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The 4,850-dwt Tidewater-owned North Promise (built 2007). Tidewater has shed three directors in the last two weeks. Photo: Ian Leask/MarineTraffic

Tidewater sheds directors as activist-led reforms take hold

Three directors have departed the offshore company, including its chairman

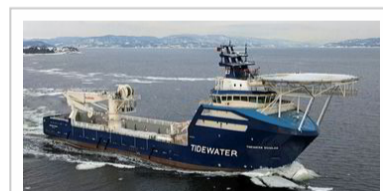
7 November 2019 16:43 GMT *UPDATED 7 November 2019 16:43 GMT*

by [Matt Coyne](#)

It looks like it didn't take long for Bob Robotti to have an impact on Tidewater.

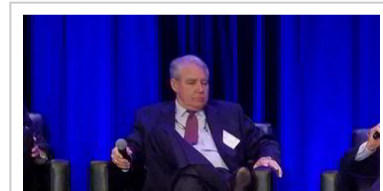
The New York-traded, Houston-based offshore player has seen three directors depart as it pares its board down from 10 members to seven after Robotti took a 6.1% stake in the company last Monday.

Three days after the positions was disclosed, Tidewater announced the departures of former chairman Thomas Bates and director Steven Newman. On Wednesday, it said Alan Carr was stepping down, as well.



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"The board determined that operational efficiency is a key success factor for the company as it addresses long-standing challenges facing the OSV industry," the company said in a statement.

"In this regard, the board is committed to lead by example and will 'do more with less'. The board believes a smaller board will not only be more cost-effective, but will enable the board to be more responsive and efficient as it advances the company's strategic goals."

Robotti's position includes 2.4 million shares, good for fourth behind leader T Rowe Price with 3.9 million shares, BlackRock and Third Avenue Management.

Robotti said he wants Tidewater to drive consolidation in the offshore sector, beset by a years-long downturn that is only recently showing very slow signs of recovery.

He told TradeWinds that Tidewater's merger with GulfMark, completed last year, pushed cash flow up to breakeven levels, despite drydocking expenses.

"The template of dramatic cash savings in consolidating an industry participant points to the ability to repeat this outcome," Robotti said in an email. "A further consolidated Tidewater would become soundly cash flow positive before waiting for rate improvement — a tide lifting all boats."

He said a smaller board would help facilitate potential mergers and acquisitions.

Outside of Robotti's push, the company has taken steps to run leaner since the GulfMark merger. Former chief executive John Rynd told TradeWinds in June that the company had closed five offices and shed staff.

Rynd [departed the company in September](#), replaced by Quintin Kneen, GulfMark's former chief executive and Tidewater's chief financial officer. Rynd was followed by [chief operating officer Jeffrey Gorski and general counsel Bruce Lundstrom](#) later that month.

Gorski's position was eliminated in the reshuffling, while Lundstrom was replaced by Daniel Hudson.

On the board, Tidewater named current director Larry Rigdon as chairman.

Tidewater shares closed at \$15.96 on 28 October, when Robotti first announced his position, and have not fallen since.

In early trading Thursday, shares were up \$0.37, or 2.16%, to \$17.50.

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