

Shipbuilders, vessel operators for offshore markets generate \$18 billion in annual spending

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The study, commissioned by the **Offshore Marine Service Association** and done by Baton Rouge economist Loren C. Scott, used data collected directly from shipbuilders and vessel operators.

"This study confirms our belief that offshore energy activity, whether it is oil, gas, wind or hydro-power, has critically important national benefits, not only for our coastal areas but for the entire U.S. economy overall," said Otto Candies, III, secretary and treasurer of the Des Allemandes marine transport company Otto Candies LLC.

The study shows that total annual revenues for vessel operators and shipbuilders was \$6.1 billion in 2008. And the money that those operators and shipbuilders spend as they do business ripples through the economy, generating an estimated \$18 billion in spending.

"One of the things that we have always said is that our vessels use a heck of a lot of service companies that supply the electronics, repair the engines," said Ken Wells, president of the Offshore Marine Service Association. "We have known for a long time that we are an important part of the communities where we live and work. This puts numbers to that."

Vessel operators and shipbuilders directly employ 29,000 workers, but the spending and the work that they do supports approximately 103,000 jobs that generate \$4.6 billion in household earnings, according to the study. The operators and shipbuilders paid nearly \$1.4 billion in federal taxes in 2008 and more than \$770 million in state and local taxes.

"Based on our economic modeling, the research clearly indicates that the benefits aren't limited to the vessel or shipyard companies, but are wide-ranging, involving hundreds of large and small firms that supply everything from the steel that goes into building vessels to the groceries that go on the table onboard the vessels," Scott said.

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