

Young Brothers Media Update

Contingency plan filed with PUC

MAY 29, 2020



Aloha,

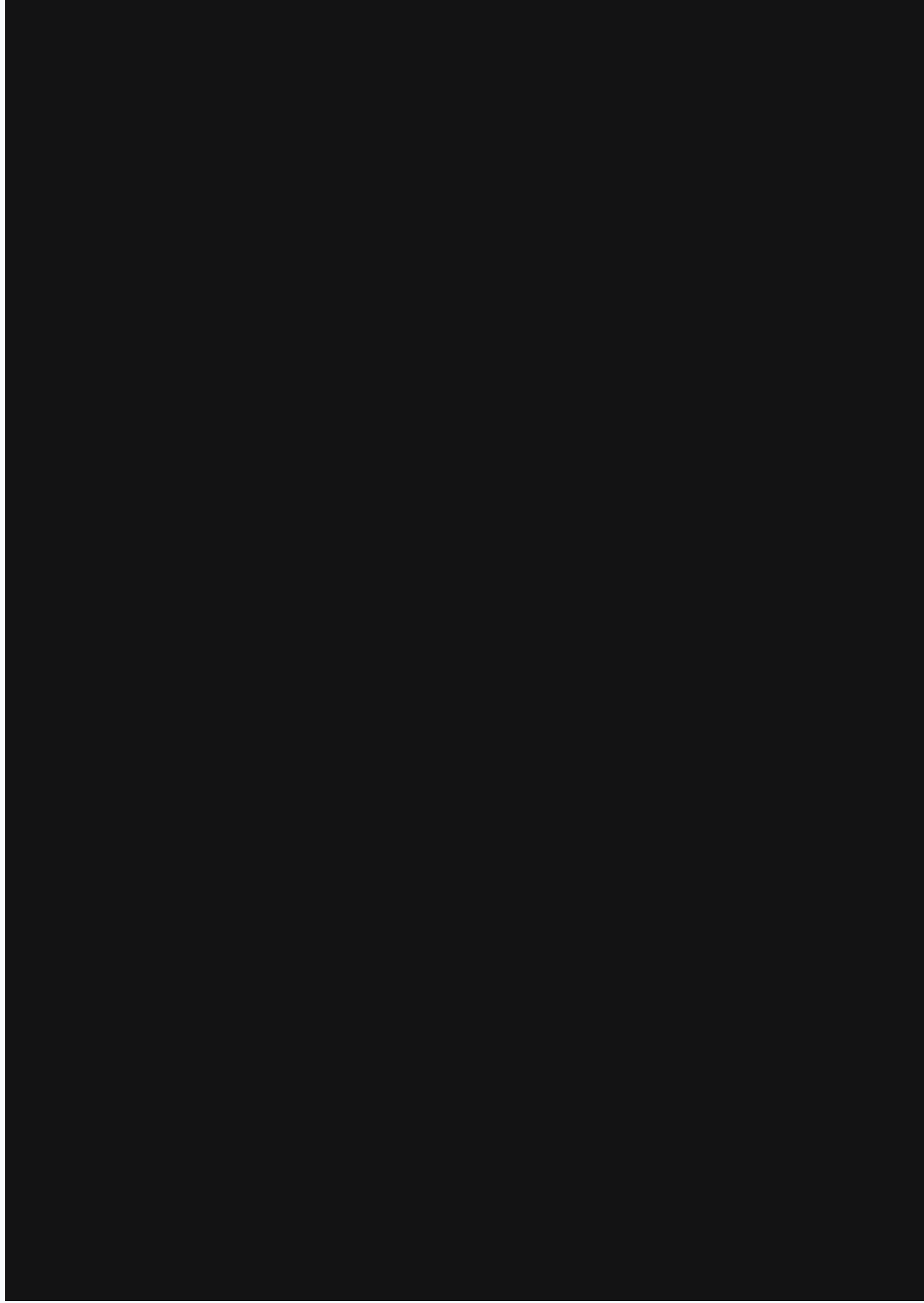
This evening, as indicated in [Tuesday's news release](#), Young Brothers, LLC filed its contingency plans with the Public Utilities Commission. For your convenience, a copy of YB's filing is embedded below. You'll also see new quotes from YB's president below.

A few items of note as you review the document:

- **Cost-saving measures** – YB “has already implemented a number of cost-saving measures to streamline its operations and reduce operating costs, including temporarily reduced sailing schedules for Maui and Hawaii counties,... reduced gate hours for non-barge days in all major ports, a hiring freeze and salary cuts for YB's senior leadership, and suspending non-essential travel, eliminating discretionary expenses and deferring non-essential maintenance and related activities.”
- **Ask** – YB has requested \$25 million in CARES Act funds from the state legislature to sustain operations through 2020. It is also seeking rate and regulatory relief from the PUC to put the company on a sustainable path – now and into the future.
- **Contingency Plan** – YB's plan contemplates three scenarios – (1) immediate receipt of significant CARES Act funding; (2) delayed receipt of CARES Act funding; and (3) no CARES Act funding available.
- **Supporting Hawai'i's Livestock Industry** – Yesterday, [YB announced](#) that it would be restarting its statewide service transporting livestock between the islands.
- **Next steps** – YB anticipates receiving further guidance from the PUC on the process and next steps soon.

You may attribute the following to Jay Ana, president of Young Brothers, LLC:

- “Developing this contingency plan for Young Brothers involved some incredibly difficult decisions. Ultimately, the people of Hawai'i should know that our top priority is finding real solutions to ensure uninterrupted service to all of the communities we serve.”
- “As we have since 1900, Young Brothers will continue to provide the critical interisland shipping service linking our island communities and economies as we work toward a solution. We know that countless businesses and industries of all sizes and on every island depend on our service to connect them with markets and consumers.”
- “The COVID-19 pandemic has hit Young Brothers hard. Before March, we expected to lose \$13 million this year, and now we project losses will grow to at least \$25 million – unless we can chart a new course with the help of the state legislature and Public Utilities Commission.”
- “We remain hopeful that our continuing conversations with the state will yield a sustainable path toward a stronger future for our company.”




You may download the letter here >> [YB Letter to PUC with Contingency Plans](#)

We look forward to providing additional details when they are available.

Mahalo,

Dylan



Dylan Beesley
Senior Vice President, dylan@bennetgroup.com

[✉ dylan@bennetgroup.com](mailto:dylan@bennetgroup.com) [☎ \(808\) 531-6087 x109](tel:(808)531-6087) [📞 \(808\) 285-7272](tel:(808)285-7272)

[🌐 bennetgroup.com](https://www.bennetgroup.com)

Contact us

Dylan Beesley
Senior Vice President, dylan@bennetgroup.com

[✉ dylan@bennetgroup.com](mailto:dylan@bennetgroup.com) [☎ \(808\) 531-6087 x109](tel:(808)531-6087)

[📞 \(808\) 285-7272](tel:(808)285-7272)

[🌐 bennetgroup.com](https://www.bennetgroup.com)

Jennifer Lim
Communications and Corporate Affairs, Young Brothers

[✉ jlim@htbyb.com](mailto:jlim@htbyb.com)

[🌐 htbyb.com](https://www.htbyb.com)

Get updates in your mailbox

Subscribe

By clicking "Subscribe" I confirm I have read and agree to the Privacy Policy.

About Young Brothers LLC

Young Brothers, LLC is Hawai'i's trusted interisland freight company. Founded more than 120 years ago, Young Brothers is responsible for transporting 100% of all ocean cargo that originates and ends in Hawai'i and is the only water carrier to serve Lana'i and Moloka'i. The publicly-regulated company offers 12 weekly sailings between the ports of Nawiliwili, Honolulu, Kaunapapa, Kaunakakai, Kahului, Kawaihae, and Hilo. Around 400 highly skilled employees move what matters most for Hawai'i using state-of-the-art shoreside equipment and a fleet of eight barges and eight tugboats, including four fuel-efficient Kāpena-class tugs. Young Brothers is an independently managed subsidiary of Foss and part of the Saltchuk family of companies. For more information, visit www.youngbrothershawaii.com and connect via Facebook, Instagram, Twitter and LinkedIn.

Contact

1331 N Nimitz Hwy #39, Honolulu, HI 96817
(808) 543-9403
youngbrothershawaii.com

