

8/23/2024

August 23, 2024

Dear Esteemed Board of Pilot Commissioners,

We are Global Marine Movements (referred to herein as "GMM"), Inc., a small and local Bay Area maritime ground transportation company. We are writing to you to inform you that our company is facing disruptive and unfair competition from a new company formed by two of your Association's pilots. We explain how this is a disturbing, avaricious and legally untenable venture and we ask for guidance from your Association.

Introduction

GMM provides transportation for ship crews, both domestic and foreign, to and from local port terminals as well as many other related maritime services such as USCBP immigration clearances and ship spare deliveries, to name but a few.

From October 2023 to March 2024, we were honored to provide 24-hour transportation services to the San Francisco Bar Pilots (referred to as "SFBP"). However, we ended our relationship in March 2024 when we could not come to an agreement on a proposed rate increase.

The rate renegotiation process with SFBP appeared to be conducted in good faith and fairness on both sides. Despite our lack of eventual success in retaining the contract (rate disagreement), we nevertheless graciously and patiently assisted in the (much delayed) transition to the new vendor.

Unfortunately, new troubling details and developments have now come to light in relation to the aforementioned negotiation with the SFBP. The resulting consequences have already caused our company, and others just like us, real damage in the form of competitive harm and there have been actions that have now set a disturbing precedent to our small corner of the local maritime business segment.

Conflict of Interest and Unethical Conduct

It has since been established that during our negotiation process two of the SFBP Association active captains, Capt. Casey Cowl and Capt. Shane Wehr formed an independent and private limited liability company, Advantage Marine Services (referred to as "AMS"), offering competing ground transportation services directly to the very same SFBP Association.

It has also been related to us that their business model aimed to offer reduced rates to the SFBP, rate reductions expected to be offset by eventual new business in crew ground transportation services obtained from other external maritime businesses in the local area.

Ultimately, the SFBP Board did not accept the AMS bid. Reportedly, the Board became uneasy and uncomfortable with the perception of an inherent conflict of interest of conducting business with their very own active pilot members.

The formation and the intended business activities of AMS would not have constituted a problem for us or anyone else *per se*, except that the two active captains in question, Crowl and Wehr, actively participated in the formation and solicitation of their company AMS to the SFBP board.

Making matters worse was AMS' actively contacting, recruiting, and/or poaching Mr. Zulfiqar Ali while he was in our employ and on active duty. AMS interfered with our contract negotiation process with an unfair insider knowledge and an advantage whereby Mr. Zulfiqar was in a position to advise AMS on our pricing, policies and customers. Beside poaching Mr. Zulfiqar and using confidential trade secret information gained from his service with GMM, Capts. Crowl and Wehr enjoyed extraordinary preferential access to the SFBP Board members as active pilots during the negotiations, regardless of the formal or informal nature of that access.

Meanwhile, GMM went for weeks without a status update on that same contract negotiation.

These highly questionable and seemingly illicit activities took place *exactly* during the narrow timeframe of the negotiation process. The corresponding dates in the attached documents rule out any coincidences in this matter.

To date, these unethical behaviors have resulted or contributed to the following detrimental outcomes:

1. GMM was unable to retain the SFBP contract.
2. AMS recruited ex-GMM employee Zulfiqar Ali as AMS LLC partner (see attached.)
3. AMS contacted our GMM employees to obtain business information.
4. AMS became a new crew transportation company on the local market with a built-in unfair advantage (see below.)
5. AMS offered below market, unsustainable rates to local businesses.
6. Local businesses are now using AMS below-market rates as bargaining benchmarks.
7. AMS is openly perceived by local companies as an offshoot/subsidiary of SFBP.

Unfair Business Advantage

According to firsthand accounts from our customers, AMS has already begun to market itself to the maritime agencies utilizing email marketing. In the emails themselves, they do not overtly mention the SFBP; however, it has been confirmed that the email sales campaign is typically followed by a phone call by either one of the active SFBP captains, explicitly trading on the Pilots' name in their sales pitch.

In one such phone call, Capt. Wehr himself admitted to the uncomfortable perception of a conflict of interest in relation to his involvement with AMS and alluded to the need to stay 'behind the scenes' to make the connection with the SFBP less apparent.

Absurdly now, many maritime agents are now referring to AMS as "that company run by the Pilots," as in, the SFBP. Statements such as "the Pilots are now in the crew transportation business" are also now being readily and commonly used.

Why couldn't two active San Francisco Bar Pilots engage in maritime business activities as private citizens in their off-hours, rendering services for ships that they, and their fellow coworker pilots and association members, bring daily into our local ports?

This rhetorical question immediately presents astoundingly problematic answers and clear examples of conflicts of interest across the entire spectrum of the pilots' service to the local industry and the public.

Namely, the SFBP is, first and foremost, a monopolist. All ship traffic, all cargo movements and all vessel communications go through the SFBP. The SFBP is uniquely positioned, and is privy to, detailed information about ship owners' contacts and industry sensitive particulars. These are either proprietary or extremely difficult to obtain for an outsider. The Pilots mentioned herein have nearly immediate access to all ships' captains and their corporate offices with ability to solicit the captains for their side business endeavors.

Moreover, the SFBP engages in 24-hour coordination and communication with the complete range of local maritime service providers. Most notably, is the relationship with all maritime agents, who in turn, arrange lucrative ship services while the ships are in port and, often, afterward.

Furthermore, the navigating Pilots, by virtue of spending untold hours in the presence of ship captains and their representatives, are given the unique access and possible influence to procure advance knowledge of a ship's port activities and the required services and the vendors thereof. The access to ship schedules likely extends to other ships of the same shipping line that are en route or scheduled to be on the way to the ports services by the SFBP.

Last but foremost, is the immense prestige, reputation, and prominence that each SFBP active captain possesses and enjoys within our local maritime community and beyond. Arguably, it is the most prestigious job currently on the nation's waterways and waterfronts as well as appearing to be the very best paid job in the maritime industry at large. This enormous professional stature carries with it untapped business opportunities and advantages that should not be mined for the side businesses of avaricious Pilots.

Ironically, but aptly, Crowl and Wehr named their company "Advantage Maritime Services." Some play on words.

The highlighted examples of the conflicts of interest are, and rightly should be, deeply troubling, not only to small maritime businesses like ours, but the perception of the conflict of interest puts a bad face on the Pilot profession to the public and maritime industry at large.

Presumably, the SFBP have been entrusted and officially mandated to specifically ensure the safety of our waterways and NOT to engage in pedestrian profit-making activities on the side. Their outsized compensation packages are designed, in part, to insulate the public from extracurricular professional distractions which may jeopardize safety. One only needs to think about the calamity that struck Baltimore's harbor earlier this year to put into perspective what potential horrific damage could occur in the Bay area if a similar collision occurred here.

When side business activities are derived directly from official duties, authority, and prestige of the SFBP, the stage is also dangerously set for cartel-like, collusive, and unfairly competitive practices. Conducting side business activities while providing monopolistic and extremely important pilot services to super-scale container ships, tankers and other shipping vessels is wrong on multiple levels not to mention it may have a strong tendency to dishonor the highly regarded profession of the harbor pilots.

We therefore have sought legal advice, industry guidance, and competitors' support in this matter as we regard this conduct as an existential threat to our businesses and to our industry segment.

We kindly ask the Board of Pilot Commissioners to urgently look into this matter and cause these reprobate activities to cease after a proper investigation and also research into how the Unfair Business Practice Law found in California Business and Professions Code § 17200 *et seq.* aptly applies in this situation.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Carl', with a long horizontal flourish extending to the right.

David Carl, CEO
Global Marine Movements, Inc.



STATE OF CALIFORNIA
Office of the Secretary of State
STATEMENT OF INFORMATION
LIMITED LIABILITY COMPANY

California Secretary of State
 1500 11th Street
 Sacramento, California 95814
 (916) 657-5448

For Office Use Only

-FILED-

File No.: BA20240530762

Date Filed: 3/20/2024

Entity Details	
Limited Liability Company Name	ADVANTAGE MARINE SERVICES, LLC
Entity No.	202460319239
Formed In	CALIFORNIA
Street Address of Principal Office of LLC	
Principal Address	1900 POWELL STREET, SUITE 700 EMERYVILLE, CA 94608
Mailing Address of LLC	
Mailing Address	1900 POWELL STREET, SUITE 700, PMB 7069 EMERYVILLE, CA 94608
Attention	
Street Address of California Office of LLC	
Street Address of California Office	None
Manager(s) or Member(s)	
Manager or Member Name	Manager or Member Address
<input checked="" type="checkbox"/> Casey J. Crowl	1900 POWELL STREET, SUITE 700 EMERYVILLE, CA 94608
<input checked="" type="checkbox"/> Shane Wehr	1900 POWELL STREET, SUITE 700 EMERYVILLE, CA 94608
<input checked="" type="checkbox"/> Zulfiqar Ali	1900 POWELL STREET, SUITE 700 EMERYVILLE, CA 94608
Agent for Service of Process	
Agent Name	Casey J. Crowl
Agent Address	1900 POWELL STREET, SUITE 700 EMERYVILLE, CA 94608
Type of Business	
Type of Business	Passenger ride-sharing/chauffeur services
Email Notifications	
Opt-in Email Notifications	No, I do NOT want to receive entity notifications via email. I prefer notifications by USPS mail.
Chief Executive Officer (CEO)	
CEO Name	CEO Address
None Entered	
Labor Judgment	
No Manager or Member, as further defined by California Corporations Code section 17702.09(a)(8), has an outstanding final judgment issued by the Division of Labor Standards Enforcement or a court of law, for which no appeal is pending, for the violation of any wage order or provision of the Labor Code.	

Electronic Signature

☒ By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign.

CASEY J. CROWL, Manager

Signature

03/20/2024

Date