

VSRF Mission

The Virginia Ship Repair Foundation will promote, support, and provide training, workforce development and resources to, and on behalf of, the ship repair industry.



Virginia Ship Repair Foundation

2013 Annual Report



Virginia Ship Repair Association

2013 Annual Report

1st Edition

Celebrating Our Past, Supporting Our Present, Building Our Future.

Executive Director, William W. "Bill" Crow

Our growing Association carries forth the heavy lifting of member services, media outreach, continuous awareness, legislative engagement and training. Those efforts are underpinned by VSRF, which provides the bedrock "foundation" as the quiet supporter grassroots organization that encourages, rewards and educates our ship repairers regarding the work they do.

Due to its tax-exempt and tax-free contribution status, the Foundation uses assets to expand existing efforts and explore new programs. Examples include increasing LEGO competition monetary awards to encourage more middle school participation, heighten awareness of Tradesmen of the Year and the companies they represent, and promote ship repair careers to technical schools across the Commonwealth. Between now and the end of the decade, the Foundation's goal is to better align its work more closely with the Associations' strategic plan. This will maximize efforts and ensure the most efficient stewardship of valuable Association and Foundation resources. An exciting future lies ahead of us! Your dedicated volunteer efforts and support to the Foundation is greatly appreciated and ensures to all members the confidence that their contributions will result in direct benefits to their businesses.



Founded for the Future: CAPT Martin Steiger

CAPT Martin Steiger was the Navy visionary that led the effort to get the private shipyards to form a collective initiative to support the development of the workforce needed to maintain the new Navy. He made a powerful speech at our Founder's Day event, saying in part: "At the time we had no political help. Not one single [elected] official understood we were not ready."

and "It was imperative we trained up to meet the technology needs of the...Aegis and LPD class of ships." CAPT Leo Marshall took up the charge with the larger ship yards at the time to create such a vision and the Tidewater Maritime Institute began its chartering process in 1979. In 2014, it will be 35 years since Mr. Steiger and Mr. Marshall's singular vision paved the way for what is today the most collaborative and vibrant ship repair region in the nation. Yet still, today their message is relevant and timely, as we face new challenges in technology, worker readiness and the capacity of our industry to be adaptable, and flexible under uncertain conditions. Once again, together we will rise to these challenges, and remain the "Strength Behind the Fleet."



L-R: CAPT Martin Steiger Founding Navy Visionary, Dedication plaque at the Portsmouth Path of History and CAPT Leo Marshall, Founding President TMTI & STASR

Foundation Initiatives to Support the Ship Repair Labor Market

In the summer of 2013, VSRF held an "Entry-level to Apprentice Symposium" (EL2A), where 21 companies discussed strategies for attracting and preparing entry-level workers to become future Journeymen. This group will meet quarterly throughout 2014 and their first initiative is gathering data on Vets hiring programs to help create an outreach plan for VSRA member companies to access the best programs for hiring Vets in our industry. They also formalized a plan to add ship repair skills activities with guest instructors from the industry to the Norfolk Technical Center with a goal of expanding this resource to other regional tech schools. We believe the diverse representation of our membership in this initial group will kick-start the Association's Workforce and Training Committee and become the liaison between both VSRA and VSRF to effect the most valuable outcomes in workforce change and improvement possible. All VSRA members are welcome to join this initiative.

The Association's Education Foundation: Serving the Industry

Viki Rodriguez, VSRF Chairman of the Board

As Chairman of the Foundation, it has been an honor to be a part of all of the great work our member volunteers accomplish each year. Our members contributed more than 800 hours of volunteer time meeting students, teachers and community members this year, not to mention raising funds to support programs like the Ship Repair Lego tournament, Tradesman of the Year and "The Yard" competition. We were also able to donate welding supplies to technical schools, purchase display equipment for Association trade shows and update equipment for VSRA training courses. Together we keep our industry active and relevant in the region and I encourage all of our members to find the best fit for their own involvement in our charitable endeavors.



The FUTURE: Program Improvements for 2014

Lego: Partnering with the ODU Maritime Program, and top prizes totaling \$3000.

Career & Industry Days: *Expanding our volunteer base and adding new media tools to drive students to our career information. *Industry Days only feature Ship Repair on a special day at the school with full one-on-one access to students, teachers and counselors.

Tradesmen of the Year: In 2014 we will be honoring the nominees and winners as usual, with plans to recognize their company, because top tradesmen are always part of a top team.

Tradesmen of the Year

The 7th Annual Tradesmen of the Year Awards recognized top tradesmen. There were 14 Junior and Senior nominees for 2013. The Junior winner was Mr. Steven Pulliam and the Senior Mr. Dennis Bueso, both with Oceaneering International. The winners were recognized at the VSRA General Membership meeting and the National Maritime Day reception in May. Past winners have represented BAE Norfolk Ship Repair, Tecnico, and AMSEC LLC. We encourage your company nominations!



VSRA Ship Repair Race Night



Our 1st Sports Event Sponsorship was so well received, that we committed to hosting another one on **May 10, 2014**. Several of our member companies sponsor cars. We had games and toys for the kids and enjoyed meeting members and their families at this family friendly event. **JOIN US in 2014!**



Get Involved!

Golf: Sponsorship directly supports VSRF



Lego: Join our outreach initiative to the middle school teams being a Technical Advisor, Judge or a competition sponsor.

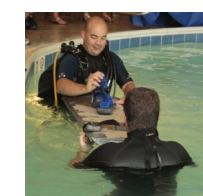
Technical Center Outreach: Guest welders teach and demonstrate ship weld processes to students.



Career/Industry Days: VSRA Volunteers make presentations to students, teachers and counselors to interest them in ship repair. We also coordinate

FM99 "The Yard" Competition

Our 2nd Annual "Yard face off" event had over 140 attendees and they had a great time watching Crofton Diving sink them all! The competition is broadcast live on FM99, making it a great event to promote our industry. The 3rd event will be held at **Scott's Creek Marina in April 2014**—Newport News Shipbuilding is the team to beat! Contact VSRA for team sponsorship, rules and sign-up information.



Commitment in the Face of Challenges...

Jeff Brooks, VSRA Chairman of the Board



In the face of many challenges, our Virginia ship repair community has continued to persevere and grow in membership over the past year. The strength of our industry in Virginia is constantly demonstrated and reinforced by our dedicated and passionate members. We in Virginia have, and will continue to have, the highest levels of production, quality and innovation despite any fiscal, political, or environmental issues. Our patriotism, concern and dedication for ensuring Navy ship readiness will always remain our top priority and allow us to maintain the greatest Navy the world has ever known. The growth of the Association is indeed remarkable, but even more so has been the active participation of our member volunteers, which have been the primary element that made 2013 an exciting and very productive year. As we head into 2014, let us continue our commitment, so our success, achievements and programs continue to enhance the business outcomes for our industry and member companies.

2020 Strategic Plan:

Key Priorities

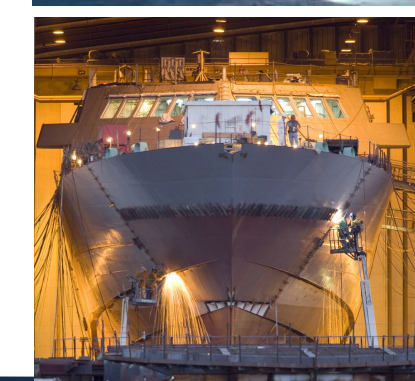
In 2013, the VSRA Board of Directors adopted a strategic plan to guide the organization through 2020. The following is a summary of the key priorities to fulfill the VSRA mission and support the "Strength Behind the Fleet."

1. Build greater support for the Ship Repair Industry by improving relationships with government agencies and the community.
2. Leverage the advantages of our industry to be competitive in complementary markets.
3. Attract committed and talented workers to help fulfill existing and future workforce demands.
4. Enhance access to worker training tools and resources.

2014: Strategic Advancements for VSRA

The inaugural year of William W. "Bill" Crow's tenure as the President of VSRA, and Executive Director of VSRF, was highly focused on securing new strategic positions, while working with the Board of Directors simultaneously to develop a plan that would fuel the Association through the year 2020. Economic and government pressures such as sequestration, and the uncertainties of the continuing resolution and federal government furloughs, made it abundantly clear that our industry must have a clear and effective voice in educating legislators, policy makers and our community on the impact of ship repair in maintaining the strength of our economy and security of the US Navy fleet.

In addition, the growth in membership, coupled with the efforts of leadership to expand and build on our partnerships, led to exciting opportunities in public relations, marketing, and workforce recruitment, development, and training.



"Strength Behind the Fleet"
www.VirginiaShipRepair.org



VSRA Mission

The Virginia Ship Repair Association will lead the Virginia ship repair industry to economic success and competitive advantage to better serve our customers as the premier association in the nation.

Positioning Our Industry for the Future...

Bill Crow, VSRA President



After wearing the Navy uniform for 30 years as a ship driver, I was humbled to be offered the Presidency of the Virginia Ship Repair Association. Having served all of my 17 years of sea tour assignments in Hampton Roads, I had been a customer of what I believed to be the best ship repairers the industry could offer. After my first year in this job, my beliefs from my days as a Navy customer have been wholeheartedly confirmed. From the customer service side, I now have a first-hand, heartfelt appreciation for our industry. Our Ship Repairers are patriotic, passionate and dedicated to ensuring the readiness of our Naval Fleet always remains "second to none." On behalf of the staff, I am grateful to all of you for the opportunity to support our 250+ member

companies in your commitment to the US Navy. I am excited about the future as we implement a detailed strategic plan that was recently approved and will take us through 2020. The plan centers around the needs our members have resoundingly identified. Our strategic way ahead includes:

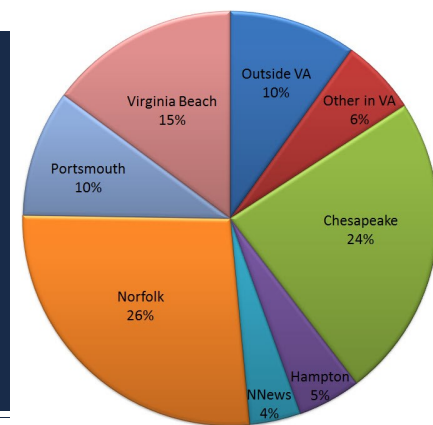
1. Growing the Association's member services with vision, purpose and mission;
2. Remaining the leading ship repair association in the nation, being proactive in our leadership and partnerships nationally;
3. Maintaining awareness of the significance of ship repair on the economy;
4. Ensuring a strong industry reputation among national, state and local policy makers as the "go-to" source for industry needs and information.

The past year has afforded me the opportunity to meet one-on-one with many of you. I look forward to continuing these visits with our member companies, to listen to your needs and promote active involvement in the important work we do together.

Membership

In 2013, VSRA had more interest in membership than ever. The year ended with 255 companies; a 7% growth over 2012.

Our membership represents a wide-range of services and strengthens our industry by participating in a variety of Association programs, events, and committees.



Ship Repair Experts: Supporting Best in Class Professionals through Networking and Education

The Safety, Contracts, and Human Resources Committees held their annual seminars, again exceeding expectations. Over 290 attendees, 11 volunteers, 20 presentations and 30 sponsors participated. These seminars are well known for developing the professional acumen of field experts in our industry and providing networking opportunities.

Safety & Health Seminar

The seminar was held at ODU with a theme of, "Home Safe - Not Just for Baseball." Attendees benefited from the diverse display of new products from 22 vendors and Norfolk Technical Center brought nine weld students to the "Hot Work/Welding" session. Many attendees commented that they acquired new safety tools to use on the deck plates.

Human Resources Seminar

The seminar was hosted by Willcox & Savage in April; 35 ship repair HR Professionals attended four presentations: "Workplace Financial Wellness"; "Recruiting Tools Resources, and Strategies."; "The Law of Dress and Appearance in the Workplace."; and "Medical and Other Testing and Evaluation in Hiring."

Contracts Mini-Seminar Series

The Contracts mini-seminar sessions were hosted by Troutman Sanders and Kaufman & Canoles. Every year the Standards of Conduct session is a big draw because it helps companies meet annual ethics training. Other topics covered: "DCAA/Hot Topics"; Mandatory and Discretionary Flow Down Provisions"; and "Claims Preparation"



Forward Thinking and Forward Moving

Congress Heard from Hampton Roads: Maintenance and Modernization Must be PRESERVED

The scale, volume and impact of the ship repair industry in Hampton Roads and the Commonwealth of Virginia is largely unknown, and/or underappreciated by legislators, policy makers and the community at large. In 2013, VSRA leadership changed that by launching a targeted campaign to prevent the harmful, and costly, expenses sequestration would have on maintenance and modernization work. These efforts were so impactful that the strategic plan made industry awareness and legislative relationships a core function of the Association. During the year, the President, Chairman, Board members and senior leaders of member companies held more than 2 dozen meetings with elected officials, hosted visits with Senators Kaine and Warner, maintained close contact with Congressmen Forbes, Rigell, and Scott. Bill Crow developed relationships with Congressional staff members to ensure access to key officials on three visits to D.C., which will continue at least quarterly into 2014. He, along with member representatives, conducted over 30 interviews with every local news media outlet, influential shows like HearSay with Cathy Lewis and on popular morning drive time stations like FM99, WNIS and the Eagle. Nationally we participated in news with The Wall Street Journal, NPR, Fox Business, and Forbes. Our legislators informed us that the more than 15,000 letters and phone calls they received, urging them to learn more about the detrimental impacts of funding cuts in Navy maintenance, enabled them to get support for the preservation of \$287M in availabilities. The diligence of our membership in this effort was unsurpassed by any other region, and solidly demonstrates our commitment to the preservation and protection of the US Naval Fleet.



Steve Earley, The Virginian-Pilot



Presenting Ship Repair Interests to Decision-Makers

Several presentations were made this year as part of our efforts to expand partnerships and grow our support base in the region for our industry. Among these were:



- Quarterly WHRO School Superintendents meeting representing 20 school districts: Promoted Ship Repair Education and Lego Competition;
- Fall 2013 JINNI San Diego: represented the efforts of our Association to drive more consistency and collaboration within the industry and Navy;
- Virginia Offshore Wind Coalition: synergies with industry;
- SMART/TCC Teachers Seminars: ship repair careers and teaching ship repair technical skill sets in existing curricula;
- Hampton Roads Economic Development Association: on the importance of including the ship repair industry in policies and initiatives that support business growth.

Ship Repair at the Forefront:

Educating the Region, Recruiting our Workforce, Enhancing our Image

VSRA maintains a policy of not media campaigning for new members; if the industry approves of the work we accomplish then they will remain loyal members. However, the Board did realize that with an aging workforce and tightening defense budgets, more effort is needed to use media as a vehicle in educating community leadership and fellow citizens on the importance of ship repair to both Hampton Roads and Virginia as a whole. In late 2012, we dabbled in the marketing arena with a few sponsored spots on WHRO. In early 2013, our Communications Committee jumped into the deep end of the pool with a full scale awareness initiative on the damaging effects of sequestration and continuing resolutions on Naval assets; Print news, radio, TV, social media and the Internet were incorporated at the local, state and national level. In an effort to strengthen our brand, and build support for Navy ship maintenance and modernization, the campaign was expanded to worker recruitment and highlighting the positive contributions of our industry. In 2014, a year-round marketing plan is being deployed to feature specific high-demand jobs, positive industry contributions and the value of our workforce. We welcome ideas and participation in this relatively new endeavor.



Hampton Roads, Virginia is the premier region for ship building and repair in the US. Our nine state-of-the-art yards feature dry docks that accommodate the largest ships, and are home to a specialized workforce of more than 40,000 professionals. We are looking for career trades professionals who stay on top of the most advanced techniques and materials in the defense and commercial ship repair industry, to ensure efficient and effective high-quality work is accomplished.

Competitive Wages. Excellent Benefits. Great Teams.

Commitment. We have the most dedicated workforce in the world. If you take pride in the work you do, and are committed to the strength of Naval and Commercial Fleets, then consider working with our member companies.	Safety. Our ship repair experts meet the highest standards for quality control in the industry on a daily basis. We maintain a constant focus on safe practices to ensure our workforce can safely focus on their job.	Partnership. The ships we maintain become part of our family and we are committed to keeping them safe and secure. Every ship repairer in our industry benefits from this environment.
---	--	--

Visit Our Member Directory and Job Board!
www.VirginiaShipRepair.org

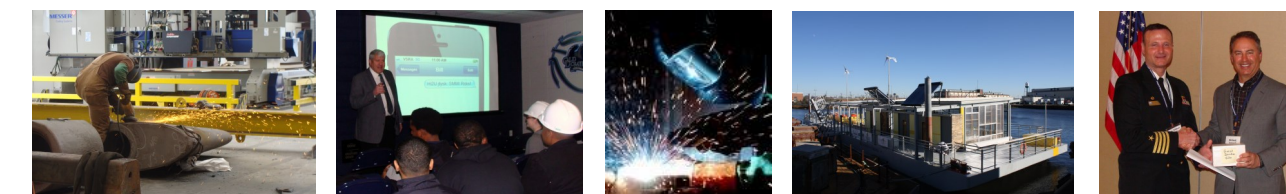
"Strength Behind the Fleet" Begins with Our People

Delivering Quality Training Programs that are Practical and Cost-Efficient

Industry specific training has always been a VSRA strength. When we launched the first shipyard-wide collaborative training with the Safety Orientation in 2010, our members saw the value and asked for more offerings. All of our courses are now developed with input from multiple companies, which saves resources and adds a higher-quality product. In 2013, 19K+ workers took our on-line training across the US, and 395 students attended VSRA Classroom courses. In 2013 we added the Qualified Rigger/Signal person courses and launched the VSRA Work Authorization Form training, which is offered both online and in a classroom version. In addition, our NBPI course traveled across the waters to Bahrain. And we have new requests to serve other regions in the US.

Partnering: Opportunity and Innovation...

VSRA has made tremendous strides in leveraging the right partners to effect positive outcomes for our industry. This has become a forefront priority because it provides our members with greater opportunities in uncertain markets. A prime example of these growing partnerships are: 1. The Virginia Economic Development Partnership's "Going Global Defense Initiative.", which is designed to help Virginia defense companies expand their markets overseas. More information and opportunities to travel to countries that are seeking defense related products and services will be made available in 2014; 2. VSRA became involved in the Norfolk initiative to create a Poly-Tech School and the anchor trades will be Maritime focused. That decision was made, in part, based on our industry's ability to demonstrate the strength of our economic contribution and opportunities for workers.



Expectations for 2014

Expanded Training...

VSRA reinvests revenues from existing training into developing more options that save members time and resources. Members are encouraged to submit recommendations for training with consistency and cost-savings for all companies. Projected releases for 2014:

- Safety Orientation in Spanish
- Scaffold Competent Person
- Firewatch

New Initiatives...

As part of the strategic plan, we will expand upon existing programs, and plans are underway to add services offered to our members. Including:

- A Business Advisory Committee to offer seminars on topics like: finding new markets, mergers & acquisitions, succession planning and tax-exempt financing.
- A Workforce Development Committee that will work with the Foundation on entry-level workforce issues and promoting ship repair.

Committee Projects...

Safety Committee: developing a program for new safety employees on shipyard specific knowledge
Environmental Committee: hosting a seminar on environmental issues and best practices in maritime
Communications Committee: produce a marketing and social media plan that engages members in promoting the industry

Our success depends on Member interest and participation! Get involved by contacting Committee Chairpersons or VSRA staff, your involvement is vital to the growth and stability of our industry!