



MARINE GROUP BOAT WORKS

SAN DIEGO BAY | LOS CABOS

****For Immediate Release****

Media Contact: Leah Yam leah@marinegroupbw.com 619-621-2220

Marine Group Boat Works Awarded Master Ship Repair Agreement, First in Over 10 years

Paving the Way for San Diego Small Business to Compete in a Big Business Space Nationwide

(Chula Vista and National City, CA, April 18, 2016): Marine Group Boat Works, LLC, (“MGBW”) a San Diego-based family-owned shipyard and boatbuilder, has been issued a Master Ship Repair Agreement (“MSRA”) with the United States Navy. On April 1, 2016, MGBW joined the ranks of much larger



shipyards while remaining the small business that employees and the community have embraced for over the past 35 years. Traditionally, only the largest full-service shipyards have been issued an MSRA. Southwest Marine, MGBW’s predecessor, used to hold an MSRA which makes this achievement a sort of homecoming for MGBW.

“For those of us who remembered Southwest Marine, this is taking us back in time to when we were awarded our first MSRA in 1976 and went on to become the largest ship repair company on the West

Coast,” said Herb Engel, CEO of MGBW. “As a family-owned business, we are very pleased to have reestablished this achievement as a small business.”

An MSRA-contracted organization must be capable of the full scope of large government ship repairs



including planning, quality control, shipboard/off ship production, component/systems testing and trials for vessels including the new class of Littoral Combat Ships or larger. Marine Group is one of the first shipyards in recent history to be awarded a MSRA which qualifies the company to compete on Firm Fixed Price projects or “delivery orders” as they are sometimes called.

This means that Marine Group will provide the Government a fixed-cost estimate to get the necessary repairs complete, therefore assuming the

responsibility of completing the project within the budget set for themselves. Fixed-price contracts allow the Government better budget forecasting and maintenance and ultimately can save the taxpayers’ money.



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“This achievement further diversifies our portfolio. This type of diversification has allowed us to endure recessions and experience major growth which we have reinvested into our workers, facilities, tools and equipment,” said President Todd Roberts of MGBW. “As a result, we have the adequate resources to not only be able to accommodate the highly technical work involved with these MSR agreements but also allow the Government to see us as a qualified service provider.”

The MSRA adds another segment to the Marine Group business model: new construction, yacht repair, commercial/government repair up to 220' and now complex Navy ship repair. MGBW is able to accommodate these large vessels after completing a \$1.5 million floating dock system at their National



City location which offers deep water access and maximum capacity to accommodate up to both classes of LCS vessels. The renovations to its facilities also included adding new metalwork equipment and modern tools to increase overall production efficiency.

Marine Group is well positioned for this unique opportunity because they have over 35 years of estimating experience, historical data and the technology and qualified personnel to analyze the data. These factors allow Marine Group to provide accurate pricing for the Government

and other customers so that they know what they are paying before they sign up for the work. This business model helps to control costs leaving the customer and repair facility with no surprises.

“The MSRA allows us to get back to what we used to do, legacy building. We’re very proud to see this full circle moment happen, and excited to continue leading the way into a next generation of boatbuilding and repair,” said Engel.

About Marine Group Boat Works

Marine Group Boat Works is a full-service boatbuilder and repair company with two facilities on the San Diego Bay and one facility in Los Cabos. Its headquarters in Chula Vista, CA consists of 15 acres of land and water; 2,100 feet of docks; a 665-ton travelift; fabrication and welding environments for both steel and aluminum and several mobile and production equipment to accommodate vessels up to 220 feet. Its sister yards in National City and San Jose del Cabo encompass over 300,000 square feet of land and water and feature 300- and 150-ton travelifts respectively. Between the three facilities, it employs over 185 ABS-certified welders, shipfitters, pipefitters, mechanics, painters and equipment operators. Commercial and government customers include the U.S. Navy, Golden Gate Bridge and Transportation District, San Francisco Water Emergency Transportation Authority, Scripps Institute of Oceanography, Crowley Maritime, Foss Maritime, U.S. Army Corps of Engineers and Port of San Diego. For more information, visit www.marinegroupboatworks.com.