



BERNHARD SCHULTE
SHIPMANAGEMENT



highlights

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Greece

Delivering quality
management

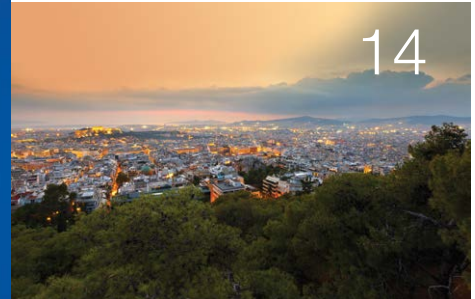


Interview:
Rajkrish 'Sandy' Kumaran

Customer focus:
Interunity Management
Corporation

Schulte Marine Concept:
Project Management
Expertise

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Welcome



On behalf of the editorial team, I would once again extend a warm welcome to the latest edition of BSM Highlights which I trust our colleagues, customers and business partners will find interesting and informative.

The feature article in this edition is an interview with Sandy Kumaran, Director of Fleet Management, outlining the emphasis placed on effective planned maintenance and the benefits of a centralised approach that enables implementation of best practice across the fully managed fleet, supported by bespoke software applications.

The importance of high quality, well trained and motivated crew is addressed through a number of articles covering the recently established collaboration with the E.R. Group in Manila, further enhancements to BSM's maritime training programmes and capabilities in Cyprus and Mumbai, and an interview with Filipino Chief Engineer, Rex Villaneuva Sontillanosa, who describes his experiences over a 21-year career to date with BSM.

The country profile in this edition covers one of the world's most important shipowning clusters, Greece, and the work undertaken by our Ship Management Centre based in Athens under the leadership of Managing Director, Theophanis Theophanous.

We are also pleased to profile the activities of one of our long-standing Greek partners, Interunity Management Corporation, who operate a diversified fleet of tankers, LPG carriers, dry bulk vessels and containerships.

As we continue to extend the range of value-added services and operational solutions available to BSM

customers, the 'through-life' newbuild supervision, retrofit and environmentally compliant decommissioning services provided by Schulte Marine Concept are featured, together with the specialist dry-docking and auxiliary engine overhaul expertise offered by the Schulte Group's Maintenance & Repair Team.

Rising environmental pressure and the implementation of further IMO and European Commission emission control requirements provides the context for a series of presentations that Angus Campbell, Director of Energy Projects, has recently delivered on the benefits and challenges associated with the increasing adoption of LNG as a marine fuel. Key elements of his presentation at the Gas Asia Summit in Singapore, and work that the Schulte Group are undertaking in partnership with Babcock International to develop a flexible Liquid Natural Gas Supply Vessel, are covered in a summary article with the full presentation available through the BSM website.

In conclusion, I would like to draw your attention to the newly re-designed BSM website (www.bs-shipmanagement.com) which provides readily accessible information on the full range of services provided, latest news and publications, and the ability to directly contact any of our Ship Management, Crew Service and Maritime Training Centres located around the world.

We hope that you enjoy reading Highlights and welcome your feedback and comments.

Robin Thuillier

Director – Marketing and Business Development

Interview

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Rajkrish ‘Sandy’

Kumaran

When it comes to having the skills and experience needed to oversee the daily fleet management operations of nearly 350 technically managed ships, Sandy Kumaran fits the bill perfectly. A graduate of the Directorate of Marine Engineering and Training in India, now renamed the Marine Engineering and Research Institute, Sandy started work on Indian-flagged ships before joining the Chevron Shipping Company in the late 1980s as a Chief Engineer. He remained with Chevron before moving ashore into third party ship management in 1998 and has subsequently gained 18 years’ experience in various shore-based positions.

And it is the experience he has in understanding the vital link between ship and shore that is important to his role as BSM Corporate Director, Fleet Management.

“My responsibilities cover anything that is not Loss Prevention, Safety and Quality (LPSQ) related, so I work with the fleet directors on all technical matters that come under my direct responsibility,” he said.

More specifically, this involves planned maintenance and procurement for the ships under management along with executing the policies outlined by the LPSQ function.

“My colleagues and I also sit on industry panels where we contribute towards best practice for all onboard operations. For example, we may be talking about a chemical cargo carried on a BSM ship. But if there are challenges in the carriage and discharge of that particular cargo for certain reasons, the charterers need

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“The advantage of having a centralised planned maintenance system is that you can implement best practice across the fleet, especially where certain ships have similar equipment”

“One very strong service benefit which has been developed through this approach is the supervision of auxiliary engine repairs - a service that is now being offered to all BSM managed ships”

to make sure all the ship owners and managers who carry the cargo follow the same procedures. This is an important industry role we play.”

BSM places significant importance on effective planned maintenance of its managed vessels to the extent that it has created a centralised system under its internally developed, modular ERP software suite (PAL) which ensures that all BSM Ship Management Centres around the world operate through a common platform.

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“The advantage of having a centralised planned maintenance system is that you can implement best practice across the fleet, especially where certain ships have similar equipment. This encompasses a range of modules contained in the PAL infrastructure such as dry-docking, maintenance, purchasing, voyage modules and certification,” he added.

And dry-docking is a key case in point. With nearly 140 dry-dockings planned for next year, ensuring the process is controlled and operated efficiently is critical. “A dedicated Docking Superintendent assists the Technical Superintendent with shipyard repairs to ensure every job is carried out correctly. This complements the important work of preparing the dry-docking specifications, taking the vessel into dry dock, executing the work and preparing the vessel to leave. This is expertise we have in-house and a process which has been running very successfully over the past few years,” Mr Kumaran said.

One very strong service benefit which has been developed through this approach is the supervision of auxiliary engine repairs - a service that is now being offered to all BSM managed ships. As is widely acknowledged, insurance statistics will tell you that a fair number of auxiliary engine failures

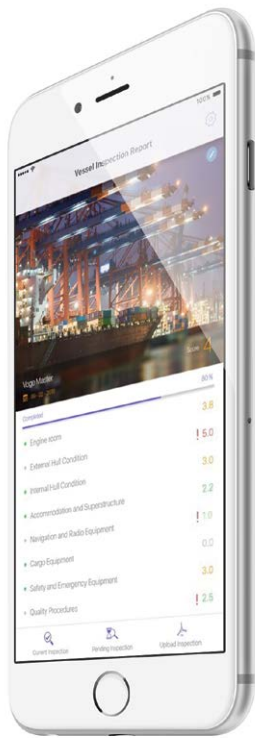
occur immediately after an overhaul. By employing a dedicated team able to supervise the overhauling process, these failures can be eliminated and owners’ insurance premiums reduced as a result.

When it comes to fleet procurement, the benefits of operating a centralised system are clear. “Instead of having the individual Ship Management Centres (SMC) undertaking the procurement, we intend to have a central team based in Mumbai consolidating these operations and serving all of the SMCs. Not only does it simplify the process but drives efficiencies and cost savings and ensures that every ‘i’ is dotted and ‘t’ crossed when it comes to effectively executing one of the most critical jobs in shipping.

In addition to a centralised procurement operation freeing up important time for the Technical Officers employed across the Company, BSM is also able to deliver important cost savings to all its owning principals, and especially smaller owners who would not normally be able to achieve the cost benefits that negotiating prices based on volume can deliver.

Lube oils are one of the biggest costs owners have to face and BSM works very hard to ensure that the best possible prices are agreed with the suppliers for the benefit of ship owners.

“When it comes to the procurement of provisions, BSM’s Seachef business has been centralising its operations for the past 15 years. And you can see the real benefits of centralised planning when previously you had Seachef talking to a large ship supplier about provisions and then an individual SMC talking to the same supplier about spare parts. Now it is all operated via a common platform,” Mr Kumaran said.



MariApps: Taking software development to new heights

Driving vessel operating and management efficiency through the effective use of an integrated software system is a must in today's shipping industry, which is why the software developers at BSM's MariApps Marine Solutions business unit have been busy ensuring the PAL infrastructure remains cutting edge.

And when it comes to the critical aspect of seafarer payroll, utilising a system which reflects the requirements of both salary-based and contracted employees has always been an important element of the PAL system.

The MariApps team has worked to streamline the payroll process even further to make this more user-friendly and efficient. Reducing the number of data transfers between ship and shore, for example, not only speeds up the whole process but goes a long way to automating many processes that were manually undertaken in the past.

Following the latest development work, the Master can now enter all variable earnings and deductions on board, while the purchase of slop chest items is automatically integrated from the Seachef module to Vessel Payroll.

A new cash register has been introduced on board where all cash transactions can be kept updated by the Master. This is again integrated into the seafarers'

payroll. The Master can process the payroll on board and generate a payslip for the seafarers and the full portage bill at the same time. Allotments can be raised by the Master and, if the requested amount is less than the accrued wages, this gets processed automatically without being sent to an office for approval. Final Wage Account can be processed and settled onboard, while the Master has the ability to process incidental expenses in PAL. Finally, payslips can be integrated into the BSM Seafarer portal mobile application.

MariApps has also developed a mobile application that helps Superintendents and Auditors carry out vessel inspections more efficiently. The Inspection Reporting Tool (IRT) application can be used as an extension of the IRT Laptop module, or as a complete end-to end mobile based reporting tool.

Among the module's unique benefits are an ability to view the history of a vessel's previous inspections and defects. Inspections planned in the Loss Prevention, Safety & Quality (LPSQ) office module are assigned to a Superintendent who can download the inspection together with the standard questions. The inspector can also take photos and make audio files at the place of inspection and generate complete reports in pdf format from the mobile itself. The application synchronises once online and sends completed reports back to the LPSQ module.

Latest news



BSM collaborates to form new crew management office in Manila

BSM has once again placed the quality of its seafarers at the top of its agenda by collaborating with the E.R. Group and Philippines partners to form a new crew agency, E.R. Crew Management (Philippines) Corp.

The joint venture, which recently received an operating license from the Philippine Overseas

Employment Administration, will handle the crew management needs of the Hamburg-based owner and manager E.R. Schiffahrt. It will employ 20 people to manage the recruitment of new crew members and carry out the training of some 1,600 seafarers in the Philippines.

Vicente A. Dayo, President of E.R. Crew Management (Philippines)

Corp. and a former member of the management team at BSM's Crew Service Centre in Manila, said an objective of the new operation was to recruit, train and supply well-trained seafarers for customers such as E.R. Schiffahrt. "The crewing agency allows us to meet the requirements of our customer through appropriate recruitment and training," he said.

Coaching Cleantech startups in the biggest ideas competition in the world

Climate Launchpad, the largest Cleantech ideas competition in the world, headed to Greece and Cyprus in June to hold a two-day training camp at which five BSM employees were trained as start-up coaches for the project.

The concept behind Climate Launchpad is to help young innovators shape their ideas as they get ready to pitch in front of industry experts, including BSM's own, at their corresponding National Finals in September. The top three ideas from each country will then compete in Tallinn, Estonia later this year for prizes which include further funding and possible commercialisation of their ideas.

And the ideas were as interesting as they were varied, dealing with issues such as building management

systems; waste water treatment; internet of things; and renewable energy sources and others - all of which relate to mitigating or adapting to climate change.

BSM's participation in, and sponsorship of, Chrysalis LEAP, the Cleantech accelerator responsible for bringing Climate Launchpad to Cyprus and Greece, was a new initiative supporting both our own engagement with proactive environmental programmes, as well as advancing the learning and experience of our employees.

"The camp was a very interesting and exciting experience, listening to potential entrepreneurs trying to formulate their business ideas under the guidance of a very capable team of coaches and an excellent trainer. I would say it was

a demonstration MBA for all of us," said Greece-based BSM employee, Andreas Solomonides.

Cyprus-based BSM employee and Climate Launchpad coach, Neil Hawkes, added: "I was privileged to be invited to participate and was impressed by the knowledge and passion of the participants. A wide range of discussions were held and everyone had an enjoyable time with both encouragement and constructive criticism received in good grace."

Hardy Romahn from BSM's Hamburg office drew positive comments from the fact that so many people were interested in the environment and were actively seeking solutions to fight climate change. "Hopefully our mentoring and training helped some of them fine-tune their ideas," he said.



David Furnival elected

President of SIGTTO



Following three years as Vice President, BSM's Chief Operating Officer, David Furnival (pictured), was elected President of the Society of International Gas Tanker and Terminal Operators (SIGTTO) at the Board and Annual General Meeting held on November 17th - 18th in Nagoya, Japan. David takes over the role from Luc Gillet of TOTAL and is scheduled to serve a three-year term.

SIGTTO is the pre-eminent authority for the promotion of safe, environmentally responsible and reliable gas shipping and terminal operations. It holds NGO consultative status at the International Maritime Organisation (IMO) and was responsible for the 2016 edition of the International Code

for the Construction and Equipment of Ships carrying Liquefied Gases in Bulk (ICG Code).

SIGTTO's membership includes Oil Majors, energy utilities and gas carrier owners and operators and covers some 95% and 60% of the LNG and LPG sectors respectively. The Society is prolific in the publication of industry standard guidance, with the most recent being the 2016 edition of Liquefied Gas Handling Principles.

Chris Clucas, BSM's Corporate Expert - Liquefied Gas, and current President of SIGTTO's sister organisation, The Society For Gas as a Marine Fuel (SGMF), was a key contributor to this publication.

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Schulte Marine Concept

bridges the gap

Schulte Marine Concept has successfully delivered one of the most unique newbuilding projects so far this year and, in so doing, has brought together US and Chinese design and construction expertise.

The newbuild supervision project involved the construction of a 55,000 ton lifting capacity floating dry dock, but what was unique was that the dry dock was built in a Chinese shipyard to specific designs developed in the US.

According to Krzysztof Kozdron, Schulte Marine Concept Managing Director, the project was very

exciting because "we had to find a way to bridge the gap between the way the designs were developed in the US and how the dry dock was eventually built in China. It was interesting because the Chinese shipyard had to take into account different units as well as a different technical culture, but it was all successfully completed."

And the complexity didn't end there because while the dry dock was built in one piece in China it had to be split into three in order for it to be towed to its owner in the US, where it will be joined up again prior to entering into service.

Our Maintenance & Repair team

makes a cost and efficiency difference

BSM, working in collaboration with Bernhard Schulte Fleet Management, has established a team of highly experienced repair, maintenance and dry-docking experts to provide specialised onboard guidance, training and assistance with vessel repairs, dry-dockings and overseeing auxiliary engine overhauls.

The Maintenance & Repair team support shore-based personnel in optimising planning and performance procedures, as well as evaluating the performance of onboard machinery and review of the vessel's Planned Maintenance Systems.

The service is designed to help ship owners reduce machinery downtime and maintenance costs, resulting in increased reliability and operational efficiency.

Insurance statistics reveal that auxiliary engine failures tend to occur shortly after an overhaul which is why the auxiliary engine overhaul service is important for ship owners. Not only does it ensure safe, reliable and efficient engine operation between overhauls, but will minimise insurance loss records and lead

to cost reductions through saved deductibles.

The Maintenance & Repair team offers guidance on preparatory work and verification of required spare parts and tooling; provides effective crew training and assessment of each engineer's competence; identifies any potential constraints to effective maintenance onboard; updates engine maintenance manuals; provides time and condition-based related advice to maximise period between overhauls; and offers guidance on the daily maintenance of machinery in line with the engine manual.

The team of dry-docking experts support the work of BSM's regionally based Technical Superintendents, helping to maximise budget savings and minimise off-hire time by providing enhanced knowledge throughout the dry-docking process.

With over 12 dry-dockings completed each year the team is also able to reduce repair yard costs compared to budget. It supports the Technical Superintendents in executing an effective docking operation,



together with maximising work load efficiency.

The team will make the necessary preparations for all types of docking; provide detailed knowledge of shipyard quality and capability; and deploy extensive experience with respect to budgets, invoices and negotiations with shipyards around the world.

BSM appoints two new Managing

Directors

BSM has strengthened its UK and China senior management teams by appointing two new Managing Directors. Neil McNeil will head BSM British Isles with offices in the Isle of Man and Newcastle, and Mingfa Liu will be his BSM China equivalent in Shanghai.

Prior to joining BSM, Mr McNeil was Regional Fleet Manager (Americas) for BP Shipping and latterly Managing Director at V.Ships USA. Mr McNeil also spent 13 years at sea with Denholm Ship Management and BP Shipping on a variety of vessels rising to Chief Officer.

He told Highlights: "Having worked previously with BSM at various stages of my career, this move was a straightforward choice to make. The company has a great reputation within the shipping industry and the shipmanagement sector specifically. I am really proud to have joined BSM and look forward to making my mark in the newly merged British Isles Ship Management Centre after a number of years working abroad."



*Mr Neil McNeil, Managing Director,
BSM British Isles*



*Mr Mingfa Liu, Managing Director,
BSM China*

Mingfa Liu also started his career at sea working on a mixture of cargo vessels, reaching the rank of Second Engineer before commencing his shore-based career. Also previously at V.Ships, Mr Liu rose to the position of Managing Director for V.Ships Asia and was a member of the Board. He then moved to Teekay Shipping to work in their newbuilding division. Prior to joining BSM, Mr Liu worked at Wallem China in the role of Managing Director.

Mr Liu said that he wanted to help BSM China achieve its aim of "providing first class maritime solutions and being the leader in quality shipmanagement, enabling Chinese business partners to achieve their objectives through our international knowledge, experience and innovation".

Commenting on the appointments, Capt Norbert Aschmann, CEO of BSM said: "I am very pleased that both Neil McNeil and Mingfa Liu have decided to join us at BSM and I look forward to working closely with them."



Shell praises BSM's actions over polymerising cargo

Lessons learned when transporting sensitive cargoes, especially in the chemical trades, can often prove highly valuable in the industry's efforts to protect future shipments. This was why Shell Eastern Chemicals not only praised what it described as 'the open and transparent' way in which BSM dealt with one such cargo incident, but are positive to forming a taskforce with BSM's help to share best practice across the industry.

It all started with a cargo of Styrene Monomer which was being moved on a BSM-managed chemical tanker from the US to China via Korea. Styrene Monomer is heat sensitive and polymerises slowly at ambient temperatures but very rapidly at elevated temperatures.

On arrival at the discharge port in China, one of the cargo tanks containing the Styrene Polymer was declared out of specification by the attending surveyor and discharge rejected. This delay in discharge eventually caused the cargo to commence the process of polymerising.

BSM immediately took action to resolve the problem in the most responsible way. Following valiant efforts to save the cargo, it was finally decided that the best option to resolve the situation was to use xylene – an effective solution, but one which damages the cargo quality. BSM asked the owner's and other relevant stakeholders' permission to proceed and they all agreed.

Once the clean-up was done and the investigation report completed, Shell wanted to make this a case study. The company also wanted BSM to be involved in learning more about the safe loading, carriage and discharging of polymer cargoes.

Lessons learnt included:

- Working more closely with the shipper to ensure adequate p-TBC dosing at the load port
- Office monitoring of polymer cargo stowage with respect to adjacent cargo temperatures
- Buffer tanks to keep polymer cargoes away from other cargoes that might give off ambient heat
- Considering intermediate sample checks for p-TBC level in collaboration with the charterers and commercial entities
- Office monitoring of the voyage temperature of any polymer cargoes
- Contingency plans, including additional p-TBC dosing, cargo aeration/bubbling as appropriate

BSM worked proactively and cooperatively with Shell Eastern Chemicals to address the incident and on August 18th, Shell presented BSM with an award (pictured) in recognition of its open and transparent efforts to improve safety in the chemical transport industry.

Discussion is progressing further with respect to establishing a taskforce that will continue to look at the future safe carriage of such sensitive cargoes.

LNG - an environmentally and economically viable marine fuel



These challenges can be met through the use of LNG as a marine fuel due to lower emissions and the abundance of gas, which is sufficient to sustain competitive pricing and make it economically attractive to the industry.

Angus highlighted some of the challenges related to increased adoption, including a relatively immature bunkering infrastructure that will take time to develop and the need for effective training, procedures and equipment selection to transfer and manage the cryogenic fuel safely.

Liquefied Natural Gas (LNG) will be a game changer in shipping - this was the main theme of a presentation given by Angus Campbell, BSM's Corporate Director for Energy Projects, at the Gas Asia Summit recently held in Singapore.

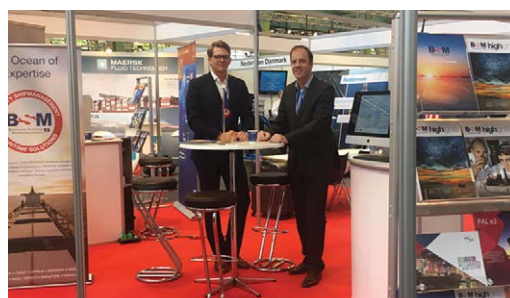
He opened the 'LNG in Marine Transport' session by emphasising rising environmental pressures as a significant issue for shipping. The industry is facing heightened calls to use more environmentally sustainable fuels and reduce its carbon footprint, with the European Commission requiring large ships using European Union ports to report and verify annual CO2 emissions from 2018.

Continuation of the LNG industry's excellent safety record and careful selection of personnel for LNG vessels was critical to ensure incident-free operations, he said, with the adoption of uniform international standards to promote safety and conformity which is being led by the Society for Gas as a Marine Fuel (SGMF) also being essential.

Bernhard Schulte, in partnership with Babcock International, have jointly developed a 7,500 cbm Gas Supply Vessel that will go into service with Linde to supply LNG to marine customers and small-scale terminals along the Baltic Sea coast during 2018.

BSM at the Danish Maritime Fair

BSM participated at the Danish Maritime Fair in Copenhagen during October, which in just three years has become an industry trade fair of international standard. Supported by the Danish Maritime Days, the Fair attracts key maritime players from all over the world. BSM had an exhibition stand in the German pavilion, where numerous visitors were welcomed and BSM's customer-focused ship management solutions and MariApps software developments were highlighted.



Seafarer profile:

Rex Villanueva

Sontillanosa



There are very few of us who can confidently say that the job we do is the one we have always dreamed of doing. But it is definitely the case with Rex Villanueva Sontillanosa, Chief Engineer on LPG tankers managed by BSM's Singapore Ship Management Centre.

"I have been with BSM for over 21 years' now and I love it so much. Being at sea has been a dream of mine since I was very young," he told Highlights.

And so committed is Rex to his career with BSM that, when he is not at sea, he also works as a branch manager at BSM's Crew Service Centre in Iloilo City in the Philippines. "I am interested in the business side of seafaring which is why I enjoy working at the CSC where I live," he said.

But it is the life of a seafarer which continues to motivate Rex and he would never hesitate in recommending a career at sea to any of his friends or family.

"I started as an engine cadet in Cyprus 21 years ago and I must say that the company has been very good to me. The training I have received has been invaluable and the career benefits of working with a company the size and importance of BSM are there to be seen.

"Training is fundamentally important to me because it provides the enhanced knowledge I need as well as continued development and learning," he added.

The last ship Rex worked on was the 2000-built, Singapore-flagged LPG tanker Lady Margaux where he served as Chief Engineer in charge of the engine department and all technical maintenance. "I am also responsible for everything to do with the safety of the ship, her crew and her cargo. It is a good ship with 19 crew onboard – all from the Philippines, Myanmar and Indonesia," he said.

“ *The training I have received has been invaluable and the career benefits of working with a company the size and importance of BSM are there to be seen* **”**

Country profile: Greece

Nearly 20% of the world's fleet in deadweight tonnage terms is owned or operated by Greek ship owners meaning that Greece remains one of the world's most important shipowning clusters. And as Theophanis Theophanous, Managing Director of BSM Greece, contends, if you want to succeed in this market you have to embrace the same business and vessel operating mentality as the Greek ship owners themselves.

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With over 3,400 years of trading tradition and heritage to draw upon, Athens is rightfully acknowledged as the cradle of Western civilisation and the birthplace of democracy. But it is its connection with trade and the sea over hundreds of years that has helped to make Athens the global city it is today; a city which places significant importance on shipping, culture, education as well as international commerce.

As a result, Athens and Greece have grown and developed into a shipping marketplace where service excellence and quality of delivery is demanded above everything else. Up to 195,000 people, 4% of the Greek workforce, are employed in a maritime sector which contributes €9bn, or 4%, towards the country's GDP.

"Greek ship owners today own or control over 4,900 ships, with an average fleet age profile of around 11 years old," said Mr Theophanous. "The Greek market is not only a crucially important one to third party service providers, but Greek ship owners pride themselves in owning and operating their ships and the only way to really understand the Greek community is to adopt the same philosophy," he said.

BSM established operations in Athens in 2005 and, since then, has grown from a purely crew management operation into a fully integrated Ship Management Centre, employing 43 personnel and offering both crew and technical management services for a fleet of 37

“Greek ship owners today own or control over 4,900 ships, with an average fleet age profile of around 11 years old”



*Theophanis Theophanous,
Managing Director of BSM Greece*

containerships, bulk carriers, LNG and LPG carriers as well as product tankers.

“In 2005 when we decided to become a member of the Greek shipping community here in Athens, we wanted to be close to our clients with the objective of delivering first class management services,” Mr Theophanous said.

“Although over recent years, Greek owners have started to look at outsourcing management of their vessels, as a nation of ship owners they like to be in close control of their ships and place huge emphasis on safe operations and management of their tonnage.” he said.

As part of a family-owned Group whose business is ship owning and ship management, BSM operates the same philosophy of really caring about the ships under its management, Mr Theophanous said. “Greek

owners like to operate their ships in the best possible way; they want to see strong retention of their seafarers onboard their ships; and they want to keep the other stakeholders happy so they can avoid any off-hire or incidents. BSM shares the Greek ship owners’ demand for total transparency – an essential ingredient in winning trust and succeeding in this market.

“Our office in Athens tries very hard to retain and nurture the same philosophy and understanding of how to run ships, the Greek way. We aim for vessel management based on the traditions embraced by Greek family-owned companies over the years. At the same time, by being part of a larger Group, we can supplement this with new ideas. We are able to achieve effective economies of scale, but our office is small enough to deliver the personal relationship that is so important in this crucial market,” he concluded.

Customer focus:

Interunity Management

Corporation

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Image: Milan Gonda / Shutterstock.com

“Supplying competent crew is the cornerstone of good ship management and being able to utilise the services of a well-trained crew, especially for tankers, is the foundation for everything else. Without this, you are unable to operate.”

George Mangos, spokesman for Interunity, knows what good ship management is all about. Part of a high-octane team that runs a diversified fleet of LPG vessels, tankers, chemical carriers, dry bulk carriers and containerships, he knows what it means to have a crew management partner capable of meeting all the demands an owner may have.

“I think it is correct to say that we were BSM’s first official customer in Greece and our relationship has grown ever since into something very solid from a business perspective. What we particularly like about BSM is that, as a manager, they are very flexible, thoughtful and responsive when doing their job. If you discuss things with them they think about what you are saying and they respond positively to praise as well as to criticism. And they come back to you with feedback, which I think is very important. And it also helps that they are part of a much larger, well-resourced organisation,” he said.



*Left to right: Yannis Sarris,
Christos Mangos, George G. Mangos*

BSM's relationship with Interunity goes back some 25 years when both companies started to visit the ex-Soviet republics to stock crew pools for Interunity vessels. "We went there at the same time as the region started to open up as a major crewing source and we have been partners and friends ever since," he said.

But working closely together and understanding how each other operates is, as George Mangos believes, not something which happens overnight. "You need to have long-term reliable partners if you want to get things done well. We have a number of Masters who are sailing with us now, who have been with us since they were cadets. So this is a generational movement. Our own guys sit within the BSM pool but are trained to Interunity's management system. We propose the candidates, we filter them, we decide who we want to spend more time on, then we bring them in and add our additional components."

So does Mr Mangos see the BSM trained and managed crew as his crew? "Very much so, and to all intents and purposes they are our crew because they work for us, on our vessels."

But as he stressed, ship owning is evolving and, driven by market conditions where a high turnover of vessels is now commonplace, it is becoming increasingly difficult to maintain the platform of stability which is critical for tanker operators in particular. Companies end up growing and shrinking "almost like an accordion so you need to be able to draw on a flexible crewing system that enables you to keep your people when you need them. Working with a company like BSM makes this

happen because at times when your fleet shrinks, your crew can be deployed on vessels in other fleets, but are then ready to be called back when you need them. This is important to us."

So what will the seafarer of tomorrow be like? Will he still wield the spanner and screwdriver or will he be an IT savvy professional? According to Mr Mangos, he/she will have to be both.

He said: "From the 1950s through to the 1990s the real strength of Greek shipping was that it was led by very smart, flexible minds both at shore and sea, who were able to find creative, practical and cost effective solutions to operational problems. Seafaring in those days was not generally geared towards paper processes. Then with the implementation of an increasingly sophisticated safety management culture, with the attendant framework heralded by OPA 90 and ISM (and now TMSA) the pendulum swung towards people who were suited to implementing this safety culture and answering vetting inspectors' questions. But the vessel still remains a floating metal factory operating remotely in a hostile marine environment.

"So in my opinion, you can't lose the man with the spanner because you need people who understand that the job is both an administrative one and a very manual one. And it is a challenge and is one of the reasons that crewing is so difficult. Quality is all about being able to match these two things together – technical competence and administrative competence," he said. "And this is something that BSM does very well and always strives to improve."

Delivering the right newbuilding consultancy expertise

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When it comes to overseeing a newbuilding contract from inception through to completion, being able to draw on a team with the depth of experience and heritage that Schulte Marine Concept (SMC) has, is a crucial prerequisite especially in today's market conditions. And, according to Krzysztof Kozdron, Schulte Marine Concept Managing Director, being vigilant when it comes to ensuring shipyards adhere to what was originally negotiated and agreed remains one of the key challenges facing ship owners today and one of the strong deliverables of SMC.

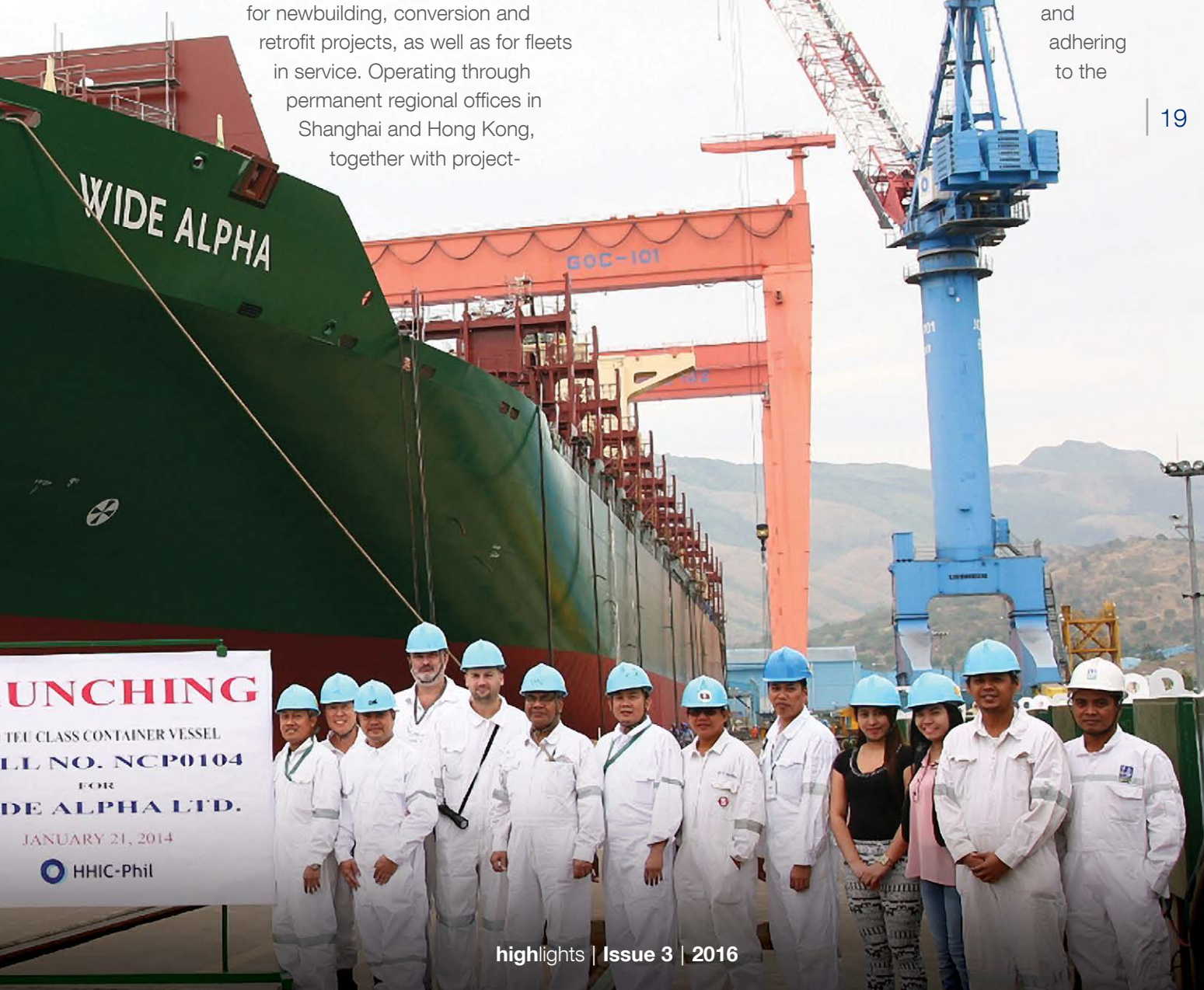
"We regard each project we work on, no matter how big or small, as our most important project because we apply the same high levels of commitment, accountability and responsibility to each," he said.

Established as the project management arm of BSM, Schulte Marine Concept provides a comprehensive range of tailored technical and management services for newbuilding, conversion and retrofit projects, as well as for fleets in service. Operating through permanent regional offices in Shanghai and Hong Kong, together with project-

specific site offices throughout the world, SMC delivers on a wide spectrum of projects across a variety of vessel sizes and types.

Whether that is overseeing the construction of a 400,000dwt next generation Valemax bulk carrier, LNG carriers, offshore construction vessels, offshore wind farm maintenance vessels or even the latest LNG gas supply vessel, all projects require the same high level of technical expertise as well as lateral thinking.

"Maintaining and delivering on a strong reputation is key to us here at SMC because clients entrust us with their projects, their assets and their investments," Mr Kozdron said. But as he emphasised, it is the SMC people who are delivering the work on a daily basis, equipped with the right education, the right experience, the right motivation and adhering to the





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*Krzysztof Kozdron, Schulte Marine
Concept Managing Director*

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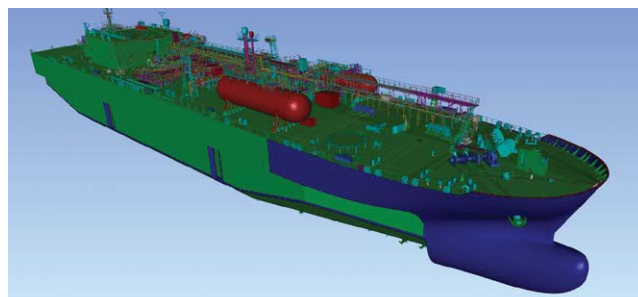
right corporate culture who ensure that this reputation for quality is maintained.

“Creativity is essential at the initial stage when the newbuilding project is being developed and when the designs are being verified. This is the moment where all the experience across BSM and from a Bernhard Schulte shipowning perspective comes together and where new ideas are scrutinised before being applied to projects.

“Once the shipbuilding contract has been signed, it is then about understanding the legal, commercial and practical requirements of the contract, before instituting compliance,” he said.

And as Mr Kozdron stressed, a major advantage of SMC is that it is an inherent part of BSM. “This gives us a unique opportunity to draw experience and resource from a large area of shipping, ship finance, shipmanagement and crewing expertise. Bringing essential experience to the table is part of the added value we provide to our customers.”

But it is the shipping industry’s march towards a cleaner future that is also offering good opportunities for customers of Schulte Marine Concept. Indeed, when it comes to the retrofitting of Ballast Water Treatment Systems (BWTS), SMC is perfectly placed to offer the expert advice that is needed.



SMC will not only advise on the pre-selection of BWTS based on predefined procedure and acceptance criteria, but also undertake feasibility studies and cost out the owner’s preferred system. SMC can undertake onboard surveys and photographic scanning, with subsequent review of the scanned 3D models against actual onboard arrangements. Within scope, the business will also undertake class approval for documentation, oversee the prefabrication stage and supervise prefabrication, installation and commissioning.

Continuing with the environmental compliance theme, SMC also has the expertise required to effectively manage the recycling of a vessel that has come to the end of its life. Advising ship owners on yard selection, ensuring that all documentation and recycling methodology is in place and fully compliant with IMO guidelines, and then overseeing the recycling process are important deliverables within scope of the service provided.



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Training the ‘BSM way’

Focused and effective training of our seafarers is at the heart of everything we do at BSM which is why we have not only invested in advanced simulators at a number of our Maritime Training Centres, but have also upgraded the training packages on these simulators to further engage and train our officers in real-life scenarios.

BSM recently installed a new Full Mission Bridge and an Engine Room simulator at its Maritime Training Centre (MTC) in Limassol, Cyprus and has upgraded the Transas Bridge and Engine room simulators at its

MTC in Mumbai. The Transas system delivers similar capabilities to the Kongsberg systems already in place in Manila and Cyprus.

And with this investment comes an opportunity to upgrade the training content and take full advantage of what vessel operation simulation can offer. For example, new exercises have been developed to complement Bridge Resource Management training by creating testing scenarios for officers to experience and learn from. These include ‘Rescue of persons from the water’ and how to work around a vessel in distress.

As part of the training, the officer of the watch receives radio broadcasts from the vessel in distress and when arriving 'on-scene' is faced with an emergency scenario of a number of people in the water with lifeboats, liferafts and debris everywhere and the air full of smoke flares. Faced with a variety of environmental conditions, the Officer on Watch (OOW), or acting Master, has to evaluate the situation and coordinate a rescue operation.

Another training package focuses on how to manage commercial pressure and the ensuing communication. It simulates a situation of poor visibility when a vessel starts weighing its anchor. The acting master has to make the decision to abort and remain at anchor but this is followed by a flood of telephone calls and radio contact from various shore authorities asking why the vessel is delayed.

All scenarios are based around a sudden exposure to situations where stress and workload levels are raised, but where the initial reaction to the incident, communication of priorities, use of all available resources, planning of strategies as well as general ship handling and safe navigation are of paramount importance. These exercises also make full use of

the BSM 'Project Pilot' Marine Manual to ensure that the correct procedures are followed in a real-time emergency.

A pilot course was run in the Maritime Training Centre in Cyprus in September using the Junior Officers course and the feedback received was very positive.

BSM has also embarked on a series of train-the-trainer courses: one being the Maritime Resource Management course run in Cyprus by the Swedish Club Academy, and the other being the IMO Model Courses covering 'Train the Simulator Trainer and Assessor'. This course was initially conducted in Cyprus but will be repeated in Mumbai before the new simulators are commissioned. These qualifications are already in place in Manila.

With simulation in mind, our Cyprus MTC was recently visited by Capt Joseph Raluta from our sister centre in Manila to assist with exercise building for the bridge simulator and the Junior Officer's Pilot course. This was followed by Chief Engineer Palmes, also from the MTC in Manila, who visited and assisted with exercise building for the Engine Room Simulator.



One BSM



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BSM Gold Awards launched to recognise top performers

Rewarding the talent and contribution of its employees is at the heart of BSM's operating ethos, which is why it has launched the BSM Gold Awards to recognise exemplary performance.

The annual awards will recognise both individual and team performance, with entry criteria including the implementation of innovative ideas and practices, key achievements, and initiatives to enhance customer satisfaction and business growth.

The primary objective of this initiative is to reinforce behaviours and work that is aligned to the mission, goals and values of BSM, alongside building a positive and supportive working environment.

The nomination period for the 2016 Awards has commenced and will conclude in February 2017, with the award winners to be suitably recognised at an event to be held in March.

Continued enhancement of BSM's communication capabilities

BSM has recently launched three new communication platforms, aiming to effectively convey essential information about the Company to external audiences, seafaring and shore based personnel.

Offering an interactive and user-friendly browsing experience, the newly designed BSM website provides readily accessible information about the range of services provided, global locations, training capabilities and managed fleet in addition to latest news and publications. Visitors can directly contact any of BSM's Ship Management, Crew Service and Maritime Training Centres and

Value Added Service businesses through an interactive contact and information request form.

With the goal of keeping the BSM seafarer population informed and connected with the Company and wider community whilst on board, an electronic newsletter called 'Crew Chronicles' has been launched. Through active contribution from seafarers, this newsletter focuses on providing relevant and interesting to read content, balanced with Company news and insights.

The new BSM intranet provides key information in a dynamic and engaging manner to shore based personnel around the world. Through effective, interactive communication it connects employees across the Company to provide a common understanding of business priorities, promote transparency and enhance collaboration, innovation and efficiency.

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