

Week 43 (23 - 29 October, 2017)

EDITORIAL

Thursday again and we are back in your inbox...hopefully. The past week has seen the breakbulk expo in Houston and according to sources that we had including my colleague Cody visiting there it was a good event, albeit not as big or as crowded as previously. Perhaps the events market is



becoming saturated and its time to review the amount of expos...still what other solution is there than actually meeting people face to face? Hardly any! Budget may be a factor too of course, but it costs money to make money and our accounts department should sometimes remember that.

I visited one of my children in London and also made a trip to the Isle of Wight last week. Speaking of costs, there is certainly no free lunch in London. According to what I heard from several contacts in the UK the costs are really going up, but services aren't. From what I could see, from taking the bus/train/ferry, large parts of the UK could do with massive infrastructure investment.

Privatisation is not always the cure that fixes everything I believe. A couple of nuclear power plants are forging ahead, such as Hinkley point, which will mean lots of equipment for the active shipowner and project freight forwarder to look out for. Needless to say, since its a government operation, its behind schedule and above budget! When the government spends our hard earned tax dollars I see little or no accountability, and if there is a sacking it is normally with a golden parachute.

Well you are reading this newsletter hopefully for the content and not my editorial, so here is what we have in store for you today: We can call this week the Viking week as we portray a couple of very dynamic and successful danish shipping personalities, who have been active for many years in shipowning and project shipping on a worldwide scale.

We then have some solid neutral and factual shipping advice from a competent master mariner that I met on my trip to London. For the active sales departments out there we have some interesting sector news that could lead to cargo for you, and we finish off as usual with our photo, video and wise words of the week.

Enjoy this last issue in October and I wish you all a good read.

Yours sincerely,

Bo H. Drewsen

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SHARE WITH A COLLEAGUE









UNITED HEAVY LIFT - HAMBURG, GERMANY

MR. LARS ROLNER MANAGING DIRECTOR

Mr. Rolner, I met you I think around 1986 or 1987 in Beijing by chance, which means you started your shipping career early. Tell us about how you got into shipping, a bit about your experience and what made you stay in shipping?

Well, I started in shipping in 1979, after having visited business school in Aarhus. I grew up on the waterfront of Aarhus and saw ships arriving and departing the port. Somehow it was fascinating and I decided to apply for a job as a trainee with a local agency, Rasmus Christensen.

After finishing my education I decided to move to Germany as an intern in a newly established company, SAL. I stayed in the Altes Land for a couple of years before returning to Aarhus where I started working with DanTransport in their project department. Chartering, it turned out was my preference and passion. Thus, I re-joined SAL as a chartering manager.

Around this period the two of us met in Beijing. The Chinese market was still undeveloped and difficult to penetrate for foreign companies.

In 1988 I returned to Denmark as general manager of the chartering department of Dan-Transport, it was an interesting time operating the vessels of Aalborg Portland and doing project chartering.

In 1992 I received an offer from SAL to re-join the company. I took the offer and was working again in the chartering department, but spent two years as supercargo as well. In 1998 I was promoted to managing director of the company and in 2001 became partner to the two Heinrich brothers, whom founded SAL initially.



mv Vestwind sailing through the Kieler Canal

Your name is well known to many in the heavy lift business in particular since your years with SAL. Tell us about your new venture, United Heavy Lift. What do you offer that is unique in the market and how do you feel that you provide value added services to the customers who in many ways are "over-run" by heavy lift experts?

Having been a vital part of developing SAL to become a market leader in heavy lift shipping, the technical aspect has always been a main focus of mine. I actually established my own engineering company in 2012, HeavyLift@Sea. The company is specialised in ship design and is offering customized engineering solutions to transport requirements of their clients. HL@Sea was able to attract five engineers from the shipyard who designed the SAL tonnage and were the brains behind many of the complicated transport engineering solutions we did at that time.

As for UHL, after leaving SAL in 2014 I was approached by Heino Winter in 2015, he offered me to take the commercial management of their heavy lift tonnage. It was the start of United Heavy Lift, we since have a very good and close cooperation and other owners have joined since.

We have been able to perform complicated transports on the P Types, the engineering is a vital part of our business success. We comply with the requirements of the major clients and our engineering solutions are of the same high quality as the top players in the market.

Since we founded United Heavy Lift, we have also founded United Wind Logistics and United Engineering Solutions. In 2016 we were awarded the contract to transport the MVH Vestas V164 wind turbines and equipment. It is a very large transport and logistics contract which is based on solid engineering solutions, which contributed to cost savings and optimized the logistics, resulting in a huge gain for our client.



Tasmanic Winter carrying 4 x cranes (2 x Mombasa + 2 x Owendo)

With your years in shipping and looking back what has, if anything, changed in your opinion?

In the eighties and nineties the heavy lift owners all grew organically and the quality of tonnage was imperative. Since the early two thousand's a lot of owners looked at the heavy lift market and money was available and vessels were ordered without any regard to the demand in the market.

The financial crisis in 2008, as well as the slump in oil prices have changed the market conditions, resulting in fierce competition ruling the market. Fortunately, there are still clients who have high demands in regard to QHSE and engineering. With the

prevailing market situation, the banks have ended up as the largest controlling owners in the MPP and heavy lift market.

How do you envisage the future of heavy lift shipping? Just in recent days we have seen yet another strategic alliance being formed among other heavy lift ship-owners in the market.

Strategic alliances are complicated to get to work unless you have comparable tonnage. To cooperate on heavy lift tonnage is more complicated then to enter into a slot sharing agreement. The main problem is different company cultures and the hurdle is to get a cooperation implemented on the working level.

Irrespective of cooperation's and joint ventures, the amount of tonnage does not change, scrapping has not yet started on a larger scale and with the pressure from large far east players, the market will not change very much in the coming years.



Discharging from Atlantic Winter - Aqaba, Jordan

Are shippers mainly looking at price these days or do they also consider service level and expertise?

All clients have to look at the price, in their business sector they are also under pressure. The only way to be able to cope with the market is to provide smart and efficient transport solutions.

Do you also count freight forwarders among your clientele or do you deal with a mix of both shippers direct and freight forwarders?

Certainly the freight forwarders are an important part of our clients. but we also have clients who wish to deal directly.

The container carriers are taking more and more breakbulk by containership, even sometimes very heavy loads, do you regard them as competitors?

Again, it boils down to providing the most cost efficient solution to the client. Whoever still believes the good times will come back are wrong. The market is changing and we need to be able to adapt.

Each of our companies is a profit centre and is responsible for ensuring a healthy growth. United Engineering Solutions are also providing transport engineering, designing grillages, and lashing concepts for third parties. They also provide supercargo services, QHSE training and implementation for third party owners or clients.

Does United Heavy Lift cooperate with other owners in case, say, you get an inquiry that you cannot cover with own tonnage?

Certainly we do. We have been taking relets from other heavy lift owners for very complicated jobs. On the other hand, we are a registered supplier with some of the major clients in the wind and off-shore sector and we approach the market on their behalf, often supplying the engineering solutions.

Whom to contact at United Heavy Lift for a quote?

Contact us via the following email addresses: Chartering@unitedheavylift.de wind@unitedwindlogistics.de solutions@unitedengineeringsolutions.de

Interviewee:
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United Heavy Lift
http://www.unitedheavylift.de/



BBC CHARTERING

MR. SVEND ANDERSEN CEO

What do you think about the market situation now?

Right now, it's bad. It's never been as bad as this year. It's the lowest market we have seen since many many years. I do believe it will change, I hope so, but it's not going to return back to what it should be. Maybe it will change a bit next year although I must say that I doubt it.

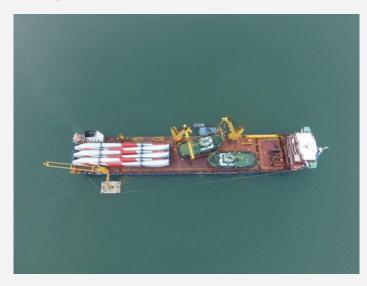
The world is changing, and projects are on the market but a lot of times you see things being cancelled or postponed etc.

I don't see that there is going to be substantial change in the next 1 or 2 years.

There are also too many ships. The supply and demand are not equal. There is more supply than there is demand and as long as you have that it's going to be like what we see right now.

Again it might take a couple years, there's hardly any new buildings coming in the next couple of years, so it will change one day. When we see things level out and the demand continues to

increase, we will see a raise in the market.



Tell us about the new cooperation with Jumbo. How is it a win win?

Well it's a strategic alliance. We can work on projects together, and we can offer the whole scale of vessels with lifting capacities up to 3,000 tons. That brings new possibilities to customers, and we have not been able to do that before. And with Jumbo we have the volume, the resources and the possibilities to jointly work out the best solution for any project.

We are still going to be independent and quote our own things, but the cooperation enables us to work together for some of the bigger projects where we need the combined fleet and capabilities of BBC and Jumbo. That's the reason for it. I'm convinced it is going to work out well.





Will you merge your sales teams at all?

Not right now. There are some projects where you need super heavy lifts, and the two fleets will work together on these projects.

We have more vessels available, we have the volume, we have the ships, and we can do the smaller things up to 900 tons, that's where we have the largest fleet. And this is how we can combine our strengths to the benefit of project and customer.

Jumbo is purely tramping right?

They are tramping but Jumbo is very much an engineering company, they do a lot of offshore business where they use vessels for super heavy lifts. It's not just a shipping company, it's a specialist company as well. They do very well in that respect.



How many years have you been in shipping and how did you end up in this industry?

I've been 45 years in shipping and I got started in this industry by coincidence.

Where in Denmark are you from?

I am from a city called Odense.

Tell us more about how you got started in Shipping.

I started with an apprenticeship for 2 years. I was working in Copenhagen, later I had my own companies in Copenhagen as well.

I started a company together with a partner called Copenship many years ago, in 78'; we split it up in 81'. I then started my own company which was called 'SA Shipping' at that time. I did that for many years.

Then things changed in my life and I was with Intermarine in fact, for 2 1/2 years. I was working for Intermarine in the US and I actually wanted to go back to Denmark. But then I worked for Intermarine in Germany for one year, and then in 97' we started up BBC in Bremen.



When you say we, who was that?

That was a partnership with different people.

So you were part of BBC when it started?

Yes, I am a partner in BBC.

Ever since then you have been based in Germany?

I first went to Germany in 95' from America, so more than 20 years ago, but it won't take another 20 years for me to retire.

Anything else you would like to add?

BBC is a good company (smiling).



Interviewee: Mr. Svend Andersen CEO BBC Chartering

https://www.bbc-chartering.com/



SOLID SHIPPING ADVICE TO ANY PROJECT FREIGHT FORWARDER FROM M3 MARINE - LONDON. UK

When cargo is being moved, at the customers risk, there is a need for one company to be in control of the shipment i.e. to fix the carriers to be used and to ensure good practices are followed so that the cargo arrives at destination undamaged and on time. That one company should be the FF and in so doing he may be guided by his customer, the customers cargo insurer and the carriers.

The FF should follow the below, in my opinion:

- 1. Only use carriers that are competent with the type of cargo.
- 2. Only use carriers that are able to load, secure and transport the cargo in a professional manner.
- 3. Preferably audit the carriers to ensure they are working to agreed procedures.
- 4. Be conversant in what is a 'fit for purpose' conveyance.
- 5. Be knowledgeable in what is required to ensure that each lift is carried out satisfactory.
- 6. Ensure that each carrier is complying with the minimum cargo securing requirements.
- 7.Be prepared to compile a method statement and possibly a risk assessment for all of the cargo move.
- 8.In some way monitor what the carriers are actually doing either by being present, appointing someone to attend on their behalf or stay in contact via email/telephone. The method of monitoring will depend on cargo value and criticality etc.
- Ideally the FF should ensure that each carrier takes photos of the cargo securing, once the securing has been completed on each conveyance.

In way of cargo securing there are a number of references and guidelines for this, such as;

http://www.tis-gdv.de/tis_e/ls/inhalt1.htm https://www.wko.at/branchen/transport-verkehr/Ladungssicherung_EU-Empfehlung_en.pdf DNV web site LOC web site

For all modes of conveyance

And/or the following;

- No steel to steel contact. Use material, such as timber or plywood or enhanced heavy duty anti-slip matting, to ensure there is friction resistance.
- All securing equipment to be in good condition and visually checked before use.
- Transverse cargo center of gravity (CoG) to be located over the center of the railcar and/or trailer, within tolerances (+/-100mm). Load distribution to be considered in way of longitudinal CoG.
- Carrying conveyance to have sufficient capacity for the load, with load-spreading as required.
- Cargo to be secured once on the carrying conveyance and to be unsecured just prior to lifting off.
- No movements to the conveyance, especially a trailer, when the goods are not secured.
- Enhanced heavy duty anti-slip matting (certified/vendor info.)
 can be used which will provide a friction co-efficient of no more
 than 0.5g. A friction co-efficient of no more than 0.3g can be
 used to reduce the amount of securing if at least one contact
 surface is timber or plywood.

- All cargo needs to be secured so as to minimise vibrations to the cargo and ensure there is a 'pulling down force', in addition to the weight of the cargo, to create a friction resistance.
- Elasticity of the securing's to be the same in each direction of resistance.
- When chain/wire/webbing straps are used then use at an angle of between 20 degrees and 60degrees to the horizontal/direction of action, preferably in the region of 45degrees, so that there is directional resistance as well as 'pull down'.
- If there is any uplift/tipping in the cargo then adequate restraint for the uplift/tipping. Cargo that is narrow and tall may have a limited amount of uplift/tipping, especially if the CoG is greater than half height.
- If a satisfactory securing calculation is carried out by a carrier, then subject to review this should be acceptable. e.g. Annex 13 of the CSS code or visual cargo care for a cargo movement on a vessel

In addition to the above:

Road trailer

- Transverse securing to consist of 'blocking'/'bracing' or webbing straps or wire or chain. MSL in each direction to be at least 0.5 of the cargo weight.
- Longitudinal securing to consist of 'blocking'/'bracing' or webbing straps or wire or chain. MSL to be at least 0.8 of the cargo weight to prevent forward movement and 0.5 of the cargo weight to prevent backward movement.
- Alternatively top over lashing with reasonable tension if the cargo has a weight of 5MT or less.
- For Self-Propelled Modular Trailer (SPMT) movements where the speed is no more than 10km/hr then the MSL of the securing to be at least 0.5 of the cargo weight in all directions.

Railcar

- Transverse securing to consist of welded stoppers/clips and/or 'blocking'/'bracing' and/or wire and/or chain. MSL in each direction to be at least 0.5 of the cargo weight.
- Longitudinal securing to consist of welded stoppers/clips and/or 'blocking'/'bracing' and/or wire and/or chain. MSL in each direction to be at least the same as the cargo weight. If there is switching/shunting/humping then there is a need to ensure there is adequate securing for the increased accelerations e.g. North America.

Vessel

- Transverse securing to consist of welded stoppers/clips and/or 'blocking'/'bracing' and/or wire and/or chain. MSL in each direction to be at least 0.65 of the cargo weight for under-deck cargo.
- Longitudinal securing to consist of welded stoppers/clips and/or 'blocking'/'bracing' and/or wire and/or chain. MSL in each direction to be at least 0.2 of the cargo weight for under-deck cargo.

River vessel (not sea-going)

 Securing to consist of welded stoppers/clips and/or 'blocking'/'bracing' and/or wire and/or chain. MSL in each direction to be at least 0.1 of the cargo weight.

If a sea-going flat top barge and tug are being used, for a sea movement, then ideally expertise should be brought in to ensure that the correct procedures are adhered to as this is high risk. For Further Information Please Contact:

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SHIPPING NEWS

FROM ONE OF THE SMALLER PORTS IN DENMARK



Picture From the Port of Grenaa, Denmark, also visible: Maersk Inspirer drilling rig

Atlantic Amsterdam stacked in Grenaa for SPS and BOP maintenance. The rig is a converted drill rig, which is now a accommodation platform with 136 single cabins. This operation is scheduled to take 6 month in the Port of Grenaa. The rig arrived directly from the Race Bank Offshore Windfarm project and will after stay in Grenaa continue on Borkum Riffgrund 2 Offshore Windfarm. Both Windfarms are currently under construction in North Sea and are owned by Orsted (formerly DONG Energy).

You can also spot two yellow Jacked foundations. These are currently stacked in Grenaa waiting for installation by Seaway Heavylift at Beatrice Offshore Windfarm in the UK.

FEATURED PROJECT CARGO AIRFREIGHT SHIPMENT

Antonov Airlines Transports Giant Compressors To Turkmenistan

Antonov Airlines has transported four compressor skids on behalf of Bolloré Logistics China from Calgary, Canada to Mary, Turkmenistan on one of its seven AN-124-100 aircraft.

The compressor skids were recently transported for a Chinese Oil & Gas Engineering, Procurement, and Construction (EPC) company on four separate flights for a gas field in Turkmenistan.

Read more...



MINING & MINERALS

MITSUI TO BUILD DESALINATION PLANT FOR BHP'S SPENCE COPPER MINE IN CHILE

Japanese trading house Mitsui & Co. confirmed Thursday it has been selected to build a desalination plant for BHP's (ASX, NYSE:BHP) Spence copper mine in Chile, as part of a \$2.5 billion mine expansion approved earlier this year and which will add another 50 years to the operation's productive life. *Read more...*

PORTS & HARBOURS

ICTSI TO DOUBLE CAPACITY OF BASRA TERMINAL

International Container Terminal Services Inc (ICTSI) has agreed to invest US\$100m expanding Basra Gateway Terminal. The Filipino terminal operator will develop two berths incorporating a 20 ha yard area. *Read more...*

EAST CANADA TERMINAL INVESTS IN NEW LIFTING EQUIPMENT

Halterm International Container Terminal, Eastern Canada's only facility capable of handling container vessels of 10,000-plus TEU capacity, will extend its container and reefer handling capabilities with \$10 million worth of new equipment over the next 12 months. *Read more...*

RENEWABLES

HEXCEL AND VESTAS EXPAND COMPOSITE MATERIALS SUPPLY AGREEMENT FOR WIND BLADES

Under the terms of the multi-year agreement, Hexcel will supply Vestas with advanced prepreg (glass fiber-reinforced resin systems) manufactured at Hexcel plants in Neumarkt (Austria), Windsor (Colorado, USA) and Tianjin (China). Read more...

POWER GENERATION

WARTSILA TO SUPPLY SMART POWER GENERATION FOR 200 MW ARIZONA PLANT

Tucson Electric Power, a subsidiary of Fortis Inc., is building the plant on the site of an existing generating station that currently consists of both natural gas-fired and renewable energy assets. TEP selected ten Wartsila 50SG gas-fueled engines...*Read more...*

NEBRAS POWER TO INVEST \$1BN IN 800MW INDONESIAN GAS-FIRED POWER PROJECT

Nebras Power along with Indonesian government-owned electric utility Perusahaan Listrik Negara (PLN) and state-owned power producer Pembangkitan Jawa-Bali (PJB) has inked a heads of agreement (HOA) for what will be a gas to power (GTP) project. Read more...

VIDEO OF THE WEEK



PHOTO OF THE WEEK



The star symbolising Messina Line roro vessel as seen across the Jebel Ali Container Terminal from CMA CGM Andromeda.

QUOTE AND PROVERB OF THE WEEK

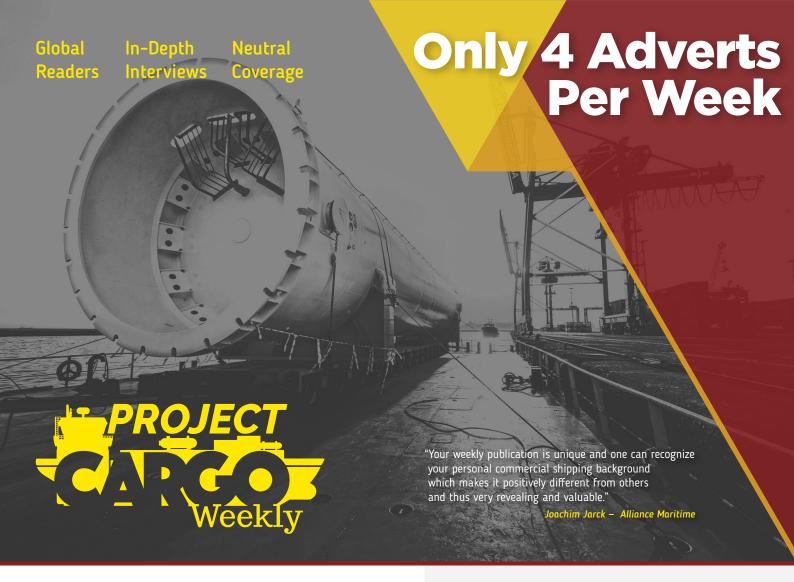
"COURAGE IS THE FINEST OF HUMAN QUALITIES BECAUSE IT GUARANTEES ALL THE OTHERS"

- Winston Churchill -

"A WISE MAN MAKES HIS OWN DECISIONS; AN IGNORANT MAN FOLLOWS PUBLIC OPINION"

- Ancient Malaysian Proverb -





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