

Thanks Sean

Cathy – I will be speaking with my comms team this afternoon and will be in touch.

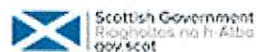
Kind regards,

Fran

Frances Pacitti | Head of Energy Consents

The Scottish Government | [REDACTED]

To view our current casework please visit www.energyconsents.scot



From: Sean Power [REDACTED]

Sent: 12 April 2018 14:28

To: Pacitti F (Frances)

Cc: Dornan, Cathy [REDACTED]

Subject: Comms

Hi Frances,

It was nice to speak to you this morning and I am looking forward to our meetings next week. I am copying Cathy Dornan who is our communications consultant and will be looking after all public communications for DF Barnes and JV Driver regarding the Bifab acquisition. Cathy's telephone # is [REDACTED]. Please feel free to ask your Comms team to get in touch with Cathy. Please have me copied on the emails. Since we are looking at a Tuesday announcement, hopefully the comms planning can begin today.

For you information, I plan to arrive in Edinburgh on Sunday afternoon. Jason will arrive on Monday afternoon.

Thanks Frances.

Best Regards,

Sean



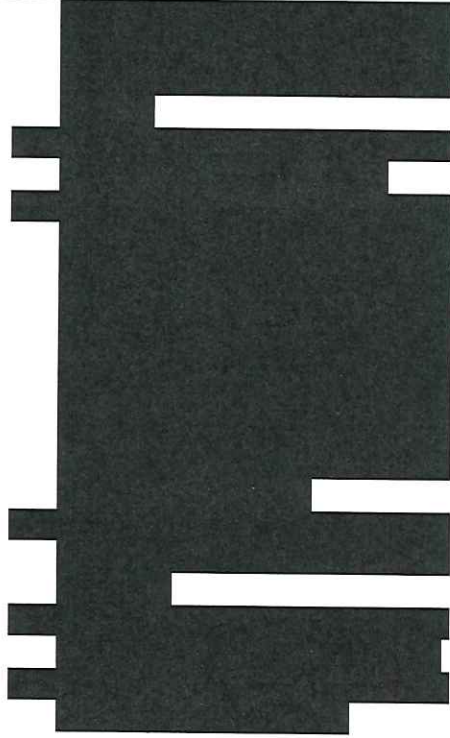



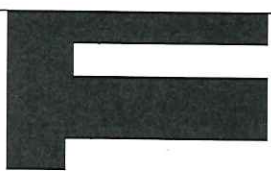




SEAN POWER
VP Business Development

[REDACTED]
DFBARNES.com

This email has been received from an external party and has been swept for the presence of computer viruses.

Burntisland Fabrications Limited
DRAFT Communications and Stakeholder Engagement w/b 16.04.18

Stakeholder	Messaging/ Issues	Minister/ Supporting Official	Timing	Feedback Provided
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
JV Drivers/ DF Barnes	3. Call to Bill Elkington, CEO JV Drivers Group to congratulate of completion of acquisition and welcome ongoing constructive working relationship. 4. Call to Chuck Sanders, CFO JV Drivers and Jason Fudge, COO DF Barnes - newly appointed directors of BiFab	1. First Minister 2. Cab Sec EJFW	Monday 16.04.18 17.00	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	

Stakeholder	Messaging/ Issues	Minister/ Official	Supporting	Timing	Feedback Provided
					
					
					

Stakeholder	Messaging/ Issues	Minister/ Official	Supporting	Timing	Feedback Provided
	[REDACTED]				
[REDACTED]		[REDACTED]		[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]	

Stakeholder	Messaging/ Issues	Minister/ Official	Supporting Timing	Feedback Provided
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	

BRIEFING FOR THE FIRST MINISTER

VISIT TO BURNTISLAND FABRICATIONS (BIFAB), METHIL

17/04/2018

Key message	<ul style="list-style-type: none">• Canadian group JV Drivers, through its subsidiary D F Barnes, has acquired BiFab, as part of an agreement brokered by the Scottish Government to support new opportunities at these yards for fabrication and construction in the marine and energy sector.• JV Drivers has been a consistent employer in the oil and gas, fabrication and marine industries for over 80 years• JV Drivers will bring project expertise and stability to the company as it bids for new contracts. BiFab will in turn bring global reach and expansion to JV Drivers to the benefit of both organizations in Scotland and in Canada.• We have supported the acquisition through a deal that will see Scottish Government acquire a minority shareholding (if pressed, up to the value of 38% in the Company). This reflects our long term commitment to this important sector.• The support comprises a commercial loan agreement to allow completion of contracts associated with the Beatrice Offshore Windfarm, and a separate loan facility to support the new management team in tis restructure of the business. (The BOWL debt could [REDACTED]. The restructuring loan is in the sum of £10m. [REDACTED]). The agreement reached includes all three BiFab yards at Methil, Burntisland and Arnish.• This is an important day. But work remains to be done. I am confident that the JV Drivers group will bring their considerable experience to bear in securing the long term future of the company. We look forward to working together going forward.• I recognise that this remains an uncertain period for the workforce and their families. I would like to thank and pay tribute to the constructive manner in which unions and staff have engaged throughout this process.
What	<p>Meeting</p> <p>12:45 – On arrival met by XX, move to Boardroom to meet with DF Barnes and BiFab management 12:55 – TBC, meeting with Gary Smith (GMB) and Pat Rafferty (Unite) 13:05 – Drive to viewing platform 13:10 – Meet shop stewards, employees and view the yard 13:20 – media opportunity 13:35 – close</p>
Why	<p>First Minister will visit BiFab at Fife Energy Park. During her visit First Minister will meet with DF Barnes, BiFab Management, staff and managers.</p>

Who	<i>Chuck Saunders – CFO of JV Driver</i> <i>Jason Fudge – CEO of DF Barnes</i> <i>Sean Power - VP - Business Development, DF Barnes</i> <i>Martin Adam – Director of BiFab</i> <i>Gary Smith (GMB) - tbc</i> <i>Pat Rafferty (Unite) - tbc</i> <i>Representatives of the workforce - shop stewards, employees</i>
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Where	<i>Fife Energy Park Wellesley Road Methil Leven KY8 3RA</i>
When	<i>12:45 – 13:35</i>
Media	<i>FM statement to issue – being drafted by Comms</i>
Supporting official	<i>David Ritchie, Deputy Director, DECC</i> [REDACTED]
Attached documents	<i>Annex A – BiFab Acquisition Summary Annex B – [REDACTED] Annex C – [REDACTED]</i>

BiFab Acquisition Summary

- Scottish Government has now reached an agreement with DF Barnes on the basis on which financial support will be provided for its acquisition of Burntisland Fabrications Limited (BiFab).
- The total package of support comprises a commercial loan facility of up to [REDACTED] towards completion of the BOWL contracts, subsequent £10 million restructuring facility to help to stabilise and grow the Company in its existing markets, and waiver of rent arrears at Arnish and Methil. It is envisaged that the BOWL debt may be converted to equity., This would equate to the Scottish Government acquiring up to 38% stake in the business.
- JV Drivers, through its subsidiary WREDS Holdings Inc, is in the process of concluding its negotiation of legal agreement for the acquisition of the entire share capital of BiFab. Following this change of control, the Scottish Government will extend the loan facility, which will enable the completion of the Beatrice offshore wind farm (BOWL) contracts.
- Post change of control, the Scottish Government will provide BiFab with a separate £10 million restructuring loan, to help it to secure short terms contracts as part of a ten year plan for growth and expansion.
- Outstanding monies owed for Methil and Arnish, owned by SE and HIE respectively, will be waived, following commercial negotiation of new long term leases on commercial terms.
- Our intervention will maintain confidence in an important sector and support the local economy. Our loan will secure short term employment opportunities that would, without intervention, be terminated.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CABINET SECRETARY FOR ECONOMY, JOBS AND FAIR WORK

MEETING WITH JV DRIVER/DF BARNES

WEDNESDAY 2 MAY 2018

Key Messages	<ul style="list-style-type: none">• I am pleased that we have been able to offer support for JV Driers' acquisition of BiFab. BIFab has potential to be a key part of Scotland's energy supply chain and hope that we can work together to maximise that potential.• We have received positive feedback from our stakeholders following the acquisition. Developers and other contractors are keen to meet and work the new management team following change of ownership.
Who	Bill Elkington (CEO, JV Driver) Sean Power (VP Business Development, DF Barnes)
What	Meeting with JV Driver/DF Barnes senior management
Why	Bill Elkington wished to meet with you following the acquisition of BiFab
Where	Scottish Parliament , TG22
When	Wednesday 2 May 2018 17:15-18:00
Supporting Officials	David Ritchie, Deputy Director, Energy Industries, [REDACTED]

- BiFab was acquired by DF Barnes on 17 April 2018, following provision of support by the Scottish Government.
- The support includes an extension of the loan agreement for completion of the BOWL contracts [REDACTED]. The total debt will be capable of conversion to equity in the Company, representing a shareholding of up to 38%. Ministers current shareholding is [REDACTED] in respect of [REDACTED] drawn down to date.
- The support also includes a separate £10 million restructuring loan, which has not yet been drawn down.

Workforce

- Redundancy notices will be served on 40 additional staff members on Friday 4 May. This is in line with planned reductions, as the BOWL contracts comes to an end. BiFab will notify Unions on Friday morning. Scottish Government holding lines are being prepared for Ministerial clearance.

- Staff numbers at 27 April 2018 were [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]


[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

MINISTERIAL ENGAGEMENT BRIEFING: DEREK MACKAY

Engagement title	Meeting with DF Barnes/BiFab
Engagement timings	Tuesday 11 September 2018 14:45 – 15:45
Organisation	DF Barnes/BiFab
Venue and full address	Scottish Parliament – Room T3.21
Background/Purpose (including invitation history)	You last met with Bill Elkington, Sean Power and Jason Fudge of DF Barnes on 18 July 2018. This meeting will allow Jason and Sean to provide a further on the current status of the contracts they are pursuing and proposed infrastructure improvements at the yards.
Relevance to core script	<ul style="list-style-type: none"> • BiFab has potential to be a key part of Scotland's energy supply chain and hope that we can work together to maximise that potential. • Developers and other contractors are keen to meet and work the new management team following change of ownership.
Meeting attendees	Jason Fudge (CEO, DF Barnes) – by telephone – to call [REDACTED] Sean Power (VP Business Development, DF Barnes)
Supplementary information	Annex A – Update note covering: <ul style="list-style-type: none"> • Financial position • Contracts • Infrastructure • Training Grant • Staffing • Next steps
Official support:	David Ritchie, DD Energy Industries  [REDACTED]

Current Financial Position

1. Since the acquisition of BiFab by DF Barnes on 17th April 2018, the company has drawn down [REDACTED] allocated to complete the BOWL contract. SG has converted these loans to equity, which currently stands [REDACTED]

[REDACTED]

3. Grant Thornton are continuing to work with BiFab/DF Barnes on further diligence.

Immediate Contracts

[REDACTED]

[REDACTED]


[REDACTED]

[REDACTED]

[REDACTED]

Infrastructure

8. At Mr MacKay's introductory meeting with DF Barnes/JV Drivers on 18th July, Bill Elkington raised the issue of infrastructure upgrades at Methil. My note of 6th August summarised the issue, and the steps being taken to advance the asks.
9. A meeting of the Energy Park Fife Infrastructure Group (EPFIG) took place on 21st August. The EPFIG consists of BiFab/Barnes, Scottish Enterprise (SE), Scottish Government and Fife Council (FC). The remit of the group is to explore and assess the infrastructure improvements required at the Methil site, and to consider ways in which these could be developed and financed. The context for this assessment is to improve competitiveness of Energy Park Fife, enhancing the ability of BiFab to win work. Four key areas have been identified:
 - Quayside & Port Facilities – options to address down time caused by wind / swell at quayside;
 - Concrete – addressing drainage issues around the site improving movement across the site throughout the year;
 - Painting – to allow painting of the full top sections of jacket structures in the vertical position; and
 - Project Specific Requirements.

- 
11. SE and Fife Council as development partners in the wider Energy Park Fife project, outlined that a key objective of any investment would be for an economic & commercial return. DF Barnes are cognisant of this, and outlined that they would also consider investment as part of a consortium with the public sector, in infrastructure in advance of contract awards.

Training Grant

12. Scottish Enterprise (SE) have approved expenditure of around [REDACTED] towards BiFab's investment in a major culture change training project. The company have provided a comprehensive training plan to SE in support of their application, this plan was in excess of [REDACTED]. Some of the key activities will be:
 - External Specialised Training Courses
 - Cultural change – development to support core values
 - Project Management
 - Continuous Improvement – Lean tools and techniques
 - Technical Upskilling – on the job and classroom based
 - Operational Excellence and the DF Barnes way
 - In-house functional subject matter training

13. This initial training support is designed to put BiFab and the current staff in the best possible position to take advantage of new contracts when they are secured.

Staffing

14. As at 24th August 2018 the current number of employees across the 3 yards [REDACTED]
This is in line with planned reductions, now that the BOWL contract has concluded

Next Steps

Contract Awards

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Infrastructure

19. It was agreed that DF Barnes would circulate a draft 5 year "vision" for the yard by the end of October, with the Group to meet again late November/early December.