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Left Out to Sea: Fifth Circuit Confirms CIMLA Protection Does Not Apply to Those Who Supply Necessaries to Intermediaries

I. INTRODUCTION	39
II. HISTORICAL BACKGROUND	40
A. <i>Legislative History and Policy</i>	41
B. <i>Necessaries as Developed by Case Law</i>	42
C. <i>The O.W. Bunker Bankruptcy Debacle</i>	43
III. THE COURT’S DECISION.....	44
IV. ANALYSIS	46
V. CONCLUSION	49

I. INTRODUCTION

It’s a tale as old as time. A company that is too big to fail, fails, and countless others are left bobbing in its wake. What is a debtor company to do in the aftermath? Does it take its chances and see if it can recover a portion of its losses from the failed company during bankruptcy proceedings, or does that company—left out to sea as it may be—forge ahead and seek to create new precedent that would provide the company and those similarly situated with an alternative method of recovery? One such debtor company, Martin Energy Services, LLC (Martin), chose the latter.¹ Unfortunately for Martin, its hopes of expanding maritime lien precedent to include suppliers of intermediate necessaries were stymied.²

Martin’s troubles stemmed from purchase orders issued by O.W. Bunker (O.W.).³ Per the parties’ contract, Martin supplied the *Bourbon Petrel*, *OMS Resolution*, and *Miss Lily* (Support Vessels) with fuel.⁴ The Support Vessels were procured to act as “floating gas stations” in order to support three other vessels—the *Geo Celtic*, *Oceanic Sirius*, and *Oceanic Vega* (Seismic Vessels)—that were part of a seismic expedition off the coast of Louisiana.⁵ The fuel Martin supplied to the Support Vessels,

1. See *Martin Energy Services v. Bourbon Petrel M/V*, 962 F.3d 827, 829 (5th Cir. 2020).

2. See *id.* at 833.

3. See *id.* at 830.

4. *Id.*

5. *Id.* at 829, 831.

owned by C.G.G. Services, U.S., Inc. (C.G.G.), was used to refuel the Seismic Vessels.⁶ Martin was never compensated for the fuel it supplied to the Support Vessels.⁷ Consequently, litigation ensued as Martin sought to enforce a maritime lien against C.G.G.’s vessels.⁸ The United States District Court of the Eastern District of Louisiana held that Martin had a maritime lien, in pertinent part, because the fuel that it supplied was a “necessary.”⁹ The district court explained that the fuel was a necessary because “it enabled the [Support Vessels] to perform their intended function as seismic support vessels for the benefit of the [Seismic Vessels].”¹⁰ However, this decision was reversed on appeal.¹¹ The United States Court of Appeals for the Fifth Circuit *held* that Martin could not create a maritime lien against the Support Vessels under the Commercial Instruments and Maritime Liens Act of 1988 because the fuel supplied to them did not meet the standard of a “necessary.” *Martin Energy Services v. Bourbon Petrel M/V*, 962 F.3d 827 (5th Cir. 2020).

II. HISTORICAL BACKGROUND

The law surrounding maritime liens has evolved vastly over the last century. Viewed together, the Federal Maritime Lien Act of 1910 (FMLA),¹² the Ship Mortgage Act of 1920 (SMA),¹³ the 1971 amendments to the SMA,¹⁴ and their progeny the Commercial Instruments and Maritime Liens Act of 1988 (CIMLA) (collectively, the “Acts”),¹⁵ show how United States maritime lien law has developed over time. These Acts were enacted to provide the maritime industry with novel cohesive

6. *Id.* at 829-30.

7. *Id.* at 830. Martin originally contracted directly with C.G.G., the owner of the Support Vessels; however, the direct relationship was terminated because of issues with C.G.G.’s credit. *Id.* at 829-830. It was for this reason that C.G.G. used O.W. Bunker to contract with Martin. *Id.* at 830. At the time, O.W. Bunker was the “world’s largest supplier of fuel for ships.” *Id.* at 830 n.1 (quoting *ING Bank N.V. v. Bomin Bunker Oil Corp.*, 953 F.3d 390, 391 (5th Cir. 2020) (internal citation omitted)). As such, it was thought to be a reliable partner, and thus less of a risk than continuing to contract with C.G.G. *See id.* at 830. Unfortunately for Martin, and other similarly situated suppliers, O.W. Bunker’s financial problems left the company unable to fulfill its financial obligations. *See id.* at 830 n.1.

8. *Id.*

9. *Id.*

10. *Martin Energy Services, LLC v. M/V Bourbon Petrel*, No. 14-2986, 2019 WL 2403145, at *4, 2019 Lexis 95702, at *13 (E.D. La. June 6, 2019) (emphasis added).

11. *Martin*, 962 F.3d at 833.

12. Pub. L. No. 61-259, 36 Stat. 604-05.

13. Pub. L. No. 66-261, 41 Stat. 1000.

14. Pub. L. No. 92-79, 85 Stat. 285.

15. Pub. L. No. 100-710, 102 Stat. 4739.

guidelines regarding the function of a maritime lien and to incentivize investment within the industry.¹⁶

A. *Legislative History and Policy*

At the time of the FMLA's enactment, the maritime industry was struggling financially, and incentives were needed to entice investments in the industry.¹⁷ Prior to the FMLA, maritime liens were governed by state statutes, and suppliers of necessaries could not be certain that they could rely upon those liens in the event that a company went bankrupt.¹⁸ In 1920, the SMA eliminated the “geographical distinctions” of these state statutes, which previously allowed liens to be given only if necessaries were furnished in a foreign port.¹⁹ Before, suppliers of necessaries were barred from such a remedy if they provided necessaries to a vessel in its home port or state.²⁰ Under the SMA, maritime liens could be established for “any person furnishing repairs, supplies, towage, use of dry dock or marine railway, or other necessaries, to any vessel, *whether foreign or domestic*, upon the order of the owner of such vessel, or of a person authorized by the owner.”²¹

To understand the 1971 amendments to the SMA, however, it is necessary to first look further to the original text of the SMA. Enacted in 1920 as Section 30 of the Merchant Marine Act, 1920, Subsection R of the SMA states that a maritime lien shall not be granted “when the furnisher knew, or by exercise of reasonable diligence could have ascertained, that because of the terms of a charter party . . . the person ordering the repairs, supplies, or other necessaries was without authority to bind the vessel therefor.”²² Following the SMA's changes, “prohibition of lien” clauses became “accepted practice” in vessel charter parties, and thus, “denie[d] . . . charterer authorit[ies] [the right] to create liens on the vessel

16. *Equilease Corp. v. M/V Sampson*, 793 F.2d 598, 602, 1986 A.M.C. 1826 (5th Cir. 1986).

17. *See Id.*

18. *Racal Survey U.S.A., Inc. v. M/V Count Fleet*, 231 F.3d 183, 187, 2001 A.M.C. 456 (5th Cir. 2000).

19. 41 STAT. 1005. *See also Equilease*, 793 F.2d at 602-03. The court in *Equilease* incorrectly refers to the SMA as the FMLA throughout the case. Wherever possible, the author has substituted the correct statute; therefore, readers may notice differences between the cited cases and this note.

20. *Racal*, 231 F.3d at 187 (citing *Equilease*, 793 F.2d at 602-03).

21. 41 STAT. 1005. *Equilease*, 793 F.2d at 601 n.4 (quoting 46 U.S.C. § 971 (1982) (current version at 46 U.S.C. § 31342) (2018)) (emphasis added).

22. 41 STAT. 1005, 46 U.S.C. § 973 (1982) (current version at 46 U.S.C. § 31341(a) (2018)).

for necessities.”²³ As a result of this inequity, Congress amended Subsection R of the SMA to strike the “reasonable diligence” requirement and “negate the operation of a ‘no lien provision.’”²⁴

In 1988, Congress enacted CIMLA, which revised and consolidated the maritime mortgage laws before it.²⁵ This was a much needed revision, as “[t]he maritime laws of the United States . . . [were] a confusing collection of individual statutes . . . [that were] poorly organized, duplicative, often obsolete, and difficult to understand and apply.”²⁶ Most notable about CIMLA is its inclusion of a definition for “necessaries.”²⁷ Section 31301(4) states “‘necessaries’ includes repairs, supplies, towage, and the use of a dry dock or marine railway.”²⁸ Although definition of “necessaries” could be inferred from section 971 of the SMA, the SMA was not as clear in stating what “necessaries” are, by definition.²⁹ Therefore, the list of “necessaries” included in CIMLA is not exhaustive.

B. *Necessaries as Developed by Case Law*

The definition of “necessaries,” as introduced under CIMLA, was derived from and has been further shaped by case law. *Equilease Corp. v. M/V Sampson* is often cited by courts when necessities issues arise. As the court in *Equilease* explained, necessities “includ[e] most goods or services that are useful to the vessel, keep her out of danger, and enable her to perform her particular function.”³⁰ Fuel typically qualifies as a necessary, as it is needed “to keep the ship going.”³¹ On this topic, there is not much debate. Less common or obvious necessities have also been held to be valid under CIMLA,³² but all share the common theme of being

23. H.R. REP. No. 92-340, at 1364 (1971).

24. *Id.* at 1365.

25. 46 U.S.C. § 313 (1988).

26. H.R. REP. No. 100-918, at 11 (1988).

27. *Racal Survey U.S.A., Inc. v. M/V Count Fleet*, 231 F.3d 183, 188, 2001 A.M.C. 456 (5th Cir. 2000) (citing 46 U.S.C. § 31301-31304 (2018)).

28. *Id.*

29. *Compare* 46 U.S.C. §§ 971-4 (1982), *with* 46 U.S.C. §§ 31301-31304 (2018).

30. *Equilease Corp. v. M/V Sampson*, 793 F.2d 598, 603, 1986 A.M.C. 1826 (5th Cir. 1986).

31. *Silver Star Enter., Inc. v. Saramacca M/V*, 82 F.3d 666, 668 (5th Cir. 1996), 1996 A.M.C. 1715 (quoting *Dampskibsselskabet Dannebrog v. Signal Oil & Gas Co.*, 310 U.S. 268, 280, 1940 A.M.C. 647 (1940)).

32. For example, the provision of linens to a vessel (a “floating hotel”); *Portland Pilots, Inc. v. Nova Star M/V*, 875 F.3d 38, 41, 45 (1st Cir. 2017); advertising services for a cruise ship; *Press of Miami, Inc. v. The Allen’s Cay*, 277 F.2d 540 (5th Cir. 1960); and even providing alcohol for a pleasure yacht; *Walker-Skageth Food Stores v. The Bavois*, 43 F. Supp. 109, 111 (S.D.N.Y. 1942); all have been deemed to be necessities.

“things that a prudent owner would provide to enable a ship to perform well the functions for which she has been engaged.”³³

Even if a good or service qualifies as a necessary, that does not mean that a maritime lien will necessarily attach to a vessel.³⁴ Necessaries must be furnished to a vessel.³⁵ In *Piedmont & George’s Creek Coal Co. v. Seaboard Fisheries Co.*, a coal company agreed to supply coal to operate vessels and sought a maritime lien against those vessels.³⁶ However, the Supreme Court ruled that the lien was not proper because the coal was not furnished to the vessel by the coal company.³⁷ Instead, the Court reasoned the coal was furnished by the vessel owner because it was delivered to the vessel only after time on a barge and in storage.³⁸ The *Piedmont* decision shows that in order for a supplier of necessaries to be able to attach a maritime lien to a vessel, they must take care to ensure that the necessaries are delivered directly to the vessel and not to an intermediary.³⁹ This precedent is particularly topical for analyzing the noted case.

C. *The O.W. Bunker Bankruptcy Debacle*

To fully grasp the consequences of the noted case, it is important to first address the O.W. bankruptcy and its aftermath. The November 2014 collapse of the former world’s largest ship fuel supplier, O.W., led to a significant volume of litigation.⁴⁰ O.W.’s business model was a major factor in why the company’s bankruptcy affected so many different parties.⁴¹ Although it had the capability to do so, O.W. never directly supplied the vessels with which it contracted.⁴² Instead, it acted as a

33. *Equilease*, 793 F.2d at 603 (citing 2 Benedict on Admiralty § 34 (7th ed. 1984)).

34. *See* *Racal Survey U.S.A., Inc. v. M/V Count Fleet*, 231 F.3d 183, 190, 2001 A.M.C. 456 (5th Cir. 2000).

35. *See* 46 U.S.C. § 31342 (2018).

36. *Piedmont & George’s Creek Coal Co. v. Seaboard Fisheries Co.*, 251 U.S. 1, 2001 A.M.C. 2692 (1920).

37. *Id.*

38. *Id.*

39. *Id.* Although the noted case involves “an actual thing,” it is important to note, as the United States Court of Appeals for the Fifth Circuit does in *Equilease Corp. v. M/V Sampson*, that “furnishing” should not be read as “requiring an actual thing to be physically delivered to the vessel.” 793 F.2d 598, 603, 1986 A.M.C. 1826 (5th Cir. 1986). Intangible items, like insurance, have been “held necessaries under section 971.” *Id.*

40. *See* *Martin Energy Services v. Bourbon Petrel, M/V*, 962 F.3d 827, 830 n.1 (5th Cir. 2020).

41. *See* Chresantho E. Staurulakis, *Bunker Intermediaries and their Rights to a Maritime Lien Under CIMLA*, American Bar Association Admiralty and Maritime Law Committee Newsletter, Fall 2017, at 16.

42. *Id.*

middleman and relied on local suppliers to fulfill the deliveries.⁴³ Typically, O.W. would receive payment from the end-user and then forward payment to the local supplier.⁴⁴ But when O.W. filed for bankruptcy, many of the local suppliers were not paid, even when O.W. had received payment from the end-users.⁴⁵ This forced the suppliers to seek alternate forms of payment, such as enforcing maritime liens against the respective end-user's vessel(s).⁴⁶

III. THE COURT'S DECISION

In the noted case, the United States Court of Appeals for the Fifth Circuit held that fuel transported and temporarily stored separately from a ship's own fuel tank for purposes of refueling other vessels did not fit the definition of "necessaries" as defined by CIMLA.⁴⁷ First, the court detailed the facts of the case, emphasizing that the fuel supplied to the Support Vessels by Martin was not to be consumed by the Support Vessels, but rather, would serve only to "refuel[] *other* vessels," namely the Seismic Vessels.⁴⁸ Next, the court introduced CIMLA, necessaries, and their relation to maritime liens like the one in question. CIMLA does not explicitly define "necessaries."⁴⁹ Instead, its "broad meaning" is construed from a long list of examples and "includes 'most goods or services that are useful to the vessel, keep her out of danger, and enable her to perform her particular function.'"⁵⁰ Under CIMLA, "a person providing *necessaries to a vessel* on the order of the owner or a person authorized by the owner . . . has a maritime lien on the vessel [and] may bring a civil action *in rem* to enforce the lien."⁵¹

After explaining the relevant law, the Fifth Circuit analyzed the issue of whether the fuel that was transported on the Support Vessels

43. *Id.*

44. *Id.*

45. *See, e.g. Martin*, 962 F.3d at 830.

46. *See, e.g. id.*

47. *Id.* at 829. As the court explained in footnote 8, the *Bourbon Petrel* and *OMS Resolution* each had cargo tanks which were separate from the tanks that held their own fuel, thus it was impossible for the vessels to have consumed any of the Martin fuel. *Id.* at 832 n.8. The *Miss Lilly* did not have separation between her cargo tank and the tank which held her fuel, but the district court determined that this structural difference was not material to the case's outcome. *Id.* at 832.

48. *Id.* at 829-30 (emphasis in original).

49. *Id.* at 830-31.

50. *Id.* at 831 (quoting *Equilease Corp. v. M/V Sampson*, 793 F.2d 598, 603, 1986 A.M.C 1826 (5th Cir. 1986)).

51. *Id.* at 830 (quoting 46 U.S.C. § 31342(a)(1),(2) (2018)) (emphasis in original).

“constituted necessities.”⁵² The court explained that fuel has commonly been found to be a “necessary” for a vessel when the vessel is using the fuel because without the fuel, the ship could not operate;⁵³ however, the court was clear to establish that this was not the situation in the noted case.⁵⁴ Instead, the fuel that Martin sought to establish as a necessary was merely cargo for the Support Vessels; rather than consuming the fuel themselves, the Support Vessels delivered it to the Seismic Vessels.⁵⁵ The court emphasized this distinction because there was no precedent indicating that cargo is a necessary.⁵⁶ As such, the Fifth Circuit asserted that to uphold the district court’s ruling—and expand the definition of “necessaries” so as to include “*cargo* transported by a vessel”—would “represent an unprecedented expansion of CIMLA.”⁵⁷

Ultimately, the Fifth Circuit overruled the district court. Unlike the district court, the Fifth Circuit was not persuaded by the argument that the fuel Martin supplied to the Support Vessels was necessary to perform their “‘particular function[s]’ . . . as ‘floating gas stations.’”⁵⁸ The district court cited cases where suppliers were able to enforce maritime liens for goods and services including linens, advertising, cigarettes, and liquor.⁵⁹ The Fifth Circuit noted that these decisions were “off point” because they dealt with liens on the vessels receiving and using the goods or services, while the fuel Martin supplied was ultimately being used by the Seismic Vessels, not the Support Vessels.⁶⁰ The Support Vessels “were merely carrying the fuel for [the] other vessels’ consumption.”⁶¹ The court also noted the fuel may have constituted a necessary for the Seismic Vessels but declined to decide that question since it was beyond the scope of the suit.⁶²

Finally, the Fifth Circuit quickly disposed of Martin’s last argument that the suit should be viewed from their perspective as a vendor. Martin argued that it was impossible for them to know which vessels would ultimately use the fuel.⁶³ The court explained that Martin misread the *Equilease* decision it cited, and thus, did not have precedent to support its

52. *Id.* at 831 (internal quotes omitted).

53. *Id.*

54. *Id.* at 832.

55. *Id.*

56. *Id.*

57. *Id.* (emphasis in original).

58. *Id.*

59. *Id.* at 832 n.10.

60. *Id.* at 833.

61. *Id.*

62. *Id.* at 831-32.

63. *Id.* at 833.

argument.⁶⁴ After considering Martin's arguments, the court concluded the fuel Martin supplied to the Support Vessels did not constitute "necessaries," and therefore, a maritime lien could not be created under CIMLA.⁶⁵ To conclude, the Fifth Circuit opined that including cargo fuel destined for another vessel within the parameters of "necessaries" would unduly expand the definition under CIMLA and therefore drastically effect maritime lien precedents.⁶⁶

IV. ANALYSIS

As detailed above, one of the major purposes of CIMLA is to incentivize investment in the maritime industry.⁶⁷ Indeed, the ability for necessities suppliers to enforce maritime liens against vessels is a safety net that suppliers consider when completing transactions, but not all suppliers are able to avail themselves of this benefit. The Fifth Circuit's decision in the noted case is significant for future similarly situated plaintiffs. That is because necessities suppliers who provide goods or services to middlemen, like the Support Vessels, are still prevented from enforcing a maritime lien under CIMLA.⁶⁸ Apart from impacting individual suppliers, this decision may have lasting impacts on the entire maritime industry. In its desire to uphold precedent, or more specifically, to not create new precedent, the court may have prevented certain necessities suppliers from their rightful remedies and undermined the incentives to invest in the maritime industry that CIMLA seeks to induce.⁶⁹

In its analysis, the Fifth Circuit characterized the Support Vessels as cargo ships, instead of "floating gas stations,"⁷⁰ and the fuel supplied by Martin as cargo, instead of necessities needed to "perform [the Support Vessels'] particular function."⁷¹ This may have been a mischaracterization by the court. The court took great care to specify that cargo neither is nor should it be considered a necessary.⁷² This is a fair statement, as including cargo under the definition of necessities would

64. *Id.*

65. *Id.*

66. *Id.* at 829.

67. *See* Equilease Corp. v. M/V Sampson, 793 F.2d 598, 602 (5th Cir. 1986).

68. *Martin Energy Services v. Bourbon Petrel M/V*, 962 F.3d 827, 833 (5th Cir. 2020).

69. *See id.* at 832.

70. *Id.* at 831.

71. *Id.* (quoting *Equilease Corp. v. M/V Sampson*, 793 F.2d 598, 603, 1986 A.M.C 1826 (5th Cir. 1986)).

72. *Id.* at 832.

represent a significant extension of the concept.⁷³ However, to characterize the Support Vessels as merely cargo ships is not a fair assessment either.⁷⁴ The Support Vessels were not simply transporting the fuel from one port to another.⁷⁵ Instead, the Support Vessels were hired by the Seismic Vessels to ensure that the Seismic Vessels had the supplies they needed to effectively complete their obligations and responsibilities.⁷⁶ This a key point, because it highlights *the purpose the fuel serves aboard* the Support Vessels. If the Support Vessels are cargo ships, then the fuel is cargo. If the Support Vessels are floating gas stations, then the fuel is necessary for them to perform their function as such.⁷⁷

The court attacks the district court's reasoning by arguing that the cases the district court cited are distinguishable from the instant case.⁷⁸ The court stated, "In each [case], the good or service was provided for use by the vessel itself, and the resulting lien ran against that vessel. Here, by contrast, the Martin fuel was provided for use by the Seismic Vessels, not the Support Vessels."⁷⁹ But the court fails to note that the Martin fuel *was* provided for use by the Support Vessels themselves. The Support Vessels' use or "particular function"⁸⁰ was to *supply* fuel to the Seismic Vessels. Without the fuel in their cargo tanks, the Support Vessels would not have been able to supply the fuel to the Seismic Vessels.

Perhaps the difficulty of this case lies with the characteristic of the particular good in question. Fuel is undoubtably a necessary.⁸¹ Without it, a vessel could end up stranded or unable to perform *any* function—a situation that the writers of CIMLA must have considered and sought to prevent.⁸² In its analysis, the Fifth Circuit stresses that the fuel supplied by Martin was not a necessary because the Support Vessels did not use the

73. *Id.*

74. *Martin Energy Services, LLC v. M/V Bourbon Petrel*, No. 14-2986, 2019 WL 2403145, at *4, 2019 Lexis 95702, at *13 (E.D. La. June 6, 2019) (noting that the Support Vessels were "floating gas stations" not cargo ships).

75. *Martin*, 962 F.3d at 832.

76. *Id.*

77. *See Martin Energy Services, LLC v. M/V Bourbon Petrel*, No. 14-2986, 2019 WL 2403145, at *4.

78. *See Martin*, 962 F.3d at 832-33.

79. *Id.* at 833.

80. *Id.* at 832.

81. *Id.* at 831 (citing *Valero Mktg. & Supply Co. v. M/V Almi Sun*, IMO No. 9579535, 893 F.3d 290, 294, 2018 A.M.C. 1564 (5th Cir. 2018)).

82. *See Equilease Corp. v. M/V Sampson*, 793 F.2d 598, 603, 1986 A.M.C 1826 (5th Cir. 1986) (The *Equilease* opinion references the SMA, as it was published two years before the CIMLA was drafted by Congress.)

fuel to power their respective engines.⁸³ This is the typical way to analyze a necessities issue relating to fuel.⁸⁴ As a result, wholesalers who supply intermediaries do not have the same protections as suppliers who deliver necessities directly to the end user.⁸⁵ Without the protections of maritime liens, these wholesalers are effectively left out to sea.⁸⁶ Consequently, a major portion of the maritime industry is unable to avail itself of certain benefits under CIMLA.⁸⁷ Because of this, it is not unreasonable to question whether this limitation hinders the growth of the maritime industry.

This potential hindrance is especially important to consider in light of the O.W. bankruptcy. As a major fuel supplier, O.W. helped stimulate the maritime industry by facilitating fuel contracts between local suppliers and vessels.⁸⁸ The contract between O.W. and Martin is a prime example of this. O.W. stepped in, in place of C.G.G., when Martin determined that it could no longer contract directly with C.G.G. due to C.G.G.'s credit issues.⁸⁹ Without O.W., or another supplier like it, the Seismic Vessels would have had to find other arrangements or abort their mission. This outcome would have been quite the opposite of stimulation for the maritime industry.

Unfortunately, Martin found itself in the unenviable position of having a debt owed to it by a bankrupt company.⁹⁰ While burdensome, this would not be as much of an issue if it had another way to recover. As evidenced in the noted case, wholesalers like Martin that supply to intermediaries do not have the ability to enforce maritime liens against the intermediaries.⁹¹ While a collapse like O.W.'s may not happen every day, wholesalers may be hesitant to contract with similarly situated parties, especially if they know that they do not have the added safety net of CIMLA to protect them. Additionally, even if parties like Martin continue to contract with parties like C.G.G., either directly or indirectly, the amount of due diligence required before the contract is executed may result in longer lead times and decreased efficiency.

83. *Martin*, 962 F.3d at 833.

84. *See id.* at 831.

85. *See id.*

86. *See* Chresanthe E. Staurulakis, *Bunker Intermediaries and their Rights to a Maritime Lien Under CIMLA*, American Bar Association Admiralty and Maritime Law Committee Newsletter, Fall 2017, at 13.

87. *See id.*

88. *See Martin*, 962 F.3d at 830. *See Also id.* at 16-17 (explaining the significance of O.W. on the maritime industry).

89. *Id.*

90. *Id.*

91. *See id.* at 827.

V. CONCLUSION

Unpersuaded by the district court's reasoning, the Fifth Circuit decided not to "unduly expand[] . . . maritime lien precedents."⁹² This raises the question: was the district court's holding that the Martin fuel was a "necessary" actually an expansion of maritime lien precedents, or is the Fifth Circuit's review of the case too narrow? Recognizing what qualifies as a "necessary" is situational, and the drafters of CIMLA refused to define necessities based on an exhaustive list.⁹³ As case precedent has shown, what is necessary for one vessel to "perform well the functions for which she has been engaged" may not be the same for a different vessel.⁹⁴ Along the same lines, the function that a particular good or service provides may be different depending on which vessel they are supplied to. For one vessel, the exclusive function of fuel may be to power her engine, but for another, like the *Bourbon Petrel*, *OMS Resolution*, or *Miss Lily*, fuel may have a dual purpose. The purpose may be to power her engine *and* to ensure that she is able to fulfill her obligation to support another vessel. One of the primary goals of CIMLA was to encourage investment in the maritime industry. Accordingly, preventing suppliers from enforcing maritime liens against recipients of necessities is inconsistent with the legislators' intent.⁹⁵ Regardless, the noted case indicates that suppliers like Martin will have to rely on other sources of recovery when it comes to necessities supplied to transport vessels.

Lorraine G. Kelly*

92. *Id.* at 829.

93. *See* 46 U.S.C. §§ 31301—31304 (2018).

94. *Equilease Corp. v. M/V Sampson*, 793 F.2d 598, 603, 1986 A.M.C 1826 (5th Cir. 1986) (citing 2 *Benedict on Admiralty* § 34 (7th ed. 1984)). Linens are necessary for a "floating hotel" but not necessarily for a shrimper. *See Portland Pilots, Inc. v. Nova Star M/V*, 875 F.3d 38, 41 (1st Cir. 2017); *Allen v. The M/V Contessa*, 196 F. Supp. 649, 651 (S.D. Tex. 1961).

95. *See* 46 U.S.C. § 31341—31343 (2018).

* © 2022 Lorraine G. Kelly, J.D. Candidate 2023, Tulane University Law School; B.S., Management, 2016, Boston College. The author would like to thank her family and friends for their unwavering support. The author would also like to thank her mentor, Allison Skopec, for her helpful guidance.