



K.A. Turner
Business
Editor

Drill ban puts brakes on businesses

Last week, David Rice looked into the yard at Master Boat Builders and saw six vessels under construction.

Five are offshore supply boats. The other is called a dive support vessel.

Every one of the contracts has a direct tie to the offshore oil and gas business.

It's been that way at the Corden company for the last several years — six to eight vessels annually, all for offshore oil and gas clients — since Master quit building shrimp boats awhile back.

When these boats are finished, said Rice, a purchasing agent for the company, there is no more work.

Master had a backlog entering the year, and was negotiating new contracts, he said. Then the federal government declared its moratorium on offshore drilling.

Challenged, overturned, reworked, the fate of the moratorium has yet to be determined. But Rice said that doesn't matter much. The damage is done for now, as far as Rice's customers are concerned.

Last week, Kimberly Nastasi, chief executive officer of the Mississippi Gulf Coast Chamber of Commerce, looked at members of the Senate Committee on Small Business and Entrepreneurship and made an appeal.

"The oil industry and the seafood industry is a way of life and a part of our fiber, our very being," she said during her testimony. "According to American Petroleum Institute, what happens in the oil and natural gas industry reverberates throughout the economy."

She came armed with data.

About 23 percent of businesses and 35 percent of the employees in Mississippi are heavily affected by policies imposed on the oil and natural gas industry, she said, quoting the API.

A total of 379 Mississippi businesses and nearly 3,000 employees will be impacted negatively by a moratorium, she said, quoting a Dun & Bradstreet study.

"The loss of jobs from the seafood industry, tourism and fishing is extraordinary and real," she went on to say. "Until the oil spill is stopped and the oil cleaned up, we have little control over the catastrophe unfolding before us daily."

But, she continued, "you have the power to prevent additional lost jobs. The moratorium on drilling should be lifted before this industry disappears."

What's at stake?

Nastasi spoke for Mississippi. Steve Russell, who leads a Mobile Area Chamber of Commerce-affiliated group that hopes to lure more oil and gas jobs to Alabama, offered these numbers for Mobile County alone: 1,882 direct jobs, \$95 million in payroll, \$199 million in purchased services and supplies, almost \$22 million in taxes paid to Alabama.

But Rice's take is a little more personal.

He's got about 150 people working on the Master yard every day, when you count employees and contractors.

"We have people from Mississippi, we have people from all over Mobile County," he said. "If my men and women do not have their checks every week, then they don't buy groceries. They don't buy clothes. Think of how far-reaching something like that could be to our community."

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