Crowley, SEACOR to Create New, Standalone Company Through Integration of U.S. Jones Act Tank Vessel Fleets



Release from Crowley and SEACOR

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(JACKSONVILLE & FORT LAUDERDALE Fla.; Sept. 13, 2023) – Global maritime and logistics leaders Crowley and SEACOR Holdings ("SEACOR"), through its subsidiary Seabulk Tankers, Inc.(" Seabulk"), today announced an agreement to form a joint venture that will integrate their liquid energy and chemical transportation vessels, operations and related services into a new, independent U.S. Jones Act service provider, Fairwater Holdings LLC ("Fairwater").

Fairwater will leverage and scale both entities' unique operational and safety-focused capabilities to serve the U.S. domestic market with vessels and marine transportation solutions across the petroleum and chemical trades, as well as related third-party ship management services. It will include 20 ocean-going, articulated tug-barges and 11 tankers, many under long-term charter. The joint venture will provide crewing and technical management for an additional 21 third-party owned vessels.

Daniel Thorogood, CEO of Seabulk, will assume the CEO role at Fairwater at closing. The joint venture will be based in Fort Lauderdale with offices in Fairfield, Conn.; Houston, Jacksonville and Seattle.

"Fairwater marks an important milestone in meeting the evolving needs for safe, efficient and sustainable U.S. domestic maritime transportation solutions," said Thorogood. "I am honored to take the helm alongside highly experienced seagoing and shoreside team members and provide our customers and the communities we serve with a maritime transportation provider whose values and performance will set the industry standard."

"Through this new joint venture, Fairwater will create more value for customers. Seabulk is an ideal and complementary partner with proven expertise in providing safe, sustainable and reliable maritime results and in driving innovation, much like Crowley," said Tom Crowley, chairman and CEO of Crowley. "The new company will not only be a historic moment for Crowley and SEACOR, but it will also align with our continuing growth strategy with solutions for customers and partners that deliver clear benefits for today and promise to advance tomorrow."

"Fairwater provides an exciting path for continued growth and investment benefiting our exceptional talent pool, our customers and this essential industry at large," said Eric

Fabrikant, CEO of SEACOR. “We welcome the opportunity to partner with Tom and the entire Crowley organization and look forward to jointly supporting this new venture ensuring seamless service during this transitional time and beyond.”

Through a shared commitment to deliver on and exceed the needs of the day, the new company will offer a unified, seamless transition for customers and partners to continue the reliable, uninterrupted support for their energy supply chain and related activities. In the coming months, both companies will complete activities to support the integration of the assets and services into the new entity.

The joint venture transaction is expected to close in the first quarter of 2024 and begin operations following the satisfaction of customary closing conditions and regulatory approval.

Vinson & Elkins LLP acted as legal advisor to Crowley. Milbank LLP and Watson Farley & Williams LLP acted as legal advisors to SEACOR.