

Protected, Not Prepared: What the Jones Act Fleet Still Owes the Gulf

For most of the offshore supply vessel's history, the difference between a Gulf of America (Gulf of Mexico) boat and a North Sea boat wasn't a failure of imagination. It was a rational response to two different oceans. The Gulf is, most of the year, a relatively forgiving place to work — long weather windows, short transits, benign seas by comparison to what a boat faces off Norway or Scotland. Vessels built for the Gulf were built for the Gulf: flat decks, minimal freeboard aft, accommodation that assumed a crew rarely more than a day from port. Norwegian and UK operators, working the North Sea's brutal wind and swell, had no such luxury. Put a traditional Gulf-style hull — flat deck, low freeboard aft, funnels sitting low and exposed — into a genuine North Sea blow, and green water coming over the stern doesn't just make for a rough ride. It can wash down the funnels and kill the main engines outright, leave cargo sliding across a wet steel deck, and put a crew working in conditions no Gulf boat was ever designed to survive. That's the problem Ulstein's inverted-bow X-Bow hull, introduced in 2005, was built to solve: a bow shape that slices through a head sea instead of slamming into it, cutting pitch and slamming so the boat stays fast, stable, and survivable in weather that would have stopped a conventional hull cold. So Norwegian and UK builders kept iterating. Hull forms changed. Roll-reduction tanks appeared. Accommodation standards climbed, not out of indulgence, but because a miserable, exhausted crew is a safety liability in weather that Gulf boats were never asked to survive.

For decades, that divergence made sense. It wasn't the American industry falling behind — it was two industries solving two different problems.

What's changed is the *type* of work now moving through the Gulf. As deepwater and ultra-deepwater fields mature, the jobs increasingly aren't simple supply runs anymore — they're subsea construction, inspection, maintenance and repair (IMR), and well intervention: longer offshore duration, more complex station-keeping, crews living aboard for extended stretches doing precision technical work rather than just hauling cargo. That's not a Gulf-of-Mexico problem anymore. It's starting to look a lot like a North Sea problem. And a fleet built and philosophically optimized for the old kind of work is now being asked to compete for the new kind — against operators, largely Norwegian, who spent the last twenty years building exactly the vessels this new work requires.

That's the real story. Not that American operators were ever wrong to build what the Gulf needed. It's that the Gulf itself has quietly started asking for something else, and a large part of the domestic fleet hasn't caught up.

Section 1: The Pioneers

Long before anyone talked about dynamic positioning, active heave compensation, or walk-to-work gangways, the Gulf of America's offshore supply industry was built by shrimpers and small-boat operators who saw an opportunity in the swamps and shallows where the first platforms went up.

Otto Candies got there first. In 1942, Captain Otto B. Candies was asked to send a small boat to clear water lilies choking a canal that led to an oil rig — a job that seems almost quaint next to today's DP2 construction vessels. That first job turned into a crew transport contract with Humble Oil, the company that would later become Exxon, and Otto Candies, LLC was in the offshore business.

Eighteen years later, in 1960, Edison Chouest — a commercial shrimper working out of Galliano, Louisiana — bought a 65-foot steel-hulled shrimp boat called the *Holiday* and, almost as an afterthought, inherited a six-month supply contract to service an offshore rig. That rig, too, belonged to Humble Oil. What started as Edison Chouest Boat Rentals grew, over the next six decades, into Edison Chouest Offshore — a global fleet operator and shipbuilder with vessels working from the Gulf to Brazil to the Arctic.

It's worth sitting with that for a moment. Candies was the established operator, already running Humble Oil contracts, in the years before Chouest bought his first boat. Industry lore along the bayou holds that the two families — like most of the shipping operators clustered in Lafourche Parish — crossed paths often in those early years, sometimes lending each other a hand as the offshore industry took shape around them. Whatever the specifics, the broader truth doesn't need embellishing: two shrimping families, working the same stretch of Louisiana coast, servicing the same oil company, helped build the foundation of what is now one of the largest offshore support industries in the world.

These two names, along with a handful of others who came up the same way — running converted shrimp boats and war-surplus vessels out to platforms that barely existed yet — deserve real credit. They didn't just start companies. They built an industry from nothing, in real time, often inventing the playbook as they went. The offshore supply vessel as a category didn't exist before people like Candies and Chouest figured out, boat by boat, contract by contract, what the oil companies actually needed. Both companies are still out there today, still crewed by people doing the same fundamental job their founders started with eight decades ago.

That's the part of this story that shouldn't get lost in what follows. The criticism examined later in this piece — that American OSV operators have, in recent decades, fallen behind their Norwegian counterparts in vessel design, innovation, and crew accommodation — isn't a knock on the people who built this industry from a shrimp boat and a canal full of water lilies. It's a question about what happened after. How did an industry built by people willing to bet everything on a converted trawler end up, two generations later, running an “if it ain't broke, don't fix it” fleet against operators from a country a fraction of its size?

That's where this piece is headed. But first, it's worth understanding the law that has shaped — and protected — this industry since before either Candies or Chouest ever put a boat in the water: the Jones Act.

Section 2: What the Jones Act Is, and Why It Still Matters

The Jones Act — formally Section 27 of the Merchant Marine Act of 1920 — is, at its core, a simple rule: any vessel moving cargo or passengers between two U.S. points must be built in the United States, owned by U.S. citizens, crewed by U.S. mariners, and flagged in the United States. In the Gulf of America, that means the boats running crew, cargo, mud, and equipment out to a platform sitting in U.S. waters have to be American in every sense of the word — hull, ownership, and the hands on deck.

The law is over a century old, but the reasoning behind it hasn't gone anywhere. Two things are worth understanding, because they're often flattened into one when people argue about the Jones Act, and they're actually distinct.

National security. A domestic fleet, built in domestic yards and crewed by domestic mariners, is a standing military asset whether or not anyone thinks of it that way day-to-day. In wartime or national emergency, the U.S. government has historically relied on its commercial maritime

industry — the ships, the yards that built them, and the trained mariners who run them — to move fuel, equipment, and material to support the military. That capacity doesn't exist on the day it's needed. It exists because a domestic shipbuilding and mariner base was kept alive, year after year, by law requiring domestic cargo to move on domestic ships. Every OSV captain and engineer working the Gulf today is, in a very real sense, part of that standing reserve of trained maritime professionals the country would call on if it had to. Take away the Jones Act, and you don't just lose ships — over a generation, you lose the shipyards that build them and the mariners who know how to run them, because there's no longer a guaranteed domestic market to sustain that expertise.

Economic security. The Jones Act also protects the wages, safety standards, and working conditions of American mariners against direct competition from foreign crews who are often paid a fraction of what a U.S. mariner earns for the same work, under flag-of-convenience registries with far lighter safety and environmental oversight. Without it, American operators wouldn't be competing with Norwegian or European operators on equal terms — they'd be competing with the cheapest labor and lightest regulatory regime any foreign owner could find, on U.S. waters, for U.S. energy production. That's not a level playing field. It's a race to the bottom that American mariners, and the American companies that employ them, would lose by design.

Critics of the law — and there's a real, long-running policy debate here, mostly centered on general domestic shipping and cabotage rather than the offshore sector specifically — argue it raises costs and shields American operators from competitive pressure that might otherwise force them to modernize. That critique resurfaces later in this piece. But raising the cost of protecting an industrial base and a national security capability isn't the same as the law being wrong; plenty of things worth having cost more than the cheapest available alternative.

What matters for this piece is narrower than the whole national cabotage debate: in the Gulf of America specifically, the Jones Act is the reason there's an American-built, American-crewed offshore supply and construction fleet at all, rather than a fleet of foreign-flagged vessels crewed at a fraction of American wages. The question this piece examines isn't whether the Jones Act should exist — it's what American operators did, and didn't do, with the market it protected for them.

Section 3: The “If It Ain't Broke” Fleet

Walk the docks in Port Fourchon or Morgan City and you'll see it before anyone has to explain it to you: a domestic OSV fleet where a lot of the tonnage is old. Industry data puts more than 60% of North American offshore support vessels at over fifteen years of age, with essentially no new construction behind them, in a market where vessel utilization has run well below the North Sea's for years. That's not an accident of timing. It's the predictable result of how the Gulf's charter market works.

The Gulf runs largely as a spot market — day rates that swing hard with oil prices, contracts measured in weeks rather than years, and utilization that has historically lagged the UK and Norwegian North Sea by a wide margin. In that environment, sinking tens of millions of dollars into a new build with Norwegian-grade accommodation, roll-reduction tanks, and a purpose-built hull is a much harder bet to justify than it is for an owner operating into a stable, long-term North Sea charter market. When a boat might sit idle for a stretch of the year, the rational move — on paper — is to keep the older, paid-off asset running rather than finance something new. “If it ain't broke, don't fix it” isn't a slogan invented out of complacency. It's what a spot market with unpredictable utilization teaches an owner to do, hitch after hitch, year after year.

The trouble is that this logic, reasonable as a short-term financial calculation, compounds into something else entirely over three or four decades: an entire domestic fleet whose design philosophy never had to answer to anything but cost and “good enough.” Nobody was forcing American owners to ask what a crew actually needed to live well on a boat for weeks at a time, because nobody chartering that boat was reliably paying for the answer. Compare that to Norway, where owners like Ulstein, Kleven, and Island Offshore were building vessels explicitly engineered — hull form, roll damping, cabin layout — around the idea that a comfortable, rested crew is a safer, more capable crew, because the North Sea’s long-term charter economics and harsher operating conditions actually rewarded that investment.

The scale of that Norwegian investment is worth putting in concrete terms. Ulstein’s X-Bow hull, introduced in 2005, has since been sold in more than 100 vessel designs, built across sixteen different shipyards for twenty-five different owners — not a novelty, but an industry standard adopted broadly enough that a Norwegian owner ordering a new PSV today treats reduced pitch, reduced slamming, and a measurably smoother ride as baseline expectations rather than upgrades. Independent testing has shown the hull form cutting power consumption by roughly 7 to 8 percent compared to a conventional bow, meaning the design paid for itself in fuel efficiency even before crew comfort or safety benefits were counted. That’s what two decades of sustained capital investment, driven by a charter market that rewards it, actually produces: not a single showcase vessel, but a fleet-wide standard. The American Gulf fleet, operating in a market that rarely rewarded that same investment, never built an equivalent standard of its own.

Not every American operator sat still. Harvey Gulf is the clearest counterexample — after U.S. Customs flagged gaps in domestic deepwater construction capability in 2009, the company invested heavily in a string of purpose-built multi-purpose support vessels specifically to compete for the specialized subsea and well-intervention work that had been going to foreign vessels by default. That’s proof the domestic fleet *could* modernize when an owner decided the market justified it. But Harvey Gulf’s newbuild push is the exception that illustrates the rule: most of the fleet didn’t follow, because most owners never had to.

That’s the real cost of “if it ain’t broke.” It’s not that the philosophy was ever irrational — it’s that an entire industry built its capital strategy around not needing to ask the question a Norwegian owner asked as a matter of course: what does this vessel, and the people living on it, actually need to be genuinely good at the work?

But it is broke, and it needs attention. The market that let American owners defer that question for four decades is no longer the market they’re operating in. And while the domestic fleet was choosing not to fix what wasn’t yet broken, a different kind of fight was already underway — one aimed not at building better vessels, but at keeping the ones already on the water protected from foreign competition.

Section 4: The Fight to Keep the Gulf American

If American OSV operators were slow to compete with Norway on vessel design, they have been anything but slow to defend their market from foreign competition on cost. That fight has, at times, gotten genuinely aggressive.

In 2021, the Offshore Marine Service Association — the trade group representing American offshore vessel operators — chartered a 175-foot fast supply vessel, outfitted it with aerial and surface surveillance equipment, and put it to work in the Gulf of America under a name that left no room for subtlety: the *Jones Act Enforcer*. Its purpose was straightforward — track foreign-flagged vessels working in U.S. waters, document what they were doing, and report suspected

Jones Act violations to the Coast Guard and Customs and Border Protection. Its first public target was a Chinese-built, Vanuatu-flagged derrick barge accused of using its crane to move oil platform components between U.S. points while the load remained suspended in the air — cargo movement reserved by law for American vessels, and, OMSA argued, a genuine navigational safety hazard in its own right. Notably, the violation wasn't spotted by the patrol vessel itself; OMSA received the tip from an industry stakeholder who had seen the operator's own social media posts. OMSA's president was blunt about the underlying stakes: foreign crews are often paid a fraction of what an American mariner earns for the same work, which lets foreign operators underbid domestic companies for jobs in American waters.

The program didn't stop with the Gulf's oil and gas sector. In a second report, OMSA extended the same enforcement argument to offshore wind development, alleging that a foreign-flagged survey vessel had repeatedly transported seafloor soil samples between U.S. points for geotechnical testing — samples OMSA argued qualify as “merchandise” under the Jones Act — and that the vessel had employed foreign mariners without proper documentation under the Outer Continental Shelf Lands Act. The complaint signaled that as offshore wind construction expands along the East Coast, the same Jones Act enforcement fight that has run for years in Gulf oil and gas is now playing out in a second, fast-growing sector as well.

That enforcement posture isn't a fringe position within the industry, and the Jones Act's protections are broadly defensible on their own terms. But it's worth noting something that doesn't always make it into trade press coverage: this enforcement culture doesn't only point outward at foreign flags. It has, at times, turned inward. In at least one documented instance, a joint-venture vessel — American-owned, with a foreign design and build pedigree, operating Jones Act compliant — was reported to the Coast Guard over a cargo and manifest discrepancy by a domestic competitor, resulting in a significant fine. Crews on vessels like it are routinely reminded that manifests must be exact, precisely because the industry polices itself as closely as it polices foreign-flagged competitors.

That detail matters for this piece because it shows how seriously the domestic industry takes protecting its market — arguably more seriously, in places, than it has taken building the case for why that market deserves to be protected on merit rather than paperwork alone. An operator willing to charter a surveillance vessel, train aerial photography on a competitor's deck cargo, and pursue a significant fine over a manifest error is an operator capable of real focus and real investment when something matters enough. The question worth asking is why that same intensity hasn't, industry-wide, gone into out-building the competition rather than just out-policing it.

Section 5: The Customer Already Knows

Here is the part of this story that should worry American operators more than any surveillance vessel or violation report: the customers already see the gap, and at least some of them are willing to pay to close it.

Offshore operators — the E&P companies chartering these vessels — are not sentimental about equipment. They charter what gets the job done safely, on schedule, and at the lowest acceptable risk. For decades, in the Gulf of America, “what gets the job done” and “what's available domestically” were close enough to the same thing that the question of vessel comfort or design sophistication rarely came up as a charter decision. That's changing. As Gulf work shifts toward deepwater subsea construction, IMR, and well intervention — work that keeps a vessel on station longer, in more technically demanding conditions, with a crew that needs to perform precision work day after day rather than just complete a supply run — the vessel itself stops

being a commodity and starts being a genuine differentiator. A crew that's rested, fed well, and not fighting galley noise and thin walls after a twelve-hour shift is a measurably safer, more capable crew. Operators know that. Their HSE departments know it even better.

That's the quiet shift underway right now: charterers increasingly specify or gravitate toward higher-spec tonnage — DP2/DP3 station-keeping, larger deck and crane capacity, and yes, better accommodation standards — not out of luxury for its own sake, but because it correlates with the operational and safety performance they're actually buying. Industry data bears this out at scale: more than 400 DP2-class vessels now operate in the Gulf region alone, and globally, over 600 OSVs are equipped with DP2 systems — a technology that was a specialized option a generation ago and is now approaching table stakes for the kind of precision-station-keeping work that deepwater subsea and IMR jobs require. Market analysts tracking the sector are explicit about why: an aging global fleet with frequent maintenance issues and high operational costs is creating sustained demand for newer, technologically advanced vessels that offer better fuel efficiency, improved safety, and stronger performance, and operators are prioritizing that replacement even as older tonnage struggles to find work.

When the domestic fleet can offer that, American vessels win the work. Harvey Gulf's own leadership made this connection explicit when its newest multi-purpose support vessel, the Harvey Sub-Sea, entered service: the company's chairman said plainly that the delivery ended the debate over whether the Jones Act fleet could handle work that had been going to foreign vessels, listing pipelay, heavy lift, and well intervention as capabilities the vessel was purpose-built to deliver. That's a domestic operator stating outright that capability, not just compliance, is what wins the contract — and treating newbuild investment as the answer to foreign competition rather than relying on enforcement alone.

When the domestic fleet can't offer that capability, the work goes to whichever Jones Act-compliant vessel comes closest, or, in specialty categories where no compliant vessel exists at all, it becomes the subject of exactly the kind of enforcement fight described in the last section. Either way, the signal from the customer side is the same: capability and comfort are no longer incidental to winning offshore work in the Gulf of America. They are increasingly the price of admission.

This is where the pioneers' spirit and the "if it ain't broke" philosophy finally collide. The industry Candies and Chouest built from nothing was built by people willing to bet on a better boat before anyone was asking for one. The customer is asking now. The only open question is whether enough of today's American builders are willing to make that same bet their founders did.

The cost of not making that bet is already visible on the water, if you know where to look. Walk the docks at Port Fourchon on any given week and you'll see more idle American tonnage than the industry's own utilization numbers would suggest should be sitting there. That's not just the natural churn of a spot market — it's what happens when domestic operators find themselves priced or spec'd out of the long-term contracts that used to anchor a fleet, while capable, purpose-built assets get redeployed to markets overseas where the work, and the day rate, actually justifies keeping them running. A domestic fleet that can't win the long-term work it was built to compete for doesn't just lose a contract here and there. It loses the jobs — American jobs, American mariners — that contract was supporting, one idle boat at a time.

Closing: A Personal Note

I've spent more than thirty-five years of my working life at sea. It started aboard U.S. Navy ballistic missile submarines in the early 1990s, standing watches deep enough that daylight was something you remembered rather than saw. It's continued for the thirty years since, aboard the very kind of vessels this piece is about — Gulf of America OSVs, subsea construction and IMR boats, working platforms and pipelines instead of patrol routes.

For a long time, I was frustrated. I've spent many years of my career working aboard foreign-built vessels myself, and the contrast with our own boats was hard to ignore. As a Client Representative or Offshore Manager, I've had staterooms on foreign vessels bigger than some American boats' bridges. I'm writing this from a two-man, 8x8 stateroom I'm currently doubled up in, on an American boat that simply doesn't have enough accommodations to give a manager his own room — sharing a community head down the passageway, where a foreign boat in the same role gave me an ensuite head with heated floors. I've eaten in American galleys positioned directly over the bow thrusters, where the plates vibrate off the table and you can't hold a conversation over the noise, and I've eaten in galleys on foreign vessels run more like a cruise ship, with a catering crew turning out a genuine variety of meals instead of a single chow line where what you see is what you get. I've worked out with a couple of rusty free weights and a bike wedged into the fore peak on one boat, and in a gym on another that wouldn't have looked out of place at a world-class resort. It goes on like that — detail after detail, boat after boat, decade after decade.

It was easy, coming off a foreign boat and back onto an American one, to feel like our builders had simply stopped trying.

Writing this piece changed some of that for me. Understanding the actual history — why Gulf boats were built the way they were, what the Jones Act protects and why it matters, how a design philosophy that made sense for decades quietly stopped fitting the work we're now being asked to do — gave me a fuller picture than frustration alone ever did. This isn't a story about American builders failing through negligence or indifference. It's a story about an industry that got the fundamentals right for the ocean and the work it was built for, and now has to catch up to an ocean and a workscope that have changed underneath it.

That said, understanding why we got here doesn't mean I think we should stay here. The work being done in the Gulf today looks less like the shallow-water supply runs of 1960 and more like what the North Sea has demanded of its fleet for a generation. American builders have the skill, the capital, and — thanks to the very law this piece defends — a protected market to build in. What's needed now isn't a new law or a new excuse. It's the same willingness to bet on something better than what came before it that built this industry from a shrimp boat and a canal full of water lilies in the first place. I'd like to see American builders take that bet again.

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