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PHOTOGRAPHY BY BILL McALLEN



NEW TERMINAL CONSOLIDATES ALL VANE BROTHERS' HEADQUARTERS

From the second-floor deck of Vane Brothers Co.'s emerging headquarters on the southwest edge of the Patapsco River, President C. Duff Hughes surveys the bustle of shipping traffic in the port his family has worked at for more than a century. There's a sugar barge en route to Domino Sugar, a Ro/Ro ship unloading at the Dundalk Marine Terminal, an MSC vessel moored at Seagirt Marine Terminal and a slew of sailboats and other small craft including the *Lady Maryland* plying the resplendent waters this sunny spring day.

"Now this is a working port with a lot going on," Hughes says, with a broad sweep of his right arm to indicate the magnitude. "And no one can enter this port without Vane Brothers seeing them," he quips with a grin.

Indeed, the company appears well positioned to maintain its dominant role in transporting petroleum products on the Delmarva Peninsula from its new multimillion-dollar Fairfield fleet headquarters on the Fort McHenry channel. Besides consolidating its operations at one location, Vane Brothers' new 7-acre site off Frankfur Avenue meets many of the new environmental rules and regulations in the high-risk barging business and taps technology to better manage its business, company officials say. For example, when the doors of its headquarters open this month, management will for the first time be able to track its fleet of 40 barges, 15 tugs and two oil tankers from one location — thanks to Global Positioning System (GPS) technology.

The site was once the home of the Arundel Shipyard amid a flurry of ship-building in Fairfield during World War II. It was later leased to American Dredge, but had grown dilapidated with disuse. By the time Vane Brothers purchased it from a group of investors in 2000, it had languished on the market for several years. Today, Fairfield is the hub of automobile traffic in the Port of Baltimore, and Vane Brothers is sandwiched between AMPORTS' Atlantic and Chesapeake Terminals.

On a day in mid-May, Vane Brothers teemed with activity — from the 18,000-square-foot Raft Room, where one of more than 3,000 Coast Guard-mandated inspections of fiberglass canisters containing inflatable life rafts was being conducted, to the new 250-foot pier built by contractor Martin G. Imbach, where the tug *Patriot* was taking a new barge for a trial run near several hundred feet of new bulkhead. [See sidebar.]

Meanwhile, builders put the finishing touches on fleet headquarters — complete with portholes and dormer windows — which C. Duff Hughes dubs “the Lodge.” Nearby, at the Marine Lube Building, a forklift truck scurried, moving bright blue-and-red, 55-gallon drums of oil in anticipation of the next call. Only the 3,000-sq.-ft. maintenance shop appeared slow.

Currently, about half the company's business is transporting petroleum products, which it does under the name of Vane Line Bunkering, Inc., says Charles F. Hughes Jr., chairman of the board. The other half is split between its lube oil supply and safety services businesses. “[The new site] brings us into the 21st century and beyond in technology and safety. OPA 90 changed a lot of things and we are changing with the times.”

The Oil Pollution Act of 1990 was enacted in response to public outrage after the *Exxon Valdez* ran aground in Prince William Sound, Alaska, two years earlier. At Vane Brothers' new location, several design changes were made to comply with new regulations. For example, a recessed drive area the size of two semi trucks allows workers to contain all the oil that washes off equipment. An oily water separator recycles fuel. To meet a mandate by the Fire Department after the September 11, 2001 terrorist attacks, there's also a 60-minute supply of fire-retardant foam to smother oil in the event

NEW BARGE DEBUTS



Above: The tug *Patriot* takes the *Double Skin 52* barge for a trial run.

The prow of the tug *Patriot* pushes through the waters of the Patapsco River and pulls alongside the 362-foot-long tank barge waiting at the pier. Tapped as a partner for a trial run of the new double-hull barge owned by the Vane Brothers Co., the triple-screw tugboat swings into push-mode position behind *Double Skin 52*.

Dockworkers assembled on the company's Fairfield pier pause from their work to witness the marriage of the odd couple, an historic moment in the burgeoning barge business of the century-old marine services company. As the tug's rubber fender slides inside the barge's open embrace, the two are locked together by the crew with a tire-sized button and secured on each side with huge yellow bits.

“A perfect fit,” Port Captain Jim Demske hollers down from the *Patriot's* wheelhouse door to company President C. Duff Hughes, who beams like a proud parent on the pier below.

The \$7.5 million vessel, the second of two new 52,000-barrel-capacity barges owned by Vane Brothers, arrived in Baltimore just two days before after its christening at the JeffBoat Shipyard in Jeffersonville, IN, to join a fleet of 40 barges of various sizes and vin-

tages. Built at JeffBoat, the *Double Skin 52* is so named for its second layer of steel — after a 4-1/2-foot void — that is designed to prevent a catastrophic oil spill in the advent of a grounding or collision. The barge, as its name indicates, can carry as much as 52,000 barrels of oil in its 10 cargo tanks.

The barging business is now the main focus of the Vane Brothers' enterprise. The *Double Skin 52's* mission will be to transport light distillate petroleum products between oil terminals and to ports on the northeast Atlantic coast. Vane's barges also carry out lighter-



ing operations from large tankers in Delaware waters, the Chesapeake Bay and Hampton Roads, VA. Smaller tank barges in the fleet, less than 5,000 gross tons, must be double-hulled by the year 2015, under the Oil Pollution Act of 1990. With the addition of the *Double Skin 52*, Vane Brothers now has 10 double-hull barges in its fleet. “We are replacing and retiring our older barges now in an effort to beat the curve,” says Hughes.

Hughes likens the tank barge to a big thermos bottle, which at 362 feet long is about the size of a football field. If you could peel off the deck, it would look like a giant

ice-cube tray with 10 compartments, he says. He estimates that the average life expectancy of a tank barge is 30 years, but adds that many last longer if well maintained. While smaller spills due to error when loading or offloading a barge are far more common, it is the catastrophic spills that the double hull is designed to prevent.

Several safeguards aboard the barge, including both visual and audio alarms, allow tankermen to monitor cargo operations during loading and discharging. A gauging tree equipped with a round, black float enables the visible tracking of the depth of fuel being loaded through a small window — complete with windshield wipers — atop each of the barge's 10 tanks. Nearby, there is a dipstick for tankermen to double-check the depth of cargo. In addition, the tank barge has a closed vapor recovery system to prevent petroleum vapors from escaping into the atmosphere during loading.

The *Double Skin 52* is capable of loading two petroleum products simultaneously at a rate of 8,000 barrels an hour and has a discharge rate of 5,500 barrels per hour, according to Hughes.



"[Given this rate of loading cargo,] we want to make absolutely sure there's no chance for error," says Barge Captain Gary Waters, who has worked aboard more than two dozen barges in his 31-year career. "This is state-of-the-art," he adds. "There's not a thing this barge can't do. It's even self-cleaning."

~ Joan Wisner-Carlson

of a fire in the Marine Safety and Lube Warehouse. "The biggest challenge in this business is to meet the new regs, rebuild our barge fleet with double-hulled equipment and provide our employees with the training they need. When you are moving fuel up and down the Chesapeake Bay, it's a huge responsibility. We want to make sure we are ready for anything," says C. Duff Hughes, who is the fourth generation in the family business. He adds that the company has, in addition, a half-billion dollars in insurance as well as monthly spill drills to prepare for the worst.

The company has enjoyed enviable growth over the last two decades while diversifying its business. Today it boasts 350 employees (200 of them "floating") and a fleet of nearly 60 vessels. The company had just five employees and a fleet one-fifteenth that size when C. Duff Hughes joined the family business in 1980 after graduating with a business economics degree from Denison University in Ohio.

Since its 1898 founding as a small ship chandlery in a two-story brick building near the corner of Broadway and Thames Street in Fells Point, Vane Brothers has occupied at least three other locations and in recent years has spread across three piers in the lower Canton waterfront district. Most recently, company headquarters were in the Old Grain Elevator on Pier 13.

Though the company is now equally active in the Norfolk and Philadelphia ports, C. Duff Hughes says, "It's a pleasure to invest in my hometown."

While declining to put a price tag on the project, he says it would not have been possible without hefty tax credits from the state. Vane Brothers was certified eligible for the One Maryland program, passed by the Maryland legislature in the 1999 session. The program allows qualified companies operating in Baltimore and counties deemed to be "distressed areas of the state" because of high unemployment and low per capita income to receive up to a half million dollars in startup tax credits if it hires at least 25 new employees, says Tory Leonard, spokeswoman for the Maryland Department of Business and Economic Development. The company can also qualify for up to an additional \$5.5 million in tax credits depending on expenses and its hiring of new employees, she said.



Above: President C. Duff Hughes.

Until now, the company has maintained an independent staff in each of the three main ports where it does business. Management decisions have been made locally, company officials say. The consolidation of its operations will allow Baltimore to act as a hub for decision-making and logistics planning. "Baltimore is an ideal location between Norfolk and Philadelphia. Our core market will continue to be the Chesapeake Bay and Delaware River, but as we rebuild the fleet, we will look for opportunities outside this area," C. Duff Hughes says, adding that Vane will keep its maintenance operations and berthing facilities at the two other ports.

Port officials applaud Vane Brothers' decision to stay put, calling the company one of the top three strongest advocates of the Port in the private sector.

"When I am asked by clients, 'Who could service my ship, provide bunkering services and inspect my safety equipment?' the only local company that comes to mind is Vane Brothers," says Lou LoBianco, manager of break-bulk/bulk/Ro/Ro sales, for the Maryland Port Administration.

While technology triumphs at Vane Brothers' new headquarters, visitors will also see what looks like the pilot house of an old steam tug and other historic touches, including an antique oak mantelpiece from Charles Duff Hughes's Fells Point home and a 7-foot Frigidaire icebox from when the company operated as one-stop shopping for vessel operators and their crews. "We want it to be a comfortable home for our sailors to come home to," says C. Duff Hughes. ♪