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## House of Representatives

The Honorable Fortney Pete Stark

Extension of Remarks

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AMERICAN INGENUITY AND ENTREPRENEURSHIP

Mr. STARK. Mr. Speaker, I rise with my colleagues Representative Ben Cardin of the Third Congressional District of Maryland and Representative Steny Hoyer of the Fifth Congressional District of Maryland today to bring to our colleagues' attention an excellent article that appeared in the Inside Annapolis Magazine this month about a family business in Galesville, MD. The business, Smith Brothers, Inc., is an excellent example of American ingenuity and entrepreneurship. We are proud to know Kenneth Smith and his son Jeff Smith and would like to congratulate them on the recent acknowledgement of their value to the community. America needs more people like the Smiths, who have a can-do attitude and are willing to work hard to excel. We have attached a copy of the article, which explains some of the history of the company and family and how their attitude has helped them in business and life.

Smith Brothers: Building on a Firm Foundation (By Kathy Bergren Smith)

"When the makers of the upcoming romantic comedy starring Matthew MacConaughey and Sarah Jessica Parker came to Maryland scouting locations and resources, one of their first stops was in the quiet village of Galesville; just south of Annapolis. The film includes multiple scenes of frolicking dolphins and the marine coordinators needed a way to transport the radio-controlled "stand-ins" as well as millions of dollars worth of camera and sound equipment around the Bay. They found what they were looking for at Smith Brothers, an eighty-seven-year-old family business that provides tugboat and barge services for customers as diverse as Paramount Pictures, the Lincoln Tunnel and the Calvert Cliffs Nuclear Power Plant. The company's extensive fleet of charter equipment is the largest between Baltimore and Norfolk. Marine contractors rent Smith Brothers equipment to build piers and bulkheads, dredge channels and shoot off fireworks. The story of how Smith Brothers became the "one stop shop" for tugs, barges, cranes, anchors and chains goes back . . . way back . . . and is best told by the company's president, Kenneth Smith, the last of the Smith Brothers.

"Our family had been here in Galesville for several generations when my older brothers began the business in 1918," says Smith. Indeed, an occupancy notice dated 1952 is tacked to the bulletin board in the office on Tenthouse Creek, notes that the premises has been legal since 1862. Back then, the Smiths, like most of their neighbors in southern Anne Arundel County, were oystermen. But they were also entrepreneurs, operating a lime kiln which reduced the oyster shells into fertilizer for other major industry of the area, farming. In 1916, the eldest of the seven Smith Brothers, J. Edward "Eddy" and Nelson began to freight oysters by truck to Washington's dandies. "Eddy and Nelson made a great team," recalls the much younger Kenneth, who is now ninety. He and his older sister, Agnes, are the only siblings of the original nine that remain. Agnes, a former post-mistress in Galesville, at 101 still serves as a social and historical center for the community Kenneth comes to work each day and remains active in the business.

"After World War I, when Eddy came home, he and Nelson and Captain Oscar Hartge began to build docks around the river, that is how they got started," says Kenneth Smith. As the

city dwellers from Washington began to take drives in their new automobiles, the face of bay country began to change. Boarding houses and marinas were built to accommodate the new tourist trade and summer homes with docks sprang up along the West River. Pile driving overtook oystering as the Smiths' primary occupation. Captain Oscar Hartge, a member of a family whose name is synonymous with yachting on the Bay, sold his portion of the business to his friends, the Smiths, for \$1 to take a position as captain aboard a private yacht. Ultimately, six of the seven brothers and one close friend, Robert Leatherbury, became Smith Brothers, Inc. The brothers were very hard-working and quickly built a reputation as high quality contractors. Throughout the 20's and 30's taking meager salaries and putting every spare cent into the business, the brothers grew the company. World War II took Kenneth and many of the workers overseas, but when they returned, the business began to thrive. Crews worked on the land as well as the water, building bridges for the Baltimore Beltway (695), the West Virginia Turnpike and up and down the Eastern Shore. Many Annapolis waterfront landmarks were built on the firm foundation of Smith Brothers. A railway at Trumpy's was installed by Carroll Smith who forged a long-lasting relationship with the fabled boat builder. On the city dock, pilings under the Marriott were driven by Carroll's crew alongside other larger contractors. Bulkheading was built near what is now Fawcett's by the brothers. Kenneth remembers the unusual payment scheme developed for that project.

"That land was owned by Bert Spriggs (a car dealer) and when we finished up the bulkhead, one of my brothers said to him, "Say, how about instead of paying us with a check we just pick out some new cars?" and darned if he didn't go along with that," says Kenneth chuckling at the thought. "Who would go along with that today?" Today, there is a quiet dignity to Kenneth Smith as he recalls the old times. He is a man who has spent well over half a century both as a crack crane operator and a respected businessman. Kenneth bought out his brothers one by one and today he and his son, Jeff, have moved the company in a new direction.

"Competition for the type of bridge building and pile driving we always did got very stiff in the late 80's," says Jeff Smith. He and his father

made the tough decision to stop bidding and let the crews go. "We had no alternative at the time," he says. There were also creative ways of dealing with overdue bills that would not fly today . . . like the time that the owner of a large vacation home in south county balked at paying for a pier built by Nelson and his crew. Before taking the rig back to Galesville, Nelson confronted the owner about payment. When the owner refused to pay, Nelson gave the signal to the crane operator to crank up the pile driver. He then positioned the crane to begin tearing out the pier. Kenneth cannot control his laughter as he recalls the man "running down the pier waving a check!" Instead of doing the contracting themselves, Kenneth and Jeff began to rent equipment to other contractors. Their six-acre construction yard in Galesville has gradually become a "rent it" center for those engaged in heavy construction. Jeff and his father have built an inventory of barges and tugboats and cranes, plus the intangible asset of Kenneth's vast experience. The tug and barge fleet has grown in size and scope and the Smith Brothers' red and white colors can be found from New York to Florida. Around the Bay, the newest addition to the fleet is the Megalodon, a 50' tugboat named for the prehistoric shark that roamed the local waters. Megalodon was the product of the latest Galesville collaboration between the Smiths and Hartges. Capt. Oscar Hartge's grandson, Preston, is the operations manager at Smith Brothers. When the company decided it was time to build a new tug, Preston took the project on with vigor.

"It has come full circle here, our families have both been part of the maritime history of this county and Jeff and I are both committed to continuing our legacy," says Hartge. Kenneth is moving into a supporting role at the yard, and he too is pleased to see the company continuing to thrive.

"You know, very few family businesses survive, all too often the hard work of one generation is squandered on young people, but the Smith Brothers philosophy has always been to work hard and not to ask anyone to do something you would not be willing to yourself. I see that same quality today here at the yard when Jeff and Preston are out there together arguing, it reminds me of the old days when the brothers would cuss and fuss and then go out and have dinner together."

Presented this twenty-seventh day of October, 2005, by the Honorable Pete Stark, a Representative in Congress from the State of California