



## Special report AMERICAS

Customer focus, innovation and a lot of hard work are keys to success in North and South America.

### A RETURN TO MALTA

WW has a long and proud history in this small Mediterranean republic. Now we have returned in force.

### THE MARINER

Håvard Hareide has spent a lifetime with WW. Now he has retired to become a fisherman, an occupation his father advised him against 50 years ago.

WW EXCLUSIVE

The car market  
- as seen by FORD



NO 3-4 2009

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 group consists of our 14 000 employees located in  
 over 70 countries worldwide, we are dependent on  
 you telling us in the editorial staff what's going on.  
 Tip of the month will be rewarded with 250 USD.



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WW has been involved in the transportation of cars since about 1970.



Small improvements matter

Dear colleagues,

In this turbulent year of 2009 we have focused on efficiency and continuous improvement. The financial crisis has led to reduced cargo volumes and lower activity, especially within our shipping and logistics segments. Wilhelmsen Maritime Services is still holding up remarkably well, but the future is uncertain. Regardless of the times ahead, we will benefit from our diversified business portfolio and robust organisation.

Going forward we need to align and focus on the small improvements. How can each and every one of us stretch even further and continue to improve our daily work? How can we work more cross-functionality and create synergies across the companies in the group? You are our most valuable asset and you make the difference.

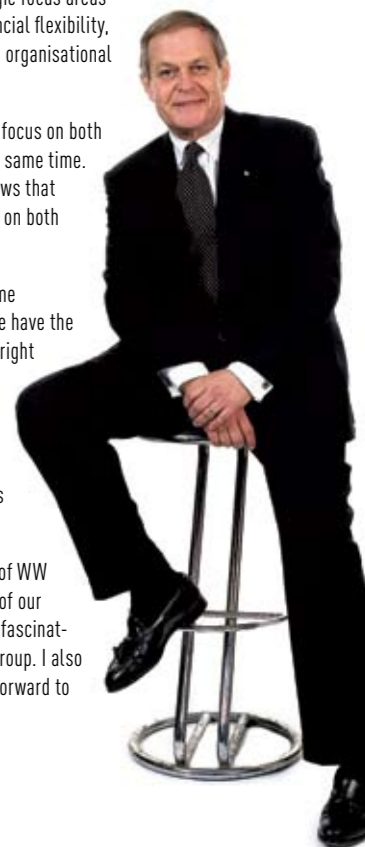
In today's markets everything is volatile and unpredictable. We see good signs of recovery, but we know it will take time before the markets are back to normal. In this situation the WW group is well prepared and the combination of a strong company culture, competent employees and good leadership is the recipe for success and a platform for exploring new and exciting business opportunities.

We have recently finalised our long term strategy and planning session within the WW group. A well defined corporate strategy is in place, supported by business segments' strategies. We have set new bold goals for our company to ensure that we maintain market leadership in the segments we are in. Strategic focus areas for 2010 include increased financial flexibility, realizing synergies and building organisational capabilities.

It might seem like a paradox to focus on both efficiency and innovation at the same time. However, recent experience shows that it is possible to achieve results on both arenas.

Our vision, "Shaping the maritime industry", gives us strength. We have the right platform and we have the right people. Adding efficient operations and innovation through new products and services will enable us to meet tomorrow's challenges and opportunities as an even stronger company.

I hope you will enjoy this issue of WW World. It shows a large variety of our operations, in addition to some fascinating people we have within our group. I also wish you all the best and look forward to 2010 together with all of you.





**SEA-TRAIN:** A solution for the future? Note the ice-breaking bow, which can be turned 180 degrees to become a regular ship's bow. Enormous kites will deliver some of the energy needed for propulsion.



## A train of thought – and for the future

Melting ice caps and possible ice-free arctic waters in the future might be a frightening scenario. It also opens up for mind-blowing new transportation solutions.

Text: Einar Chr. Erlingsen Illustration/photo: Det Norske Veritas



**THE GROUP:** Young talented students representing a wide range of subject areas from economy to marine engineering were challenged to come up with a unique solution for future sea transportation.

**NORWAY:** Thirteen young, talented Scandinavian students were presented with the following challenge by the classification society Det Norske Veritas: Come up with a ship concept based on sustainable adaptation to climate change, based on a future scenario for 2050, with ice-free and navigable arctic seas.

The students have now delivered a unique solution: a sea-train they named Arctic Modular Vessel Njord, after the sea god in old Norse mythology. The sea-train will have a maximum length of two kilometres and be constructed of 200 metre-long modules, with equally long propulsion units fore and aft.

The idea was received with enormous interest when presented to the Norwegian shipping

community this August, including a five members strong WW delegation.

"I'm very impressed with what the students have come up with within the relatively short project time they had at their disposal," says WW Shipping's vice president innovation and environment Knut L. Arnesen. He describes the ship's bow solution as "absolutely mind-blowing": a regular bow that can rotate 180 degrees and turn into an icebreaker.

"The sea-train concept is of great future interest not only for navigation in arctic waters, but might also be adapted to future use on long sea legs between large logistic hubs. This shows that young talents are able to come up with some very creative solutions for the future," he says.

## TARPON CAME TO THE RESCUE

A Japanese mariner very likely owes his life to the fact that he was discovered at sea by the Wilhelmsen Ship Management (WSM) managed ship Tarpon.

**AT SEA:** As MV Tarpon transited Japanese islands north of Okinawa in rough seas, an object looking like a fishing buoy was spotted in the water about a nautical mile in the distance. Tarpon is owned by Alcoa Steamship Company Inc. and managed by Wilhelmsen Ship Management USA.

The object in the water turned out to be the third officer of Asahi Tanker Co. MT Ariake Maru. He had last been seen during the turnover at midnight, following his watch. Afterwards he went to the poop deck to dispose of his cabin garbage. The vessel was rolling and pitching in rough seas, causing him to slip and fall into the water unnoticed.

The rescue operation was difficult given the weather conditions, but thanks to the professionalism of the Tarponis crew, the man was safely brought onboard, where he was given food and clothing and later turned over to the Japanese coast guard.

Following the rescue, the President of Asahi Marine wrote to WSM to thank the captain and crew onboard Tarpon: You and your crew members highest degree of seamanship and dedication shown during the rescue as narrated by our crew exemplify the kind of training, commitment and unselfishness worth being emulated! The crew member rescued has now been confirmed to be in good condition. He personally requested us to convey his appreciation and gratefulness for your unselfish acts, bravery and courage in saving his life! Our hats are off to you, gentlemen!

Kudos to Captain Ricky Fajaniag and his crew for a job well done!



**RESCUED:** The Japanese mariner in distress is taken care of by the crew of MV Tarpon.

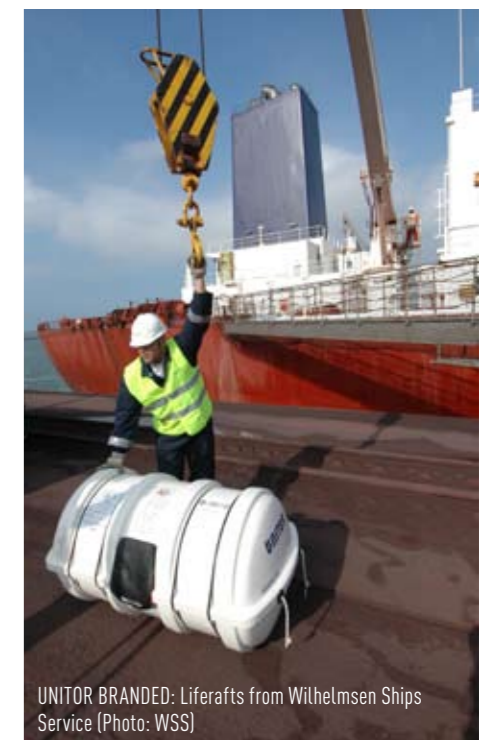
## Huge success for liferaft swap

Since Wilhelmsen Ships Service (WSS) launched its sales campaign for its Liferaft Exchange Programme one year ago, the programme has been extended to cover 743 ports in 74 countries and continues to expand.

**NORWAY:** The concept, which swaps service-due liferafts and life-saving appliances for operational ones, takes better control of costs and reduces the chance of getting caught out by unforeseen service dates and costly weak links in the supply chain. The solution was developed as a result of a customer request and is a step forward in increasing the customer's operational efficiency.

"The customer is benefiting from the global availability of this programme," comments Dave Evans, product manager for liferafts. "There is a single point of contact for the owner, who doesn't need to deal with agents in local ports. As the current economic situation drives shipowners to reduce costs and improve efficiency, this concept is particularly attractive."

The liferaft market has undergone a period of consolidation over the last 15 years resulting in a small number of large suppliers, much of whose distribution is handled by distributors and dealerships. WSS, through its far-reaching global network is, however, able to provide a direct comprehensive capability and wide product supply scope.



**UNITOR BRANDED:** Liferafts from Wilhelmsen Ships Service (Photo: WSS)

## New gateway to Russia

With the MV Vinni, a 1A-rated ice class vessel, Wallenius Wilhelmsen Logistics can now offer its customers an effective and reliable feeder service for cars and other cargo bound for Kotka and St. Petersburg.

**KOTKA, FINLAND:** The services of the M/V Vinni, which has previously operated in Asia, have been secured to enable Wallenius Wilhelmsen Logistics (WWL) to achieve a long-term objective of introducing an all-year feeder service into St. Petersburg itself.

The M/V Vinni operates on a weekly schedule, linking Gothenburg, St. Petersburg and Kotka, with the additional opportunity for port calls in the Baltic and North Sea area.

"WWL is currently the only global Ro-ro operator linking its deep-sea and short-sea services into St. Petersburg," says Søren Tousgaard Jensen, WWL vice president and head of Asia-EU trade and transshipment.

"Since the feeder service was launched we have experienced a growing customer interest indicating that this initiative is really valuable to them," says Tousgaard Jensen.





## LARGEST RO-RO CARRIER

Building the next generation ro-ro vessels is a time-consuming task. The process is well on its way, 18 months before the first of four vessels is delivered March 2011.

Text: Benedicte Gude

**NAGASAKI, JAPAN:** "The steel cutting took place on 11 August, the building started late September. The keel laying is estimated to take place late December," says Alex Maresca, WW's site manager at the Mitsubishi yard. "It was great seeing old friends and faces when we started the inspections," says Maresca. "We have agreed upon a long production plan as this is a new challenge for all of us. We build on years of good cooperation from producing the ten latest PCTCs."



**LONG COOPERATION:** "We build on years of good cooperation from producing the ten PCTCs so the team spirit is already well established," says Alex Maresca (second from the right), here with (from the left) Kawano San with Koyagai Production, making one of the pieces for the vessel, Mr Tagashira and Mr Akiyama (sitting) both from MHI Quality Control, Tom Hurtt steel inspector with the Wilhelmsen Marine Consulting site team and Mr Terasaka from the classification society Det Norske Veritas.

"Did you know that an elephant is pregnant 660 days?" "No, I didn't," says Maresca, but quickly compares the pregnancy of the largest land animal with the production of the largest, most advanced roll-on roll-off carrier the world has seen. The 138 000 cbm capacity vessel is designed for efficient transportation and handling of rolling cargo. It will be unique on the basis of major innovative design criteria such as high ramp capacity, deck strength and height, low fuel

consumption, good transportation economy and safe cargo handling. Environmental consideration has been in focus. Particular attention has been paid to hull lines development in order to reduce fuel oil consumption and exhaust gas emissions. The exhaust gas energy will also be recovered to generate the entire electrical supply needed at sea. In addition an advanced ballast water treatment system will be installed to reduce harmful transfer of micro-organisms between different ecosystems.

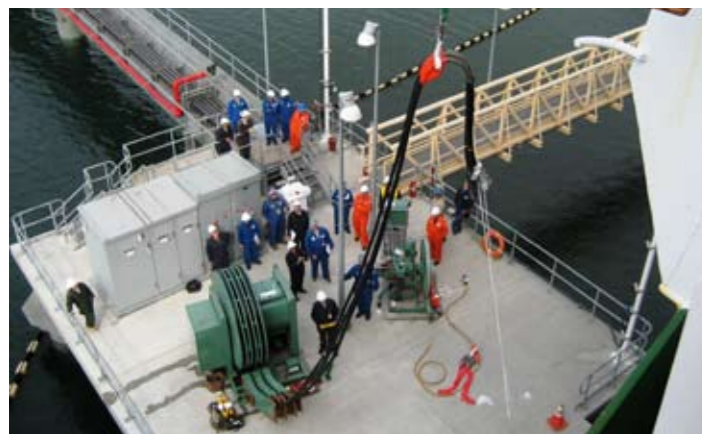
## GIVES GREAT RESULTS

Wilhelmsen Marine Engineering (WME) has developed a standardised shipboard solution to the emission problems caused by diesel generators during oil offload-ing operations.

**NORWAY:** To pump the cargo off a large oil tanker requires the energy equivalent of approximately 187,000 cars driving for one day. WME's Cold Ironing is the first commercial solution to this environmental challenge.

WME Cold Ironing makes it possible for the ship to switch over to cleaner shore based power upon arrival in port. The switchover operation takes about 30 minutes and gives a net reduction in emissions of about 50%.

Per-Erik Larsson, WME vice president sales and marketing says that while this type of solution is not currently mandatory, there is a growing sense of urgency about the marine environment. "The environmental authorities are in a regulatory state of mind. Our strategy is to be the first to offer a complete solution utilising this technology," he says.



**JUNE 2009:** A cold ironing system is being commissioned at the BP oil terminal in Long Beach, California. Engineers hoist five tons of cable up to the MT Alaskan Navigator.

## Large contract from German ship yard

Wilhelmsen Marine Engineering (WME) has been awarded an order by Meyer Werft to finalise the cruise ship AIDAbLu and two new cruise vessels being built for AIDA Cruises.

**GERMANY:** The order has an estimated value of EURO 10.4 million and includes heating, ventilation and air conditioning (HVAC) systems and related engineering services.

WME has been involved in German cruise company AIDA's newbuilding program since 2004 and has delivered HVAC system design and advanced equipment to AIDAdiva,

AIDAAluna, AIDAbella and AIDAbLu.

"The order from Meyer Werft is very significant because it confirms that WME is competitive in today's tighter market and can meet the exacting demands of leading shipbuilders and operators alike," says Mikael Ströby, WME's director for newbuildings and cruise.



**AIDABLU:** Wilhelmsen Marine Engineering has been involved in AIDA's newbuilding program since 2004 and has now been awarded an order from Meyer Werft for three more new cruise vessels. (Photo: courtesy of AIDA Cruises)

## Focus on continuous improvement

WW group CEO Ingar Skaug recently welcomed 90 managers from all parts of the WW group to the 2009 Management Conference. His greeting carried a tone of both optimism and caution.

**NORWAY:** "Your willingness to adapt to new challenges and your steady focus on efficiency and synergies between group companies has helped us through the rough waters of the economic downturn. The underlying uncertainty that has pervaded the shipping industry remains however, and we must maintain our focus on continuous improvement," said Mr. Skaug to the delegates.

The WW group's three business segments, shipping, logistics and maritime services have each been affected differently by the downturn. Shipping has been affected by falling export volumes and lower demand. The logistics segment has experienced lower activity and lower demand while the maritime services sector has experienced a dip in revenue, but has held profit relatively stable.

The theme of the management conference was improvement. During two intensive days, the delegates gained a deeper understanding of the company's strategy and direction and got the opportunity to share ideas with each other. Having solid contingency plans has given the group a greater degree of flexibility, said Mr. Skaug, adding that the group's culture, shared values and leadership principles provide a firm foundation for the period ahead.



**MUCH TO DISCUSS:** Networking and sharing ideas were important parts of the conference.

## "GREEN" CONTRACT FOR WSS

Wilhelmsen Ships Service (WSS) has been awarded a contract to handle all the ships agency calls for the main contractor to the Belwind Project, one of the largest new green energy projects in the world.

**BELGIUM:** WSS has signed an agency agreement with Van Oord Belgie to act as full agent in the port of Zeebrugge for their port calls during the Belwind Project.

The wind farm will be constructed on the Blijt Bank, 46 km off the coast of Zeebrugge. Construction will take place in two phases with 55 turbines being built in each phase. The project started on 1 September 2009 and is scheduled for completion in November 2010.

During that time WSS will handle approximately 655 port calls. These are mainly for crew vessels bringing labour daily to and from the site tug boats. These will tow the 55 monopiles for the construction and pontoons bringing equipment. WSS Belgium will also be responsible for arranging crew changes for all labour and vessels' crew involved.





**LADY SPONSOR:** Mrs. Gunn Wærsted cutting the cord to reveal the vessel name. She is flanked by Wilhelm Wilhelmsen (left), chair of Wilh. Wilhelmsen ASA and Sang-Tae Nam, president and CEO of Daewoo Shipbuilding & Marine Engineering. (Photo: Mike Louagie)

## Tirranna named on a windy day

Lady sponsor was Ms. Gunn Wærsted, group executive vice president of Nordea AB and country senior executive Nordea Norway. The guests present were mainly bankers, large investors and finance analysts as well as representatives from the local authorities.

**BELGIUM:** On 3 September 2009, M/V Tirranna was named at the Wallenius Wilhelmsen Logistics (WWL) terminal. In addition to naming the vessel, the focus of the event in Zeebrugge was to give the guests a supplementary presentation of the activities in the Wilh. Wilhelmsen group.

The day therefore started with presentations given by Kai Kraass, chief operating officer/global head of ocean services and supply chain manager in WWL, Steve Cadden, group vice president Wilh. Wilhelmsen Logistics, and Dag Schjerven, president and CEO of Wilhelmsen Maritime Services. The guests were also given a tour in the WWL car pre delivery inspector as well as a presentation of the WWL services offered in the Port of Zeebrugge.

Tirranna is a large car and truck carrier of 33 513 dwt and can carry 8 000 cars. She is the fourth ship with this name in the Wilh. Wilhelmsen fleet.

## TEAMING UP TO WIN

**NORWAY:** The Yarwil product team learned of a potential NOx system sale at a shipyard in Western Norway.

The only problem was that the yard already had a preferred supplier. Ship yard Havyard Leirvik is building a platform supply vessel for Garware Offshore Services Limited in India. Up to now, the yard has used another supplier for SCR based NOx reduction systems.

The Yarwil team, learning of this potential sale, consulted with their Wilhelmsen Ships Equipment (WSE)

colleague in India, Prakash Bhakta. Next, Mr. Bhakta approached the owner and presented WSE's capabilities. The result: the owner instructed the yard to change their preferred supplier to WSE.

"This is a good illustration of the importance of teamwork and coordination when the owner and yard are in different parts of the world. It also illustrates a key Wilhelmsen Maritime Services strength – a global network second to none," says Lise Feirud, WSE Marketing Director.



## Train delivery fully on track

**The 29th and final Hitachi train ordered for Southeastern High Speed Services was unloaded at Southampton in mid-August from M/V Tamesis.**

**UK:** Wallenius Wilhelmsen Logistics, DB Schenker Rail and Hitachi Transport Systems worked together seamlessly to bring the 29 trains to the UK on schedule, an overall journey of over 20,600 kilometers from factory to customer.

Alistair Dormer, general manager at Hitachi Rail Europe, said: "Thanks to our logistics partners Wallenius Wilhelmsen Logistics and DB Schenker, the delivery of the final Class 395 train marks the successful delivery to the UK of the country's fastest commuter trains."

Mark Bookham, operations director, WWL UK, said: "The three year project has been a seamless factory to customer operation requiring careful strategic planning and execution. Our team is delighted that the operation has gone so smoothly and the entire fleet has been delivered on schedule, to budget and in an environmentally friendly way."



**WELL RECEIVED:** The views of WPMF's experts (from the left): general manager Nick Bavridge, oil analyst and broker Øivind Munthe-Kaas and legislative expert Hans M. Borge were met with great interest at the bi-annual bunker and energy seminar.

## Focus on bunker and the marine environment

**Wilhelmsen Premier Marine Fuels' bi-annual bunker and energy seminar gathered a record high attendance of over 80 participants from ship operating companies, oil companies, analysts and media.**

**NORWAY:** The main focus of this year's event was linked to the marine environment and use of different types of fuel in global shipping. The shipping industry consumes approximately 11 per cent of the world's oil production, and is responsible for three to five per cent of the global CO<sub>2</sub> emissions to air.

Legislators in both Europe and USA/Canada are forcefully implementing new regulations that will prohibit the use of heavy fuel oil (HFO) in coastal areas. From 1 January 2010 only marine gas oil with 0.1 per cent sulphur will be allowed entry into EU ports. Six months later this will be the only legitimate fuel in EU waters. By 2011 or 2012 an "Emission Controlled Area," or ECA, is expected to be implemented along the shores of both USA and Canada.

"For bunker brokers and ship operating companies, this means radical new ways of operating. Within the industry, there is a lively discussion whether the refining industry should produce cleaner fuel with lower sulphur content, or if the fuel should be cleaned on board. This year's high attendance shows that our choice of topics was well received within our industry," says general manager Nick Bavridge in Wilhelmsen Premier Marine Fuels.

**"THIS YEAR'S HIGH ATTENDANCE SHOWS THAT OUR CHOICE OF TOPICS WAS WELL RECEIVED WITHIN OUR INDUSTRY"**

## New safety system an "instant hit"

**Since it was launched in February 2009, Wilhelmsen Ships Equipment's (WSE) newest fire extinguishing system has climbed to third place in the company's order book.**

**NORWAY:** As the ban on Halon in shipboard fire extinguishing systems from 2010 draws near, many ship owners are still looking for a viable replacement. At the same time, many are looking for a safe alternative to CO<sub>2</sub> based systems to protect machinery spaces, pump rooms, compressor rooms and other enclosed spaces.

WSE has found a solution that can do both: the Unitor 1230 Clean Agent fire extinguishing system. Lise Feirud, marketing director explains that this was one of the best orchestrated solutions the company has launched. "From market analysis and through to customer follow-up, we took care to ensure smooth delivery and safe, reliable operation." WSE delivers fire extinguishing systems to one in four of the world's newbuildings and retrofits.

The Unitor 1230 Clean Agent Fire Extinguishing System complies with IMO SOLAS Class requirements and is safe for both the environment and ships crew. Installation cost is minimal thanks to small pipe dimensions, minimal space requirements and low weight.



**INSTANT HIT:** Wilhelmsen Ships Equipment's new Unitor 1230 Clean Agent fire extinguishing system. (Photo: WSE)

## APPOINTED BY NISSAN

**INDIA:** Wallenius Wilhelmsen Logistics (WWL) (India) has been appointed by Nissan as their outbound Logistics Provider in India. Under the agreement, WWL will provide yard management services and inland transport for vehicles destined for the domestic market from Nissan's vehicle manufacturing plant in Chennai.

From May 2010, the Chennai plant will start with an annual production capacity of 200 000 vehicles. WWL will work closely with local trucking and logistics companies to develop a

vehicle distribution network in India.

WWL (India) Pvt Ltd was founded in January 2009 to establish a long-term presence in India covering the company's five product portfolios – Ocean Transportation, Terminal Services, Technical Services, Inland Distribution and Supply Chain Management (SCM).

WWL is already responsible for the entire distribution of finished vehicles for Nissan and Infiniti in the US,

Mexico and Canada. The company intends to use the experience it has gained working with Nissan in the Americas and build on that success for the Indian market.





New WW corporate strategy 2010-2014:

# Creating a platform for growth and focusing on synergies

A new corporate strategy for the next 5-year period has been approved by our board. Bold long term goals have been set to ensure that we maintain market leadership in our chosen segments. In the near term, the main focus will be on safeguarding current commitments and enhancing our financial flexibility.

By Benedicte Bakke Agerup, group vice president



**NORWAY:** Creating a platform for growth will position us to take advantage of future market opportunities and support further growth within shipping, logistics and maritime services.

Wilh. Wilhelmsen ASA is a value-driven company. We believe that empowered employees in an innovative, learning organisation are our main competitive advantage in meeting the needs and wants of our customers. A strategic goal is therefore to be the preferred employer within the maritime sector. Our vision "Shaping the maritime industry" commits everyone in our total workforce of over 10 000 dedicated employees.

**SLOW RECOVERY.** We are now in the middle of a severe global downturn that is impacting the whole maritime industry. Global markets are expected to bottom out in 2009 and show positive growth figures in 2010. Growth is however picking up from low levels, and the recovery is expected to take time. Due to large order books in all shipping segments, measures have to be taken to restore a supply-demand balance.

WW Corporate will in 2010 focus on increasing our financial flexibility, realizing revenue synergies, and building organizational capabilities.



Wilh. Wilhelmsen's new corporate strategy for the next 5-year period, emphasize the WW group as a preferred employer within the maritime industry, and further strengthening of our business areas shipping, logistics and maritime services. Here employees in Wilhelmsen Ships Service working in Fujairah, U.A.E.

ties. In a longer perspective, our strategy is to further develop our assets and network. Over the last couple of years it has been a strategic goal to diversify our business portfolio and Logistics and Maritime Services have increased their relative importance to the group. To further grow these two segments relative to shipping remains a strategic objective.

**A NEW FINANCIAL ORDER.** In the years to come, we envisage a shift in the global economy from the West to the East. Presence in emerging markets like China, India, Russia, and also South America is essential in order to take part in future growth and build new business. This

will be a priority, but must be balanced with maintaining our market position in the mature markets.

We further want to build upon our reputation as an environmental frontrunner. The maritime industry is in the process of implementing several new environmental regulations to decrease emissions to air, land and water. We position ourselves to be a leading global provider of environmental friendly products and services to the maritime industry.

We are all responsible for implementing our strategy, and through working together in the chosen direction we can create value for both owners and employees.

## WW's Intranet gets personal

The WW group's intranet has now also become a social networking channel where employees can share jokes, recipes, photos and more.

**NORWAY:** "We recognised a need for a social networking site, where employees can meet and share information socially," says Marianne H. Wang, infomaster for the WW group's intranet.

Many corporate intranets can become stiff, boring and hierarchical. In addition to being a channel for news and more business related information, Wang hopes the new site will also help to make the intranet more personal.

Wang is definitely on the right track. The site, named "On board", was launched on 1 June and has already become one of the more popular sites among employees:

"We love On Board here in Houston! The quizzes were fun, the photos from the photo contests are marvellous, and the jokes make us laugh. It is a gift for us all to have the op-

portunity to learn of other people and customs in this vast world we live in," says Teresa Russo, who works with Wilhelmsen Ships Service, USA.

Wang sees employee engagement as vital:

"Feedback from the organisation will help us develop the site further. There is always room for improvement and we encourage all colleagues to let us know if they have ideas on how to improve the site."



## 2010: Year of the Seafarer

The International Maritime Organization (IMO) has declared 2010 as the 'Year of the Seafarer'.

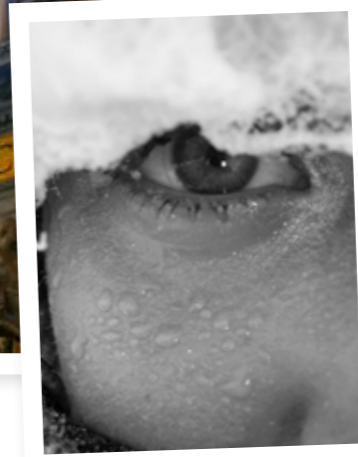
**UK:** The theme is to be celebrated throughout the year and also at a World Maritime Day parallel event in Argentina as an opportunity to pay tribute to the world's seafarers for their unique contribution to society and in recognition of the risks they shoulder in the execution of their duties in an often hostile environment.



**TOP THREE:** (left to right) Morten Stødle, Mariann Hornnes, Mette U. Bakke, and jury representative Nils Molin. (Photo: Leif Martin Kirknes)



**THEME: DETAILS:** Winner: Dorota Foksa-Sosnowska, WSS Poland. Title: "My sister's eye".



**THEME FAMOUS PLACES:** Winner: Lars Austad, WSS, Norway. Title: "The interior of St Peter's Basilica, Rome".

## THE WORLD FROM A NEW PERSPECTIVE

A way to demonstrate the fabulous cultural diversity in the WW group is to see the world through the eyes of our co-workers.

**NORWAY:** In June 2009, we revitalised the former WW World photo competition and started with weekly competitions on our Intranet. Each week had a new theme and at the most we received contributions from 13 different nationalities. As of September, the competition switched to monthly contests, and deadline for contributing is the last day in every month.

It is hard to pick any of the previous winners, but these two stood out amongst many great photos.

## One of Norway's best IT directors

Mette Ungersness Bakke, senior vice president and CIO for Wilhelmsen IT Services, was a finalist for the "Best IT Directors" award in Norway.

**NORWAY:** Mette Ungersness Bakke beat another 20 candidates to be shortlisted among the top three, but just missed winning the award.

All finalists were judged on their strategic and innovative talent, as well as leadership.

Mette's efforts during the Unitor acquisition and synergy project which involved the integration of the IT divisions, infrastructure and applications, sealed her nomination among the top three.

Mette is known for her strong leadership style and ability to get the job done. She summed up her leadership style for the awards jury. "My position as CIO involves being a translator - between the language used by the IT division and the business process. I feel a good IT leader must also have the ability to make their team feel important," she said.



# Riga ladies

Who ever said that the maritime industry is male dominated? That's not the case in Latvia, where 75% of the WW staff are women!

Text and photo: Einar Chr. Erlingsen

**R**IGA, LATVIA: No Latvian company has been unaffected by the ongoing recession, including WW's operations, Wilhelmsen Ships Service (WSS) and Wilhelmsen Maritime Services (WMS). After having experienced tremendous growth during most of the post-Soviet period, the three Baltic states (Latvia, plus Estonia and Lithuania) have been hit harder than most by the present financial turmoil. Latvia's GNP (gross national product) has been reduced by an unprecedented 20% during the last year, with unemployment at present reaching almost 17%.

"The main effect of the recession on our busi-

ness is that unpredictability has increased," says Barwil-Andersson Agencies managing director Velta Andersson. She and her husband established local ship agency Andersson SIA in 1993, before joining forces with Barwil (now: WSS) in Barwil-Andersson Agencies in 1998.

"Only one year ago, we used to be able to predict business at least half a year ahead. A lot of uncertainty among our principals has changed that. Today it's difficult to predict even one month ahead," Mrs. Andersson says.

"In 2008, we handled 182 ship calls from our main office in Riga, and through sub agents. Much of the business comes from forestry products, which is Latvia's main export commodity in addition to grain. For WMS, Unitor products and services constitute the main activity. Logistics services have also become increasingly important, due to Latvia's favourable geographical location as a hub for the larger markets in Russia and other parts of Eastern Europe."

This year started gloomily. June in particular was a very difficult month, according to Ms. Andersson. But the economy now seems to be on the mend. Ship agency business was up 50%

in July and August compared to June.

"Now we're more or less on target to reach 150 calls this year. Which isn't too bad, really," Mrs. Andersson says.

**TOUGH LADIES.** So there are no signs of despair among the WSS/WMS mainly female staff. Out of the eight employees, there are no less than six women, including a part time financial officer.

"We cope by being flexible," says WSS accounts manager Anda Petterson, who together with broker Elena Maluta takes turns as ship agents in port when their sole male colleague Armands Lazdans needs some assistance.

"It's no trouble, actually it adds greater variety to my work days," says Anda, who enjoys dealing with seafaring people.

Why so many women? Is this because the boss is a female herself?

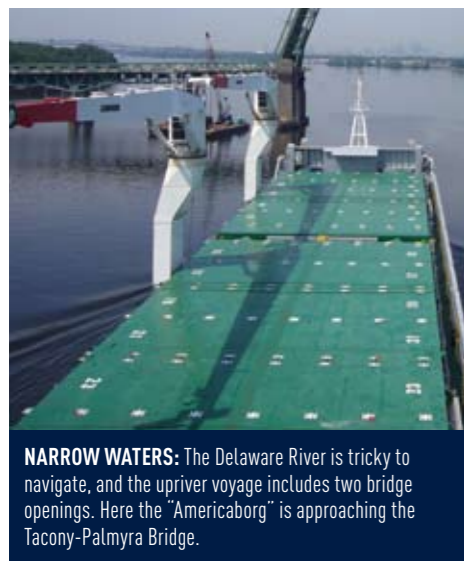
"By no means, no," counters Velta Andersson. "Actually, it just happened that way. I've always looked for the best qualifications when searching for new employees. So the real explanation for our female dominated staff is that Riga ladies are simply - the best!"



**LATVIA**

- **POPULATION:** 2.3 million
- **CAPITAL:** Riga (pop. 800 000), founded by German crusaders in 1201.
- **MAIN INDUSTRIES:** services (incl. logistics), forestry, agriculture
- **HISTORY:** Latvia has seen a very turbulent history, due to its position between more powerful neighbours. The country enjoyed a short spell of independence between 1918-1941, after which it was first occupied by Soviet Russia, then Nazi Germany (1941-1945) and Soviet Russia again (1945-1991), after which it gained its present independence
- Member of the European Union and Nato since 2004

**RIGA STAFF:** Fortunately for ship agent Armands Lazdans (the only male in the photo), he enjoys working with female colleagues. They are (from the left): managing director (of Barwil-Andersson Agencies) Velta Andersson, broker Elena Maluta, account manager Anda Petersone (all WSS). Supply coordinator Yana Dudareva and sales coordinator Elena Romanova both work for WMS. Sales manager Vladimir Grishkov and financial manager Diana Suboca were not present when the photo was taken.



**NARROW WATERS:** The Delaware River is tricky to navigate, and the upriver voyage includes two bridge openings. Here the "Americaborg" is approaching the Tacony-Palmyra Bridge.

## Ship agent on the move

**PHILADELPHIA, USA:** With nearly 20 years of experience in the shipping business, Agent John Aspen finally found himself on board a ship that was actually moving!

"Know your customer" is a good slogan for any business. That's why John Aspen of Wilhelmsen Ships Service (WSS) decided to learn more about what actually goes on - on board one of the vessels he regularly serves as a ship boarding agent.

He received all the necessary permits and went on board the Americaborg, owned by his company's good customer Wagenborg Shipping, Canada. Their ships regularly call on Baltimore to discharge paper products. Recently Wagenborg chartered some of their vessels to bring steel pipes up the Delaware River. The upriver transit takes around 12 hours and is considered very tricky.



"So I decided that I wanted to learn more about this new part of our business," says John. The Philadelphia WSS office covers locations in Delaware, New Jersey, Pennsylvania and Baltimore, Maryland.

So what did John learn from following his customer upriver?

"Well, I certainly have a new appreciation for ships navigation and the professionals that do it!" John says. "The ship's crew and pilot are true professionals. I learned more about the effects of vessel speed and wakes and how to navigate using buoy markings. To sum up, I can say that I have a new understanding and love for the work that I do!"

Which is really a satisfactory result from spending a day with a customer.



**PRESENTING THE GIFT.** Kirsten Haune, WW's group vice president HR and OD presenting the gift to Vigleik Tellnes, village director for Norway's first SOS Children's Village. (Photo: Bjørn Owe Holmberg)

## Maritime gift to SOS Children's Villages

Two new boats with names starting with the letter 'T' are soon to be seen on the west coast of Norway.

Text: Bjørn Ekornerud

**NORWAY:** Prior to the naming ceremony of Wilh. Wilhelmsen's (WW) newest vessel MV Tirranna, the lady sponsor and WW agreed to donate the lady sponsor's gift to SOS Children's Villages.

The organisation is celebrating its 60th anniversary this year. In Norway, SOS Children's Villages marked the anniversary with the opening of the first children's village in Bergen. The village is a community with eight "family houses" for children that are not able to live with their own families.

WW had heard rumours that the village wished that they

had a canoe the children could use during outdoor activities. It was therefore decided that the gift from WW should be used to purchase two canoes. This way the gift also got a maritime touch and became a good match with the company.

Kirsten Haune, WW's group vice president HR and OD went to Bergen for the opening ceremony carrying a card symbolizing the gift in her purse. The gift was presented to the village director Vigleik Tellnes during a short ceremony.

"I appreciate the opportunity to be present at the opening of the children's village. To experience all the positivity and engagement by the people working for SOS and to meet the children was a great inspiration for me," she said after the ceremony.

The canoes will soon be given a T-name following the Wilhelmsen naming tradition, and hopefully the gift will inspire the children to become fond of outdoor life and familiar with the sea.



# Our own Ironman

When Wallenius Wilhelmsen Logistics' director of business planning for Region Americas, Keith Haskell, is not planning to ensure execution and achievement of strategic and tactical goals you can find him training for one of the most gruelling tests of physical stamina known to man.

Text: Stacey Trodal

**USA:** The Ironman, also known as the Ironman Triathlon, is one of the world's toughest endurance races consisting of a 2.4 miles (3.86 km) swim, a 112 miles (180.25 km) bike ride and a marathon (26 miles 385 yards/42.195 km) run, raced in that order and without a break.

As Keith Haskell (37) will tell you himself, the Ironman is more than just a race. It has become a fulfilling lifestyle, one he fell into only three years ago when he was talked into buying his first road bike.

"The first race I competed in was a triathlon (a sprint distance race). It wasn't long after that I became hooked. In the first year I competed in five triathlons, then I did five more the second year. It wasn't until the third year that I decided to attempt my first Ironman, held at Lake Placid, USA. As time consuming and difficult as this was, it was just as fulfilling. I really first thought I would be "one and done", admits Haskell.

**A LOT OF TRAINING.** Ironman races are certainly not something for the faint hearted. "Each race you do requires a lot of training and preparation, both physical and mental. I started to track my training six months before my last race. Three months before I was going to compete my total weekly workout hours reached 10 hours or more. Closer to the race itself, training peaked at a 17 hour workout week, which consisted of a 9 hour workout on one of the days," Haskell says.

"The day of the race can be described as nothing other than gruelling. "It's 'eat or be eaten'. The 2.4 mile swim could be classified as "terrifying". There's so much physical contact and aggression. You get kicked, punched, grabbed and pulled but you just have to laugh it off, if not you'll panic," says Haskell.

**TIME AND COMMITMENT.** "Once you have finished the swim, then it's into the bike leg. It can become very uncomfortable. From all the pedalling the balls of my feet and toes became numb after a while. Your shoulders and



**THE SWARM:** Ironmen jockeying for space during the start of their 3.86 km long swim.

**FINALLY:** Keith Haskell at the finishing line. His time can be seen above his head.

neck become stiff and sitting on a bike seat for that long is flat out right awful. As weird as this may sound, when you get off the bike after 112 miles you're so excited and more than ready to go run the marathon part of the race."

Haskell points out two important things to keep in mind for anyone considering competing in an Ironman race. You need time for training, and commitment not just from you,

but also from your family.

"I suggest that for anyone considering trying that they find some other suckers who will do the race with you. Train together and it will become a team objective and goal. It gets real hard on your long training days and of course the race itself. "Misery loves company" so have others in the same boat as you!"

Frederic Fontarosa has climbed rapidly up the corporate ladder since he first joined WW as a boarding clerk in 1995 until being appointed business director ships agency and bunkers in September 2009.

Text: Einar Chr. Erlingsen

**Q: What do you think are the main challenges in your new job?**

**A:** Ships agency and bunkers are very traditional businesses where not much has changed during the last 20 years in the way they both operate. Therefore, the biggest and most important challenge is to shape this industry and redefine the way we operate, internally as well as externally to make it more efficient and to improve our customers operating efficiencies.

**Q: Why are you the right person for this new responsibility?**

**A:** I have held numerous positions in Wilhelmsen ranging from operations to sales and management. This has given me a unique insight into the strength and reach of our network. I also have a passion for the ships agency business and believe it's time to look at how we conduct both the agency and bunkers parts of our activities with a new mindset.

**Q: How would you describe your personal strengths?**

**A:** It's always difficult to describe personal strengths without sounding pretentious. However, I believe that I am capable of inspiring and motivating people, and that I can conceptualise ideas into sellable solutions.

**Q: Do you have any weaknesses?**

**A:** There are plenty. For example, if someone or something hasn't caught my attention within two lines or two minutes, it is very likely that I will drift away. I also lack the basics of personal organisational skills; I am terrible in doing my travelling expenses, for instance ... I am not very oriented on details and prefer to focus on the bigger picture – which is perhaps more a strength than a weakness?

**Q: What are the first priorities in your new job?**

**A:** Apart from doing a thorough analysis between where we are today versus where I want



**NAME:** Frederic Fontarosa  
**AGE:** 39  
**NATIONALITY:** French  
**JOB TITLE:** Business director ships agency and bunkers  
**LOCATION:** Port-de-Bouc, France  
**FAMILY:** Married, two children

**Q: Will we need to think and act in new ways to achieve these potentials?**

**A:** It's a condition. Together with our customers we need to look at ways to operate more efficiently. Today, bunker brokers are perceived as the necessary evil, and agents are considered untrustworthy. Therefore, we need to educate our customers and also to conduct ourselves differently if we are to shape the industry.

**Q: What are your previous positions and postings within the WW group?**

**A:** Vice president – international sales & market segment, Oslo, regional sales manager – AMB region Dubai, regional development manager, MAMB region Port-de-Bouc/Dubai, operation manager, Dubai, boarding officer, Port-de-Bouc.

**"IF SOMEONE OR SOMETHING HASN'T CAUGHT MY ATTENTION WITHIN TWO LINES OR TWO MINUTES, IT IS VERY LIKELY THAT I WILL DRIFT AWAY"**

**Q: How do you perceive yourself as a leader?**

**A:** As someone with a clear vision of the future, motivational and inspirational.

**Q: When you are not working what do you enjoy doing?**

**A:** Because of extensive travelling I don't get to spend much time with my family, so when I am in France I try to spend time with them and with friends. Whatever time remains after that I split into three activities: building and customizing motorcycles, music, and watching my favourite football team: l'Olympique de Marseille.

us to be in five years, and take a dive into the bunkers brokering world, I will spend my energy in continuing what my predecessor, Per Saltvedt has been working on. That is, launching the Ships Agency Service Agreement Offer.

**Q: Can you give us a short description of the potentials you recognise for WW in ships agency and bunkers respectively?**

**A:** From an industry maturity curve both ships agency and bunkers have yet to enter into the 21st century. In fact, if you take away the new modes of communication like e-mails and mobile phones, not much has really changed during the last 20 or 30 years. It amazes me, but it also opens up for great rewards if we do our things properly.



# Confident

about the future

Ingvar Sviggum, vice president marketing, sales and service for Ford of Europe says the recovery we're seeing is 'fragile' – and that the European car industry may not reach pre-downturn production and sales levels until 2014. But Ford is doing better than most.

Text and photos: Kaia Means

"YOU CAN CUT COSTS SO FAR,  
BUT AT THE END OF THE DAY  
YOU NEED YOUR CUSTOMERS TO  
WANT TO BUY YOUR PRODUCTS"



**NORWAY:** The WW group and its jointly owned ship-operating companies are among the largest transporters of rolling cargo and cars worldwide. We asked Ford of Europe vice president Ingvar Sviggum, one of the automotive industry's real veterans, about how he sees the present crisis and the future for the industry.

**Q: HOW HAS THE FINANCIAL CRISIS AFFECTED THE CAR INDUSTRY, AND HOW HAS FORD OF EUROPE WEATHERED THE CRISIS?**

**A:** The crisis has been very severe – one of the most dramatic in living memory, even for a 64-year-old like myself!

The decline in demand across the world has had a negative impact in many business areas, and notably in the car industry. For example, our wholesale sales at Ford of Europe in the second quarter of the year were down by 132,000 units compared to the same quarter last year to 400,000 vehicles sold, and our revenue declined from \$11.5 billion to \$7.2 billion for the second quarter 2009. Yet despite these very severe economic headwinds, we have made steady progress, returning to profit in the second quarter after just two quarters of loss.

We're the no. 2 best-selling brand in the European market, steadily increasing our market share over the course of the year, and we now have 9 per cent in our main 19 European

markets. So we are taking a bigger slice of the pie even though the pie is getting smaller in absolute terms. Cutting capacity, together with a strong focus on reducing costs, has been a key part in our efforts to sustain a healthy business and to return to sustainable profitability as soon as possible.

But the key factor has been to ensure that we continue to deliver great products to our customers. You can cut costs so far, but at the end of the day you need your customers to want to buy your products.

Having said that, I'm very confident about our future, and feel we are in the right position to make even further gains with our new products once the market starts to recover, as it eventually must.

**Q: DOES EUROPE NEED CONTINUED SCRAPPAGE SCHEMES LIKE THE ONES IMPLEMENTED IN GERMANY, FRANCE, SPAIN, ITALY, AND THE UK?**

**A:** Scrappage schemes – especially in Germany – have helped to keep the European auto market buoyant in 2009. Without them we would have been faced with a far weaker market. But the underlying market remains weak as some of the key structural issues still need to be addressed – for example, fears of unemployment, confidence in an improvement and access for customers to credit at reason-

able interest rates.

I believe scrapping schemes should continue for as long as practically possible, and then be phased out in an orderly way to avoid destabilising reductions in demand that could damage the fragile improvement we have seen in recent months.

In addition to scrapping, member states and the EU also need to continue to support all elements of the automotive value chain through innovative actions until the economic crisis has ended.

**Q: HAS THE CAR INDUSTRY REACHED A WATERSHED WHEN IT COMES TO MOVING AWAY FROM FOSSIL FUELS? OR WILL CARS WITH PETROL AND DIESEL ENGINES CONSTITUTE THE MAJORITY OF SALES FOR MANY YEARS TO COME?**

**A:** Petrol and diesel-engined vehicles will continue to be the majority of vehicle sales in the years ahead, but we will see an increasing move to new generations of clean diesel technologies and petrol engines based around advanced fuel-saving direct injection technologies. The benefit of these technologies is that they are affordable and can be applied across a large number of vehicles.

We believe through offering high-volume, affordable low CO<sub>2</sub> solutions for millions of customers, we can make a real difference, to the environment and to the customer. Our goal

is to exceed our product CO<sub>2</sub> goal, which calls for a 30 per cent reduction in the CO<sub>2</sub> emissions of our new US and European vehicles by 2020, compared to the 2006 model year.

As for other CO<sub>2</sub> reducing technologies, we believe there is no single technological solution. That's why we are working on a broad portfolio of solutions in addition to advanced diesel and petrol technologies. These include further advances in areas like a new generation of fuel-saving transmission and weight reduction. We're improving alternative fuel powered vehicles (AFVs) including bio-ethanol powered Flexifuel technology plus CNG/LPG (compressed natural gas/liquefied petroleum gas) models for countries with supporting fuel infrastructure. We're working on electrification and hybridization of technologies, regenerative charging and plug-in hybrid technology, and the development of pure battery electric vehicles (BEVs). In addition we are working on hydrogen-powered internal combustion engines and highly energy efficient, hydrogen-powered fuel cell technology, which we see in the long term as possible solutions to reduce car-based CO<sub>2</sub> emissions, provided hydrogen is derived from sustainable sources.

**Q: WHERE DO YOU SEE THE MOST OPPORTUNITIES FOR GROWTH?**

**A:** It's important that we look at every opportunity to grow our presence, whether in traditional markets or in some of the growth markets, such as Russia and Eastern Europe. Unfortunately the current economic situation has seen vehicle sales plummet in Russia. Longer term though, we will see Russia and Eastern Europe recover and they will be areas for growth. This is part of the reason why we have established a manufacturing presence not only in St Petersburg, but also in Romania at our new facility in Craiova.

**Q: HOW DOES INCREASED PRODUCTION IN KOREA, INDIA AND CHINA AFFECT THE INDUSTRY?**

**A:** The world is becoming increasingly more global when it comes to competition, but the key is to embrace this as an opportunity rather than simply perceiving it as a threat.

Just recently Ford made a number of major announcements concerning new investments in India and China that will help us to establish ourselves even more in those key markets.

So we welcome competition in this more global business environment, but we need free and fair trade between markets to ensure we all operate within a level playing field and that there are no artificial barriers to trade.

**Q: IN OUR GLOBALISED ECONOMY, WHERE CARS ARE BEING MADE IN MANY DIFFERENT COUNTRIES, ARE GOOD LOGISTICAL SOLUTIONS STEADILY BECOMING MORE IMPORTANT? WHAT ARE THE CHALLENGES IN LOGISTICS AND DISTRIBUTION, AND HOW CAN SERVICE SUPPLIERS TO THE CAR INDUSTRY CONTRIBUTE TO EASE A DIFFICULT SITUATION?**

**A:** It's also about how you leverage your assets on a global basis. Just look at what we're doing at Ford through our ONE Ford approach. At Ford, we look at every business opportunity from the perspective of whether it can be leveraged at the global level. An all-new Ford Focus built on this platform is being launched globally in 2010.

Certainly though, logistics and support from our logistics suppliers is a critical factor in our operations. We need to ensure we have robust and efficient processes in place to ensure the system operates as smoothly as possible. We are of course also driving the process from

**A:** Of course there are new Ford models! As you can see with the new C-MAX, we've replaced one model with two derivatives – a five-seater and a seven-seater model – because we felt there was a space in the market for two distinct product offerings.

I think the economic situation, CO<sub>2</sub> taxation and the volatility of oil prices is forcing many customers to reconsider their vehicle needs, hence the greater interest in smaller vehicles and the fact that we are now able to sell a car like the Fiesta not only in Europe and Asia-Pacific but also in North America from 2010. And yes, SUVs do still have a future!

**Q: WHAT DO YOU SEE COMING IN THE INDUSTRY IN THE NEXT ONE TO FIVE YEARS – OR EVEN FURTHER AHEAD?**

**A:** There is still a huge issue of over-capacity. Decreased demand as a consequence of the economic downturn has only further aggravated over-capacity in the European auto industry. One of Ford of Europe's keys to success has, and continues to be, our ability to match production with market demand, i.e. not produce vehicles that the market doesn't need.

Fuel economy and CO<sub>2</sub> reduction will continue to be primary drivers for the auto industry and will increasingly become a customer-competitive area for car manufacturers.

I think we will definitely see more customer-focused technologies in our vehicles – much more of an overlap between the digital world

**INGVAR SVIGGUM**

- **VICE PRESIDENT** marketing, sales and service for Ford of Europe since 2008.
- Started his career at Ford Norway in **1963** as a trainee.
- He has held **MANY POSITIONS**, including managing director, Ford Norway and managing director and vice chairman, Ford of Spain.
- Mr. Sviggum was brought into the **FORD OF EUROPE** central senior management team in 1989 as director, marketing plans and programs.
- He became **EXECUTIVE DIRECTOR**, European sales operations for Ford of Europe in 1998
- In **1999**, he was appointed vice president, European sales operations
- He is also a **FORD MOTOR COMPANY** vice president.

**FORD'S MAN:** Ingvar Sviggum, vice president marketing, sales and service for Ford of Europe recognises that there is still an over-capacity in the car market.



**I THINK THE VEHICLE INDUSTRY IN EUROPE MAY NOT REACH THE PRODUCTION AND SALES LEVELS OF BEFORE THE ECONOMIC DOWNTURN FOR THE NEXT FIVE YEARS OR SO"**

order to delivery. The time between production offline and key in customer's hands are waste and dead time. Therefore a very efficient and reliable distribution system is vital for total profitability.

**Q: WHICH TYPES OF CARS WILL BECOME MORE POPULAR IN THE COMING YEARS? DO SUVs HAVE A FUTURE? ARE THERE ANY NEW FORD MODELS COMING UP?**

we experience outside our vehicle and in our vehicle. There will be more choice and more innovation on offer to customers, and the opportunity to better tailor a vehicle to the owner's specific lifestyle needs and aesthetic wants, such as through Ford's Individual programme.

All in all, I think the next five years will be a time when it has never been better to be a new vehicle customer, and especially a customer of a new Ford vehicle.







- Covers **ALL COUNTRIES** in North, Central and South America
- **35 LOCATIONS** within the region
- **CORE PRODUCT:** ocean transportation
- **EIGHT** production plant based Vehicle Production Centres (VPCs)
- **SIX** port based VPCs
- Centres for servicing heavy equipment in **BALTIMORE**, Maryland and **TACOMA**, Washington

# Riding out the Storm

"It's been both the best and the worst of years," says Chris Connor as he looks back on the past 12 months. Now the WWL president for region Americas can see signs of modest growth and more positive customers.



Chris Connor, vice president for region Americas.

**N**EW JERSEY: Wallenius Wilhelmsen Logistics (WWL) is proud of its "factory-to-dealer" concept, and in North and South America this concept is really being put to the test.

"We're a pretty large operation, serving customers from 35 different locations and ports. While our core activity remains in the ocean product, the majority of our employees work in our fourteen vehicle processing centres (VPC). We also handle all inland distribution for Nissan in the North American market. That is equivalent to 750 000 cars in their logistics network annually, and we manage the distribution of every single one of those cars," says Chris Connor, himself a veteran with 28 years of experience from the logistics industry.

His experience is really important in a difficult market:

"We went from full steam ahead with record volumes and challenged by under-capacity (Q4 2008) to almost full stop in just a couple of months. I've never seen anything like it, and unless you were active during the great depression (early 1930's), neither have you. Now it's back to basics and the A, B & C's of generating cargo. But the crisis also has some positive aspects; we're closer than ever to our customers and our customer base and market shares have actually increased the last few quarters, and this will be important as the recovery takes hold. And even more important is that for the first time in months our customers are talking about future cargo volumes, and seeing more positive outlooks for our segments within autos, High and Heavy, and non-containerized cargo."

**LOWER CARGO VOLUMES.** Mr. Connor acknowledges that the base of cargo volumes is at a totally different level than the record volumes of 2008. Throughout 2009, the US auto industry has plummeted due to the global

financial crisis. The number of autos sold in the US decreased from 17 million vehicles in 2007 to 13.5 million in 2008, and down again to a projected 10 million in 2009. JD Power & Associates, a global marketing information company, predicts that auto volumes in 2010 will be up one per cent from 2009.

"So staying close to our customers is more important than ever. Detroit and the entire auto industry are in a state of constant flux. We need to understand their challenges and then step forward with the right combination of WWL's factory-to-dealer offering," says Chris Connor.

#### **FLEET UTILIZATION AND COOPERATION.**

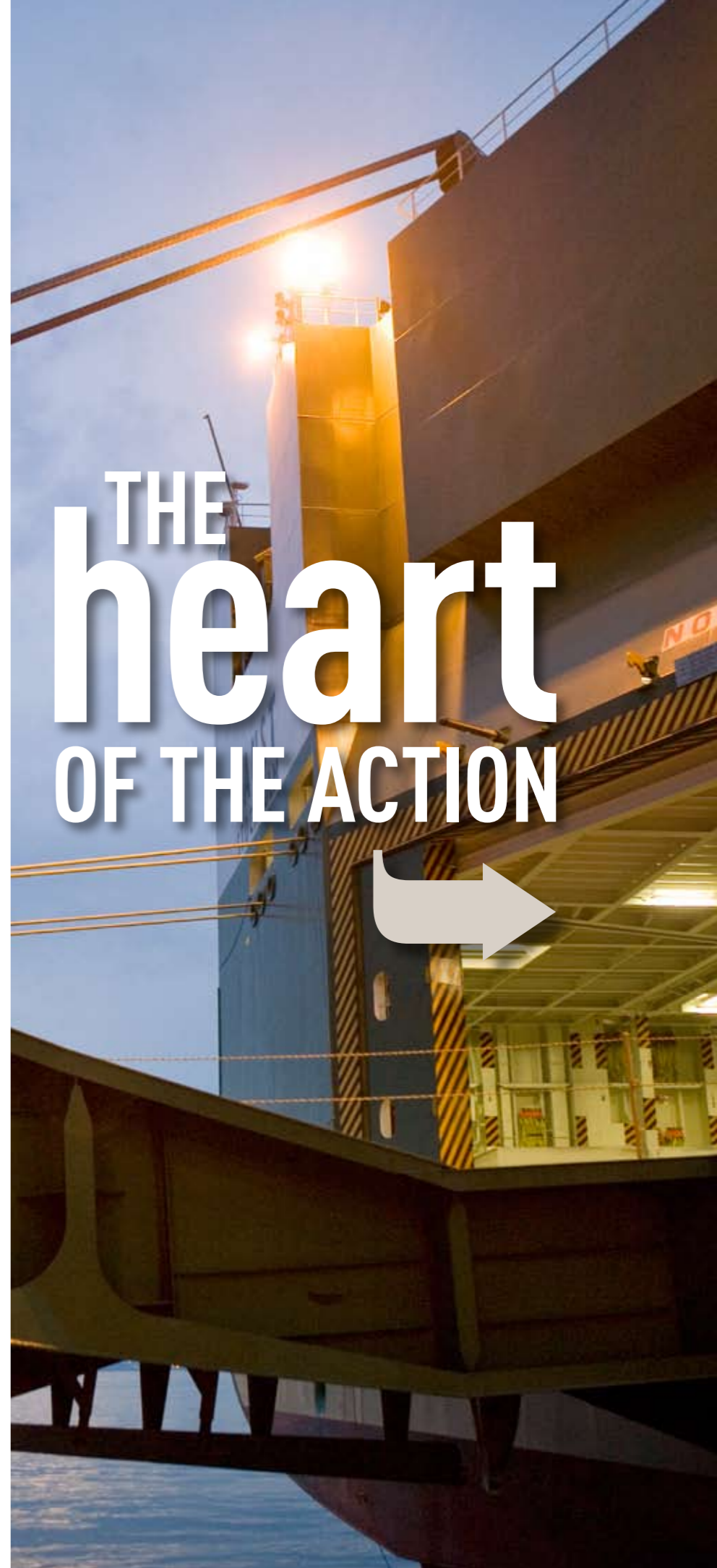
In these troubled times, the head of region Americas is satisfied with the interface and cooperation with the other ship-operating companies owned by Wallenius and Wilhelmsen, namely American Roll-On Roll-Off Carrier (ARC) and EUKOR Car Carriers. All companies have their regional head office located in New Jersey outside New York, and cooperate on a daily basis.

"We have tremendous opportunities to better serve the markets together by combining our different routes and cargo base in cooperative way. Together we have enormous coverage in the Americas, excellent vessels and logistics capabilities."

**MOTIVATED IN SOUTH AMERICA.** The Americas also includes the continent south of the Panama Canal, and Mr. Connor is similarly pleased with developments in South America. WWL recently opened new routes from the East and Gulf ports, plus Panama to Argentina, Peru and Ecuador, complementing the existing operations in and out of Brazil.

In addition to these expanding commercial opportunities in South America, WWL recently established a transactional center in San Salvador, El Salvador. The center takes care of all documentation, accounts receivable and accounts payable functions for Region Americas.

"We have employed a group of super-enthusiastic, well-educated Salvadorians that do an excellent job for us. I have been very impressed by the quality of the work they deliver," reports Mr. Connor.





## WWL in BALTIMORE

The number-one Ro-ro port in the US, Baltimore's location - just north-east of the country's capital on an inlet of Chesapeake Bay - puts it within an overnight drive of roughly half the country's population. With excellent rail connections as well, it is both the closest, and a greener, option for those shipping cars, high and heavy (H&H) machinery and other cargo.



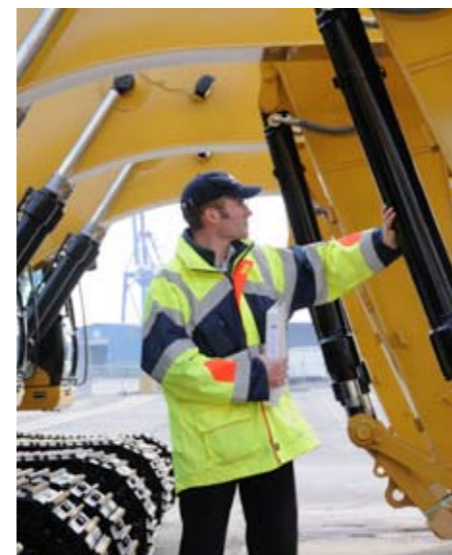
**COMPREHENSIVE MAINTENANCE:** One of the team at the High and Heavy Processing Center performs a pre-delivery inspection, part of a full range of services provided here. From storage to customization, the Baltimore team currently provides more than 100 final customer-requested options for modifications.



**EVERYTHING UNDER ONE ROOF:** Now entering its third year of operation, the Auto VPC provides inspection, accessory installation, cleaning, repair and painting, and other services for around 90,000 auto imports and exports annually.



**MAJOR HUB:** Since 2001, Wallenius Wilhelmsen Logistics' (WWL) terminal in the Port of Baltimore has been a busy hub for WWL vessels and other major shipping lines. Its strategic location among several Vehicle Processing Centers (VPC) allows WWL to provide a one-stop location in responding to customer needs.



**A FINAL CHECK BEFORE DISPATCH:** Excavators receive a final check by Philip Bonte at the H&H Processing Center, a critical stop in an uninterrupted service chain that helps ensure that equipment arrives at the final customer in the highest possible quality.



**KEEPING THEM IN TOP CONDITION:** Dean Curry is giving the excavators an environmentally-sensitive rinse. Depending on the customer service might include mechanical and hydraulic modifications, maintenance, and even regular "exercise" of stored machinery so it is ready for a quick delivery when an order arrives.



**QUALITY AND DAMAGE PREVENTION:** In a unique programme, WWL cargo and quality managers and customer representatives work alongside some 200 longshoremen annually in the ro-ro Rodeo, a hands-on exercise in learning the correct handling of vehicles - and reducing damage and increasing quality.



- Each week a EUKOR vessel enters both the West coast and the East coast of USA with new cars from the Hyundai and Kia auto plants in South Korea.
- In addition EUKOR in the US operates two own vessels that are used on lines from the US to the Caribbean and West Africa. Of the four vessels that come to the US East Coast, two vessels are utilised by EUKOR for their back haul liner trades. One of the other vessels is charter (voyage) to WWL for their Middle East service. The final inbound vessel is usually a one way voyage charter or a space charter on a WWL vessel.

EUKOR's U.S. operations are both lean and efficient, with only seven people handling all inbound operations. To develop additional revenues on the back-haul business is also high on the agenda, as is increased cooperation with Wallenius Wilhelmsen Logistics in the huge American market theatre.

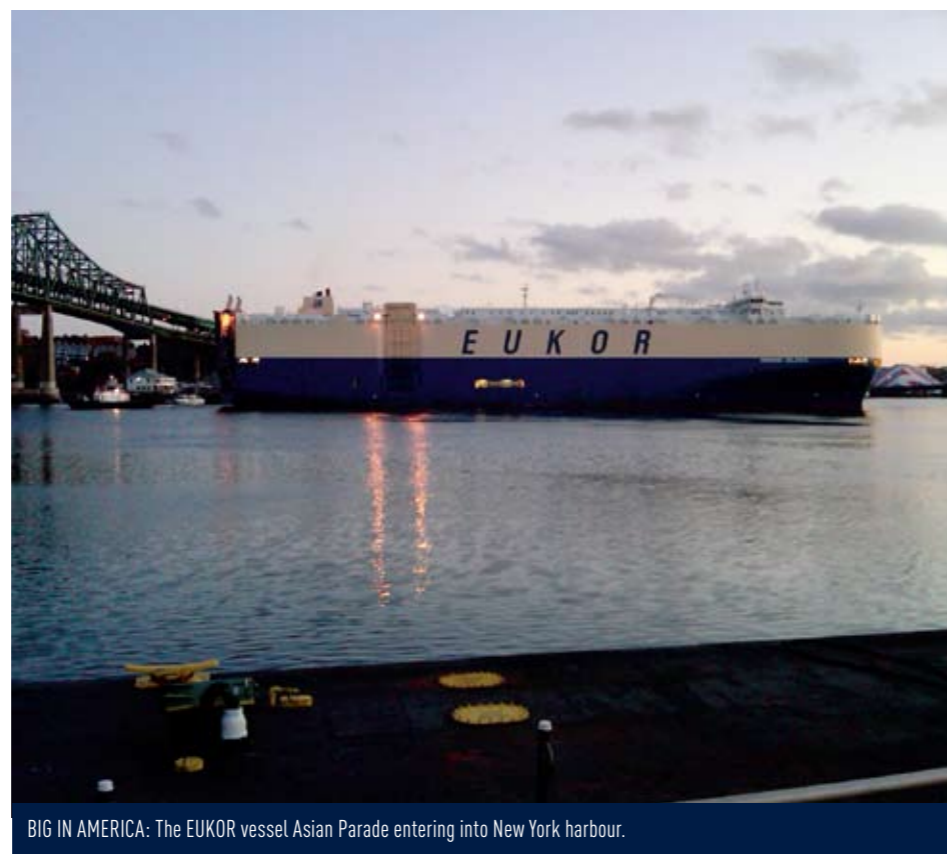
# From industrial carrier to traditional liner operations

**NEW JERSEY:** "What we are basically trying to do is to convert EUKOR here in the United States from an industrial inbound carrier for Hyundai and Kia vehicles, to a more traditional liner operation where we can fill our vessels with other new and used cargoes on the return voyage to Asia," says commercial manager, Richard Semsel. WW World met him and his colleagues, Y.H. Noh, assistant general manager and Martin Biedermann, Operations manager, in their regional office in Englewood Cliffs in New Jersey.

Last year Hyundai and Kia sold more than 800 000 cars in the U.S., with more than 600 000 units transported by EUKOR from South Korea to the main ports Newark, Baltimore and Brunswick on the Eastern seaboard and New Westminster, Tacoma, Portland, Richmond and Port Hueneme on the West coast. If you add the imports to Canada and the Caribbean, EUKOR transported more 800 000 vehicles from the South Korean auto manufacturers to the Americas in 2008.

"Hyundai and Kia have had a tremendous success in the U.S., and have evolved into real volume brands with a combined market share of approximately seven per cent," says Mr. Y.H. Noh.

**THE CARIBBEAN AND WEST AFRICA.** However, for all the EUKOR vessels coming in to USA, returning empty to Asia is bad for business. Therefore, the EUKOR operations out of New



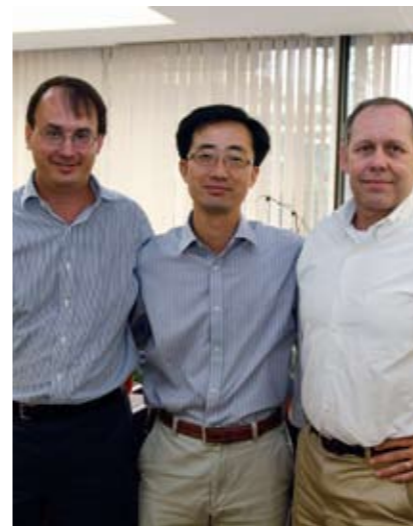
**BIG IN AMERICA:** The EUKOR vessel Asian Parade entering into New York harbour.

Jersey and Los Angeles have emphasised building new business for the outbound trade.

"We have for several years built new liner trades where we export mainly used vehicles &

Ro/Ro to the Caribbean and recently to West Africa, and new cars from Mexico to Colombia and Venezuela," says Richard Semsel.

Among the new trades are regular services



**EFFECTIVE:** Operations manager Martin Biedermann (right), assistant general manager Y.H. Noh (center) and commercial manager Richard Semsel are all part of a very effective team that handles EUKOR's operations in USA, Canada, The Caribbean and parts of South America.

from Florida to Costa Rica and Panama and from the US East Coast to Dominican Republic to Lagos in Nigeria. EUKOR also serves outbound exports for Chrysler and Ford to Asia, and transports vehicles for Volkswagen in the Caribbean theatre.

The EUKOR team explains that the slight drop in inbound volumes that struck after the financial crisis last year, has been compensated with the new trades.

"From the first half of 2008 to the first half of 2009, volumes were down roughly 20 per cent on the inbound trade. But compared to 2007, we were up roughly 10 per cent. 2008 was by all accounts was an extraordinary year," says Martin Biedermann.

And the future looks promising. Hyundai and Kia are both building up their car production capacity in USA with their own plants, which in turn might also lead to outbound exports of new vehicles, to South America for instance.

**COOPERATION WITH WWL.** How is it possible to operate all these lines with just seven people? Part of the answer is synergies with sister company Wallenius Wilhelmsen Logistics (WWL):

"We are using the same stevedoring and tugboat operations, and utilize the same terminals. We also making use of each others tonnage in order to exploit operational efficiencies," says operations manager Martin Biedermann.

Wilhelmsen Ship Management (WSM):

## The vessel managers

In southeast Houston, 17 ships, representing bulk, chemical and cruise, are under technical management by the regional office of Wilhelmsen Ship Management (WSM).

Wilhelmsen Maritime Services in Houston consists of both Wilhelmsen Ships Service (WSS) and Wilhelmsen Ship Management (WSM). In the latter company, eleven people with backup from centralised functions, are working to keep the vessels going 24/7, all over the world.

"Our vessels are mostly American owned. We started the US office in 1985. At that time the operations were run from New Orleans. In 2006 we moved to Houston, and today we form a competitive spearhead in the maritime market together with WSS," says regional manager Aditya Saxena.

This office specialises in some unique ship segments. One of them is conveyor belt self-unloading bulk carriers load 52 times and self discharge 3 million tons of cargo each per year at speeds up to 6,000 tons per hour. In comparison, a normal panamax bulk carrier carries 6-10 loads a year carrying about 0.5 million tons per year. It takes a great deal of competence and dedication by the ships' crew and the shore staff to make this possible year after year without downtime. On the other end of the spectrum, this office also has technical management for 'The World', a cruise ship exclusively with

luxury apartments-the only ship of its kind in existence.

In the ship management industry, bad times sometimes represent opportunities, because cost control and predictable operating expenses are key drivers for potential customers.

"In that sense Wilhelmsen Ship Management has a good reputation for being a trustworthy, competent and transparent company. Although we notice owners tighten their belts, there are good opportunities in this market," says Aditya Saxena, Regional Manager, Wilhelmsen Ship Management America.

Each vessel is staffed with 20 to 25 crew members of mostly Filipino, Indian, Romanian and Scandinavian origin. Working with the Wilhelmsen Manning Centers in Manila, Mumbai, Constanta, Stettin, etc., coordination of the crew is performed by the WSM Houston office.



Aditya Saxena, regional manager, Wilhelmsen Ship Management America.



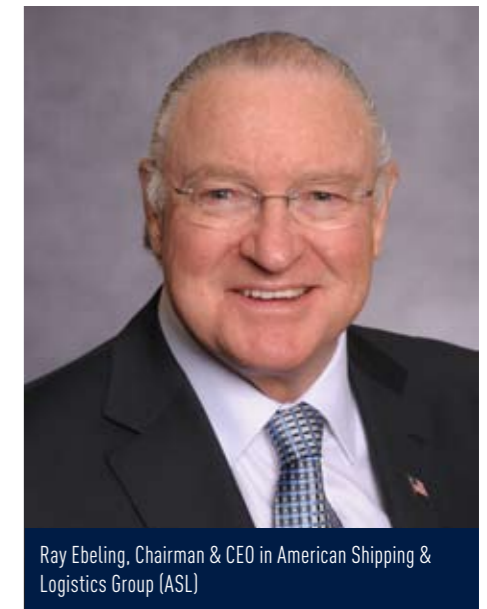
**HERE ARE THE PEOPLE THAT RUN 17 BULK CARRIERS OUT OF HOUSTON:** Left to Right: Shivraj-Singh Bohra (Fleet Manager), Jennifer Burnett (Operations and Crew Coordinator), Miranda Goldenberg (Operations Assistant), Kaustubh Kirpekar (HSEQ / DPA), Elizabeth Vasquez (Administrative Coordinator), Sajeev Kannankara (Vessel Manager), Vivek Jerath (Fleet Manager). Not Present in Photo: Aditya Saxena, Sven Thoresen (Vessel Manager) and Sanjit Biswas (Vessel Manager).



## AMERICAN SHIPPING & LOGISTICS GROUP:

→ **AMERICAN ROLL-ON ROLL-OFF CARRIER (ARC)**, a U.S.-Flag international deep-sea liner service provider with eight vessels. The entire ARC fleet participates in the Maritime Security Program (MSP) and Voluntary Intermodal Sealift Agreement (VISA).

→ **ASL LOGISTICS COMPANIES:** American Auto Logistics, Transcar GmbH and American Logistics Network. Together the logistic companies provide shipment of approx. 70 000 privately owned vehicles for Department of Defense service members annually. In addition, the companies provide storage, maintenance and modification at around 60 vehicle processing centres around the world.



Ray Ebeling, Chairman & CEO in American Shipping & Logistics Group (ASL)

# EXPANDING the business in troubled times

For Chairman & CEO Ray Ebeling and American Shipping & Logistics Group (ASL), times are countercyclical. While most other markets are experiencing the effects of the global financial crisis, ASL continues to expand.

**NEW JERSEY:** The third company jointly owned by Wilh. Wilhelmsen and Wallenius Lines, ASL has the U.S. Government as its largest customer, including such diverse agencies as the Department of Defense, Department of State, Federal Transit Administration, and U.S. Export-Import Bank-financed shippers. Starting in 1990, ASL's wholly-owned company American Roll-on Roll-off Carrier (ARC) has grown to become the leading U.S.-flag carrier for the U.S. Government, with eight vessels offering liner service to Europe and The Middle East. In addition, ASL is a large logistics provider that provides moving, storage and processing for 70 000 privately owned vehicles per year for military personnel on assignments around the world.

**OCEAN TRANSPORT IS CORE.** "We have within our group several profit centres, which are all performing well, although the future is also very volatile within our industry," says Mr. Ebeling when we meet him in ASL's headquarters in Park Ridge, New Jersey. The footprint of U.S. Department of Defense bases abroad is constantly changing, but the two largest profit centres for ARC remain ocean transport services to Europe and Middle East. The ARC U.S.-flag Pure Car and Truck Carriers (PCTC) "Courage", "Integrity", and "Independence II" operate between the U.S. ports of Baltimore, Charleston and Brunswick, and Bremerhaven, Antwerp, Zeebrugge and Southampton on the European side of the Atlantic Ocean. From the ports of Galveston, Beaumont, Jacksonville, Charleston, and Baltimore, the vessels "Honor", "Patriot", "Freedom" and

"Resolve" head for various ports in Kuwait, Pakistan, U.A.E, Saudi Arabia and Egypt.

"On the European service, we have a partnership with Wallenius Wilhelmsen Logistics for commercial cargo, for which volumes are down considerably, but the trade results are holding up due to redeployment to a 3-vessel service and strong military cargoes for the year. Our Middle East service has been very successful since start up in 2005, and we predict that 2009 will be our best year ever," says Mr. Ebeling.

**LARGE IN AUTO LOGISTICS.** ASL's logistics subsidiaries- American Auto Logistics, American Logistics Network, and Transcar- ship service members' privately owned vehicles "from anywhere to anywhere", as there are over 3,000 point pairs covered under the logistics contract. ASL also offers long-term storage for an additional 8,800 vehicles at this time. While Europe, particularly Germany, remains a key focal point for the logistics group, ASL also serves the U.S. Military in the Pacific, including bases in Hawaii, Alaska, Korea, Japan and Guam.

**LEAN BUSINESS MODEL.** The key to success is a lean operating model where core operations are kept within the group, and all others are outsourced. "The business model from the beginning was not to have a big staff, and to use agents, sub-contractors or business partners to do what we consider non-core business. We are still running on the same model, and Wallenius Wilhelmsen Logistics and Wilhelmsen Maritime Service are our agents abroad in many areas of the business," says Mr. Ebeling, who started with the group as President for Wallenius Lines of North America in 1990.



→ Since the Swedish Callenberg Group was acquired by Wilhelmsen Maritime Services in February 2008, the group now forms the basis of Wilhelmsen Marine Engineering, one of the leading suppliers of the business streams HVAC (heating, ventilation and air conditioning) and electric & automation systems for the marine and offshore markets.

→ **WME IS DIVIDED INTO THREE REGIONS:** Asia, Americas and Europe.

## Modern cowboys

Mikael Torberntsson and Per Thunem have seen the most of the international shipping industry since they started out as young electricians for Callenberg in Florida in the 1980s.

Mikael from Uddevalla in Sweden and Per from Ålesund in Norway have worked and lived in The Sunshine State for over 20 years. They've been cowboys in the shipping industry, travelling out to assist whenever an emergency occurred.

"In the 1980s there were no skilled electricians serving the maritime industry out of Florida, and leisure cruises to the Caribbean out of Miami were on the increase. So I came out here for Callenberg, got a family and stayed. In the first years we did not even have an office; my life was out the vessels. We've been modern cowboys, taking our fair share of casualties, fires and an urgent need for retrofits. We have experienced being flown out to vessels by private Lear jet or helicopter, because a ship that is not operational is a cost-bomb. I think we could have written a book about those first crazy years," says Mikael Torberntsson.

Along with colleague Per Thunem, who sailed as an automation engineer on S/S Norway for seven years after she was put back into service in 1980, they now design and develop the more sophisticated engineering solutions for customers.

"One reason that we continued to grow was that we got a reputation for delivering quality work, and soon we were recommended by insurance companies to help get things back together after marine casualties," says Per Thunem. Another reason is that the American electro industry has never focused on shipping and vessels.

"Even today, we have problems finding skilled labour amongst Americans. So in the long run we have a challenge keeping up the good professional standard, because a lot of us are now in our 50s and 60s. But our main advantage is that the customers demand more and more turnkey solutions, and we can confirm our slogan:

"One firm - one contact person - one solution", say Per Thunem and Mikael Torberntsson.

Mikael Torberntsson (left) and Per Thunem.

# Ready to expand to new markets

During their first 25 years under Florida's hot sun and expanding cruise industry, Wilhelmsen Callenberg Inc grew rapidly as a quality provider of electrical solutions to the maritime industry. Today, the objective is to become the preferred partner to customers in USA, Canada and South America.

**F**ORT LAUDERDALE: Florida is one of the American states that has been hardest struck by the financial crisis. The residential real estate market has plummeted, tourist figures are down and even the cruise industry out of Miami and Fort Lauderdale are struggling to fill their large cruise vessels with passengers. In a 35 000 square feet office- and warehouse building, Wilhelmsen Callenberg, today a part of the new business area Wilhelmsen Marine Engineering, are trying to adjust. Although the main customers, the cruise companies, are holding back on upgrades and modifications, the larger picture is not as bleak:

"Today, the restructured Wilhelmsen Callenberg here in Fort Lauderdale has more than 50 people employed and an annual revenue of approximately 25 million dollars. In the long term, we have the strength to increase our market share in the Americas," says Avi Tal, director for business development.

**PREMIUM SOLUTIONS PROVIDER.** The core business for Wilhelmsen Callenberg Inc is divided into several areas:

Modification and maintenance of electronic equipment on board vessels, emergency repairs, and integration of engineering solutions. A new and promising market is "cold ironing" supplying shore power to vessels in port. The company also develops switchboards and high power breakers for the maritime industry.

"We are known as a service-oriented company and our "Flying Squad" of highly trained electricians do assignments for shipping companies almost all over the world. When your main switchboard won't oper-



The leaders: Avi Tal (at the top) and Kjetil Lund.



READY TO EXPAND: Most of the staff at Wilhelmsen Callenberg Inc in Fort Lauderdale pictured outside the 35 000 square feet office and warehouse.

## "IN THE LONG TERM, WE HAVE THE STRENGTH TO INCREASE OUR MARKET SHARE IN THE AMERICAS."

AVI TAL, DIRECTOR FOR BUSINESS DEVELOPMENT.

ate and your vessel is filled with thousands of passengers, time is of the essence," says Avi Tal.

Together with recently appointed vice president Kjetil Lund, Mr. Tal and the team are working hard to incorporate the HVAC business stream into the product portfolio. In addition, Wilhelmsen Callenberg is a specialist in providing European spare parts to the American shipping industry, since most cruise vessels are still being built in Europe.

**NEW MARKET SEGMENTS.** Facing competition from back-alley firms that slice prices due to low-cost labour, and operate out of tax havens is tough in

the local markets, but opens up new markets for premium sub-contractors. One of these markets is the emerging oil and gas exploration in South America, with an advanced fleet of supply- and standby vessels.

"We are also looking into the mega yacht industry, and one clear benefit of being part of Wilhelmsen Marine Engineering is our strengthened ability to also cover the North West of the United States, starting from California, to the state of Washington and north to Canada. Increased cooperation with Wilhelmsen Ships Service and their large maritime customer base is also part of that picture," says Avi Tal, director of business development in Wilhelmsen Callenberg Inc.



- Regional Head Office in **HOUSTON**
- Two Area Directors responsible for North & Central America and South America.
- Total of **37 WSS FACILITIES** across region plus additional stock agents and service providers delivering product and service in over 300 ports.
- **MARINE PRODUCTS:** 28,230 orders delivered (all numbers from 2008)
- **TECHNICAL SERVICES:** 6,317 services
- **PORT AGENCY:** 3,520 port calls
- Serving **6998 VESSELS** from 38 vessels.

# Unmatched maritime service network

With almost 7000 vessels served in more than 300 ports on two continents last year, Colin Hatton, regional vice president for the Americas has a huge responsibility for an advanced maritime service network.

**H**OUSTON: "Although we notice the financial credit crunch, I still see growth potential in region Americas, particularly in Brazil and other South American countries," says the experienced Briton, who has worked for Unitor both in United Kingdom, Hong Kong and Singapore before taking over responsibility for the region in Houston 10 years ago.

"So far the marketplace has held up remarkably well, and so has the margins. We do, however, have a strong focus on credit and maintaining tight cost-control. And we emphasize customer relations in these challenging times. Customers want a reliable supplier, transparency and a solid network. We can provide all

of these factors," says Mr. Hatton.

40 per cent of the orders Wilhelmsen Ships Service (WSS) receives are generated within the region, spread on the streams marine products, technical services agency and maritime logistics. Approximately half of the customer revenue is generated from the cruise industry. In the field of Products and Technical Services WSS are a superior market leader, with a market share of up to 90 per cent.

"We have worked a lot with diversifying our products within segments with a dedicated sales force attached to it. This has been very successful," says the regional vice president.

**POSSIBILITIES IN SOUTH AMERICA.** Just as Wilhelmsen Callenberg

Inc is looking to South America as a potential market, Wilhelmsen Ships Service are looking to secure further growth in an area where they have been present for many years. The emerging offshore and oil industry represents a huge market in the years to come.

"We see an opportunity to expand out of traditional maritime markets. Our big advantage is standardized products and the largest global network for maritime logistics and products. With our newly appointed area director for South America, Henrique Schlaepfer, I do have expectations south of the border," says Colin Hatton.

**INTERNAL SYNERGIES.** Colin Hatton believes that being part of the Wilhelmsen group gives

a lot of credibility in the marketplace. For customers it is assuring that are dealing with a large maritime group and ship owner that also has a green image. Another positive factor is the increasing cooperation between the different business areas within Wilhelmsen Maritime Services.

"A sales manager for Wilhelmsen Ships Equipment is working together with us in Brazil, and I see a lot of benefits for our customers that we go together in the market. There is an increasing perception in the market that they now look to Wilhelmsen Maritime Services and not just the specific business area," says Mr. Hatton.

**GROWTH AREAS.** Rental of inflatable life rafts and other safety equipment has proven a great success for Wilhelmsen Ships Service in the recent year, and Colin Hatton also foresees a great growth for maritime logistics, especially spare logistics.

"Our main advantage compared to our competitors is that we have a portfolio of technical services, marine products, agency and maritime logistics that is unmatched".

"Texas is the heartland of USA. From Houston we can reach Vancouver, Los Angeles, New York within two-three hours," says Colin Hatton, regional vice president for region Americas.



Elvis Fernandes, Svein Halvorsrød and Knut Ludvigsen are three of the guys and girls that serves the cruise industry out of Miami for Wilhelmsen Ships Service.

## Wilhelmsen Ships Service in Miami: Serving the cruise industry

Last year Wilhelmsen Ships Service (WSS) delivered 28 230 orders of marine products in region Americas. A large chunk of these went to the cruise industry, WSS largest segment in the region.

**MIAMI:** Svein Halvorsrød, Knut Ludvigsen and Elvis Fernandes are three of the guys that serve the cruise industry, and supervise that everything is delivered according to plan. Svein and Knut, both Norwegians and former sailors, work as port representatives while Elvis is safety service manager. Together with 25 additional colleagues in Miami, two in Tampa and five in Jacksonville, they are a vital part of the maritime service network for WSS in Florida.

"Our job is to be present and serve the cruise vessels as they enter port seven days a week. In the high season between October and May we have twenty to thirty ships calling Florida Ports to re-supply, re-fuel and discharge passengers each week. From that point we have just a few hours to fulfil their needs regarding

chemicals, gases, safety equipment and other marine products," say Svein and Knut.

A modern cruise vessel is basically a four-star hotel on a keel, with restaurants, bars and even a medical unit. The products that WSS supplies, therefore range from cleaning chemicals, medical oxygen and other industrial gases, to water and fuel treatment chemicals. All with the well-known Unitor brand. Ships Agency and delivery of spare parts are also a vital part of the business.

"We are trouble shooters and relationship builders. It's important to be present in ports, which in turn helps us steadily increase our market share. Within the fire, rescue and safety department our products and services are well defined as market leaders," adds Elvis Fernandes.





THE WW COMPANIES

→ **WILH. WILHELMSSEN ASA** (WW) has through subsidiary Wilhelmsen Lines AS, Oslo, registered two companies on Malta:

→ **WILHELMSSEN LINES MALTA LTD.** (WLM): This is the operating company that will seek to identify and establish business opportunities. WLM will deliver administrative services to:

→ **WILHELMSSEN LINES SHIPOWNING MALTA LTD.**: WLSM will own and operate Malta-registered WW ships. Six newbuildings are at present nominated for flying the Maltese flag: two ro-ros and four LCTCs. The first vessel is scheduled for delivery in March 2011, with the remaining to follow at short intervals until September 2012.

MALTA



Population <b>416 000</b>	Area <b>316 M2</b>
Capital <b>VALETTA</b> 83 000 inhabitants	Languages <b>MALTESE</b> english and italian



→ **HISTORY:** Located at the crossways of many cultures, Malta's history goes back for more than **8 000 years**. Early settlers include Phoenicians, Romans and Arabs. **The Knights of St. John** ruled the island from 1530 to 1798, and have left a building heritage that still dominates Malta today. The same can also be said of the English, who colonised Malta for more than 150 years. Malta became **independent in 1964** and is today a republic and a member of the European Union since 2004



**GRAND HARBOUR:** WW'S resident general manager, Norwegian Rune Loew sees ample business opportunities from Malta's strategic position at the crossroads of some of the Mediterranean's most important trading routes.

# In the right place

Malta is well underway to becoming one of the world's leading shipping nations. This was the main reason for Wilh. Wilhelmsen to establish a strong presence in the tiny Mediterranean republic.

Text and photos: Einar Chr. Erlingsen

**MALTA:** When resident general manager for WW ASA's local operations, Norwegian Rune Loew looks out over capital city Valetta's Grand Harbour he knows that he is in the right place.

Evidence is all around him: some of the best deep-sea port facilities in the world, easy access to the main North African ports, a good climate, a stable political environment in a country inside the EU, a quality ships' registry and with English as an official language. For a ship to call at Malta during a trans-Mediterranean voyage between Gibraltar and Port Said requires a course deviation of only 15 minutes.

WW has a long history in Malta (see separate article). Renewed interest in the island nation started a few years ago, when Norwegian politicians for the umpteenth time demonstrated

their unpredictability by changing the tax regime for ship owners and with retroactive effect.

The result of the process was an increased interest in Malta as a location for shipowning activities. The process also revealed other promising opportunities and a potential for synergy effects for the WW group.

**A LINK POST WITH THE EU.** "Which is really why I'm here," says resident general manager Rune Loew, who set up office in Malta almost a year ago. Mr. Loew has a long and impressive track record within the WW group of companies. His latest assignment before Malta was in South Africa, where he developed CAT-WWL Logistics' (a joint venture between GroupeCAT and Wallenius Wilhelmsen Logistics) local logistics operation for the automotive industry, →

## Stability, quality and flexibility

A recent private study has shown that an impressive 14% of Malta's GNP originates from the shipping industry. This figure might already be too low.

Executive director Lino C. Vassallo of the Malta Maritime Authority is one of the main architects behind Malta's ships registry, which attracts owners from many nations. Vessel registration under the Malta flag is largely based on UK legislation, but with several revisions and amendments intended to guarantee owners stability and flexibility within a high quality framework.

"Measured by tonnage the Maltese registry held the number four position in the world ten years ago. This put our organisation under a lot of strain, so we decided to focus on quality rather than on quantity," says Mr. Vassallo.

This change in policy was backed by building the institutions and legislation needed for a more dynamic shipping regime. Malta becoming a member of the European Union in 2004 further increased interest from owners of high quality ships. By the end of 2008 the total gross tonnage of the Malta registered fleet was more than 33 million tonnes, thus securing a position well within the top ten shipping nations in the world. In Europe Malta is only surpassed by Greece.

"These days we have the institutions and legal tools we need as a dynamic flag state, offering owners flexibility, predictability and quality," says Mr. Vassallo, who warmly welcomes WW as a new member of the Maltese maritime establishment.



**WELCOMES WW:** Executive director Lino C. Vassallo of Malta Maritime Authority (soon to become part of the new Authority for Transport in Malta).



→ which was started when he arrived in 2005. Today, it is a comprehensive operation with 150 employees.

So starting from scratch represents nothing new to WW's resident general manager, who has already established a number of good relations with local authorities and Malta's shipping community.

"It's a great asset to operate within a society that has declared shipping to be an important industry for further development," Mr. Loew says. "Establishing a shipowning operation in Malta will supplement the existing centres in Norway and the UK and add both flexibility and new opportunities to WW as a group."

Mr. Loew describes one aspect of his role as being a link post with the EU through local authorities and the shipping establishment. The latter includes the 60 plus members strong Malta Shipowners' Association, where he expects to become an associated member as from when the first vessel registration will take place.

"Working through the local shipping community increases our potential to influence future EU legislation, an option we do not have to the same extent from Norway, a non-EU member," he says.

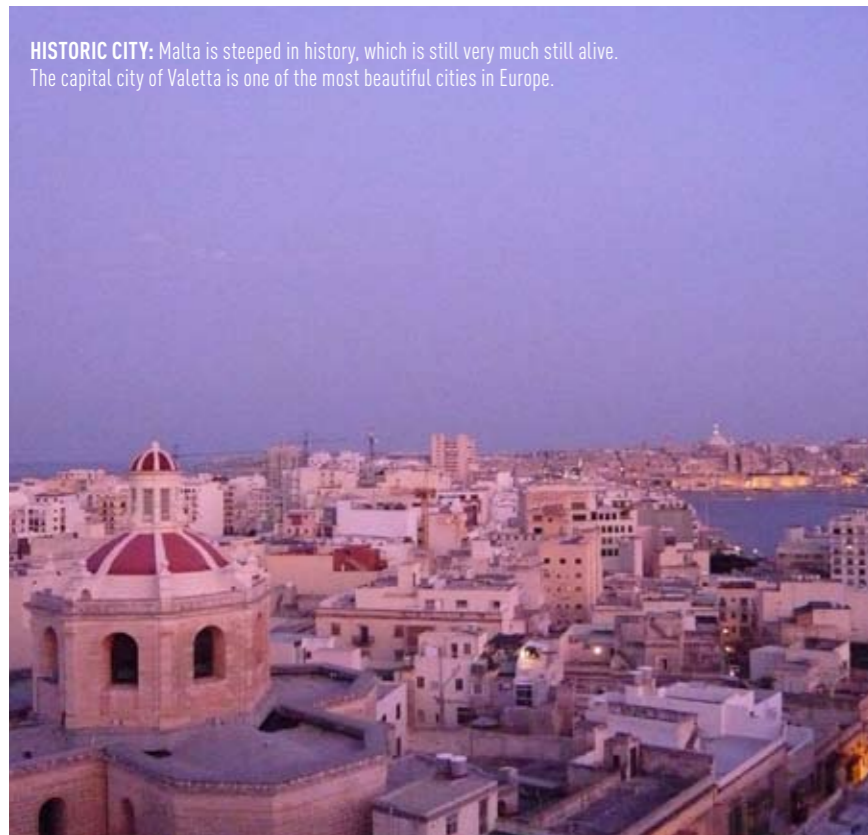
**WELL RECEIVED.** "It has been a pleasure to come here as a WW representative. The Maltese are friendly, helpful and professional. The Wilhelmsen name carries a lot of weight with the authorities, the banks and with our local advisors. A country where you can actually meet the Prime Minister in the streets has yet another great advantage: the lines of communication to the decision makers are short and efficient."

This is why there have been few difficulties in establishing an important understanding within the local community; that WW are in Malta because they mean business.

"I definitely feel we have come to the right place," says Mr. Loew.

**"IT HAS BEEN A PLEASURE TO COME HERE AS A WW REPRESENTATIVE. THE MALTESE ARE FRIENDLY, HELPFUL AND PROFESSIONAL!"**

**HISTORIC CITY:** Malta is steeped in history, which is still very much still alive. The capital city of Valetta is one of the most beautiful cities in Europe.



**LOCAL BOARD MEMBERS**



**DR. DIANE VELLA BIANCO**  
Lawyer/partner TW Management Ltd.  
**Board director and company secretary**

Dr. Vella Bianco has an international business background and contributes valuable insight into legal matters and in-depth local knowledge to the WLM/WLSM boards, where she is both director and company secretary.

"Quality is very much a focus area for Malta as a flag state, as it is for Wilhelmsen. My own experiences with WW are very positive. I definitely feel that I as a board member have real influence on the decisions made. We meet with the local management regularly to exchange information and to discuss processes and prospects. Right from the beginning I recognised a respect for pride and traditions when dealing with the WW representatives. This I regard as a great advantage, both professionally and as a member of the Maltese society."



**JOE GERADA**  
Board director  
**Managing Director/Thomas Smith Group**

Established in 1848 the family-owned Thomas Smith Group has an even longer history than WW. Managing director Joe Gerada's family represents the fourth and fifth generation of owners. Shipping, including ship agency services and insurance, is the main business activity for the group's 65 employees.

"I find the time to do the things I enjoy," says Mr. Gerada when asked if his position as WLM/WLSM board member is not too time consuming on top of his other duties. He describes himself as a person focused on results, and finds WW very much in accord with his own business philosophy. "The fact that WW has appointed a resident general manager for their Malta activities shows that they want to achieve," Mr. Gerada says. "Since I have knowledge both of the shipping industry in Malta and of the Mediterranean in general I definitely feel that I might have something to contribute."



**GODFREY LEONE GANADO**  
Board director  
**Auditor/Consultant**

Although semi-retired these days, Mr. Leone Ganado has a long record as audit partner with international audit and advisory firm PricewaterhouseCoopers (PwC), where Malta's leading ship agency was among his main clients.

"I've been involved in the audit of the shipping agency for a long time, which is probably why WW found me interesting as a board member. Add to this my audit and accounting experience spanning over 35 years, and my local knowledge," Mr. Leone Ganado says.

He foresees an interesting future for WW in Malta: "With our strategic location practically in the centre of cross-Mediterranean voyages and a Freeport, Malta has a great potential as a hub for logistics operations."



**LOCAL INFLUENCE:** Dr. Diane Vella Bianco is one of three local citizens who serve on the boards of the two new Malta-based WW companies. Here she is with resident general manager Rune Loew.

# Local presence adds insight and credibility

With a resident Norwegian general manager and three local board members Wilhelmsen Lines Malta Ltd. (WLM) and Wilhelmsen Lines Shipowning Malta Ltd. (WLSM) have secured a firm business presence in the small Mediterranean nation.

Text and photos: Einar Chr. Erlingsen

**MALTA:** "We are in Malta for a number of solid business reasons," says WW deputy group chief executive Thomas Wilhelmsen. Mr. Wilhelmsen is chair of the board of the two Malta based companies, with group chief financial officer Nils P. Dyvik as vice chair.

"Flying a flag of convenience is not among these reasons. Quite the opposite, Malta offers a high quality ships' registry, a stable and predictable

business environment, and has great potential for shipping activities based on its strategic location," Mr. Wilhelmsen says.

The latter is reflected in the choice of board members for WLM and WLSM, where three out of five are Maltese citizens. Each brings to the board table the in-depth knowledge of legal, administrative, shipping and local matters necessary to establish a sound platform for WW's ex-

pansion into the Maltese shipping environment. "We're in Malta because we mean business. And we're very happy with the most competent local representatives who have agreed to serve on the boards of our two companies," Mr. Wilhelmsen says.

Mr. Wilhelmsen's sentiments are very much reflected in the views of the Maltese board members.



# Do or die

“The suicide convoy to the island of horrors” is how the convoy from Alexandria to Malta in March 1942 is commemorated in war literature. A WW ship and a very brave woman were in the midst of it all.

Text: Einar Chr. Erlingsen Photos: WW historic photo archives

**E**GYPT: “Do or die.” This was the essence of the order received by captain Albert Toft on board WW’s M/V Talabot on 3 March 1942. The ship was ordered to join a convoy to besieged Malta, carrying a most dangerous cargo of ammunition, aircraft fuel, paraffin, coal and some 7 000 tonnes of other war supplies.

As a British stronghold in the Mediterranean, Malta was a thorn-in-the-eye for the Axis powers so German and Italian planes had been bombing the tiny island for weeks, trying to remove this serious obstacle to their war efforts in Northern Africa. Defenders and civilians alike had to seek cover wherever they could, in caves and in underground tunnels under Valetta’s heavy defences, originally built by the Knights of St. John and later heavily reinforced by the British.

**MALTA MARGIT.** Captain Toft’s orders were not to be revealed to anyone on board, but he chose to make one exception. Among his crew was one woman, messroom girl Margit Johnsen, who the captain granted permission to leave the ship in Egypt.

Her answer has become legendary: “If my boys are to die, I want to be there with them. It can’t be any harder for me to die than it is for them.” She knew what she was talking about, as she had already survived the torpedoing of another WW vessel, the Tudor in June 1940.

So Talabot left Alexandria on 19 March with her Norwegian crew on board, supplemented by British gunners, another 29 officers and soldiers destined for Malta – and one woman. The convoy she joined could easily be decisive for the outcome of the battle over Malta, as the island’s defenders were running out of ammunition and almost every other commodity.

**UNDER ATTACK.** The first attack by German bombers started two days after the convoy left Egypt and was met by heavy defensive fire from the merchant ships and their escort of British destroyers. The mayhem of falling bombs, fire from machine guns and cannons lasted for hours, taking its toll on both sides.

As Margit was serving coffee to her captain one morning during one of the countless air attacks she asked for his permission to exchange her long skirts for shorts. When asked why, she answered: “Because it is so much easier to swim in shorts,” she answered.

“What her braveness meant for the morale on board can hardly be exaggerated,” wrote captain Toft in his diary.

**IF MY BOYS ARE TO DIE, I WANT TO BE THERE WITH THEM. IT CAN’T BE ANY HARDER FOR ME TO DIE THAN IT IS FOR THEM.**

Talabot escaped serious damage during this first stage of the battle, but two hours later the attackers were back to deliver yet another barrage of hellfire. This time two of the men on board the WW ship were wounded, but Talabot retaliated by downing a German torpedo plane.

Far from hiding from the attacks, Margit Johnsen could be seen everywhere, bringing coffee, food and keeping up the spirits of her fellow crew members, frequently followed on her rounds of encouragement by the ship’s cat.

When darkness finally fell it was decided to disperse the convoy. From now on it was “each to himself”, although Talabot was still followed by heavily damaged British destroyer HMS Havoc. Both vessels finally arrived at the rela-

tive safety offered by Valetta’s Grand Harbour, where the unloading of the surviving ships from the convoy started immediately.

**DEADLY FIRE.** Unfortunately for Talabot the local authorities decided to start by unloading her general cargo. So she still had 600 tonnes of aircraft fuel and 600 tonnes of ammunition on board when she was hit by a bomb on 26 March. Soon her decks were glowing red from the ensuing fire. Regardless of the crew’s heroic efforts it became clear that the vessel could not be saved. Three hours after the bomb hit Talabot was abandoned, after captain Toft had received the necessary permissions to partly sink her to prevent an explosion.

With her cargo now under water, the fires still raged on deck, which by now was only two feet above sea level. When the last fires eventually were put out it was tragically clear that the proud ship Talabot had met her end.

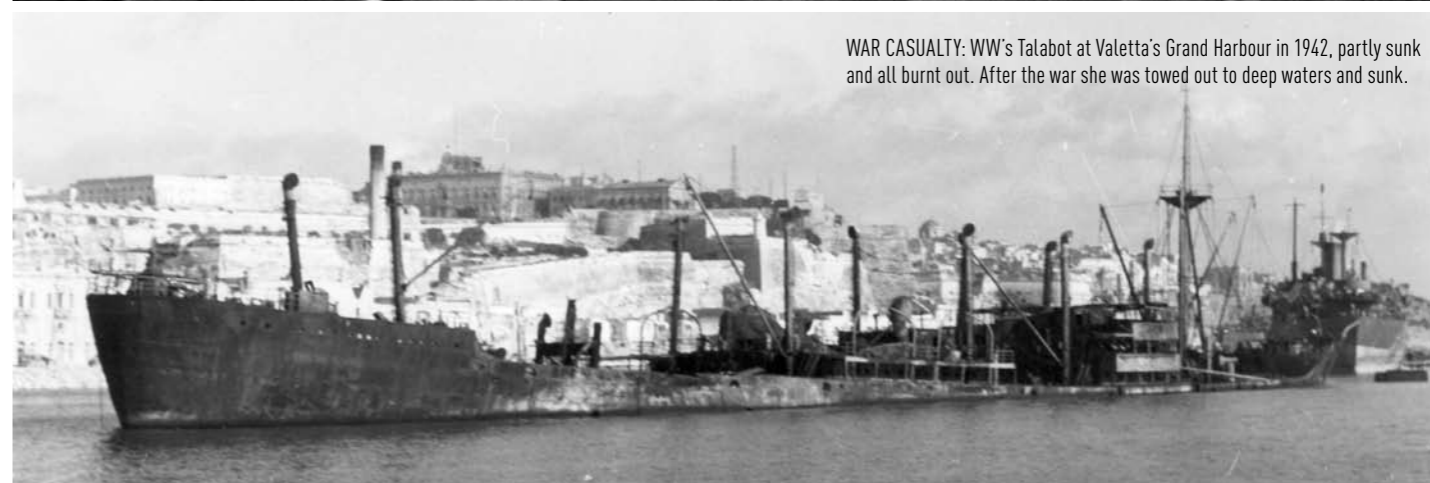
**LAST WOMAN ASHORE.** Captain Albert Toft much later recollected his final moments on board Talabot: “It’s something I will never forget,” he said. “Just before I was to abandon ship, our brave messroom girl Margit joined me. It was in the middle of a heavy air raid and she carried the frightened ship’s cat close to her bosom. We realised that neither of us, me, she nor the cat – could do more than we already had. So we were the last to leave the ship – Margit, the cat and I.”

Margit Johnsen Godø kept on sailing for the duration of the war and afterwards, and retired in 1960.



**MALTA MARGIT:** Margit Johnsen Godø receives no less than three medals after her heroic war effort; the British Empire Medal and the Norwegian St. Olav’s Medal and War Medal from admiral J. S. Richie. Present were also the Norwegian consul Johan Vogt (in a suit), while her captain Albert Toft is standing proudly in the background.

“WHAT HER BRAVENESS MEANT FOR THE MORALE ON BOARD CAN HARDLY BE EXAGGERATED”



**WAR CASUALTY:** WW’s Talabot at Valetta’s Grand Harbour in 1942, partly sunk and all burnt out. After the war she was towed out to deep waters and sunk.





**FIGHTING SPIRIT:** There is a lot of guts and ambition represented among the staff of Wilhelmsen Ships Service in Malta. From the left: boarding officer Karl Magro, receptionist Jeanelle Cachia (standing in for GM assistant Marquita Spiteri who is in sick leave), finance manager Lino Azzopardi, disbursement officer Melanie Spiteri, general manager Edgar Cachia and boarding officer Keith Magro.

## At the front line

Competition is fierce among Malta's many ship agencies. Nevertheless, Wilhelmsen Ships Service has a very clear goal: to become a leading player in their field of business.

Text and photo: Einar Chr. Erlingsen

**MALTA:** Five years ago, Edgar Cachia decided that he would take up the offer to spearhead the establishment of a Wilhelmsen Ships Service (WSS – formerly known as Barwil) operation in Malta. With a long track record from the ship agency business, Mr. Cachia hired his first employee, found an office and has never looked back.

Business has increased from year to year, as has the number of WSS staff. The six employees now handle some 300 ship calls per year, placing WSS among the top ten of Malta's more than 50 ship agencies.

"Local knowledge combined with WSS' international reputation has proven to be an efficient recipe for growth," says Mr. Cachia, who hopes for even closer cooperation within the international WSS network.

Until WSS set up its own office, a sub-agent represented the company. This is still the case

**"LOCAL KNOWLEDGE COMBINED WITH WSS' INTERNATIONAL REPUTATION HAS PROVEN TO BE AN EFFICIENT RECIPE FOR GROWTH"**  
EDGAR CACHIA

for the Unitor part of the business, something Mr. Cachia and his staff are determined to change: "It makes good business sense to incorporate the Unitor products and services into our existing portfolio, so we're more than ready to proceed," he says. This sentiment is greatly reflected by his staff: "We deliver the best possible service, that's how we can retain our present customers and secure new ones. Which we indeed will," says boarding officer Karl Magro.



### ABOUT LAY-UP

#### HOT LAY-UP

A ship in "hot" layup maintains a skeleton crew, and should be "ready to go" at fairly short notice.

#### COLD LAY-UP

A vessel in "cold" layup has to be carefully prepared for a long-term idle period. Even during that period, the vessel has to be carefully monitored, and various systems such as propeller shafts need regular turning to keep them in order. Some of the services offered include:

- Dehumidification of spaces
- Portable electrical power
- Hull protection with external anodes
- Insulation testing of electrical equipment
- Equipment preserved to owner's requirements
- Turning of rotating machinery
- Underwater inspections and blanking of hull openings available upon request
- 24/7 trained staff onboard and ashore
- Vessels equipped with bilge and fire alarms, communication and GPS systems

"THE LNG-VESSEL: "Gimi" was laid in lay-up by Wilhelmsen Ship Management in a sheltered anchorage in the West Coast of Norway earlier this year".

**Wilhelmsen Ships Service, Wilhelmsen Ship Management and Wilhelmsen Marine Engineering are sister companies under the Wilhelmsen Maritime Services umbrella. In practice they mostly work independently to meet the individual needs of their customers in the shipping industry.**

Text: Dave Stebbing Photo: Ingvold Worren

**NORWAY/MALAYSIA:** But in the case of lay-ups, the three companies complement each other so well that they have captured a sizeable proportion of this market

"This covers everything from identifying suitable lay-up locations to service, preservation and maintenance of vessels during hot and cold layup. In addition, Wilhelmsen Marine Engineering plays a role as specialist for the electro and automation part of lay up management," says Torbjoern Aaker, general manager for Wilhelmsen Ship Management in Malaysia.

Wilhelmsen Ships Service (WSS) has a complete overview of available hot and cold lay-up locations worldwide and experienced ships agents evaluate suitable locations, and make

a recommendation based on the customer's criteria regarding cost, safety and trade route considerations. Furthermore, the WSS lay-up services include ships agency husbandry services as well as marine products and technical service packages to protect and preserve the vessel for and during the lay-up period.

Wilhelmsen Ship Management (WSM) offers full lay up management at several locations around the world. Labuan, located in Brunei Bay, East Malaysia (Borneo) is a very popular cold-lay up location. Labuan is ideal lay up anchorage for a number of reasons. It is a secure and sheltered anchorage located away from the typhoon belt. The sea-bed gives excellent holding ground in 22m - 30m of water, and the underwater current movement is less than a knot. The Brunei Bay can accommodate up to 70 vessels depending on size.

Within WSM, all management centres have

extended their support in the lay up business. WSM Norway has provided expertise for handling LNG vessels. WSM Korea provides marketing support of lay-up business leading to layup of some Korean tonnage. In addition WSM Korea provides manpower together with WSM Singapore and WSM Malaysia in handling and running the lay-up operations together with the local operating staff.

The sharing of activities between the business areas is a good example of cross business unit collaboration. Wilhelmsen Ships Service has the lay-up licence, and Wilhelmsen Ship Management handles the technical operations for all vessels in cold lay up. "The total lay-up offer is a win-win situation both for Wilhelmsen Maritime Services and for our external customers in the shipping industry," says Bernd Bauer, business director marine products in Wilhelmsen Ships Service.



OIL EVERYWHERE: It was a sorry sight which met the volunteers who arrived to clean up after Full City's grounding off the coast of Norway.



# Providing a helping hand

When the bulk carrier Full City grounded just off the Norwegian coast in July 2009 it spelt disaster for the environment. But there is a positive side to the story, too: the tremendous effort put in by volunteers, including some WW employees.

Text and photos: Benedicte Gude

**LANGESUND, NORWAY:** Eight employees from Wilh. Wilhelmsen ASA, Wilhelmsen Ships Service (WSS) and Wallenius Wilhelmsen Logistics (WWL) spent two working days scrubbing rocks and sifting oil clumps from a beach at Langesund, a three-hour drive south of Oslo. Fitted out with protective clothing and sacks of bark they were sent off to start the cleaning process.

"Although we arrived over two weeks after the actual oil spill, there were still chunks of oil and tar in the water," says Melanie Moore, global

head of environment at WWL. "There was oil on the beach and on the rocks."

For her and the other team members it was a unique opportunity to touch and feel the environmental impact of an oil spill, hopefully as a once in a lifetime experience.

"Seeing the oily beaches really made me understand the huge consequences of an oil spill," says Nils Lie, vice president for supply chain management and networks at WWL. "To be there gave me a first-hand experience of the damages an accident in our industry can cause."

**NEW INSIGHT.** "It was interesting to see oil-cleaning products being used," said Jonas Östlund, product marketing manager for cleaning products in WSS. "The damaged vessel was fenced off with oil lenses, as were much of the surroundings. Our job was to help clean the beaches and prevent the oil from returning into the ocean to cause further damage. Although an experience I could well do without, the work gave us valuable insight into the products that are used to clean up oil spills. These are not normally part of our portfolio; however, many of our customers use them to prevent damage to the environment during bunkering."

The clean-up job was an opportunity to work side-by-side with World Wildlife Fund (WWF) on a maritime accident. When an oil spill happens, a rapid and coordinated response is required. WWF played a pivotal role in the clean-up process and jumped at the opportunity to take on WW volunteers.

**"TO BE THERE GAVE ME A FIRST-HAND EXPERIENCE OF THE DAMAGES AN ACCIDENT IN OUR INDUSTRY CAN CAUSE"**  
NILS LIE

## Seaclean Plus

Following the oil spill, Uitor Chemicals decided to produce smaller containers of Seaclean Plus for the consumer market.

"Seaclean Plus is a modern low-toxic, biodegradable, solvent-based degreasing product. It will help local owners clean their small private boats," says Jonas Östlund, product marketing manager of cleaning products in WSS.

## A huge clean-up

Some six million tonnes of debris enter the world's oceans every year, causing harm to underwater environments and wildlife. To improve matters, WW employees have participated in the largest underwater clean-up event ever.

"A total of 25 volunteers have removed some 250 kg litter from the fjord," said Ché Geldard, organiser of the Norwegian International Clean-Up Day. When not diving, he is support team leader for Wilhelmsen Ships Service's eCommerce at Wilhelmsen IT Services.



VOLUNTEERS: Melanie Moore and Nils Lie, both representing Wallenius Wilhelmsen Logistics.

# No realistic substitute for heavy fuel oil

The use of heavy fuel oil has once again become a topic of discussion after the oil spill off the coast of Norway.

Text and photo: Benedicte Gude

**OSLO, NORWAY:** "When an incident like this occurs, local debate will normally focus on the highly visible damage suffered by birds and other sea life," says Per Brinchmann, managing director at Wilhelmsen Marine Consultants (WMC).

"However, the main problem with heavy fuel oil is the invisible pollution to air, in particular that caused by the high sulphur content, normally in the range of 1-4%. Only distillate fuels (marine gas oil, diesel oil) will have less than 1% sulphur.

**NEW REGULATIONS.** In 2008, the International Maritime Organisation (IMO) decided to implement regulations limiting these so-called SOx emissions. As from 2020 (or 2025 at the latest) there will be only two options open to ship operators – either to install SOx reducing measures like scrubber systems, or to exchange



Per Brinchmann

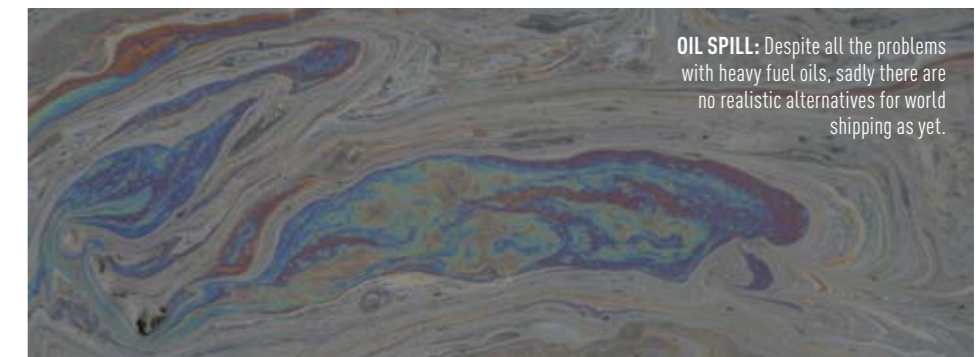
heavy fuel oils for distillates.

Before we can ban the use of heavy fuel oil at sea, we need to ask ourselves whether suitable substitutes exist. At present, distillate fuel is an option, although at a considerably higher price. The total availability of distillates may also be questioned.

**ALTERNATIVES.** Sails, kites, solar panels, natural gas etc. can only be additional energy sources. Although

we are gradually taking steps towards sustainable solutions, we're far from there yet," says Brinchmann.

"We will still see the use of heavy fuel oil at sea for many years to come. In order to avoid tragic incidents like the one in Norway, we need to enhance safety in design and operation. Actually, IMO have also implemented new standards for the protection of bunker tanks in order to avoid oil spills from grounded vessels," says Brinchmann.



OIL SPILL: Despite all the problems with heavy fuel oils, sadly there are no realistic alternatives for world shipping as yet.

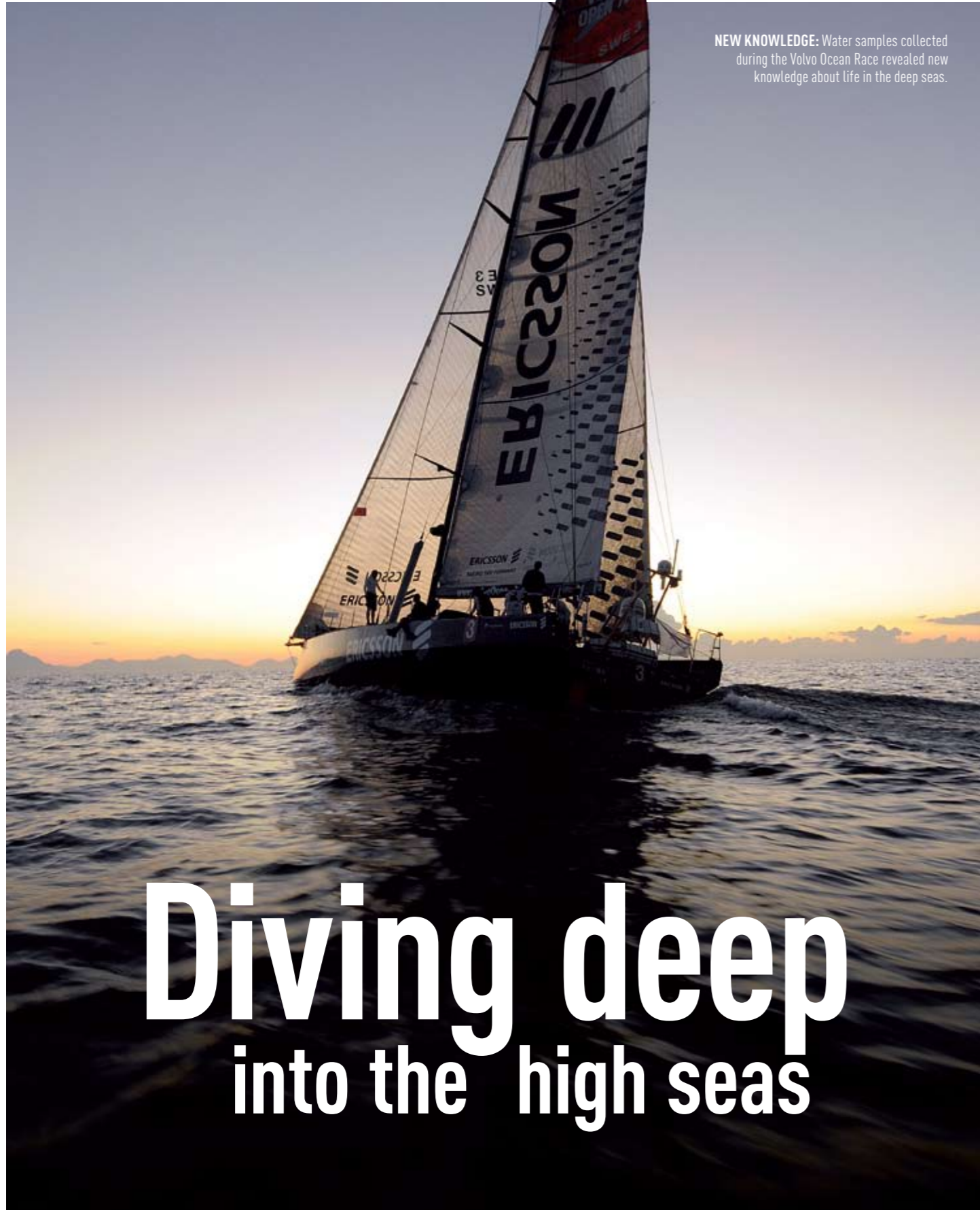
## Progressive reduction in SOx emissions

The main changes to MARPOL Annex VI will see a substantial reduction in sulphur oxide (SOx) emissions from ships in the next five to 10 years:

Global	Sulphur Emission Control Areas		
	Current	1.50%	
Current	4.50%	Current	1.50%
1 January 2012	3.50%	1 July 2010	1.00%
1 January 2020	0.50%*	1 January 2015	0.10%

\* A feasibility review to be completed no later than 2018





**NEW KNOWLEDGE:** Water samples collected during the Volvo Ocean Race revealed new knowledge about life in the deep seas.

# Diving deep into the high seas

Analysis of the water samples collected by WWL during the Volvo Ocean Race shows the volume of life in the deep seas is similar to that of coastal areas. This research may be continued in the future on board WWL vessels.

**Text:** David Wiles **Photo:** Volvo Ocean Race With the courtesy of WWL/Venture magazine

**A T SEA:** Long-held assumptions about life in the world's oceans could be incorrect, according to preliminary observations from the water sampling project initiated by Wallenius Wilhelmsen Logistics and carried out during the Volvo Ocean Race. The observations add weight to WWL's industry-leading efforts to implement better practices to reduce the spread of invasive species through ballast water.

"The current practice with ballast water works on the belief that the deep sea has a very different mass of life compared with coastal areas," says WWL's global head of environment, Melanie Moore. "But the samples analysed so far show that there is a similar volume of life in deep sea and coastal areas along the race route. This shows that the assumptions of the past should be revised."

**THE PROJECT.** This is the first study of its kind, involved a crew member on each Volvo Ocean Race yacht taking more than 20 water samples along the race route. It has three main aims: the scientific analysis itself; boosting ongoing attempts to get shipping states to ratify the IMO Ballast Water Convention; and thirdly to raise

public awareness of the issue of invasive species.

Moore says that customer events held along the route of the Volvo Ocean Race have been successful in spreading the word on the issue. "This is not exactly dinner table conversation, although it should be given the risk invasive species pose to the world's oceans," she says. "But running this experiment and making it a topic of conversation with our customers, we have definitely seen the awareness levels changing."

**ADDRESSING A PROBLEM.** The results of the roughly 2,000 water samples taken during the race are being analysed by WWL's sister company Wallenius Water in conjunction with satellite research at the University of Hawaii. The possibility of continuing the research by using the water analysis technology in WWL vessels is now being explored.

"For us, the threat of invasive species transferred in ships' ballast water is a shipping industry problem," says Moore. "And we want to be part of the solution. That is why we wanted to run this project and use our sponsorship of the Volvo Ocean Race as a forum to help us achieve our environmental ambitions."

## "WE WANT TO BE PART OF THE SOLUTION"

MELANIE MOORE

### The threat posed by ballast water

The spread of invasive marine species in ships' ballast water over the last five years has cost the global economy USD 50 billion, according to a new report from WWF (World Wide Fund For Nature).

"This is a threat to the environment, but it is also an economic issue," says WWF's Anita Mäkinen. "The report reflects damage and repair costs to fisheries, water supply systems, industrial infrastructure and harbours."

An estimated 7,000 species travel the oceans

every day in ballast tanks. One of these, the North American comb jellyfish, virtually wiped out fisheries in the Black Sea in the 1990s and is now expanding into the Caspian Sea and the Baltic Sea.

"The situation in the Baltic is quite extreme - it is not only this jellyfish that has been introduced here," says Mäkinen. "So we are in a hurry to get this convention in force because it is the only way to deal with the problem."

## ORCELLE

- WWL presented the Orcelle model at the World Expo in Japan in 2005.
- Orcelle is a concept vessel designed to operate solely on wind, solar and wave energy.
- The Orcelle Fund is the philanthropic arm of WWL that supports the development of alternative energy initiatives aimed at making shipping more sustainable.
- For more information: [www.2wglobal.com](http://www.2wglobal.com)

## New innovation grant from the Orcelle Fund

Peter Waud is the second person to be awarded an innovation grant from the Wallenius Wilhelmsen Logistics' Orcelle Fund.

**Text:** Benedicte Gude

**A USTRALIA:** Mr. Ward's studies into environmentally-sound propulsion started when he took his son to a zoo 20 years ago. "As we watched the elegant sea creatures in the water, he started to wonder how it was possible for them to propel themselves so effortlessly.

Their movements were like a study in efficiency, so I decided to study fish and sea life to learn more about how they move," Waud says.

**STUDIED PENGUINS.** As he began his research project, he discovered that many marine species had amazingly effective and efficient swimming skills. During the next ten years he developed his theories on propulsion, based on what he had first learned from the humble penguin. Eventually he was able to make a fin-propelled model boat.



Peter Waud

"I had spent a decade trying to find a practical, viable and scalable design that could be adapted to real vessels; not just model ships on a pond. By applying what I had learned about propulsion mechanics full scale, I also discovered that it would be possible to reduce fuel consumption considerably. We had a means of propulsion that, like biological propulsion, does no harm to the environment. At the same time, emissions would be significantly lower. The result was an environmentally-sound propulsion system."

**COMMERCIAL VIABILITY.** The grant will make it possible for Peter Waud to secure a proper testing environment for his model in conjunction with a university in Perth, Australia.

"With the financial assistance I received from the fund I will be able to carry out a thorough scientific evaluation of the concept, produce the necessary technical details and prove that my idea is commercially viable," concludes Peter Waud.



Fujairah, UAE

- **LOCATED IN THE OUTER GULF**, just outside the Straits of Hormuz - the gateway to the Arabian Gulf.
- Home to one of the world's most important oil regions, tankers constitute a majority of the bunker buyers in this market.
- Tankers are often anchored in the Gulf of Oman while waiting for employment in the Gulf, and the Fujairah bunker market is **IDEALLY SITUATED** for bunkering both inbound and outbound vessels.
- **THE SECOND LARGEST BUNKER PORT** in the world, after Singapore. At all times approximately 100 to 120 vessels are anchored outside Fujairah. Annually 50 000 tankers pass through the Arabic Gulf, which represents 70 per cent of the world fleet.



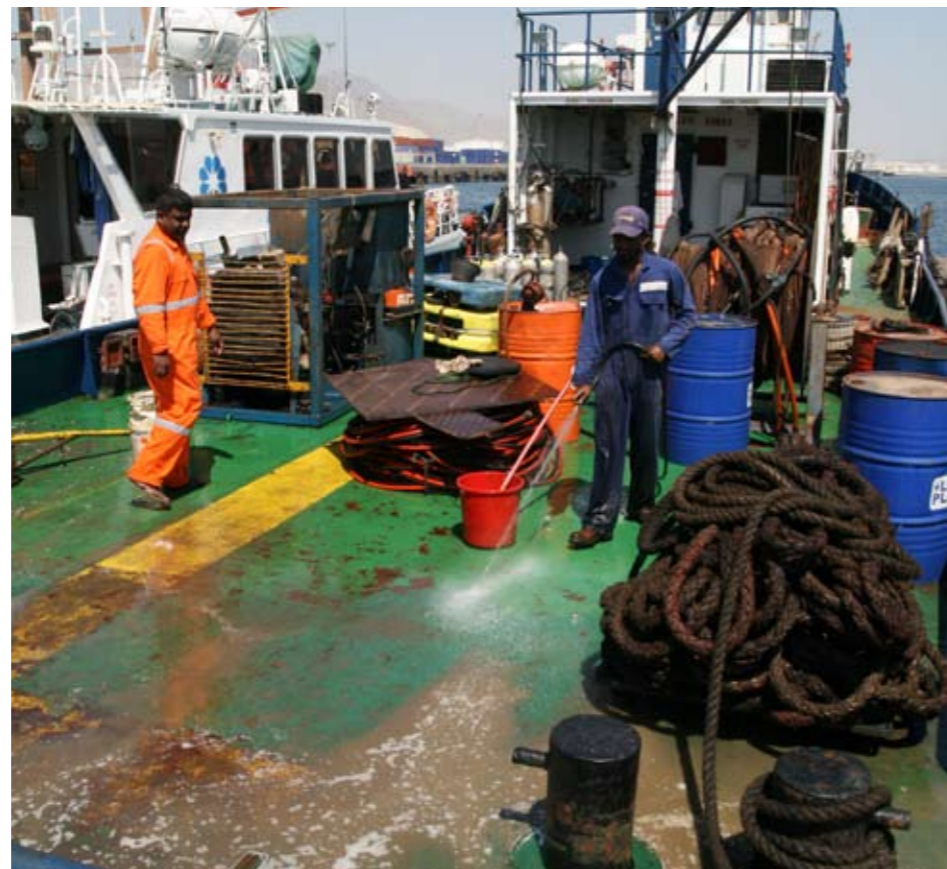
Wilhelmsen Ships Service in Fujairah:

- **MARKET LEADER** in both technical services, agent services and marine products.
- Handles more than **2000 PORT CALLS** annually, and has own dormitory for crews.
- Barwil was the second agency to establish itself in Fujairah in 1983, after the merger with Unitor the marine products business stream was established in Fujairah in 2006.
- In total approximately **75 EMPLOYEES**, most of them from India and the Philippines.
- Fujairah is one of top three ports for Wilhelmsen Ships Service, and is still experiencing solid growth.

# Fujairah: The mouth of the Gulf

The port of Fujairah in the United Arab Emirates is the world's second largest bunker destination, and a convenient stop-over for many of the 50 000 vessels that annually enter the Arabian Gulf. Wilhelmsen Ships Service has been present in this rapidly expanding port since 1983, and is today a market leader both within agency services and supply of marine products, handling more than 2 000 port calls annually.

Text and photo: Arild S. Johannessen



The port of Fujairah is a lively place with service vessels continuously going back and forth to serve the waiting vessels out in the bay of Oman.



Fujairah is one of the busiest destinations for Wilhelmsen Ships Service. Here are two employees loading Unitor gas cylinders that are ready to be shipped to new customers.



The port of Fujairah is a good location for crew changes, maintenance & repairs, and ship supplies.

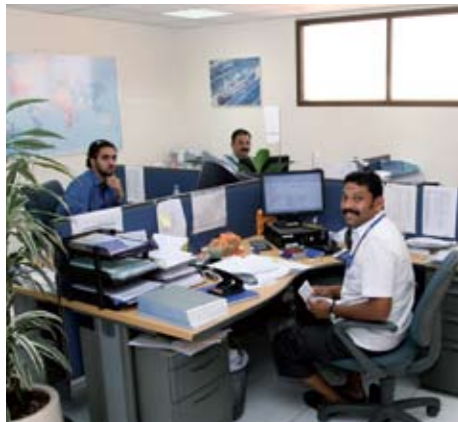


Wilhelmsen Ship Service has been present in Fujairah since 1983.



Maintenance of Unitor fire-, rescue and safety (FRS) products represents a large growth market for WSS in Fujairah. Here are some of the 26 technicians assembled together with local managers Gerard DeLima and Alex D'Mello.





The WSS agents in Fujairah handle more than 2 000 ships annually, equivalent to more than five vessels a day, every day of the year.



A WSS technician servicing life vests at the service station in Fujairah.



Crew from the LNG tanker "Al Khuwair" relaxing in the dormitory at Wilhelmsen Ships Service, Fujairah. After weeks at sea some land time is much appreciated, as is buying some goods in the local tax free shop, and relaxing a little at the dormitory.

# Wilhelmsen Ships Service: Confident despite unfavourable conditions

Being in charge of 27 different markets in the Africa, Middle East and Black Sea region takes strong nerves, a lot of experience and extraordinary operational skills. However, Knut Brathagen, regional vice president for Wilhelmsen Ships Service, lives and thrives in these challenging conditions.

Text and photo: Arild Johannessen

**DUBAI:** Mr. Brathagen is a calm man, with a mellow voice and a friendly approach. The former sailor, who joined Wilhelmsen in 1978, has held many management positions and been regional vice president for the region since 1998. He's seen the rise of Dubai to become an international hot-spot, witnessed wars and conflicts, and recently the worst financial crisis in decades:

"We held our breath in January, and did not breathe normally again until June. But then we were finally able to ease up a bit. So far in 2009 we are down in revenue, but keeping the margins. And we are seeing good signs of a modest growth. I've said to my team that we should learn from this crisis and the lesson we have learned is to focus on core business and customer relations."

Knut Brathagen enjoys the atmosphere and drive in one of the most expanding places in the world, which in recent years has amazed people with its ultra-luxury hotels and projects like "The Palm", the world's largest man-made island.

"Dubai has been financially hit by the crisis and there are a lot of vacancies and empty buildings here at the moment. Nevertheless, the U.A.E represents the largest revenue for us within the region, closely followed by Saudi Arabia. Otherwise, the Middle East is a region

based on imports of all commodity goods and chief exports of raw materials, mainly oil based"

**MERGER AND GROWTH.** The WW veteran has seen a tremendous growth in both revenue, number of employees and areas of operations in recent years, especially after the Wilhelmsen group acquired Unitor:

"Since Barwil Agencies and Unitor merged in 2005, we've gone from 500 to 1700 employees and from 40 to 145 million U.S. dollars in port revenue in our region. Account sales were not measured prior to the merger with Unitor but today the region sells products and services worth \$90 mill to customers located in the region. For me that has entailed a new approach to leadership. I have had to step back from all operative details and concentrate on strategy and coordination. But we have managed to create a good team, and together with my area directors, sales directors, financial and HR management I can now focus on long-term development and partner relations."

Knut Brathagen is a hands on type of leader who enjoys an "open door" policy, continuously on the move to meet with employees, partners and customers:

"For me it is important to be visible, and to have direct contact with people. We are working in a diverse region when it comes

## REGION AFRICA, MIDDLE-EAST AND BLACK SEA

- Maritime logistics represents a large growth potential.
- The total revenue within the region is approximately 150 million US dollars, with key profit centres in the United Arab Emirates, The Bosphorus Straits and South Africa.
- 1 700 employees, handling approximately 14 000 port calls.
- Delivers all business streams in Wilhelmsen Ships Service: Technical services, marine products, maritime logistics and ships agency.

to religion and culture, and it's important to create a united Wilhelmsen identity and to break down unnecessary boundaries. Besides, nothing can replace a personal relationship, for me that is basic knowledge independent of race, religion or culture."

**SMACK IN THE MIDDLE.** The global economy is experiencing a major shift, with the centre of gravity gradually moving from West to East. This also has an impact on the region, which is located right in the middle of the development.

"In short, we believe in a continued growth in The Middle East, a slow recovery in The Black Sea region and a modest growth in the many immature African markets," says Knut Brathagen. In the past two years Wilhelmsen Ships Service has put into place a solid operation in India, covering most major ports. Iraq is slowly recovering from the war, and urgently needs to rebuild national infrastructure. Iran is an unpredictable X-factor in the region, but also represents an advanced market with more than 70 million people. The Black Sea region has been hardest hit by the financial crisis, for example Ukraine experienced a 10 per cent negative growth so far this year and the area will need time to recover. East Africa is unstable, but on the rise.

I have an amazing job in a region with a lot of heat, both in the physical and the emotional sense. There is a lot of forward thrust and I feel proud to head such a professional organisation. I feel confident for the years to come," says Knut Brathagen, regional vice president for East and South Africa, The Middle-East and The Black Sea.





# Oh, my COD

Håvard Hareide, WW's former vice president marine operations, has retired from almost a lifetime with the company to become a fisherman, an occupation his father advised him against 50 years ago.

Text: Einar Chr. Erlingsen Photos: Einar Chr. Erlingsen, private photos, Benedicte Gude

**N**ORWAY: Håvard Hareide (65) grew up in a small coastal community on an island in the North Western part of Norway. In the years after the Second World War there were only two career opportunities open to a young man with ambitions: a fisherman or a mariner.

For Håvard, the first option was efficiently ruled out by his father Frithjof, himself a fisherman his entire life. So when he came of age – not yet 15 years old – his father informed him that he was to muster on board the small 60 years old wooden coastal freighter *Aurora*, to work as a combined cook and deck hand in a crew of five. This became the start of a life-long career that has brought him all over the world, and to the very top of the career ladder in Wilh. Wilhelmsen until his retirement at the end of August this year.

**STEEP LEARNING CURVE.** *Aurora* was locally owned. The ship went up and down the Western coast of Norway, with an occasional trip to other parts of the country, carrying building materials and all kinds of general cargo.

"I had to learn fast, as my maiden voyage was an awful one," says Håvard. The *Aurora* was loaded to its full capacity of 120 tons when she ran aground in heavy fog outside Vadso in Northern Norway. She had no radar and hardly a working compass. One day the ship

## "YOU COULD PROBABLY SAY THAT I BECAME AN ENGINEER BECAUSE I WAS FED UP BEING COLD"

ended up high and dry on some skerries with Håvard at the helm. Fortunately *Aurora* floated off with the incoming tide without any serious damage.

Thus began a year spent mostly at the modest speed of six to seven knots, with plenty of time to get acquainted with the Norwegian landscape. Autumn and winter arrived with hellish storms and freezing cold, installing a longing in the rookie mariner for warmer climates.

"It was a steep learning curve, but nevertheless a good school," Håvard says. "I had to be both cook and deck hand, and even engine greaser when the owner reduced the number

of crew members from five to four."

This new responsibility would make a lasting change in Håvard's choice of career, as he discovered the comfort of a warm engine room. "You could probably say that I became an engineer because I was fed up being cold," he says.

After a year on the *Aurora* he felt that he'd seen enough of the Norwegian coast and started dreaming of wider horizons. He secured a job with A. F. Klaveness and joined the vessel *Castleville* and later *Corneville*, before going back to school to become an engine trainee. Next he mustered on board the fruit carrier *Bjergstein*, as 4<sup>th</sup> engineer. This job brought him all over the world; to Europe, South America and China and then back to Europe again.

"By then I was ready for a change, so in Germany I left the ship and took the ferry to Oslo in search of a new job," says Håvard.

**TO WW – TO STAY.** He didn't have to wait long. Three days later he reported to WW's crewing department. With the company in the middle of a comprehensive newbuilding programme, Håvard Hareide was allowed to skip a step on



"A MAN'S BEST FRIEND IS NOT HIS DOG. IT'S HIS BOAT"

**FISHERMAN:** Retired vice president marine operations Håvard Hareide at his boat shed with the head of one of the countless big cods he has wrestled from the waters outside his home town in Western Norway. Although never a professional fisherman, Håvard has been committed to fishing all his life.



**YOUNG MARINER:** Håvard Hareide in a typical souvenir from his first visit to West Africa in 1962 as a 17 year old seaman.



**FIRST WW SHIP:** Second engineer Håvard Hareide in his cabin on board the tanker Tuereg in 1967.



**A BREAK:** First engineer Håvard Hareide (second from the left) with some of his ship mates on board WW's Toluma in 1969.

Photo: E. C. Erlingsen

Photo: Erlingsen





the career ladder to become an “extra second engineer” on WW’s tanker *Tuareg*.

He hadn’t been long in WW before he had figured out that it was a smart move to work on the more unpopular tankers if he wanted to make a career:

“It was so popular to work on the liners in those days that you almost had to shoot people to make them go ashore,” says Håvard in his rather rough manner that has almost become a trademark.

So he stayed on tankers for a while; *Toluma*, *Tuareg*, *Tibetan* and *Turcoman*. The latter became his first posting as a chief engineer in 1975. He had stayed on board longer than his normal sailing period to cover for a colleague on holiday, and was looking forward to some weeks at home when he received orders from the fleet manager who wanted him to proceed almost directly to the *Tamano*.

“I replied that it was out of the question, I wanted my holiday,” says Håvard. So he was ordered to report at the office on his way home and brusquely told that “when you are a chief engineer in WW, refusing a ship is no longer an option.”

He still refused and returned home. On the very day his holidays ended he received orders to report on board *Templar*, which was in hot lay-up outside Bandar Abbas in Iran.

“That was my ‘punishment’ for not following orders,” says Håvard with a smile. “I spent four months watching the thermometer in the extreme summer heat. By then they probably reckoned that I had learnt my lesson.”

**FROM TANKERS TO OFFSHORE.** After yet another term on board *Turcoman* he requested a transfer to one of the offshore vessels in Wilhelmsen Offshore Services (WOS), which was becoming an increasingly important part of the WW operations at the time.

“This was not a popular move with the tanker department. But I had made up my mind and insisted. The pay was lower, but the reward was the two weeks on, one week off system (soon to become one week on/one week off), which would give me more time at home with my family,” he says.

He joined *Tender Captain* as chief engineer. Activities in WOS were growing fast, with a lot of new ships being ordered and others converted. “Within a year I started to get involved in the conversion of supply vessels into offshore service vessels like diving and rescue/fire fighting boats, both in Norway and abroad,” he says.

He was adopted into WW’s newbuilding department to supervise newbuildings for WOS, both at Ulsteinvik next to his home in Norway, and in Houston, Texas.

“I was next transferred to Finland to oversee two small luxury cruise vessels that some Norwegian investors had contracted with the Wärtsilä ship yard, with WW as building consultants and ship managers.

Håvard had become quite comfortable with a life closer to his family during his stint with the newbuilding department. “I saw this as an opportunity for a final exit from a life as sea. Our son Tobias was born by then, so time was ripe for a more normal family life.”

**TOUGHER TIMES.** Elsewhere clouds were building up in the shape of a tougher financial climate. WW was soon to head into some of the most stormy waters of its long existence, and Håvard started to worry about the future.

“By the mid-1980s there were few new projects in WW, so I saw going back to sea as my best option. I got a job as chief engineer on board *Sea Goddess 2*, the last of the two cruise vessels built in Finland.”

Rather than steering away from trouble, he

headed right into it. The investors behind the cruise vessels had to give in by February 1987 and transfer the ownership to British cruise giant Cunard. Another Norwegian company took over the management, and Håvard Hareide chose to stay on.

“After twenty years with WW, I left the company without resigning or being fired,” he says.

It took him less than two months to return, to become the first employee formally hired by Barber Ship Management (BSM). After a while he was transferred first to an upgrading project in Piraeus, Greece. Next followed a repair project at a Korean shipyard, the 360 000 tons tanker *Happy Enterprise* which had been hit by a rocket during the first Gulf War.

In Korea he worked with another WW veteran, electrician and technical trouble shooter Sigmund Opthun (now retired), who relates the following story from their stay:

“We became friendly with some Americans who were over there on a similar mission. One evening they invited us to a barbecue, as they had received 40 kilos of airborne fresh salmon. People from Håvard’s part of Norway have a reputation for being thrifty, and true to this he asked for the fish backbones. He used them to make a delicious soup that we feasted on for days afterwards. The old WW inspectors who used to check the rubbish bins for any thrown away food would have been proud of him. Håvard is just as skilled a cook as an engineer!”

**CHIEF AMONG EQUALS.** Into the 1990s Håvard Hareide worked as superintendent in BSM, mostly with external clients. “These were hectic days. I was constantly on the move with next to no free time, with telephones ringing at all hours.”

So when he was offered the job as technical manager for a new bio energy plant in his home town he accepted and tendered his resignation.



**HONOURED:** Vice president marine operations Håvard Hareide at the luncheon held in his honour upon retirement, flanked by WW ASA deputy group chief executive officer Thomas Wilhelmsen and group vice president HR and OD Kirsten Haune.

“I was immediately ordered to the office of BSM operations director, captain Roald Torgersen and told in very plain words that this was totally out of the question!” says Håvard. He was promised improved working conditions and more predictable working hours, so he relented and withdrew his resignation.

Two years later Håvard was promoted to operations director himself, to replace captain Torgersen upon his retirement. With the exception of eight months in 2004 when he headed the global ship management, he held the post from 1992 to 2006. Then he took his final step up the career ladder to become vice president marine operations in WW ASA.

The new job entailed new challenges. Facing the media can be equally frightening for a true mariner as any storm at sea. This WW World reporter was present at Håvard’s very first media training session, where he was so badly stressed by the extremely persistent reporter

## "WE COULDN'T HAVE WISHED FOR A BETTER TEAM LEADER"

HANS CHR. BANGSMOEN

hired in from BBC for the occasion that he actually confirmed with a smile on open camera that “on Barber-managed ships, everyone can drink as much as they want to!”

Which was not true then, or now, of course. “By then, I was ready to admit to anything just to get rid of the guy!” says Håvard, who learnt from the experience and turned out to be a very competent team leader when a real crisis evolved during the last part of August 2001: the *Tampa* incident.

The WW ship had picked up 437 shipwrecked

Afghan refugees off Christmas Island, Australia, only to be denied permission from the authorities to set them ashore. The crisis made world headlines for an almost unprecedented eight days before it was resolved.

“Håvard held firm throughout,” says former senior vice president communications Hans Chr. Bangsmoen, another member of the WW contingency team. He remembers Håvard as a most professional team leader, always ready to act even on the unexpected, as when a team of Australian elite soldiers boarded the *Tampa*.

“Add to this his enormous maritime knowledge, his leadership qualities and his ability to make decisions and act upon them, and we couldn’t have wished for a better team leader,” says Bangsmoen.

**FINALLY BACK HOME.** Despite having been a ‘rolling stone’ throughout his entire career, Håvard Hareide’s home has always been close to his birthplace. Not even during the last 20 years, when he had to commute weekly by plane between his home and the Oslo office did he actually consider relocating.

“North western Norway, with its wild nature and ample opportunities for fishing and other outdoor activities is in my blood,” he says, admitting to having spent quite a bit of his sparse free time fishing throughout his career.

Our interview took place in his spacious top flat in the centre of Ålesund where he has a clear view of his nearest fishing-grounds. He and his wife moved to town eight years ago from nearby island Hessa, where Håvard still has his boat shed and small fishing boat.

“A man’s best friend is not his dog. It’s his boat,” says Håvard Hareide.

After having been WW’s man for almost a lifetime he is now ready to become his own man – hobby fisherman. Regardless of what his father told him fifty years ago.



**TECHNICAL INSPECTOR:** In 1983 Håvard Hareide was sent to Finland to follow up on the building of a new type of small luxury cruise ships, *Sea Goddess 1* (in the background) and *Sea Goddess 2*.



**SALMON SOUP:** When some Americans wanted to throw away salmon backs after a party in Korea in 1998 Håvard made a delicious fish soup of them instead.



**TANK INSPECTION:** Always a hands-on man, Håvard Hareide (in shorts) is photographed during a tank inspection on *Ingrid Helen*, a tanker on Barber management in 1990.



**A GOOD CATCH:** Håvard Hareide has tried his luck with fishing whenever his job has permitted.



**CHIEF AMONG EQUALS:** Håvard Hareide during his time as general manager global ship management, with long-time friends and colleagues Sigmund Opthun (now retired) and Terje Iversen.



**FISHERMAN:** Retired vice president marine operations Håvard Hareide at his boat shed outside his home town Ålesund in Western Norway. Although never a professional fisherman, Håvard has been committed to fishing all his life.



# Don't be too social!

When you're online and using social media sites such as Facebook, Twitter and YouTube - it's easy to forget the whole world is following.

Text: Stacey Trodal

**GLOBAL:** The popularity of social media is growing. You create your first account on Facebook. Before you know it you have 976 new friends from Jamaica, Sydney and Timbuktu. Even that long lost bully who used to steal your lunch money when you were five has managed to track you down and send a friend request. It doesn't take long before you're sending updates to this list of people about the tuna salad you just ate, as well as pictures of your colleague in a strange costume from the company ABBA theme party last week.

When you're online and using social media sites such as Facebook, Twitter and YouTube - it's easy to forget the whole world is following. While providing information on your holiday plans, pictures of colleagues or the latest office gossip may seem harmless, people should be aware that there are other people out there that can use this information for malicious purposes.

Below are a few useful tips to keep in mind when using social media:

- Be aware of the risks. Read about the different web sites you use or are thinking about using
- Think before you click. Be aware that what you publish on the Internet or other media is there for a long time. Once you publish something there is the possibility that it can not be taken back or deleted. Any personally identifiable information you share can be seen by anyone with access to the platform you are using
- Approach the internet the same way as the physical world, by using sound judgement
- Check your security settings and the web sites security policy. This will help stop people looking/using your photos and personal information. If you are unsure of how to do this, ask someone that does or read articles on the topic
- Never post photos or other material that could embarrass or hurt someone else. Always get permission from the people in your photos if you're going to post or tag them.



## WHAT ARE SOCIAL MEDIA?

- Covers the myriad of **ELECTRONIC FORUMS** one can access through the internet, i.e. the online world.
- Bulletin boards, user forums, blogs, twitter, facebook, LinkedIn and much more.
- **EASILY AVAILABLE** to a broad range of users and are, as the name suggests, basically social in nature.
- May have started out as informal channels between individuals, but the trend is toward increased use of these channels for profiling and mass communication.

# Don't look behind you for the future

A normal budget is based on results that are already history when it is implemented. By introducing 'rolling forecasts', WMS aims to get a more relevant picture of the future.

Text and photo: Einar Chr. Erlingsen

**NORWAY:** We all know that the fiscal year 2008 turned out very differently from the budgets drawn up during the last months of 2007. No one had predicted the financial crisis, followed by the steep decline in global business activities.

These events entailed significant consequences also for our companies. Adapting - and fast - to the changing circumstances became very important, and the normal budget turned out to be of limited use.

"It doesn't help studying the rear view mirror when trying to predict what's coming up ahead," says chief financial officer/deputy chief executive officer in WMS, Petter Traaholt.

**A NEW MINDSET.** This is the main reason for WMS to introduce 'rolling forecasts'. The initial work started during the fourth quarter 2008. Since then this new reporting system has been gradually introduced to managers world wide.

"We're still in a learning process, identifying key performance indicators that will enable us to react swifter to significant changes in the market place," says Dag Sverre Lundh, project manager and head of planning and reporting/finance and strategy in WMS.

"It's really a question of mindset. We want to change focus from a budget based on historical facts to a system that identifies how new market developments will influence our own business," says Lundh.

**ACTING ON CHANGES.** Mr. Lundh sees planning as a continuous process, driven by events and new knowledge, and not constrained by the current financial year.

"Traditionally a lot of businesses, including our own, were based on 'gut feeling'. Now we regularly ask questions about how we are doing, what's changing in the marketplace,

## ROLLING FORECASTS

- **A PROJECTION INTO THE FUTURE** based on past performance, routinely updated on a regular schedule to incorporate data.
- Supplements annual planning cycles with more regular business reviews to enable managers to identify trends and patterns at an early stage and thus improve the quality of decision making.
- **THE PURPOSE** of rolling forecasting is improved decision making to help shape future outcomes



**LOOKING FORWARD:** "Rolling forecasts will help us to adapt faster to changes," says Dag Sverre Lundh, head of planning and reporting/finance and strategy in WMS. "But don't forget, it's still possible to be hit by a train coming up behind you!" he adds with a smile.

which new opportunities have come up and so on," says Lundh.

"Plans never work out the way you expect. You always have to adjust as you go. New risks and opportunities come up all the time. They have an impact on our performance, and rolling forecasts are by no means a crystal ball that will enable us to predict the future accurately. But it will help us to act swifter to changes."

Mr. Lundh expects the principles of 'rolling forecasts' to be fully implemented within the WMS organisation within the next two years.



THE ADVISORY BOARD

- WW Academy is governed and supported by an advisory board that consists of business representatives, in addition to representatives from HR and OD
- The Board meets twice a year to set long-term objectives and strategies, and make key decisions regarding learning and development initiatives for the WW group
- The business representatives who form the Advisory board are:  
Dag Schjerven (president and CEO, WMS)  
David Tandy (president, WSS)  
Ingar Skaug (group CEO)  
Kirsten Haune (group vice president HR and OD WW group)  
Morten Raabe (vice president OD, WW group)  
Rune S. Pedersen (vice president HR and OD, WMS)  
Thomas Wilhelmsen (deputy group CEO)



FOCUS ON COMPETENCE: From left Johanna Sundén, head of WW Academy, Hilja Tuori, learning consultant and Rita Dege, senior learning consultant.

**“BUILD RELATIONSHIPS ACROSS NATIONAL BORDERS, DEVELOP MULTICULTURAL UNDERSTANDING AND BOOST KNOWLEDGE OF DIFFERENT BUSINESS AREAS”**

DIID YOU KNOW

- 300-400 employees undertake classroom training every year
- The average number of nationalities represented at each programme is 15
- In 2009 employees from UECC, EUKOR, WWL, WSS, WSM, WSE, WME, WMS and WW participated in programmes
- On average one classroom session is completed every third week
- Since 2006 more than 300 managers have completed the Management Skills Development Programme
- Over the last two years more than 30 WW internal coaches (360 and LIFO tools) have been certified
- Annually WW Academy supports some 25 training programmes delivered by the business areas – through the training programme
- 16 000 eLearning programmes have been completed since 2007

# Celebrating 10 years of innovation

The WW Academy has proved it can “walk the talk”. What began as an innovative idea in 1999 has resulted in a unique institution which is used today by the whole WW group. This year the academy will celebrate its 10 year anniversary – a true testament to its popularity and success.

Text and photo: Stacey Trodal

**NORWAY:** “WW Academy could not have been a success on its own, since we are only three people working out from Oslo. The fact that so many people outside the Academy contribute to its activities, makes all the difference. To mention a few, local administrative support, internal presenters and our certified coaches,” says Johanna Sundén, head of WW Academy.

Sundén believes one of the key factors that has contributed to the Academy’s longevity and success, has been the involvement and support of top management every step of the way over the last ten years.

“We need to be close to the business to serve its needs, this would be impossible without the guidance and advice from our advisory board and the stakeholder groups. The engagement and positivity from all management involved gives the programmes and projects we run that

WW flavour and industry knowledge,” says Sundén.

**INCREASING KNOWLEDGE.** Today the interest for the Academy’s online and classroom programmes is overwhelming. Distance is no obstacle with programmes being held in such locations as Singapore, Shanghai, Dubai, Kuala Lumpur, Zeebrugge, to mention but a few.

“I am happy to say that during 2009 we had participants from all business areas in WMS as well as EUKOR, Wallenius Wilhelmsen Logistics and United European Car Carriers on the programmes. We have a waiting list for our programmes and are fully booked for both 2009 and 2010. Our largest customer is Wilhelmsen Ships Service, both when it comes to eLearning and to sending participants to programmes,” says Sundén.

Sundén is quick to point out that creating

networks across the group is an additional benefit of the academy programmes. “We work in a culturally diverse and global company. The programmes provide an opportunity to build relationships across national borders, develop multicultural understanding and boost knowledge of different business areas,” says Sundén.

**THE ROAD AHEAD.** “In 2010 we will focus most on eLearning, management and leadership development as well as sharing what we know about training, learning and development with the rest of the organisation. WMS and other parts of the group have an ambitious growth ahead and that always means a lot of change. Training and development supports and facilitates changes, so there are a lot of important, interesting and fun things to work with ahead,” says Sundén.

## Training trainers in Shanghai

Colleagues from EUKOR and Wallenius Wilhelmsen Logistics have for the first time participated in WW Academy’s Training Trainers Programme.

**SHANGHAI, CHINA:** The group was provided with theories, tools, methods and inspiration to analyse, design and develop a training programme. They were involved in group work, exercises, lectures and discussions and together with the evening activities the course provided a great opportunity to network with colleagues.

“We learnt a lot in a very happy atmosphere,” says Carol Wei, area information analyst for Wilhelmsen Ships Service in North East Asia.

“We learnt how to consider our training from different angles. This will help me personally as a trainer and also help to steer our training programmes in a positive direction. I’m sure it will make my training methods more efficient, interesting - and friendly.”

Jong-Hoon Kim, assistant manager/HR EUKOR was also among the participants. He feels that the theories, pedagogical tools and methods taught will be of great help in planning his own future training programmes:

“Since we are all working with training for our companies, we shared lots of experiences, concerns and advice. The feedback from the others was made possible because it was Training Trainers. Everyone was a teacher and a student at the same time.”



**THE “GRADUATES”:** Back row from the left: Eric Chunwei, Jong-Hoon Kim, CK Ling, Rita Dege, Hilja Tuori, Zhenbo Chen, Åge Dalmar. Front row from the left: Nicholas Berry, Carol Wei, Joseph Chum, Jennifer Xu and Allwyn Noronha. Grace Song from WWL was not present when the photo was taken.





YOUNG TALENTS: Frida Sjoner and Pål Aastad both look forward to learning more about the maritime industry and the company during their two year traineeship.

# WW welcomes two new maritime trainees

Frida Sjoner and Pål Aastad have both secured themselves a two year placement with the WW group as part of the Norwegian Shipowners' Association's (NSA) two year long training programme. During their traineeship they will have the opportunity to work within at least four different areas within the group.

Text and photo: Stacey Trodal

**NORWAY:** Frida holds a Master of Science degree from the Norwegian University of Science and Technology (NTNU) and has also studied as an exchange student at the University of California – Santa Barbara (UCSB) in the USA, while Pål holds a Masters degree (MSc)

in Industrial Economics and Technology Management, also from NTNU.

**Frida:** "I heard about the Maritime Trainee program in my first year as a student. As an engineer your competence field is quite narrow and I wanted to broaden this and learn how the industry works as a whole; technical, financial

and legal. I've always been a generalist and a trainee position seemed like the perfect job."

**Pål:** "I decided a couple of years ago that I wanted to work within the shipping business. It's an international business which I find to be interesting as well as challenging. These were the main attractive factors that made

**"WW IS A LARGE COMPANY WITH LONG TRADITIONS AND HAS A REPUTATION FOR TAKING ITS TRAINEES SERIOUSLY"**

FRIDA SJONER

me choose the Maritime Trainee program and Wilh. Wilhelmsen in particular as my placement of choice."

**"DID YOU SELECT TO BE A TRAINEE SPECIFICALLY AT WW?"**

**Frida:** "I certainly did! WW is a large company with long traditions and has a reputation for taking its trainees seriously. The company also has a good strong reputation for having a good working environment. When I applied for the position I actually thought WW was only a ship owning company, but it has turned out to be so much more!"

**Pål:** "I believe that the WW group will provide me with many possibilities to participate in interesting projects. The company's good reputation was also another factor which made me choose WW specifically."

**"WHERE DO YOU SEE YOURSELF IN 10 YEARS TIME?"**

**Frida:** "I am most definitively in the WW system somewhere, probably with an additional wrinkle or two... Hopefully, I have earned enough experience and trust to contribute and give back some of the resources and time invested in me."

**Pål:** "I hope that I have achieved some of my goals. I believe that I will still be working within the maritime industry."

**"WHAT DO YOU FIND SO INTERESTING ABOUT THIS INDUSTRY?"**

**Frida:** "I have always been fascinated by the shipping industry, there is just something venerable and romantic about it! Growing up in Norway I saw that shipping and the offshore oil industry were the two business areas where we actually have a leading international competence."

**Pål:** "There is always something going on – it's a lot of action and great opportunities. I have always been fascinated by ships and I enjoy sailing, so to choose a job within the maritime industry came quite naturally."

## THE WORLD AS I SEE IT

The way the world looks depends largely on where you are. In order to balance the traditional head office view, WW World is challenging managers from our worldwide organisation to give their views on the market situation, current events and other subjects of interest.



Our guest this time is **CARL SCHOU**, president of Wilhelmsen Ship Management and working out of Kuala Lumpur, Malaysia.



# THE CRISIS HAS MADE US BETTER

At the end of last year we were all talking about and predicting that 2009 would be a difficult year. I remember our discussions – where we were contemplating how to tackle the times ahead.

**KUALA LUMPUR, MALAYSIA:** One year has passed, and I am sitting here summarizing the events through the last 12 months.

The year started with the divestment of ITM (International Tanker Management). At the time this was quite a blow to the organization, losing close to 45 vessels. Following this the financial crisis started rolling onto our shores. Vessel after vessel was taken out of service and was either scrapped or laid up. Needless to say, we saw very dark clouds on the horizon. But then things started to quiet down. The market stabilized to a certain degree, and we were able to refocus our efforts.

Having a close dialogue with customers has been vital in this period, and listening and being able to offer flexible solutions in difficult times has been seen as essential.

I feel that with many customers we now have a better and closer relationship than before the global crisis struck.

**LOOKING BACK.** I would say that we have come out of this situation stronger than when we went in. Today, Wilhelmsen Ship Management is a "lean and mean" organisation prepared to take on the challenges ahead.

In the midst of this turmoil WSM moved its headquarters to Kuala Lumpur. Or rather, moved back to Kuala Lumpur – as the HQ

function had been located in Kuala Lumpur for many years. Many eyebrows were raised and questions asked when the decision to relocate to Kuala Lumpur was announced. However, as a backdrop we have to remember that Asia is home to five of the top 15 global economies and two thirds of the world's population. Close to half of the world tonnage is owned in this region. In my view the opportunities are ample and the sky is the limit.

**FANTASTIC EMPLOYEES.** If we listen to all the "specialists" out there, the prediction for 2010 is not quite what we were hoping for. Especially, the recovery in certain segments of the shipping industry will take longer than first anticipated.

However, it is important that we maintain or exceed expected service levels as we move forward. I am sure that this, together

with our fantastic employees worldwide who are willing to "go the extra mile" and a solid company platform, will ensure that we, as an individual company and a group, will emerge even stronger. Without our dedicated employees we would not be where we are today.

I was reading a magazine the other day, and a slogan caught my eye, which I feel is quite descriptive also for our own situation:

**"What we are good at today – we have to do even better tomorrow".**

I think that just about sums it up.



With, Wilhelmsen was established as an independent company in 1861 and will celebrate its 150th anniversary in 2011. WW World would like to share some of the company's long and exciting history with its readers. Readers with stories to share or feedback to give are welcome to send an email to [ww.world@wilhelmsen.com](mailto:ww.world@wilhelmsen.com).



TANABATA: The former bulk ship was converted to ro-ro car carrier in 1977/78.



TAKARA: In 1977/78 the ship was rebuilt from bulk to ro-ro car carrier.



TAKAYAMA: WW's first purpose built car carrier was delivered in 1983.

## From bulk to automobiles – and NOSAC

Ever since the first cars were manufactured they have been transported by liner ships to their various destinations.

Text: Hans Chr. Bangsmoen

**NORWAY:** Cranes and so called car straddles were the preferred cargo handling tools and damage to the valuable cargo was normal.

Norwegian ship owners became involved in more specialised car transport in the early 1960s. In order to avoid damage new ships were developed allowing cars and other rolling stock to be driven on board using ramps at the stern or the side. Jan Erik Dyvi was one of the pioneering shipping companies; in 1964 they introduced one of the world's first pure car carriers, the Dyvi Anglia with a capacity of 450 units.

**OPEN BULK.** Two years before Scan Austral introduced its first ro-ro ships in their Australian trade, WW had gained its first experiences from international car transport in a bigger context, using the specially adapted car carriers of that time, the so-called "lift on – lift off/bulk carriers". Two of these vessels, Troll Park and

Arctic Troll carried Volkswagen cars as return cargo from Germany to the US East Coast. They carried forestry products from US/Canada East Coast to Europe, and later from the US Gulf to Europe (The open bulk cooperation).

Three other vessels, Troll Forest, Troll River and Troll Lake, sailed time charter for large Japanese charterers that lacked car tonnage. These were operated as pure car carriers. WW gained a lot of experience and established good relations with the Japanese operators; in addition the company realised that there was excellent profit potential in car transport.

**FIRST PURE CAR CARRIERS.** With the delivery of new ro-ro vessels to Scan Austral in 1972/1973 the company was able to offer substantial car carrying capacity. However, WW's first entry in the pure car carrier market occurred when the two bulk ships Tanabata and Takara (57,000 dwt) were rebuilt in 1977/78. After long and difficult negotiations with the Japanese charterers WW secured two years time charter for the ships. They were converted to ro-ro car carriers with fixed decks (pure car carriers). Loading and unloading took place via two side gates and interior and exterior ramps. Capacity was about 3,450 cars.

These two vessels proved to be a successful advent in the rapidly growing car transport trade. Besides the capacity of a growing number of ro-ro vessels WW was gradually becoming a

significant operator in the car segment.

Tanabata and Takara were sold in 1983. At the same time a significant strategic step was taken. WW entered into an agreement with Øivind Lorentzen Shipping A/S to be their partner in the car carrying company, NOSAC (Norwegian Specialized Auto Carriers). The joint venture also allowed for WW's share to be increased to 50 per cent as more tonnage was introduced.

**FIRST PURPOSE BUILT SHIP.** That same year WW took delivery of its first purpose built car carrier, Takayama, with an ownership share of 55 per cent. The ship became part of the joint venture. The company also acquired one of two newbuilding contracts that Øivind Lorentzen had entered into in Korea, Nosac Tasco with a capacity of 5 500 car units.

NOSAC steadily secured a number of long-term contracts that provided a solid basis for its activities. In 1985 WW therefore entered into a contract with Sumitomo Heavy Industries in Japan to build three new car carriers with a capacity of 5 600 cars for delivery in 1986/87, Nosac Takara, Nosac Tai Shan and Nosac Tancred.

WW was now seriously involved in the exciting and rapidly evolving car carrier business, an activity that was going to constitute the essential fundament for the company's future development. More about this later.