



OutFront

C++ Faring Lads

David Whelan, 05.09.05

Why send software work to India when you can have it done on a cruise ship 3.1 miles off California?

Two San Diego entrepreneurs have come up with a very literal twist on offshoring software development jobs. This pair wants to get their hands on a 600-cabin cruise ship and park it off the coast of El Segundo, Calif., just over the 3-mile border that marks international waters. They'll pack the boat with engineers who will write code day and night.

The two founders of SeaCode, David Cook and Roger Green, are confident their plan will float. All they need to do is classify their workers as "seamen," so that they're protected by international maritime laws that skirt the need for those pesky immigration visas. The workers will fly in and out of Los Angeles International and board the ship with a sailor's card from the Bahamas, where the ship likely will be registered. This lets the company avoid U.S. payroll taxes on the foreign coders. Cook, a former supertanker skipper, plans to dock in Long Beach once a month to resupply and dispose of waste.

Programmers--sorry, seamen--hired from places like India and Russia would have their own cabins, work eight- or ten-hour stretches on either a day or night shift and have the rest of the time to sleep, play shuffleboard or take a water taxi to shore. Cook imagines a four-months-on, two-months-off work cycle. Take-home pay will be about \$1,800 a month, compared with \$500 per month for an experienced engineer in India. "We're not a slave ship," says Cook. Adds Green, "It's like the International Space Station."

SeaCode's pitch is that it will still charge the same rates as developing-world firms (Green says Indian firms hide behind amazing markups) while offering clients freedom from killer flights to India, Israel and other faraway destinations to check in on projects. Work will also get done faster with two shifts. "Try to get American software engineers to work at night," says Cook.

Cook and Green, who used to be chief information officer at chip-equipment manufacturer Cymer, have already raised an undisclosed amount toward a \$10 million ship. Their backer is Barry Shillito, a San Diego angel investor and former assistant secretary of defense. Right now the two are close to making an offer on a 34-year-old boat called the *Carouse!*, currently steaming around the Canary Islands. Says Green: "We're looking for a couple of anchor clients."

As much as it sounds like a joke, the plan could work. "Nothing tells me that it's flatly prohibited," says San Francisco maritime lawyer James Walsh. That's because a "seaman" can be defined broadly as anyone who works on a vessel. But don't count on locals to be happy about a colony of programmers floating just over the horizon. "It's not my prerogative to tell them to take a hike. I'll leave that to the Coast Guard," says Kelly McDowell, mayor of El Segundo.