

MMS OFFSHORE GULF OF MEXICO

ORAL HISTORY PROJECT

Interviewee: Jim Danos and Todd Danos

Date: January 11, 2007



Place: Cutt Off, LA

Interviewer: Jason Theriot

Keywords: shipbuilding, tug boats

Bio

Jim Danos grew up on a farm in southeast Louisiana on Bayou Lafourche. He got involved in the tug boat industry through his father. Danos made his career hauling barges for the oil industry through the coastal waters of southeast Louisiana. He started a boat company with his wife in the 1950s to build and operate tug boats. Later, his family owned and operated company diversified into OSVs for the offshore industry. His three sons now run the business. Todd Danos is the youngest of three and runs Galliano Tugs.

Early Career: Danos learned to operate boats from his father. His family hauled barges for the oil industry throughout south Louisiana's coastal waterways. They started with wooden boats hauling barges for Humble Oil in Grand Isle. Later, they had a few steel hull tugs built at Burton Shipyard in Port Arthur and hauled pipe barges from Harvey to Venice, LA for Chevron Oil Company. In 1952, he bought his own tug, Little Nettie, from Burton Shipyard for \$41,000, and started his own tug business with his wife. He transported fresh water and supplies to Chevron's inland rigs around Venice for many years, then later towed oil from the marshes to the refineries, and even moved rigs from place to place through the bayous.

Work force/other issues: Danos complains that because big yards, such as Bollinger, are so compartmentalized and so safety cautious, it takes them much longer to build a boat, which is why he has moved his business to smaller, mom-n-pop yards to cater to their individual customers on a boat-per-boat basis. The boat builders at the smaller yards, such as P & R Shipyards, are more versatile and more diversified in skill sets, whereas Bollinger's workers are both less aggressive and job-specified oriented, much like an assembly line production. The smaller yards can get a boat out to a custom faster than the bigger yards and at less cost.

Danos talks about craftsmanship and workers at Bollinger during the 1960s-'70s: the good workers-- "coon-ass country people"--at Bollinger who used to work hard and care about building good boats. Today, that has changed. Danos says there are too many office staff, too many lawyers, and too much overhead at big yards like Bollinger, which causes increase in price and time-to-completion, and decrease in quality.

With 5,200 trucks transporting down LA Hwy 1 every month, highway infrastructure is of major concern to these industries and communities, particularly after the massive flooding of LA Hwy 1 during Katrina. The LA 1 Coalition is a multi-year, multi-phase, multi-million dollar expansion project to bridge Hwy 1 to Hwy 90. The reason why so much attention is placed on the infrastructure is because Port Fourchon is the "funnel" that supports the ultra-deep water activity for oil and gas. According to Danos, it takes a boat 30 minutes to reach the Gulf of Mexico from Port Fourchon.

Todd Danos framed a discussion on the massive liability and insurance costs with today's pollution control regulations in the wake of OPA 90. He lost a vessel in the GOM and received a salvage bill for \$5 million, most of it was for pollution prevention, yet not a drop of fuel was spilled.

Tape 1, Side 1

JT: This is an oral history interview with Jim Danos in Lockport, Louisiana, on January 11th, 2007, by Jason P. Theriot. Jim Danos, tape one, this is for the MMS Ship Fab Project.

[Tape recorder turned off.]



JD: Jim Danos, born and raised in Cut Off, born and raised as a farmer.

JT: Sugarcane?

JD: Sugarcane, potatoes, onions, corn, you name it, we grew it. Mostly it was potatoes, corn and onions, and later on we moved to sugarcane.

JT: You're one of eight, you were telling me?

JD: I'm one of eight. I'm the oldest one out of eight, four boys and four girls.

JT: What about your parents, what were they doing?

JD: My daddy was a boatman. He was a captain on a boat, moving oil in those days now. We used to—that's when I used to go spend my vacation from school—I used to ride the boats with him. That's how I got involved in the boats business. What we used to do is haul barges about in New Iberia from Jeanerette to Franklin through Bayou Teche.

JT: Is that right?

JD: Had fifty-two bridges to go through. Take us a day to go, unload the barge, the next morning we'd leave, come back to Olivia Franklin, fill up again, every day, day to go, day to come back.

JT: Let's pause for a second.

[Tape recorder turned off.]

JD: When I was growing up I got involved in both things. Being on a farm, I knew that I had to go to school and I had to work to help the family, and daddy was out there working, used to work something like almost a month on and a couple days off in those days. That was it, hauling oil.

JT: Was this hauling oil, was that for Humble or Gulf or—

JD: No. Lord knows who that was for. We used to transfer or he used to transfer oil for a fellow by the name of A. G. Boudreux, his family came from New Iberia. His wife, not him. He came from up North. He built a pump, pump barge, because in those days you didn't have motors on those barges to transfer the oil from the barge to the tank backers or whatever. You had to have a pump barge.

So he came up with that idea of building a barge and putting pumps on them to pump oil from those barges onto whatever. He made a fortune with that in those days. Not too many people had the knowledge to do this thing. He was a very sharp individual, and that's what he used to do.

Daddy worked for this man for years and years and years.

JT: Well, how did your daddy get into the boat business?

JD: Daddy never got in the boat business. Daddy was always afraid to get in the boat business. He didn't want to gamble. He was satisfied with what he did.

JT: So you saying that the boat business is a little bit of a gamble, huh?

JD: That's right.

JT: A sugarcane farmer, that's consistent, huh?

JD: Oh, a sugarcane farmer, that's a killer. Especially when I grew up, how I had to do it. They didn't have no machines to clean drains. You had to do it with a shovel. Then my uncle was one of the first ones who had a tractor in this, down this bayou here. We had been working with that tractor for about a month, and all of a sudden he find out that he had lights on that thing and he could work at nighttime.

JT: Oh, twenty-four hours.

JD: My god, not twenty-four hours, but we'd come home at eight, nine, ten o'clock at night from in those fields, and I used to have to clean those drains with a headlight on my head because those things had to be cleaned, case it rained. First time we got home that late, momma was unglued waiting for us. "What happened? What you-all doing?"

I said, "Momma, he find out that he had lights on this thing, now we're going to work at night."

"Oh, my god," she said, "when is you going to work all night?"

I said, "No telling, that's next."

Interviewee: Danos, Jim and Danos, Todd
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JT: Well, tell us about growing up. You mentioned a little bit earlier that you had chores to do before and after school. Tell us a little bit about that.

JD: Oh, yes. When I was growing up, after school he was there waiting for me, had to take my school clothes off. I couldn't—didn't have time to mess with those books. I had to go in that field, whatever it was, picking up corn, digging potatoes, picking up onions. You'd get back home at dark. Then you had to take those mules, take all the traps and whatever they had on them, take them, bring them into the pen, made sure they had their corn, their hay and their water. Then you'd come home, take your bath, and then you'd eat supper after that. But they ate before you, because the next day they had to work for a living again, and that's how you looked at it and that's how you was.

JT: If we're looking right here, we're in Cut Off and the bayou is right here, what part of down did you grow up at? Where was your house?

JD: Cut Off, up the bayou from here. I want to say about maybe three miles from here.

But in those days, my uncle he had all a little section. It wasn't just one big place. I'd say in about a two-mile stretch from his house coming down the bayou, he had different little sections of land that he used to plant for different people. That's the way it was, and you had a long ways to go.

I had to plow and, why, I had to do a man's job. I'll never forget that. He had a white mule. You ever heard the story of a white mule? He's got a one-track mind? Well, that mule never wanted me to ride on him. I had to ride the others, but he'd never let me ride him back because you had to leave your tools and then you'd ride those mules or walk them. If you couldn't ride, you had to walk them, a couple of miles to get to the place of they's barn.

So one day I told that mule, I said, "Me and you's going to have it today." I got on that mule and that mule started bucking, and he threw me off. I got right up then and find me a good piece of wood, got back on that mule again. When he started, I hit that mule right between the ears, and he went straight down nose face. Well, I said, "Maybe I'll kill you."

He took his head and he shook his head up, he came up, took off, went all the way to the house. When I got home, momma say, "You're riding that mule?"

"Don't worry about that mule of Uncle Clarence's, he's taken care of." That was the end of that mule. Mule never bucked again.

JT: You set him straight.

JD: Oh, yes.

JT: With a two-by-four.

JD: Two-by-four, whatever it was. I don't know what it was, but it was a good piece of wood.

JT: There you go. Well, tell us about the boat traffic that you remember seeing growing up right here on bayou.

JD: Here, you didn't have that much boat traffic here till the oil companies started, because you didn't have that much activity going on down in Leeville. In Leeville, and Texaco was mostly down here. That's about the only company they had down there was Texaco.

But my biggest part of working was in the river from Harvey to Venice. That's when we came up with the *Susan G*. It's a boat that my father-in-law built out of Port Arthur, Texas, Burton shipyard.

JT: What shipyard?

JD: Burton shipyard. So went working for Chevron, and we were hauling the pipes and whatever that they needed in Venice, because you didn't hardly have any roads down there to truck that stuff. So everything was mostly barged down.

JT: So who purchased that *Susan G* for ya'll?

JD: He did. He and his brother-in-law, they bought that boat in partnership. That's how we started.

JT: Was that a little company?

JD: Yes.

JT: What was the name of the company?

JD: The *Susan G* was—let's see, what was the name of the *Susan G*?

SD [Mrs. Danos]: Was it United?

JD: No, no, no. See, now, United's way back. In those days, that was it. I mean it was just—

JT: The name of the boat.

JD: Yes.

JT: The *Susan G* was your company.

JD: *Susan G* was the boat, and in those days you didn't make a company, you didn't form a company.

SD: Guidry and Savoie.

JD: Yes, right, Guidry and Savoie, that's right, that's what it was.

JT: What year was this?

JD: Oh, that was in the '48 or '49, not too long after we got married.

JT: How old were you?

JD: I got married at eighteen.

JT: Okay. So you were just young enough to miss out on Second World War.

JD: Oh, yes, too young, too young to go in the Second World War, World War II, and too old to go in the Vietnamese war.

JT: You said you were the oldest of the eight, so none of your siblings went to war.

JD: I'm the oldest one. No, that's right. No, not—no, I got to take it back. One of my brothers went in the marine, yes. He was a marine for a couple years.

JT: Okay. So from after the war up until '48, you're starting to see some big changes right out here as far as the introduction of the oil industry?

JD: Mostly not here, because I didn't do that much working down here. My work was mostly for Chevron from Harvey to Venice. I ran that river for twenty-somewhat years, pushing barges. You'd go down with three and four pipe barges. You'd come back up, I'd come back up with two and three, because you were coming against the river. Used to take me six hours to go down the river with five barges when the river was running. It would take me twenty-four hours to come back up with two.

JT: What size tugs?

JD: Sixty-foot tug. Six hundred horsepower, in those days that was plenty of power.

JT: You had the crew on board with you?

JD: Oh, yes. Oh, yes, a crew of three of us.

JT: You piloted and then you had, what, an engineer and—

JD: No engineer. The captain on there was everything. Had a relief captain, like a mate we called, and a cook and deckhand combination. We were only but three people on that boat. I'd run that boat up, especially going up the river. I'd mostly be doing the river.

JT: Well, how did you get your training? I mean I would imagine that if you guys bought this boat, somebody had to teach you how to operate it, huh?

JD: That depends. I was a youngster when I used to be on boats with my daddy. I was still going to school. If you love what you're doing, it don't take long to learn.

JT: So you learned from your old man.

JD: That's right, learned from my old man and from experience of trying, and I'm not afraid to try anything. I ain't seen nothing yet I can't run.

JT: Was there any shrimping involved?

JD: Yes. When daddy—when Mr. Boudreax sold his company, eventually he sold that pumping unit, he went working for Nolty Theriot's daddy, Parish Theriot, shrimping, and then I went shrimping with him.

JT: So you grew up on the other side of the wheel.

JD: Oh, yes.

JT: Okay. You knew all these bayous growing up around here, so it fit real well.

TD [Todd Danos]: Is that when you got lockjaw?

JD: Yes, yes, when daddy was shrimping, yes.

JT: Tell us about that. What happened?

JD: Well, that's back to the farmings. My uncle, all we had a bunch of colored guys to cut the sugarcane. He'd go pick up fifteen, sixteen of them, leave them in the camp to cut the sugar. In those days you cut sugarcane by hand, didn't have no machines. So he'd go get a bunch of blacks and you'd put them in the house that he'd built and they'd cook for themself and everything else, and I was shrimping.

I knew the season was almost over the sugarcane tanks, and they had a old colored guy that had been with us for years and years and years, and we always looked at him as one of ours.

JT: Part of the family.

JD: Part of the family, right, and I mean the whole family, not only on my family, but my uncle's family, my grandmother and everybody else. When you'd say, "Dobey," you said everything. That was it.

So they told me that day another week, they'd be through cutting sugarcane. So I said, "Well, we'll be going out and we should be back in a week. We're going shrimp, and I will save ya'll some seafood to bring back home when ya'll go." And I did save them some fish, crabs, shrimps.

So that day when I got back, they were getting ready, they all were getting ready to go home. So I told one of the fellows, I said, "Come over here with me. We're going to go get a box. We got a box up here we're going to put your shrimp in and your crabs and all that for tomorrow when you-all go."

So when I jumped the fence, I stuck the nail in my foot. All I did is put my feet on the other piece of board, and I just pulled it out. Then I could feel something hot. So the colored guy said, "Man, take that shoes off. Let's see. Let's see." He was worried. I took the shoes off. I looked at it. It ain't nothing, so I just put my shoes back on, we went to the boat, got his shrimp and all.

We left about, oh, I want to say, about two, three days after I had stuck the nail in my feet, but I already had a tetanus shot given to me because my little sister or my little brother had threw a can at me and split my eye open on the boat. So daddy brought me to get it sewed up, and the doctor gave me a shot of tetanus. So when we left to go back, we were hitting the shrimp. We were catching shrimp like crazy. So the next morning when I woke up, I can't even be drinking my coffee. I couldn't hardly open my mouth.

I didn't say nothing. Put the trawler back overboard. We started dragging. We had this other guy with us that was working with us on the boat. So I went up there and I cooked dinner, got ready to cook, we come to eat, because we had—we called it our lunch. Dinner on those shrimp boats was about ten-thirty, eleven o'clock. So he had got through eating, because he had to work all day long.

So when I came to eat, couldn't open my mouth to eat. I walked to the front and I told Daddy, "You can pick up that net," could barely talk.

He said, "What's the matter?"

I said, "I can't drink coffee and I can't eat, and I'm not staying here to starve. I don't know what's wrong with me, but my jaws are lock." So that's when we came in, and then we went to the doctor, Dr. Gravios.

He told Nolty Theriot, he says, "Get him to the hospital fast. If he makes it, he'll be lucky. He's got lockjaw."

JT: From that nail?

JD: Yes.

SD: He was unconscious.

JD: I was unconscious for twenty-somewhat days.

SD: Twenty-seven days.

JD: Time in bed. That's what saved me. That little doctor who operated, who made this cut for me, it was a—he wasn't quite completely a doctor yet. He was like a trainee at—

SD: He was a resident at Charity.

JD: At Charity Hospital. He and I stayed like this from that day on. Well, his first boy he had, he and his, he named him after me.

JT: Is that right?

JD: Yes, because I was his first big case.

JT: So it almost got you, huh?

JD: Oh, yes.

JT: How old were you?

JD: Eighteen.

[Tape recorder turned off.]



TD: There's another story, too, I'm going to get him to talk to you about before it's over.

JT: Okay. So let's say 1950s, early 1950s, was the *Susan G* working yet?

JD: Yes. Oh, yes.

JT: You were on that ship?

JD: Oh, yes, the *Susan G* was. Well, they had the *Ajack* working and the *Susan G*. They built the *Ajack* first, built the *Susan G* and later on built the *Reed*.

JT: So you and your dad were sort of like in a partnership. When did you—

JD: No, no, I wasn't in a partnership then. It was only Mr. Guidry and Mr. Savios partnership, and the *Ajack* and the *Susan G.* Now when they build the *Reed*, it was her grandfather, her daddy, step-daddy, and Mr. Guidry, Mr. Savois together. Then we built the *Little Nettie* later on, a little fifty-foot boat.

JT: Where were these ships built?

JD: All at Burton shipyard in Port Arthur, Texas, all of them.

TD: Wasn't there boats built before your boats at Burton? Ya'll built ya'lls first boats at Burton Shipyard?

JD: Yes.

TD: That's what I thought.

JT: Okay. In the forties and early fifties?

JD: Yes, in the forties. You build the *Ajack* first, which was a single screw, had two engines in it, but a single screw. Then he built the *Susan G* with a twin screw. Oh, that was a Cadillac in those days, twin screw. Then he built the *Reed* with a little bit more horsepower than the—Burton had built three little fifty-footers all alike, and we find out about it.

Candies bought two and I bought one. That's when I started in business of my own.

JT: Which one was that?



JD: *Little Nettie.*

JT: The *Nettie* was yours. Okay. What year was that?

JD: That was in '52.

JT: '52, okay. How much did that boat cost you, if you don't mind me asking?

JD: I don't mind asking you. Forty-one thousand, plenty of money in those days.

JT: You paid that in cash or you had to take out a little loan?

JD: Oh, I should say not. Her daddy passed away when she was a youngster, and her grandpa took care of her cows and everything else, and as he'd sell calves, he'd save her money. When we went in business together, it's money that she had saved, that her grandpa had saved for her. So that was a down payment we put down on that boat, we and Mr. Guidry together. That's how we got with this boat.

JT: So it was a business venture between you and your wife. You named the boat after your wife.

JD: Right.

JT: But you mention it was a gamble. Were you guys confident that ya'll could make this work or in the early fifties were ya'll still a little hesitant?

JD: In those days, anybody who wanted to work could work. I mean the oil company was starting. It wasn't much of a gamble then.

JT: Where was the barge traffic? You mentioned on the way to Venice.

JD: Still in Venice. I worked twenty-two years for Chevron Oil Company just with the *Little Nettie* in Venice.

JT: So how far is the—where was your boat docked?

JD: It used to dock—well, the *Little Nettie* used to work strictly out of Venice, so it was in the rigs. Then they put me on the water tow, because we had like a little village up there that Chevron had about twenty-five or thirty homes with families in there. So we had to provide water for them. So we'd either go to Empire, load up with water, or when we couldn't go to Empire, we had to go all the way to pick up two barges of water, come down, fill up the tanks at the base, and then I had to go around filling up all the platforms, all the tank batteries.

I had that empty, I'd take my two barges, go back up either to Empire or go to New Orleans, whatever, load up with fresh water, come back down.

JT: So this is going on in the fifties, did you have a car by then?

JD: No.

JT: Well, would you get to your boat?

JD: The company had a car.

JT: Okay. So Chevron—

JD: No. Mr. Guidry and all had a company car.

JT: That wasn't bad.

JD: No. Heck, no. I used to get up at one-thirty in the morning, have to go and stop and pick up people, and here you had people sometimes, you'd get up there, you'd have to go knock on the door to wake them up. You had some of them telling you, well, oh, I didn't pack my clothes yet. I got tired of that. So when I came back off, I dropped them off, I said, "Let me tell you one thing here, and now listen to me good. I'm not going to repeat myself. When I come here to pick you up by the end of seven days, I don't want to have to blow that horn twice. Because if I do, you going to be staying here. I'm not going to be your watchdog." I left two of them like that. I guarantee you that got their attention. I said, "You want to work"—

TD: Fired his own brother. Did you fire your own brother?

JD: Fired two of them. But they were working that *Little Nettie* for me, and I'm a particular guy. I like my stuff to be kept up.

JT: Now, on the seven days off, was your boat still running?

JD: Oh, yes.

JT: Your brothers were running it.

JD: Bradley was running it. Mostly my daddy. They didn't stay long enough to ruin my daddy. They came and worked for me.

JT: Is that right?

JD: Yes.

JT: What had he been doing in the office in those five or six years when you were getting things started, what was he doing back over here?

JD: Daddy had a feed store. He used to sell feed. He bought him a little store on the bay side and that's what he was doing.

JT: Groceries?

JD: Groceries and feed store.

JT: But he saw, as you did, the coming of the oil industry, and—

JD: No, not my daddy, no. My father-in-law did, but not my daddy. My daddy didn't want to gamble. He's the one who didn't want to gamble when I was a youngster being growing up. Hey, I was ready to go.

JT: Now these barges—

TD: Still is.

JT: Was there a lot of oil that they were transporting from the fields?

JD: Oh, yes. Oh, lord, yes. Well, mostly you didn't have all those pipelines in those days. You had Edward Transportation. You had LaBeauf Brothers towing oil from Venice, Empire. Don Bill Pollytine, all of those places, all of that oil had to be barged out out of a stringer.

JT: Where were they barging it to?

JD: New Orleans, the refineries in New Orleans, or whatever refinery they had to.

JT: This was Chevron's barges?

JD: No, that was like LaBeauf Brothers had—shit they had a contract to pick up that. They might have been getting in those days maybe five, ten cents a barrel, to be pushing that oil up there.

JT: And a lot of this was being drilled in the marshes and the swamps.

JD: Oh, yes, mostly in the marshes. See, I worked for Chevron right in Romain Pass, which is a reserve. We had thirteen rigs at one time right in that reserve, working.

JT: Is that right?

JD: When I was on the *Susan G*, I used to move in an average of seven rigs a week. Every time I'd look back there, I had a rig on the back of that boat. A rubber band would not last more than about three to four months in that sand, and then they wanted to know why the rubber band don't last. I said, "Hey, what else do you expect? I'm always in the back. They're always in front of me, pulling in front of me. All that sand is going straight to that shaft, eating that rubber band up faster than you can put it in.

JT: You guys even work at night?

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JD: Oh, yes, you work at night. I seen myself stay up seventy-two hours without going to sleep, and when we came in and fueled up, I told my uncle, I said, "Fill up that boat," and I passed out right there on the deck in the pilothouse. I said, "Call me when you're through, because I'm fixing on falling asleep," and that's what I did.

I had something flew in my eye today. Yes.

[Tape recorder turned off.]

JD: It's unbelievable the boat traffic you have going back and forth.

JT: But growing up, you guys, like you didn't have a vehicle for a long time. How would you-all utilize this artery right here?

JD: Wanted to go to the show, we'd walk to the show.

JT: Yes, but to the doctor, how would you—

JD: Then we'd ask, or her mother would—they had a car, they'd come bring us.

JT: What about the oyster and the shrimp boats? They would pick ya'll up and bring ya'll where ya'll needed to go on occasion?

JD: Well, see, like her grandfather, he used to. Every time they'd load up a boat with oysters, she always had boats that stayed in the lakes. As he loads up a boat, he'd come up, up the bayou, and he was the navigator in those days. He's the man who used to run that boat, oversee that boat going to New Orleans, and that's how those people knew he was going because he had a schedule, just about. That's why then you would have put their lights on that dock, because he knew where to stop.

Well, this is when you see that light on that dock, he knew somebody wanted to go to New Orleans.

JT: The little lantern?

JD: That's right. The kerosene lantern. And that's when he'd bring you, and that boat would go to New Orleans. He'd drop them off. They'd go do what they had to do. When you were finished, you was ready, he'd come back, he'd bring them back home.

See, her step-daddy was one of the first men who owned a car here on this road. They had dirt roads here. An old Model-T Ford, he was one of the first men who owned a car in this bayou.

JT: But this bayou, I mean it's sort of the lifeblood. It's the main artery of this community, is it not?

JD: Yes, in a way it is now, yes. But in those days, no, because they didn't have that much traffic in it.

JT: What's causing all the traffic now?

JD: Oil company. All the demand there is down there at Fouchon. I bet you have an average of three barges a week, just a few going down this bayou going to Fouchon, at least three barges a week.

JT: Just to bring fuel to the docks.

JD: Just to bring fuel to those docks and to the LOOP.

JT: Now, if you were traveling back and forth from Harvey to Venice, you recall where Port Fouchon is and where it was and what, how that place has changed. Tell me a little bit about what you remember about Port Fouchon back in the late fifties and sixties. I mean was it even a port?

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JD: It wasn't even a port, didn't even have a piling to tie your boat up. You had to drill it through the anchor on the bank and hope it stayed. The first tank that was ever built in Fouchon was built by A.O. Rappelet, when they first formed the Port Commission down here. I don't know what year it was when they formed the Port Commission. And he built that.

His dream was to bring a railroad line down there, Rappelet. Now if Rappelet would have had the people that he's got now on the Port Commission, people that wanted to work with Rapp, lord knows what you'd have down here, because that was a smart man, yes.

[Tape recorder turned off.]

JT: Talking about Grand Isle as sort of the deep-water port for south Louisiana in the forties and fifties and you were mentioning some of the companies that were there at the time.

JD: We worked for Grand Isle. When we first started in the oil business there, that's way before you're talking about the *Susan G* and all them tugs I was telling you about. We started with wooden boats for Humble Oil Company, standby boats till Otto Candies, we put three to work, and they call for more boats. Then we got some more...steel hulls, with the *Sam Houston*...had the *BJ III*. We had five boats working for Humble, wooden boats. Humble had some wooden boats. Didn't

have the people to run them. They had people with a license that long but couldn't even cross the bayou.

JT: Had to have that local knowledge, huh?

JD: Oh, yes. They used to have us use them. Those boats were sixty or seventy feet long. They used to be small mine sweepers that Harms and Marine Service out of Houston bought those boats, brought them to Grand Isle. They'd go up there, they'd come up there, because you had to lay alongside that LST in those days. They used to live on LST on anchor.

JT: Is that right?

JD: The platform was here and the LST was here on anchor and you had everything in the LST, your pipes, your mud, your people, everything lived on that thing.

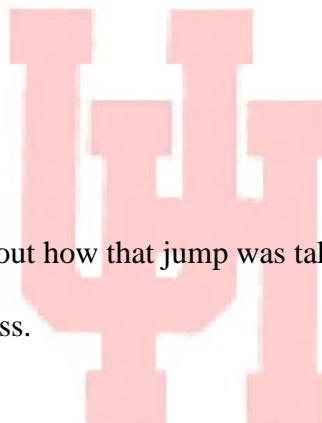
Well, those boats used to go up there to bring supplies up there. You had one or two good captains, very few. They'd run over all underneath that anchor chain, and you know what happened? They'd pull the whole front end out that wooden boat. That's when Humble had got rid of Harms and Marine Service, and then they started coming to the local people.

JT: Yes, looking for you.

JD: For me and they got quite a few besides me here. They used to run boats up there for how many. They got a lot of good boat people on this bayou, plenty good people. But that's all they do, they did, all their life, run boats.

JT: Now at this time, we've got a little bit of expansion into the Gulf of Mexico, maybe a couple two or three, five, six, seven, eight, ten miles out, at fifty, as you're going into a little bit deeper water, close to a hundred feet.

JD: Oh, yes.



JT: Tell me a little bit about how that jump was taking place and how that was affecting your business.

JD: Well, what it did is when they came up with those jack-up barges or jack-up rigs, that's how they got promoted to go further offshore. Platform, they cost too much money, they took too much, too long. But when they came out with those jack-up rigs, that's when the work started going for the off shore, and that's when they started demanding steel hull and asking people to build boats. So that's how we started.

JT: So from the *Nettie*, how did that jack-up technology, how did that change your business?

JD: The *Nettie*? Well, it did. It got me out of the inshore business and went offshore. The first offshore boat we built was the *Alamo II*, an eighty-foot tug.

TD: What year?

JD: I don't remember what year it was even.

TD: '59?

JD: Oh, no, later than that.

TD: Our rig was built in the year I was born, '62.

JD: '62, yes.

JT: Where was that one built at? Also in Orange?

JD: Oh, no, all that at Bollinger. That's when we started building boats at Bollinger up there.

JT: When did Bollinger get down to this area?

JD: Oh, Bollinger been down here for years and years.

SD: They started the same time we started.

TD: The war. They were building boats in the war, right? Does it go back that far?

JD: Started in New Orleans and—

TD: No, no, Bollingers was open in 1946, I think.

JD: Yes. They just celebrated their fiftieth somewhat—

JT: So explain this to me. You've got a need or the oil companies have a need for a serviceable boat. They've got a guy who's got the experience. How do you go— walk me through the process of how do you go to buy a boat? Where do you get the architect? Where do you—

JD: You go to the bank and hope that you can make a loan.

JT: A bank here in Cut Off?

JD: Any banks, yes.

JT: Now did these boats, are these designs of yours or where do you get the design for these craft?

JD: Well, you—here, the first boat that we built, we didn't make no design. We went up there and we built that thing, the *Alamo II*. We built that in Lockport. We told them what we wanted, and Bollinger's knowledge, and with us watching over them, we'd tell them how we want this hull built this way, I want this line to run this way, and that's how we did it.

JT: Okay. Was it a twin-screw diesel?

JD: Oh, yes, that was a twin-screw diesel. That was a big boat. Those boats, that was one of the biggest boats Bollinger built down there, the first one they ever built there.

JT: So you grew up shrimp boats, the small tugboats, and now you're going into deeper water, so you need a deeper steel hull.

JD: Well, let me put it to this way. Like I told you, I worked out of Venice for twenty-two years, I went to the oil companies with the politicians down there. When they made me move from up there, wanted to run me out of, that is when I got involved in the offshore business, and when we built the *Alamo II*. We were six partners in that thing, in the *Alamo II*, six of us.

JT: Well, the knowledge for the *Alamo II* came from up here [pointing to his head], right?

JD: That's right.

JT: It's from twenty years of being on boats and knowing what you need.

JD: Yes, because they needed it. That's when they started laying pipeline and they needed—in those days, you didn't have the equipment you have today. We suitcased those rigs, those anchors or we'd have to tie them on the back of the boat and drag them over. Today they pick them up with a winch, put them on the deck or whatever. Not in those days, you didn't have that kind of—you had to suitcase those rigs and you better know what the hell you were doing.

JT: Who were your six partners?

JD: My father-in-law, her uncle, well, her—let's see, Amit, all the family, all the family. It was all the family, right, exactly.

JT: But you were the captain then, is that right?

JD: Yes, I'm the one who took them out.

JT: Who worked on this *Alamo II* with you?

JD: Oh, when I took off with the *Alamo II*, I had a Wilbert Danos, Tillman Danos, and a couple of guys from Vacherie, Curney Toups.

JT: All in the family or—

JD: No, it's all local boys that I knew that we grew up with. They used to work with me inshore, inside. But where I went, they followed me. They wanted to work with me.

JT: So if the *Alamo II* was in the mid-sixties, early sixties, was it also parked over there in Venice and you had to—

JD: Oh, no, no, no, that was offshore, strictly in the Gulf of Mexico.

JT: So how would you get to that ship, to that job? That boat would come in to fuel up or they had crew boats to bring the people out, to bring the supplies out. We'd take us a crew boat and go out there. The boat would have to stay with that derrick barge, with the derrick barge.

TD: They says you're out at Grand Isle.

JD: Sometimes Grand Isle, depends where we was. Sometimes Grand Isle, and sometimes the mouth of the river. Sometimes in the west, depending on where the work was.

JT: So you ran this boat also?

JD: Oh, yes.

JT: But you couldn't run it thirty days in a row. You'd have to take some time off, huh?

JD: Well, it depends. When I built, the second boat I built, I stayed sixty-two days on it because I did not get off till I was pleased with it.

JT: What boat was that?

JD: That was the *Lionel Tim*.

JT: The *Lionel Tim*?

JD: That's right, *Lionel Tim*.

TD: Who's Lionel?



JD: Lionel is Ralph, Ralph's boy.

TD: And Tim is your son?

JD: Yes.

JT: Ralph Bollinger?

JD: Yes.

TD: They were in partnership with the Bollingers.

JD: Went partnership with the Bollingers.

JT: Oh, did you now?

JD: Yes.

JT: Okay. Awesome. So business was booming in the small town of Cut Off.

JD: Better believe it. Let's see. We built the *Todd Rig* first. We built the *Lionel Tim*.
That's after the *Alamo II* was built, and then that's when we built the *Timmy*.
Built the *Friendship* in, oh, lord, that was in the sixties. The *Friendship*, that was
a supply boat in those days, ninety, hundred-foot supply boat.

JT: These are all steel vessels.

JD: Oh, yes, all steel vessels.

JT: Twin screws.

JD: Twin screws.

JT: Where was the steel coming from? I mean was there a railroad? How was that getting here?

JD: No. Bollinger used to truck that down, I guess. Bollinger used to buy it. They'd truck it down.

JT: So Bollinger had the experience, he had the big factories, he had all the hands.

JD: We'd contract Bollinger. Bollinger would sign us, would give us—we'd sign a contract with Bollinger for those boats, and so they had to provide the steel and the workmanship for X amount of money.

JT: Ya'll would go every day, every other day to go check on the work?

JD: I'm going to give you a good example. I built the *Todd Rig* for two hundred and sixty-two thousand dollars.

JT: What year?

JD: In 1962. Kept that boat for twenty-eight years and sold it back for eight hundred and fifty thousand dollars.

JT: Is that right?

JD: And Lord knows what I made with it that time, beau coup.

SD: Twenty-seven hundred dollars a month, ninety dollars a day, and we would save almost two thousand dollars.

JT: How much was the *Little Nettie* making?

JD: Ninety dollars a day.

SD: Jim's salary was two hundred sixty a month.

JT: Two hundred and sixty?

JD: A month.

TD: Dollars.

JT: Dollars a month.

JD: That's it. That's what my salary. You pay captains now five hundred dollars a day.

SD: Twenty-one days on. Look, twenty-seven hundred. I used to do all the bills. Twenty-seven hundred dollars a day.

JT: Twenty-seven hundred dollars a day?

SD: Is what the boat would make, and we'd save two thousand.

TD: A day or a month?

JD: A month.

JT: A month, okay. Twenty-seven hundred dollars a month is what the boat was making in the fifties. In the fifties, that's still pretty good.

JD: Oh, in those days, a dollar was a dollar. In those days, a dollar was a dollar. Today, a dollar—in those days, now it takes about fifteen to make one like that.

JT: Let me ask you this, Mr. Danos, who were the men who were building these ships at Bollinger, the—

JD: Dick Bollinger, George Bollinger.

JT: Who were their crew in the yard putting it together?

JD: Oh, yes, they had people.

TD: He asked who were they?

JD: Who were they? Oh, Lord, in those days you had workers, my kind of people, not that trash you have today.

JT: What kind of people is that?

JD: Good coon-ass country people. Workers.

JT: Knew how to cut some steel, huh?

JD: You name it, they could do it, and they wouldn't even hesitate twice. If it's burning a rod or welding machine or cutting, they'd do it, no matter what. Everybody was in there to do what had to be done. Like this bunch that I'm working with right now remind me of Bollinger in those days. They don't give a

darn if they gotta hang off a roof, they're going to get it done and weld it or cut, whatever they got to do. Not all this safety stuff they got going on right now.

JT: Whatcha you mean "safety stuff"?

JD: Oh, my God, don't talk...unbelievable.

JT: Tell me about how that has changed, the workers in the shipyards from your days till today. What's the biggest difference you see?

JD: You don't want to get me started, for heaven sakes.

TD: No, but tell him, he wants to know.

JD: I'm going to give you a good example. Yesterday, yesterday—

TD: He's building a boat right now.

JD: We building a boat yesterday. They build that in sections today. They don't put it all in one piece and start. They put it in section. They put the stern in day before yesterday, just set it on a slab they have. Yesterday morning they start putting that thing together. All right. When you're talking about putting a

hundred forty-foot boat together by sections, it's not no easy chore. By one o'clock that afternoon, that bunch up there had that boat together getting ready to start cutting and splicing together. It would have took Bollinger three days just to scaffold up with safety devices that they had them crazies. They nuts up there.

JT: So where is this new ship that you're building now?

JD: Right down Gravois Road there.

TD: Burglar Rose Highway.

JD: Burglar Rose, Burglar Rose.

JT: What's the name of the company?

JD: Intercoastal?

TD: P & R Shipyard.

JD: P & R Shipyard, yes.

JT: P & R Shipyard, it's smaller?

JD: It's smaller. Just started in the business. Well, he's been building yachts and outboard motors. They're very good at that, so he just started this now.

JT: Okay. So I see what you're saying, is essentially the bigger that Bollinger got, the more ships, the bigger size, the more that they got involved in regulations and...

JD: Regulations is unbelievable.

JT: Liabilities.

JD: It's unbelievable.

TD: That's right, you got it.

JD: Too many office staff, I'll put it that way.

TD: Too many lawyers.

JD: Too many lawyers, and too much overhead. They got a secretary for a secretary up there.

JT: Is that right?

JD: Oh, yes, tell you what.

[Tape recorder turned off.]

JD: Bollinger and I still got the best relationship you can find. Dick Bollinger and I are the best of friends.

JT: Well, he's your neighbor, too, huh?

JD: No, no, that's Chouest, Dick Bollinger, one of the Bollingers up there, he's went to school for architect.

TD: He's an engineer.

JD: He's an engineer. He and I drew up boats sitting on our knees, putting them together with a mold in a fab shop. Not all them blueprints and those engineers today, now. We'd make moves how we wanted that boat to look.

JT: On a template?

JD: That's right. Get in that carpenter shop, cut a piece of plywood, to how I want this boat to tie in there, you're going to put that up there, that's how you going to cut it.

JT: How many boats—okay, so you were with the *Alamo II*, and then you said the *Timmy*.

TD: *Lionel Tim.*

JT: *Lionel Tim.*

JD: The *Alamo II*, the *Todd Rig*, the *Lionel Tim*, the *Reed*, the *Todd*, the *James*, the *Timmy*, the *Reminda Sue*.

JD: *Skip and Sue.*

JD: *Skip and Sue.*

JT: These are all basically a hundred foot workboats, crew boats?

JD: Yes, yes.

JD: Mostly tugs and crew boats and supply boats.

JT: Okay. These are steel hulls that you and Bollinger are building.

JD: Right.

JT: Mostly.

JD: Mostly.

JT: Okay. The initial six investors that went in were you and some of your family members.

JD: We're no longer in partnership. Everybody went their own way. There was only one boat.

JT: Now, if you're doing all this work and you're at the shipyard checking to make sure that these guys are doing what they're supposed to be doing and you're still behind the helm working three weeks or whatever—

JD: Not anymore.

JT: Not anymore?

SD: Years, years.

JD: No.

JT: But while you were doing all that work from Harvey to Venice, who was taking care of all of the finances of the company, if you were on a boat the whole time?

JD: She was.

TD: He never had a checkbook in his life.

SD: You're looking at her.

JD: Don't know what a check looks like.

JT: So you and your wife essentially were partners.

JD: That's right.

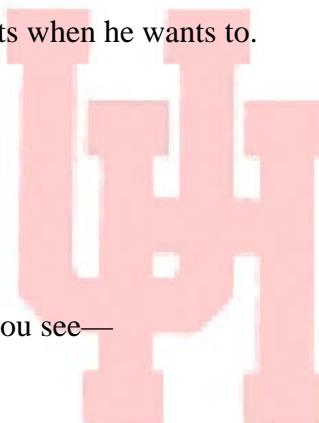
JT: She took care of the business side.

SD: In every way, we're partners. In every way.

JT: Okay. How did that work out? I mean you guys are now retired, I would assume, or somewhat retired?

JD: I'm not retired. I'm just retarded.

SD: He does what he wants when he wants to.



TD: All his life.

SD: All his life, yes, but you see—

TD: But he got the job done.

SD: You see Jim, once they started offshore, he didn't stay gone for very long.

JD: No. I took the boats out. When I was pleased with them, I give it over to the captain.

JT: Now, how many kids do ya'll have, Mr. Danos?

JD: Three boys.

JT: Three boys, okay.

JD: Todd's the baby.

JT: Now, for those twenty-one days you were working up the rivers, that must have been difficult here at home? I mean if you weren't here at home, who were teaching these boys how to—

JD: Momma would.

SD: I played football, basketball. I was the Kool-Aid house. Yes, the neighbors—

JD: Somebody had to bring the bread in.

TD: That's right.

SD: But somebody had to cook the bread.

JD: That's right.

JT: That's right. That's a good analogy. But you, when you came home, I mean would you come home and sleep—

JD: Oh, no, huh-uh.

JT: You were wiped out after three weeks of working on that, huh?

JD: No, no.

JT: You got enough rest on the boat?

JD: Oh, yes. You had somebody to hold the wheel for you. Yes, you had somebody could hold the wheel for you while you took a couple naps, took a couple hours' sleep.

JT: Now, besides taking your lovely wife out to dinner, which I'm sure you did on that week off once or twice—

TD: No, never.

JD: Nope.

JT: Too good of home-cooking over here, huh?

JD: That's right.

JT: Now, would ya'll take your boys hunting or fishing?

JD: Oh, yes, yes.

JT: Is that what ya'll did on your time off?

JD: Yes.

TD: That, and you had cattle.

JD: We had cows.

TD: We had hundreds of acres and hundreds of cows.

SD: Baling hay.

TD: All over. Property that he owns up the bayou here and all over.

JD: You stop me, doing nothing gets you old.

JT: That's right.

JD: I think that the only thing is older me is my clothes and I change them.

JT: But no, seven days, I mean you really—it almost sounds like you would have a week's vacation, not that you would not vacation, but there was so many other things that you could do, hunting, fishing, taking care of your crops, taking care of your cattle.

JD: Yes, but when I had the cattles and all that, I wasn't working on the boats. All I was doing is keeping an eye on them, keep them going, all that. I wasn't riding the boats anymore. The only way I'd ride a boat when new boats, when they was being new, I'd take them out.

TD: Yes, sometimes he'd go for a month and a half on a boat.

JT: On a new boat.

SD: When the boats was new he'd go.

JT: So at some point, you and your wife and your business, ya'll came to a point of realization that this is working, that you can now essentially stay home and hire people to run your boat for you?

TD: That's when his children started come into business.

JT: Okay. Then your sons, your three sons, started working.

JD: That's right.

SD: Right, Reed then Timmy then Todd.

JT: Just like you did with your father and your brothers did with your father. So it's essentially been in the family, it's been a family-run ship design, ship managing, ship owning business for three generations.

[Tape recorder turned off.]

JT: Did you ever own shrimp boats?

JD: No, never did.

SD: My father did.

TD: Your father-in-law had the two shrimp boats.

JD: He had two shrimp boats, because those two shrimps boats are the two that we put to work for Humble Oil Company, gave up shrimping, and he rigged them up to go work for Humble Oil Company. That's when we started in the oil business.

JT: That's when you saw—

JD: That's right, we went and worked through Candies, Otto Candies.

TD: Any vessel that went to work for Humble Oil—

JD: Had to go—

Tape 1, Side 2

TD: —Candies. Mr. Paul Candies is still very close friends with these people. Mr. Paul Candies told me last year, he said, "Well, you know, what, it's been forty

years. I got a check every month from Exxon, every month for forty years."

Wow.

JT: What type of equipment is this?

TD: They own equipment, huge vessels, big, big. We're a little bitty company compared to them.

JD: Compared to them. They got those big supply boats, big tugs.

TD: They got big, big—

SD: How about these things that they build.

TD: They're building all kind of stuff now.

SD: Those barges, what is that about?

TD: Launch parties.

JT: So from trolling to the boat business to the offshore industry. Let's talk about that, how the offshore industry is expanding and keeps going further south and south and you've now got a fleet. Is that right?

JD: Yes.

JT: Okay. Because you and your wife have a fleet of vessels.

JD: Right. Well, and the kids, and the boys. The boys in it. I gave all my stock to the boys.

SD: We did estate planning.

JT: And ya'll are still building at Bollinger?

JD: Oh, yes.

JT: Okay. At that time.

JD: Yes.

JT: How did the changing and the fluctuation of the market and the Gulf of Mexico industry, talking about the seventies when we've got the energy crisis and you've got Nixon's policies, you've got various presidential administration's Department of the Interior policies that are changing the face of the energy world, particularly in the Gulf of Mexico? How is that impacting the shipbuilding in your industry and your business?

JD: Well, when the oil companies went down, it started to cut down on everything. Everything went to hell. I tied up three boats in a row, took all captains, put them all on one boat, all captains, not a deckhand one, and didn't cut their pay. Had three boats tied up in a row.

TD: One was a year old.

JT: How much were you losing with those three boats being tied up?

JD: I'm figuring the sixteen months we tied up, we lost about a million, about a million three, we spent out of our pocket, paying for those people and keeping those boats insured. Every week, I'd be at Bollinger in Larose cranking every one of those boats, making sure they run. Because the first trip that was made with one of them, we had to go to New Jersey. So we lined up a crew to go up.

“Whoa. I ain’t going on that boat.” Now that boat hasn’t moved in sixteen months.

“Well,” I says, “you don’t want to come, it’s all right with me. But I know that boat’s going, because I’m going on it.”

“Oh,” he says, “you going on it?”

I says, “Yes, I’m going on it. I’m not afraid to go on it.”

“Well, if you’re going, I’m going with you.” We took off from here, we picked up a barge in New Orleans and went all the way around the Keys, went to New Jersey, changed the waterline.

TD: That’s in about ’84.

JD: But it’s every month, every week, I was up there cranking those boats, cranking everything on those boats.

JT: Right. So it was downsizing and then diversification, trying to—

JD: Sixteen months those boats stayed tied up Bollingers.

SD: You were in Cartagena. You flew over there.

JD: About sixteen months they stayed tied up.

[Tape recorder turned off.]

JD: But we went to Cartagena, when we went up there to tow those containers, that fellow you said that flew me up there—

TD: Where's Cartagena at?

JD: Columbia.

TD: Columbia. This is during the oil crisis when—

JD: Yes, when things were slow.

TD: Okay. Things were real slow. You were trying to find business anywhere.

JD: That's right. That old boy, they had a boat of their own, whether they can call that a boat. It's the same boat that I redid the *Dirk* with.

TD: We ended up getting it to—the fire marshal said—

Interviewee: Danos, Jim and Danos, Todd
Interview Date: January 11, 2007

JD: That fellow walked on the boat, before I knew it he was on the boat, he was in the engine room, Chris. "Goddamn, I can't believe this shit."

I walked down, I said, "What's the matter?"

He said, "You can lick butter in the bilge of this damn thing. Everything is white, even the engine, the bilge is painted white."

"That how it's going to stay, too."

TD: He graduated from MIT, the guy crewing.

JD: He said, "That boat there ain't going nowhere, not as long as I got something to say. It's going to stay here. This way I know our work's going to be done with a boat that way," and kept up like that.

JT: So you're transporting to the East Coast, you're transporting to the Caribbean.

JD: We go anywhere where they got money to be made. We will go.

JT: Once the industry came back alive in the nineties—

JD: We went back to our rig moving.

JT: Did you continue with your Pan American, your international?

JD: No, we went back to our rig moving.

JT: Back to rig moving.

JD: To our local people here, because we got customers that looks for us. When things start ready to go to work, they want us back moving their rigs.

JT: Tell me about now we got deep, deep water. We're talking thousands of feet. We got big, big rigs. Some are built here. Most of them are built overseas. We know that. You've got to have a big workboat to pull these things out and put them in place.

JD: Yes.

JT: You've owned a few of those. Tell me a little bit about—

JD: No, I don't. Chouest is the one who's got them.

TD: No, let me add. The only thing we did to assist in that, we would run boats down to Brownsville to the shipyard down there and we would stay four, five weeks to help them ship the barge with the submersible and all of that on there, and once it

was ready for wet tow, we would get off. Our equipment wasn't big enough for that.

JT: Okay. So you're basically sticking with the hundred to the hundred and fifty to, now, the two hundred.

TD: Now we do shelf work, outer continental shelf work. Its another class of vessels, right.

JD: That's a different class of boats up there.

JT: Like what we saw being built now.

TD: Yes, built in Bollinger.

SD: Well, he's building eighty in Brazil right now.

JD: Who is?

SD: Gary Chouest.

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TD: OSVs. Damon Chouest explained to me the reason why they doing it. There's a law in Brazil that allows you for every ton of steel you're building in Brazil, you could send two tons down there till the boats built. So in other words, if they're building a three-thousand ton vessel, they get paid two, three thousand ton vessels from the Gulf and send them out there, and it's cool to work. It's legal to work. So I asked Damon, we was going to the Saints game the other day together.

I said, "But, Damon, when are ya'll going to stop building?"

"Oh," he says, "we're not. As long as we're building a boat, we can send boats." So what they're doing is as the market gets soft here, Brazil is probably going to continues, yes, and it will continue to go up for about several years. They said 2012. So as long as that goes, they can build boats there and send the overflow from here.

JT: Much more attractive.

BJ [Bill Jackson]: If that part ever gets weird over there and this part gets good, they can bring the boats back.

TD: Oh, yes, they can bring the boats back whenever they want.

SD: We spent a month over there.

JD: See, right now, Trico is shipping five boats, five of their boats to China. They got to be ready. Supply boats, a hundred and eighty footers, two hundred footers. They have to be ready for the end of this month. Well, little Jed was telling us that yesterday, to load them on the ship to send them to China. They got four of them going to Africa. So that's—

TD: They're supposed to send ten boats out of the Gulf.

SD: Who's that?



JD: Trico.

TD: I don't know where.

JT: These are vessels that are built here, mostly at Bollingers?

JD: Yes, built here, and then they're going to be foreign flagged to begin with.

JT: But now as the hurricanes have passed and the damage is being repaired and, like you said, the industry there, the marine transportation industry is softening up a little bit.

JD: Yes.

JT: But now that we've got contacts where these oil companies started contacts fifty years ago, and now that all this activity is taking place all over the world, particularly in China and India where things are booming over there, now your boats, not your boats but the boats here, can start going and work overseas where the money is a little bit better, taxes are less, less liability.

BJ: Long planning. Long-range plan; they're making ten-year plans.

JT: Ten-year plans instead of twelve-month plans.

TD: Right now Bourbon, they're building, I think it's eighty or ninety boats worldwide.

JT: Where is that company?

TD: That company is out of France. Bourbon. That's French, what is it, Bourbon?

SD: Oh, yes, it is.

JT: So where is your company today, Mr. Danos? What vessels do you own and where are they operating?

JD: Operating out of here.

TD: Gulf of Mexico.

JT: How many do you own?

JD: I lost track of them.

TD: We've got eleven, and we're building one now.

JT: That is Galliano Tugs?

TD: Yes. Well, eight boats operated out of Galliano Tugs, like I said in my email, and three of them operated by J & B Operating at GOL's office. The one that's being built is going to be operated out of J & B Operating, also.

JT: When did ya'll start Galliano Tugs?

TD: Galliano Tugs started in 1963. Tug Nettie Incorporated started in 1948.

JT: That would be the—

TD: That fat little tug we ran in Venice was the Nettie. Then we formed a partnership with Joel [Broussard] at Gulf Offshore Logistics, it's going to be four years this July.

JT: So we're talking several, several vessels, crew boats and workboats?

JD: Yes.

JT: Okay. In the Gulf of Mexico.

TD: Tugboats, supply boats. Joel has crew boats.

JD: Joel has got crew boats.

JT: So this latest boat that you're building that's being built down the road—

TD: P & R Shipbuilding.

JT: —is that the first time that you bring a business there?

JD: A boat there, yes.

TD: That's a new shipyard.

JT: Okay. New shipyard, that's kind of surprising to see a new shipyard out of what we've all seen as a lot of things are being moved overseas, the industry is kind of slowing down a little bit. Well, why such the urge to start a small shipbuilding company when you got Bollinger right here?

SD: Because it's so expensive now.

TD: Well, listen, the bottom line is this. People at any shipyard you go to, you can't get any production. Basically, you've got to either wait for a boat to be built down the road, who knows what the market's going to be like, or the alternative. P & R started, they had started building some inland boats probably two, three years ago. This is their first offshore vessel that they're going to build, and Joel signed a contract with those guys to build three of those boats.

JT: Joel Broussard of GOL.

TD: Right. And Joel decided instead of building that small a boat, he wants to build some bigger boats. He came to me, he said, "Hey, look, I don't want to build these boats. You want them? I'm not working them."

I said, "Yes, let's build them." So that's where we at now.

To answer your question, P & R came into the business because they'd heard people say how they have to wait at Bollingers, they have to wait at Main Ironworks, they have to wait at all these shipbuilding places along the Gulf Coast, so they said, "Hey, I'm going to get some overflow."

JT: When you say wait, are we talking a year?

TD: Could be years.

JD: Oh, yes, could be a couple years.

TD: Chris Bollinger and I have been meeting every week for the last two years. I met with him this week. He told me that they can't even take any more work. They're building multiple barges in Amelia. They just signed a ten-boat contract with Bourbon that's going to take them a year. They're building two jack-up barges for Edison Chouest right now. They're building multiple barges for Bouchard. They're also getting ready to land a huge government contract where they're going to have to double their fleet, double their workforce in Lockport.

JT: Okay, in Lockport, where is that workforce coming from?

TD: They just got a bunch from Romania, they got a bunch of Mexicans, and that's about the gist of it. Mexicans and these Romanians now have started to come in.

JT: You've got a thousand, like you were telling me, a thousand eighteen-wheelers that are coming up and down this road, it's a big number. Can this community—

TD: Four years ago, they did the survey: fifty-two thousand trucks in a month.

JT: Can this community and its infrastructure support this new emerging growth?

TD: This growth, yes.

SD: Well, that's why they're building overpasses now.

TD: Yes, the highway LA 1 Coalition doing an overpass from Leeville to Fouchon, you know, that's one phase of the three phases. Oh, yes. It's a four hundred million dollar deal. They built this road. They're going to take this road and they're going to extend it all the way to 90, this new highway. So, yes, the infrastructure is going to be there.

In fact, they're going to tie in a road, too, that's going to end up going to 90 through the backside, if you would, towards, behind Des Almonds and all.

BJ: A lot of this push over here is for the ultra-deep future. All they're getting is deep, deep South, ultra deep.

TD: So you can get a little bit of an understanding, too, the Gulf of Mexico is here. Bayou Lafouche, because of the deep-water channel and because of its location to the ultra-deep water location, it is the funnel, if you would, of the support that's needed to support the Gulf of Mexico because of the location of the channel because of the location of Port Fouchon.

For every man that's on the Gulf of Mexico working, there's seven men on land. So back on the Bayou Lafourche, it's this whole area, and that's why these people have done so well down there. It was the closest thing that happened to the pool of money, which is the oil in the Gulf of Mexico, oil and gas.

JD: You were saying in Houston, how long it takes you to go from Galveston to Houston.

JT: It's about a forty-five minute drive.

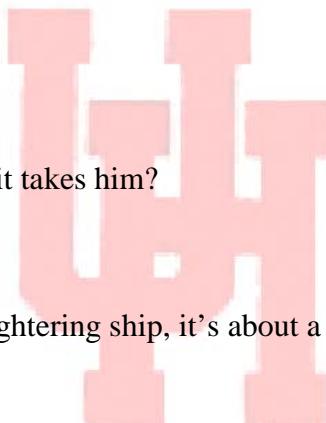
JD: By boat?

JT: Oh, by boat.

TD: Five or six hours.

JD: Longer than that.

JT: It's a little bit longer. If you're going fifty-five miles down the ship channel and you're pushing—



JD: You know how long it takes him?

JT: If you're pushing a lightering ship, it's about a thirteen-hour shift.

JD: That's what I say. You know how long it takes you from Fouchon to be in the Gulf of Mexico? Half an hour, you're in deep water. That's why that place is booming like it is, and it's in the center of everything.

TD: That's why they need to push for the storm protection. If Rita, I mean Katrina, would have came thirty miles this way—

JD: You wouldn't have Fouchon anymore.

SD: It would have stopped—

JD: Why do you think they're building that overpass right now so fast?

TD: That's why they need—

JD: Usually they figure it takes fifteen years of study. It's not a year Katrina passed, they're already building a goddamn road, because when they seen what Fouchon's doing—

TD: Well you saw what happened to the price of oil.

JD: The United States—

BJ: If you knock that artery off right here [pointing to Bayou Lafourche] it effects the stock market. That's the bottom line.

JT: And it did that in the eighties when you had things growing, growing, growing, late seventies, it's booming, it's booming out of control—

TD: Wildly.

JT: Both of you guys, all four of you guys have seen that.

BJ: A lot of corruption.

JT: A lot of corruption in those days. A risky business was going on and then the bottom fell out. We've learned from our mistakes, hopefully, and here we are again where the economy is wonderful, the price of a barrel of oil is up here, and as we just mentioned all of the growth that is taking place, not even mentioning the rig building—

TD: Right, that's part of it.

JT: or the service industry, the jack-up barges, etc, the inland drilling rigs, but particularly the ship building, if all of that is growing out of control here in the last couple of years and even today, with the crisis going on the Middle East who knows how that can turn overnight. How does this thing play out? At what point do things begin to plain off? What's in the next few years from now? Mr. Danos, what do you think?

JD: It's hard to say. I went through this kind of thing, that's my third go-around to go through this depression or whatever you want to call it. It's not my first time; I've

been through it three times. It's an excess of people building, building, building, and the oil companies love that. Building too many boats.

TD: Growth industry vs. Cyclical industry. But to answer your question of which you was asking him about, you know, when do you stop. Our industry, before the '80s was never a question about building a boat. I think today, most importantly, is timing. You know, timing is very important in every business. It used to not be that important in our business, but now it is. You could get caught with a boat being built for ten, twelve million dollar, and even before you start and put that boat in the water, the rig could have gone from twenty-five thousand a day to twelve. So timing is critical. Very, very important. We used to never be a time-sensitive business. Now we are.

JT: That has everything to do with the price of a barrel of oil?

TD: It does. And that's why I'm going back to the fact that Bill brought up, and I think we've become, not out of a cyclical, but we not as much in a cyclical because of the demand. I mean if you read, like I read, I'm sure you do, I mean the ten percent annual growth in oil...I was just flying across the country the other day and oil, the demand for oil in China right now is like twelve million barrels of oil a day. American is up to twenty two. They said that in five years, and with a ten percent increase for America, they said that within five years the demand from oil

in China is going to pass what the Americans need. You know it's more of growth thing.

JT: And I would say that probably a lot of lessons have been learned. And we probably realize what are some of the things that can bog us down in a whole and maybe we're trying to avoid some of that.

JD: Playing it very conservative.

JT: But we'd prefer if it stayed like this.

JD: Exactly, better than up and down.

TD: Let me share this with you. I've been in the office since 1985. I'm the youngest, Reed is with and Reed's older and he's been with us for a long time. I could tell you, I could count on this hand in twenty five years, and I could say that we made some money. Those other fifteen fingers, we either made a little bit, broke even, or lost. But on five fingers I could say yeah we did good. The last three years, yeah we did good; everybody did. But you still got the people getting into this business and it's always going to be a calling out. I mean they've got people who got into this business two years ago that got ten boats. I mean, we were raised and we were taught, my brothers and I, by these guys, save your money.

JT: Because you might need it for a rainy day, like what happened in the '80s.

JD: Shit as long as I've been in the business, if I'd be like I know some them guys, I should have a hundred boats. But I don't believe in that way.

JT: Do you need all that though?

JD: No, no.

TD: How much is enough? My oldest brother asked me that; how much is enough? I don't know. I could tell you this in 1978, my brother Reed told me, there's eighteen hundred twenty seven hours in a month. It was so busy, we used to make hours, we used to bill more hours than they had in the month.

JD: Till you double-dip.

TD: It wasn't as much double-dip as it was demand. In other words, if an oil company knew that you had a boat in west Texas and he needed a boat at the month of the river, and before somebody could commit to that boat, he'd said put me on payroll now. And when you finished with that, you come to me. We did that forever.

SD: I remember one year, I'm not talking about months, a whole year, you had to hide to come in to change clothes so they would see you because you were on two payrolls, you know, you had to sneak in to change clothes, or fuel up, or whatever you had to do.

JD: You had to change your people.

JT: Let's change direction here for just a little bit. As we've seen with the Valdez and even back in the 1970s with Santa Barbara off of California, some of the big oil spills, the emerging environmentalism that has basically taken grip of this industry, you've seen it Mr. Danos everyday, tell me a little bit about how liability or the increase in liability and insurance and these regulations these environmental regulations have played into your business, and how they've changed things, and how they've forced you guys to change.

JD: That environment is ridiculous.

JT: The environmentalism? You think its too excessive?

JD: And they have too much damn power to start off with. They could cripple you to death. In my way of looking at it, what they can do to you, it's uncalled for. That's my way of looking at it.

TD: You know you've got to appreciate, first of all we appreciate where we live. America is a beautiful country. I just got back from Hawaii, okay, its gourgeous. It gets to a point where I think people abuse the system for gain. We just had a boat that struck an underwater structure and sank. This happened October 21. We had a hundred and twenty gallons of fuel. We have a \$5 million salvage bill. \$4 million of that \$5 million is directly related to pollution prevention. Its overkill. Its fly by every day, twice a day with helicopters. The Coast Guard, the regulatory bodies, which is the Coast Guard, they way you, and we didn't lose a gallon of diesel. We had no spill. For prevention of pollution. So you talk about the environment, and look, I was attending these conference calls every day, twice a day for about a week until I said, "They're nuts." They had people hired and working that showed the Coast Guard if there was a burp of fuel with the winds and the currents and the sea conditions, it wouldn't even come close to land, not to mention that an hour or two after its burp, it would dissipate, it would go away.

JT: You were financially responsible for paying that.

TD: Oh, yeah.

JT: Why didn't OPA 90 regulation or any other funds kick in?

TD: Well, you learn as you go. We'd never lost a boat before. So the long and short of it is, when you go and listen to these lawyers, there is a trust fund, and what happens is, the sad part is, we pay our insurance, in full, been paying for years, and what's happening is there's two tears to your insurance policy on a vessel: there's hull and P & I which is protection and indemnity and the hull, the structure, and there's pollution. We'll the salvage company submitted their invoice and its \$5 million dollars, \$5.2 million dollars. The salvage company told us, we had a roundtable meeting about a month ago, pollution control was there, hull and P & I was there, and we were there. What they basically said was that eighty five percent of this bill is for pollution prevention. At that meeting is where I learned about the trust that they have to go tap into and because of OPA 90 and get there money down the road; is it money then they'll get, probably, when, probably three, four, five years, but I'm frustrated because I paid in good faith, I paid my money and in good faith I have a contract on the insurance policy and they said, Hull and P & I said, "we think we owe twenty percent of the bill," and pollution said, "We'll we think we owe twenty," we'll the other sixty percent, the people who did the salvage, they coming to me, they gonna sue me. So I have one of two choices: either I can just write them a check, which I don't want to do, or I'm gonna go to court and it's going to be a pissing contest. And a judge, unfortunately, is gonna decide the fate of this. And you know what, we'll probably all have to pay something. But I bought a policy in good faith.

JT: You have sons, Mr. Tood.

TD: Yeah, I have two and a daughter.

JT: Are they going to be—

TD: They want to but I'm discouraging them.

JT: We'll we've had a big change in the way that we live here in the last two years, with Hurricane Rita and Katrina. Tell me how these two storms has essentially changed the way, impacted the shipping business.

TD: It made us a fortune.

JT: Why is it so necessary? Why is marine transportation and getting them out there in the Gulf right now, or let's say back it up to eighteen months ago, why are ships needed?

TD: Because people in New York need heat...and lights.

BJ: The Gulf of Mexico is a gas pocket, has been since the '70s.

TD: It tripled our rates. Through the roof.

What was the storm that hit before Katrina? Ivan? You know and I was sitting with my father-n-law and my brother-in-law one time for one of our Sunday dinners and they said how many billions...if that came here we'd been making all the money to rebuild. And that's what happened in the Gulf.

JT: It's a lot of picking up what had fallen down?

JD: Repairing.

TD: But I strongly believe, Jason, that if oil wouldn't be fifty, sixty, seventy dollars a barrel and oil would have been ten, twelve, twenty dollars a barrel like it was in the '80s, they'd have left it. It all goes back to what we were discussing about the demand and the growth of the world's economy.

JT: And with the big finds that we've talked about, you know, ten billion barrels of oil, Hercules, Thunderhorse, some of these big guys, it looks like we're in for another fifty years of steady growth.

TD: Bill brought up a good point too. The oil industry, fifteen years ago was not talking about drilling off the coast of China and Indonesia. Africa, yeah, Venezuela, yeah, Mexico, yes, to a certain degree. It's that commodity that has

become such a valuable...commodity that people now are going off their coast as much as they can to drill. That's why they are going to get, it's worth money.

JT: And the expertise for this drilling, can we connect that to the Gulf of Mexico, to the pioneers of ship design.

JD: Every place that they went drill, who went and do it: American. Mexico? American. The North Sea? America. Nolty Theriot was a pioneer of the North Sea with boats working for Brown n Root.

JT: One of my distant relatives I'm sure.

JD: There was one man I respected and admired. You couldn't find a better man than Nolty Theriot.

TD: He was way ahead of his years. He was way ahead of his years. If that man wouldn't have died of cancer in 1972—

JD: He'd be bigger than Chouest

TD: Well, could be.

Interviewee: Danos, Jim and Danos, Todd
Interview Date: January 11, 2007

JT: When you've got companies, powerful companies, like Bollinger and North America and Avondale on the other side of New Orleans, when you've got big, big major players, you're talking about a high level of capitol competition. Is this going to continue, or are we going to see potentially merges, as we've seen in the oil companies?

TD: I think so; it's happening. I personally think that the smaller companies, the moms and pops, with the environmental regulations, that's why I discourage my children. I don't think they stand a chance.

JT: I had a marine attorney involved in the Valdez who said when guys go out today, they are gambling with their lifesavings every time they go out into the Gulf of Mexico. Without the financial backing that you've had over the last twelve years, and if you had only one boat—

TD: It would have bankrupt the company.

JD: Jason, I told my boys it gonna be two to three years before you feel yourself safe in the Gulf of Mexico before they locate everything that's drifting out there.

BJ: What got him was that Notice to Mariners that wasn't noticed, so he if goes into a law suit, well how long is that gonna take.

TD: Either we're gonna all spend two, three million dollars worth of legal fees, or we're gonna sit around and decide how to divvy up this thing.

JT: Of course the lawyers would prefer if you road it out.

TD: I can't believe that the lawyers gave us a flat rate: \$265,000

JT: I guess because they have so much business right now with so many incidents

TD: Actually, I think it's the other way. There are so many lawyers out there and they weren't the cheapest.

BJ: Is your boat still out there on the ocean floor?

JD: No, it's in Larose.

TD: They all over. Lawyers are a dime a dozen.

They took the fuel off of it; they towed it upside down to port. Then they took a train barge and rolled it. They finished cleaning it up, got it into a floating state, and went and put in Bollinger's in Larose.

BJ: How much did that cost you?

TD: That was about five and a quarter million job.

BJ: Five and a half million just to recover that boat?

TD: Of that \$4 million was for pollution prevent.

JT: May I ask where was that boat built?

JD: American Shipbuilding in New Orleans.

TD: That was probably the largest conventional tug boat in the Gulf of Mexico. And we just spent a million dollars on it in March.

JD: ABS and everything else.

TD: We did a lot of internal in the tanks.

BJ: So for three months without working how much did that cost you?

TD: A million eight. Plus the million we spent.

JT: So a million a month?

BJ: Who's that boat named after?

JD: *Needy T*, after Nolty's momma.

TD: Actually it was called the *Loppery*; it was named after Bobby Autin's mother.

BJ: Whose Bobby Autin?

TD: Bobby Autin was in Louisiana International Marine who my daddy was...Claude Autin was working for Gulf Mississippi and he went out on his own and he asked my daddy to go with him—

SD: He was our broker.

BJ: How long did ya'll have that boat?

TD: We bought that boat five years ago. We paid five million for it.

JT: Naming these boats sounds like it's an honor, it something that you guys put a lot of thought into.

SD: Yeah. His mother passed away and we asked if they'd mind if we named the boat after his mother. They said, "Of course."

JT: I guess people from around here have always done that, with shrimp boats...

[tape stopped]

TD: All that equipment will be at GOL. That's my passion that's my goal. We have some boats with GOL, we have some tugs with Louisiana International although GOL is hiring our tugs through Louisiana International. I think it's a matter of Joel respecting the relationship that my dad has with Mr. Claude Autin.

JT: Well there can't be too many folks like you guys who are around here who've been in this business for that long with that type of experience.

TD: You'd be surprised.

SD: The Guilbeaus, the Cheramies, the Chouests.

TD: The blood on this bayou is very thick and family, I can say this, and it's a fare statement. There are some families that tried this, what they've done, and some of them got blown up because greed got in the way. But that is something we were not taught, we were not taught about greed, we were taught about being conservative about saving money.

JT: Last question. What is the secret to success?

JD: The secret to success is hard work and don't give up. I never gave up on nothing and was not afraid to try anything. And give a hundred percent to whoever I work for. Not fifty percent, but a hundred percent.

SD: Always live below your means.

BJ: That's why she's not stressed out. [laughter]

TD: Six months we did a little boat repair in Intercoastal City and Casey, who works at Galiano Tugs' office was talking to this guy and this guy said, "Well, you know I can do the work but I don't have an account there." I says, "Casey, tell him we'll wire...the jobs \$500, tell him we'll send him \$2,000 right now." He said, "By the way, who do you work for?" He said, "We'll I work for the Danos, Mr. Jim

Danos." He said, "Auh, that's okay. I'll do the work." I have never ever been refused service or products ever because of them. Now there's value to that.

JT: Hard work.

TD: Reputation.

JD: It was very nice to meet you

JT: Good to meet you too.

JD: And you can put that in your book.

JT: Alright, we'll try. We'll see what they think. I'm sure they'll like it.

[end of interview]

[edited by Jason Theriot, 8 May 2007]