



East Coast Repair & Fabrication (ECR) is a small-scale, full-service coast-to-coast ship repair and fabricating business, primarily for the US Navy. Having won several multi-million dollar contracts, the company has ambitious plans to build a new facility at Newport News, Virginia. Andy Probert spoke to President Rene Doiron on the company's continuing transformation.

Puerto Rican Jorge Rivera had dreams to own a business, to build a school for disabled children in his home town of Vieques, and to build within local communities. Having come from humble beginnings, operating from the back of a pick-up truck, East Coast Repair & Fabrication (ECR) today provides work for 450 people on the East, West, and Gulf Coasts of the US.

Established in 1999, ECR has a proven track record of delivering ship repair, marine construction and fabrication services on various US Navy vessels and commercial ships.

With 95% of its work focused on military vessel contracts, either as a prime or sub-contractor, the company is now going to the next level, investing \$64 million in a new facility at Newport News in Virginia.

As President Rene Doiron expanded on, the intent is aimed at opening ECR up to a greater diversity of vessels from a facility

with the state's only deep-water access that is run by a small ship-repair business.

With two 1,000 ft long piers, which prior to ECR's involvement were used as a "car lot" for ships, the aim is to create an industrial waterfront hub across its 84 acres over the next three-five years.

"We have many plans for Newport News, one of which is relocating our present headquarters in Norfolk, Virginia, when investments and timeframes allow," said Mr Doiron.

Navy vessel focus

For now, ECR has several locations, with facilities in the Virginia State Hampton Roads area comprising Portsmouth, Norfolk, Newport News, and separately at Norfolk's US Navy Base. It is also operational at two other US naval bases: at Mayport, in Florida, and San Diego, California.

FLOATING a BOLD evolution

Additionally, the company has a presence in Wisconsin, set up to support companies like Marinette Marine and Lockheed Martin for their scheduled new build programs for new naval vessels.

ECR holds multiple indefinite delivery indefinite quantity (IDIQ) contracts for various Navy vessel assets. ECR has historically operated as both a prime contractor as well as a subcontractor. However, more and more the company is doing prime work under its various IDIQ contracts. For example, in San Diego, the business holds both a non-complex Multiple Award Multi Order contract, (MACMO) and performs as the prime contractor on numerous non-complex continuous maintenance availabilities on all classes of surface ships, in addition to an IDIQ contract for support of the littoral combat ships.

In the spring of 2020, the company secured a Complex IDIQ contract which allows it to compete on complex availabilities, which includes larger scope and longer duration Selected Restricted Availabilities.

It also holds a master ship repair agreement and an agreement for boat repair with the Navy, allowing the company to undertake several contracts in each port for cruisers, destroyers and amphibious crafts.

In 2019, ECR acquired Florida's Jacksonville Machine & Repair (JMR). JMR has a fully-equipped 41,000 sqft fabrication facility with in-house technical designers to assist clients. The JMR division services the repair needs of commercially owned vessels, doing business for vessel owners like Crowley, TOTE, and Manson.

"Around 90% of our business volume is focused on military projects, with contracts for many different divisions of the US Navy," detailed Mr Doiron. "This includes the Military Sealift Command division, which in many respects is very non-Navy like in how they administer their contracts."

He added: "Under IDIQ contracts, that typically last five years, we can, under this umbrella, bid on numerous projects for scheduled maintenance and repair work. Solicited packages comprise ship alterations, as well as general ship repair work from structural and pipe repairs, engine overhaul work, to electrical and large scale preservation work."

Newport News expansion

One of the latest milestones for ECR, which is the largest ship repair operating company of numerous affiliate divisions under S23, the parent and Mr Rivera's holding company, is the 2019 acquisition of the facility at Newport News.

Mr Doiron said: "With two 1,000 ft piers, we believe there is real untapped potential here. We have been making investments





in the location, and it will require more investment to transform it into a full-service shipyard.

“Newport News has put us on a very different path for the continued growth of ECR. It will not only transform the area and the surrounding neighbourhood, but will also provide employment for over 300 people.”

The plan is to have a fully operational shipyard with an industrial campus that includes new manufacturing capacities in addition transferring its Norfolk HQ there. Progress on the piers is forging ahead with work underway comprising of new piles, a new mooring system, power upgrades, and work on fire main, potable water and compressed air.

Located strategically on the James River, which runs into the Chesapeake Bay and accessible from the Atlantic Ocean, the facility will better accommodate deep-draft vessels and in part provide a currently unavailable category of ship repair for government and commercial contracts in the Hampton Roads area.

Mr Doiron commented: “The expansion will make S23 and its affiliates the only small business ship repair company with deep-water access in Virginia. It will mostly focus on military projects as well as helping us to pursue larger scope, complex repair projects which are nine to 16 months in duration.”

In concert with the investment announcement, ECR landed two complex IDIQ contracts with the US Navy for complex work on the Surface Combatants and Amphibious class vessels.

Most recently, in March of this year, the company was awarded a \$12.1 million contract for a mid-term availability to be performed on the fleet replenishment oiler USNS Kanawha, a Navy owned vessel operated by the Military Sealift Command. The Kanawha, which has been in service with the Navy since 1991, provides fuel

replenishment to the Navy’s combat ships and jet fuel for aircraft aboard aircraft carriers.

ECR was also successful in securing a mid-term Availability contract on the USNS Arctic, a supply class fast combat support ship. The work begins in August and completes in early October.

“Contracts like this will continue laying the groundwork for applying our lessons learned for working at our new facility. We look forward to incorporating needed changes to become more proficient. These are the firsts of many similar type contracts to follow in the wake of the revitalisation of the Newport News piers,” added Mr Doiron.

“The facility lends itself well to the placement of a floating dock, a synchro-lift and other facilities. We are already undertaking ship repair, and further investments will open us up to new market opportunities and allow us to do the work more efficiently. Additional investments will also serve to meet the Navy’s infrastructure gap in the private industry.”

He revealed the company was pursuing numerous opportunities for funding assistance. “We have been in many discussions with Navy and Congressional leadership. They have a stake in our vision with the facility as they have acknowledged a lack of infrastructure nationwide to tend to the ship repair and maintenance needs of the naval fleet.”

There is a \$20 billion 21-year plan on the table to revitalise four public sector shipyards. “But we argue that part of that investment should be facilitated with the private ship repair industry. It is part of the solution and we continue to make the case.”

ECR’s President said that some within the Navy argue the need to ‘divest to invest’ – essentially decommissioning some Navy cruisers to allow for more investment in future technologies.

“That’s not a view I subscribe to. I think the Navy has good vessels and they have plenty of life left in them. We should be making life-extension investments into them so that they can continue complementing the growing fleet size that is needed,” he said.

“This can have a spill-over into the private sector’s ship repair infrastructure. If you plan to decommission some cruisers and not repair them, it will impact the stability of the industrial base.

“Part of what we need is repeatability, visibility and consistency of work. It’s the only way we can feel confident in making repeated investments in our infrastructure. The Navy should take a greater interest in the private sector capacity than they presently do. And that includes the future of Newport News.”

Recognition and a new business win

The extent of ECR’s quality work was recently recognised by BAE Systems Ship Repair. ECR was one of 112 suppliers that achieved outstanding results in critical areas, including overcoming Covid-19 challenges, exceeding quality metrics, and achieving the best cost-reward relationships.

He acknowledged the pandemic had impacted operations, but the company remained resilient in maintaining business, leading to a minor culture shift of maintaining a teleworking approach for some of its back-office staff.

“Going forward, the challenges for ECR are associated with its growth in moving from a smaller company to a larger one,” outlined Mr Doiron. “It requires a level of organisational structure and discipline, as well as confronting the challenge of sourcing skilled labour. Part of Mr Rivera’s vision is to establish a training school which is needed in order to maintain opportunities for those interested in the trades to develop their talents.”

“We have been successful so far with growing our company because people are taking notice of what we are doing. They are coming to work for us because of the potential opportunities that we have and it’s a place where people want to work.”

He reported the company grew 26% in 2020, and is on track to grow by a projected 30% in 2021 and another 20-30% in 2022. “Naval vessels require regular maintenance, so such infrastruc-

ture has to be scheduled, and we are eager to be on the forefront of the needs.”

A recent and significant landmark is ECR winning a five-year IDIQ contract for shipboard habitability work as part of a \$986 million US Navy contract.

“This will be work on both East and West Coasts and will allow us to morph into a different type of work,” continued Mr Doiron. “This is for the repair and revitalising of accommodation spaces for various classes of vessels for the US Naval Surface Warfare Center (Philadelphia Division). This is a new client and one we look forward to fostering a good working relationship with.”

Small but exceptional

While ECR continues to secure big contract wins, Mr Doiron said it was still fundamentally a small business focused on its employees as if they were an extended family.

“This is a landmark trait emphasised by our company’s founder Jorge Rivera.

“Additionally, the benefit of being classed as a small business in the US is that the Navy is compelled to set aside solicitation for work to small businesses where there is adequate interest and capacity.

“We are unashamedly a small business; we’re very nimble, we don’t have a big bureaucratic structure and approval process for getting things done. We offer best value services at highly competitive prices with a lot of marine repair experience behind us.”

He added: “Our approach to vendors and clients is a win-win approach. We know we can’t do the work without good relations with them, we look after their interest as much as ours. We need them and that bears out in the working relationships.

“We care about repeatability in successful performance, while transparency, trust and loyalty are at the heart of what we do.”

The company also abides by the highest ethics, values its co-workers, often takes the initiative in projects, and is committed to putting back into the community.

Mr Doiron concluded: “Bringing all these together, ECR is well-positioned for future growth and will continue to approach work responsibly and to meet or exceed industry standards.”