that it will treat the spill as a major marine casualty, citing the possible involvement of a vessel and the severity of the resulting economic damages. The decision puts the USCG in the lead of a marine casualty investigation, with support from NTSB, PHMSA, BSEE and California Department of Fish and Wildlife. NTSB is conducting its own parallel inquiry. (Maritime Executive Oct. 7, 2021)

## **MARINE EXECS WARN OF CAT LOSS POTENTIAL AS PORT ACCUMULATIONS GROW**

Supply chain disruptions have attracted significant attention during the pandemic, contributing to a surge in inflation as well as shortages of consumer and industrial goods.

Now, marine underwriting and broking executives are warning that the accumulation of ships and cargo at ports has led to increased catastrophic loss potential, at a time when the frequency of severe fire losses aboard mega-ships has grown, and rate increases in the class have begun to slow. Globalization, higher cargo volumes, labor shortages and a larger e-commerce market have contributed to a supply chain crunch affecting the ports of Los Angeles and Long Beach among others. This has intensified during the pandemic.

More than 60 cargo ships stuck in Los Angeles and over 55 in Long Beach – numbers some sources described as “unheard of” – have caused authorities to extend offloading truck hours after months of bottlenecks that are already causing delays and shortages for retailers, toymakers and other suppliers.

This accumulation of static risk in ports is worrying (re)insurers and brokers alike as any event could end up in a catastrophic aggregation of losses.

"Part of the challenge for an insurance company is that... they can't monitor those aggregates and so they don't even know what they're exposed to because every cargo container doesn't have tracking on it," said Michael Pellegrini, the US and Canada marine practice leader at Marsh Specialty, in an interview with Inside P&C.



Backlog of vessels waiting for a berth

He added that “it's a massive insurance risk if there was a physical loss or damage beyond the delay... and I don't think that most insurance companies truly have a great model to tell them what they're exposed to”.

There are some protection mechanisms in the marine industry for these kinds of risk accumulation issues.

Some clients, for instance, historically have had “limits of this aggregation within their policies”, said Lars Gustafson, managing director of the marine practice at AJ Gallagher, in an interview. In other cases, however, these mechanisms do not provide full protection for carriers. Some policies, for instance, include triggers that double the limit if there's an unknown accumulation, to avoid inadequate insurance in these types of situations. But vessels parked outside ports waiting to be offloaded aren't the only risks that are rising in the marine industry.

A shortage of vessels, containers and workers is putting pressure on ship owners to look for alternative ways to move freight. Sources said that some companies are bringing old vessels back into service and others are using boat carriers not originally designed to carry freight. “That raised some eyebrows in the insurance world,” John Miklus, president of the American Institute of Marine Underwriters, told Inside P&C. “Wait a minute, you're using vessels that aren't built for container cargo as container ships?”

Furthermore, the accumulation of risk goes beyond where ships are offloaded. Sources say that rails and trucks aren't the most efficient secondary infrastructure at US ports, with some now running 24/7. The current infrastructure generally lacks shuttle ships with barge lines to move cargo.

“The United States has been almost criminally lacking in supporting a marine supply chain,” said Andrew Kinsey, a senior marine risk consultant at Allianz Global Corporate & Specialty (AGCS). His company recently released a report on growing concerns about mega-ships. “The current supply chain is developed on a model of just-in-time delivery at the lowest cost possible, and that's not a model for safe and efficient long-term movement of cargo,” he added. Just as risk is accumulating in ports, it is also aggregating inside cargo vessels, with the incidence of fires on mega-ships a concern.

Earlier this month, the International Union of Marine Insurance (IUMI) expressed concern that the frequency of onboard fires has not fallen, in contrast to overall claims frequency in the industry. There is a direct correlation between the size of the vessels and containers, and the number of fires – both of which have increased in recent years.

“As vessels have gotten larger, the fires have become harder to control and extinguish once they start/spread,” said Tony Cowie, head of marine and aviation for the Americas at Swiss Re. (Inside P&C, 9/30/2021)

## **HURRICANE IDA LOSS ESTIMATE UP TO \$44B: RMS**

Risk Management Solutions Inc. said Thursday total onshore and offshore U.S. insured losses from Hurricane Ida are estimated between \$31 billion and \$44 billion.

RMS estimates \$6 billion to \$9 billion in insured losses from precipitation-induced flooding in the Atlantic states from Ida in addition to earlier loss estimates of \$25 billion to \$35 billion for the Gulf of Mexico region.

The bulk of the insured flood losses in the Ohio Valley, Mid-Atlantic, and Northeast U.S. - some \$4.5 billion to \$7.0 billion - will be in the private market, with some \$1.5 billion to \$2.0 billion in the National Flood Insurance Program.

Losses for the Ohio Valley, Mid-Atlantic, and Northeast regions include property damage and business interruption to residential, commercial, industrial, and automobile lines of business, as well as sources of post-event loss amplification and leakage of flood losses onto windstorm policies.

The overall industry loss estimate for this event includes wind and storm surge losses in the Gulf of Mexico and precipitation-induced inland flooding in the Gulf Coast states (Alabama, Florida, Louisiana and Mississippi), Ohio Valley, Mid-Atlantic, and Northeast regions, Newark, California-based RMS said.



One of the C-Ports in Port Fourchon

Total insured losses from Ida reflect property damage and business interruption to residential, commercial, automobile, industrial, infrastructure, marine cargo and specie, watercraft, and other specialty lines of business, along with post-event loss amplification (PLA) and non-modeled sources of loss.

The majority of onshore insured losses from Ida will be driven by wind, followed by inland flooding, and then storm surge. Insured wind losses will be driven by residential lines, and insured water losses will be dominated by commercial and industrial lines.

Rajkiran Vojjala, vice president, model development, RMS, said a “sizable” portion of the overall insured losses from Ida will be associated with factors that amplify the loss post-event, including rising construction costs and labor shortages, and prolonged power outages. These factors will only lengthen recovery and repair times, all of which may lead to increased overall claim costs in this event.

Ida made landfall near Port Fourchon, Louisiana on Sunday, Aug. 29 as a Category 4 hurricane. At landfall, Ida produced sustained winds of 150 miles per hour (241 km/h), according to the National Hurricane Center. (Business Insurance, 9/16/2021)

## **Recreational boat engine cut-off switch law will improve maritime safety** **By Janki Patel, MyCG Writer**

Beginning April 1, 2021, operators of recreational vessels less than 26 feet in length will be required to use the engine cut-off switch (ECOS) and associated ECOS link (ECOSL), as the U.S. Coast Guard implements a new boat engine cut-off switch law passed by Congress.



“This new requirement will improve safety for millions of Americans who take to the water each year,” said Verne B. Gifford, division chief of boating safety. “The engine cut-off switch will better protect vessel operators as well as all other marine vessels, operators, and maritime law enforcement officers on the water who are at risk when encountering a runaway vessel.”



(Photo courtesy waggonerguide.com)

Vessel operators on boats that either have a functioning ECOS or were manufactured beginning January 2020 must wear an ECOSL.

The ECOSL attaches the operator to a switch that shuts off the engine if the operator is displaced from the helm. The ECOSL is typically a lanyard that attaches to an ECOS at the helm or on the motor. When strong tension is applied to the lanyard, the ECOSL activates the ECOS, resulting in the shutdown of the motor.

Additionally, wireless technology allows for an ECOSL that activates if a fob is immersed in water, which would happen when someone falls overboard. The fob is carried by the operator and/or persons on board. Some manufacturers have begun to install these wireless ECOSL as optional or standard equipment.

Effective April 1, the new law applies to all federally navigable waterways. As this is a federal law, states do not have the ability to enforce the new ECOS regulation — though seven states (Alabama, Arkansas, Illinois, Louisiana, Nevada, New Jersey and Texas) currently have their own ECOS laws.

The ECOSL is not required to be worn if the main helm of the vessel is in an enclosed cabin or the vessel is not operating on plane or at displacement speed. Low-speed activities such as fishing or docking do not require use of an ECOS. The vessel operator is also exempt if the boat’s motor produces less than 115 lbs. of static thrust – or about the size of a three-horse powered engine.

The U.S. Coast Guard’s initial focus will be education, so all boaters are safe on waters.

Additional information on the function, need for ECOS, ECOSL, other safety regulations and recommendations may be accessed [here](#).

For more detailed information, view the news release [here](#). (MyCG 3/21)

## **CLIMATE CHANGE REPLACES PANDEMIC AS INSURERS’ BIGGEST WORRY**

Climate change has returned to the top of the list of insurers’ biggest concerns as the vaccine roll-out and gradual lifting of health restrictions see pandemic fears ease in many countries.

Global warming was ranked as the biggest risk to society over the next five to 10 years in a report released Tuesday by French insurance giant AXA SA. While that also topped the ranking in 2018 and 2019, it was outstripped by diseases and pandemics last year as the virus spread across the globe. “Climate change is back at the top of the agenda,” AXA Chief Executive Officer Thomas Buberl said in a statement. “This is good news, since last year we feared that the explosion of health risks may overshadow the climate emergency.”

Insurers are being increasingly challenged by global warming as extreme weather events wrought by climate change are expected to keep rising. Just under a fifth of the 3,500 insurance professionals polled across 60 countries expressed faith in public authorities to mitigate the crisis.

Axa, which chairs the Net Zero Insurance alliance, is trying to push the industry's largest players to exclude polluting companies and focus on those that have clear and credible transition plans, both in their investment and underwriting universes. The latter policy is even more powerful, Buberl said in an interview with Bloomberg TV on Wednesday.



“On the investment side, we are one of many investors, and if you want to find funds for a coal factory today, you will”, Buberl said in the interview. But if a company can't get insurance to protect against risk, then it won't be able to secure investors, he said.

The survey also found that cyber risks, which ranked second on the list, was a fast-growing fear for insurers. This year, some 61% of respondents put cybersecurity among their top five concerns, up from 54% in 2018. The pandemic dropped to third place.

“The pandemic and the lockdown have certainly accentuated the use of digital tools, and we insurers have seen that it has also intensified cyber risks and attacks,” AXA Deputy CEO Frederic de Courtois said at a press briefing with reporters. (Bloomberg, 9/29/2021)

## **FINAL CHUNK OF WRECKED CARGO SHIP AWAITS REMOVAL OFF GEORGIA COAST**

The final chunk of a cargo ship that capsized two years ago along the Georgia coast is awaiting removal from the water. Salvage crews have worked since November to cut the South Korean freighter Golden Ray into eight giant chunks and remove them one at a time from waters off St. Simons Island. The ship overturned with 4,200 cars in its cargo decks after departing the Port of Brunswick on Sept. 8, 2019.

Golden Ray propeller. Source coastalgadnr.org



The multiagency command overseeing the demolition said in a news release Monday that the seventh segment of the ship was loaded onto a barge over the weekend and moved to a local dock. That leaves just one last section of the partially submerged shipwreck in the water.

Plenty of work remains even after the big chunks have all been removed from St. Simons Sound.

Some of the big segments are having to be broken down further locally before they can be transported by barge to a scrapyard in Louisiana.

Meanwhile, crews will need to recover cars and other debris that fell into the water as the Golden Ray was being carved into giant pieces by a towering crane that used anchor chain to tear through the wreck like a dull saw. (Insurance Journal, 9/29/2021)

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