

When Bay Ship & Yacht announced plans to re-locate the boatyard from Alameda to its facility in Richmond, its principal, Alan Cameron, issued the following explanation via email to Alameda's City Manager on November 12, 2017. His explanation also forecasts the outlook for the boat servicing industry.

----- Original message -----

From: Alan Cameron <acameron@bay-ship.com>

Date: 11/12/17 5:18 PM (GMT-08:00)

To: Jill Keimach <JKeimach@alamedaca.gov>, Leslie Cameron <LCameron@bay-ship.com>

Cc: DEBBIE POTTER <DPOTTER@alamedaca.gov>, Lois Butler <lbutler@alamedaca.gov>, ANDREW THOMAS <ATHOMAS@alamedaca.gov>

Subject: RE: Update on Svendsen's Relocation to Richmond

Hi Jill,

Thank you for reaching out, and yes we can share our perspective.

A little background may be helpful here. When we first started ship repair in the early 90's, there were around a dozen companies in the Bay Area competing for work, two remain. There are a many reasons for this but the major points are the Navy leaving, very antiquated infrastructure and the reality that ship repair is not the best and highest use of waterfront property. The large yards that focused on navy work disappeared and the smaller yards either couldn't afford to invest in the infrastructure or simply sold for an easier life. This consolidation has not been a negative thing. The work that remains can support a couple of yards, providing healthy competition for the benefit of the customer base. Bay Ship has invested in the infrastructure to get the industry into the 21st century and beyond. This coupled with the support from the City of Alameda has enabled us to succeed in a particularly difficult industry.

This dynamic has been shared by the recreational boatyard industry also. We are seeing a consolidation of the market into a fewer yards, for the same reasons, with the exception of the Navy leaving. The benefit of the consolidation is that the yards remaining will be forced to upgrade the facilities to meet the environmental standards that are required. The down side is that it won't be as convenient as it was when there was a boatyard in every neighborhood. The end result will be a safer, cleaner industry with enough capacity to service the entire Bay Area boating community.

I will comment were I can on Mr. Hayes email of November 6;

He is absolutely right about what an extraordinary community Alameda is, and I have no doubt will continue to be. He is also correct about Svendsen's being the only full service boatyard on the Island. However, there are two yards in the Oakland Estuary, Grand Marine in Alameda and British Marine in Oakland. The full service choices for the boating community are in Berkeley and Richmond. The reality is there will be plenty of competition and capacity to serve the recreational boating needs of the Bay. The cost of these services will not change. The convenience factor will be impacted by having to take the boat out of the estuary if the owner decides to go to Berkeley or Richmond. Bay Ship is in discussions with the houseboat community to provide the service they need and can't access by transiting the bay. I can assure you that we will accommodate this need, in fact we have employees that are a part of this community and won't let them down.

Provided by staff
Re: b-c
11/19/19

I can add to the list of yards in Alameda that have closed in the last decade, in addition to Nelsons and Svendsen's I can recall Stone Boatyard and Fortman Marine, further supporting the trend in the industry.

DOER Marine has relocated to Alameda Point.

The adaptive reuse of the FISC warehouse will add far more jobs than are being lost to the developments.

I am not familiar enough with the dry storage needs of the community to comment.

Our decision to close the yard has not been an easy one. We are delighted to be able to keep the wholesale Distribution in Alameda and provide employment at Bay Ship for the folks that are not needed or don't want to relocate to Richmond.

Please call if you need further clarification on the topic.

Thank you so much for all the support Alameda has given us!

Respectfully,

Alan Cameron