



**NEW SECTION: OFFICE IN FOCUS** IF YOU DON'T **CRUISE YOU LOSE NEW WILHELMSEN** WEBSITE FUTURE FOCUS DIGITAL INNOVATION

### Dear colleagues,

2016 has in many ways been a milestone year and it is pleasing to report that we have delivered on many of our strategic ambitions. Those of you following company news closely will have noticed the announcements of significant structural changes since my last WW World address. The changes are further explained on pages 4 and 5. However, I want to give you the overarching rationale behind these initiatives; given the tough markets and difficult times in the maritime industry, we need to become more efficient and smarter in how we are providing our products and services to our customers.

Many of our divisions and companies in the Wilhelmsen group have done cost saving initiatives for a long time already, and I admire the stamina and work ethic of all who endure these times. At the same time. our structural changes invite a smarter way to work. By structuring ourselves with improved governance models and more agile postfolios, we can easier control our group and through this run our operations smoother, quicker and more cost efficient than in the past. It contributes to what makes us the shaper of the maritime industry – our ability to endure tough times, adapt, and produce value for our customers no matter the situation. We have done it before, now we are doing it again. 2016 and 2017 will be years of considerable change, representing a challenge for many, but at the same time we will most likely see significant opportunities arise. This is a unique chance to prove what we are made of.

In the Wilhelmsen group, we take tomorrow seriously and we need to balance challenging restructurings with investments for the future. The maritime industry did not jump on the digital train as quickly as other industries. However, Wilhelmsen is climbing on board now. In this issue, you can read about some of the ideas, initiatives and projects leading us in the right direction. While reading about the highlighted initiatives in this issue, please remember that if you have ideas on how to improve our business, make yourself heard. Your colleagues want to know and I want to know. We have so much talent to draw upon in the Wilhelmsen group. There are thousands of potential stories and work we can highlight. The bottom line is; Wilhelmsen is on the ball. We are not standing by looking at the world moving past us. We are aware, we are awake and we are committed to be a leader also in the future. To succeed, we must take tomorrow seriously.



Group CEO

### WWORLD CONTENTS

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### TIP US!

YOU'VE GOT NEWS? Give us a tip! Please send an email on stories that you might think are interesting in WW World. Please use: marius.steen@wilhelmsen.com. Since our group consists of over 24 000 employees located in over 72 countries worldwide, we are depending on you to tell us in the editorial staff what's going on.



Wilhelmsen is in the middle of constant change. We cannot control the markets. However, we can control

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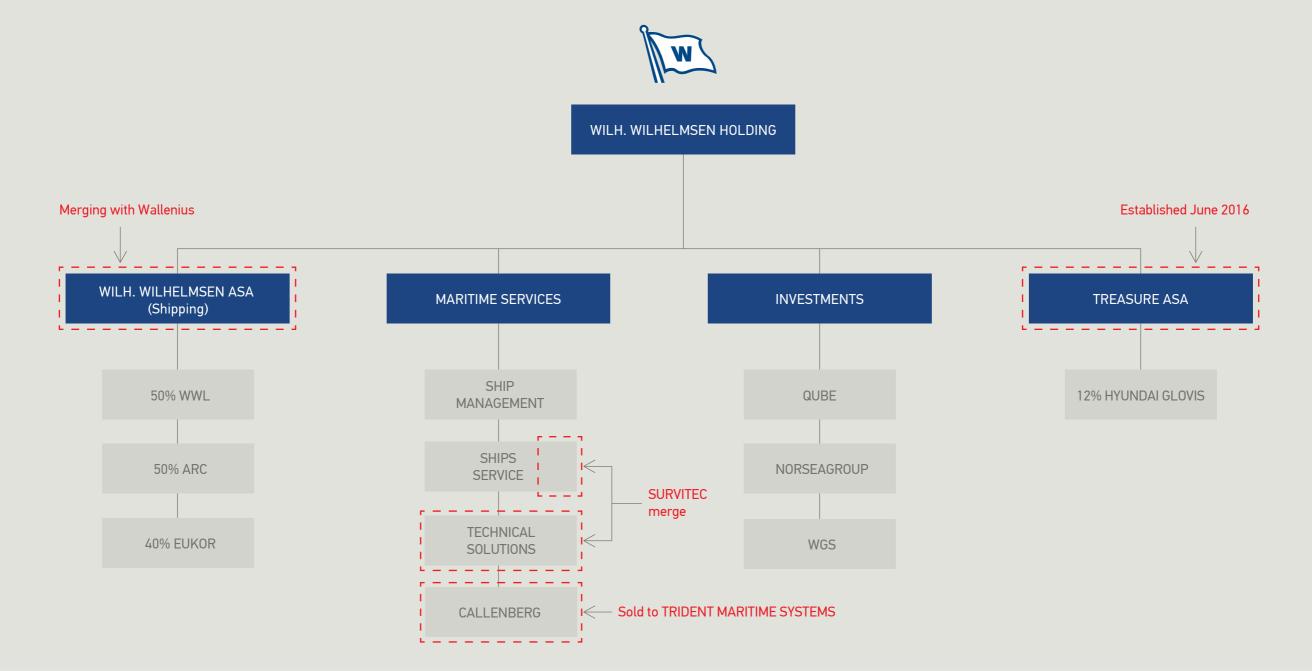
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# **GROUP STATUS**

Wilhelmsen is in the middle of constant change. The world economy is slow. So are the markets in which we operate. However, we can control the way we approach the world around us and how we adapt.

2016 has so far sparked several changes in the Wilhelmsen group. We listed our third entity by placing Treasure ASA on the Oslo Stock Exchange. Treasure ASA is the holding company for our shares in Hyundai Glovis - a South Korean logistics company, where we own 12% of the shares. Wilh. Wilhelmsen ASA (WWASA), the car- and ro-ro division of the Wilhelmsen group no longer own these shares. This move more clearly defines the value of WWASA, which also simplifies the next activity - merging WWASA with Wallenius.

In September, WWASA signed a letter of intent with our Swedish partner Wallenius to establish a new ownership structure for their jointly owned companies. That means intending to create the company

Wallenius Wilhelmsen Logistics ASA, listed 20% stake in Survitech, which will ensure on the Oslo Stock Exchange. Upon completing the transaction, this will be a giant shipping company firmly grabbing the leading international car- and ro-ro market position. Wallenius Wilhlemsen Logistics ASA will be located in Norway and headed by Craig Jasienski, today CEO of EUKOR Car Carriers and Wallenius Wilhelmsen Logistics.

Within the Wilhelmsen Maritime Services **(WMS) portfolio** we have done two major changes, the first was merging Wilhelmsen Technical Solutions and the maritime safety section of Wilhelmsen Ships Service into the Survitec Group. Survitech is a world leading company within marine, offshore, defence and aerospace survival technology. Upon completion of the merger, WMS will hold a

Wilhelmsen's continued and significant involvement in a key market that is driven by regulatory requirements.

After having tried for some time to sell Callenberg Technology Group, we were able to secure a deal with Trident Maritime Systems. We have in Trident and their principal, J. F. Lehman & Company, found a strong new owner of Callenberg. Having a new owner that operates within the same technology areas, creates a perfect environment for employees, customers and future growth of Callenberg with Trident.

The markets in which our group companies operate are going through rapid change and require more agile and efficient business models. The future will continue to hold changes for Wilhelmsen. Companies who do not change, those who stand still and let others pass by, will fail. The Wilhelmsen group has constantly changed throughout its lifetime. It is the way we manage change and how we move forward that define our

Succeed we will. With our structural changes, we are very well positioned for growth, for grabbing market shares, and for continuing to provide value for our customers. We have the largest maritime network in the world. We have the best maritime employees in the world. Our brand is well respected and recognised within the maritime world. We are perfectly positioned to continue to shape the maritime industry.

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### WW NEWS



In September, a new partnership structure was announced for Wallenius Wilhelmsen Logistic (WWL), EUKOR Car Carriers and American Roll-on Roll-off Carrier (ARC). We own all three companies together with Swedish-based Wallenius\*.

he new structure builds on a NEW MANAGEMENT partnership with Wallenius dating back to 1999. Our goal with the merger is to create an efficient and agile platform to ensure a world leading position within seaborne transportation of cars and rolling cargo.

By merging our ownerships, one company will own 100% of WWL, 80% of EUKOR\* and 100% of ARC. In addition, to the ownership, we are merging our vessels and affected assets and liabilities. One common management is much more efficient than the existing structure with several owners and boards.

The company will be named Wallenius Wilhelmsen Logistics ASA. The abbreviation ASA means that the new entity will be listed on the Oslo Stock Exchange. Wilhelmsen and Wallenius plan to own approximately 40% of the new entity each. The remaining shares will be owned by external shareholders.

Craig Jasienski is now CEO and President of both EUKOR and WWL. Craig will head up the new company once the formal agreement is in place and all the necessary financial and legal processes have been conducted.

Mr Ian Evvin Wang, president and CEO of Wilh. Wilhelmsen ASA, heads up the legal and financial transaction from Wilhelmsen's side.

There is a great potential to grow the logistics footprint further. Chris Connor, who used to head up WWL, now leads a project aiming at accelerating growth within the land-based segment.

#### **FIRST OUARTER 2017**

Wallenius Wilhelmsen Logistics ASA is expected to commence business during the first quarter of 2017. Establishing the new structure requires a few important steps. Early September, we signed a letter of intent describing what we want to achieve.

The next steps include agreeing on the terms for the company, fulfilling legal and financial requirements, acquiring approval from competition authorities and setting up the necessary structures to launch the company to all stakeholders. We expect to complete the transaction within the first quarter of 2017.

The new entity will be based in Norway. Exactly where the head office will be located is up to the new company to decide.

#### CHALLENGING MARKET REQUIRES **FUNDAMENTAL CHANGE**

Like the majority of the maritime industry, the car carrying and ro-ro markets have been challenging for years. The proposed structure is necessary to rectify the fact that Wilhelmsen's shipping activities are underperforming.

In addition, the markets in which the companies operate are going through rapid change and require a more agile and efficient business model.

By making fundamental changes, we will create a more cost-efficient structure and not least enable synergies between the ship operating companies. This is necessary to ensure a world leading company within the car and ro-ro segment and to create a platform for future growth.

#### **GOING FORWARD** FOR THE GROUP

There will be no immediate changes for ship management, insurance service and ship service following the establishment of the new company.

Changes in one way or form over

time is certain. Our key goal must always be to deliver the quality expected by our customer, irrespective of how they are linked to the Wilhelmsen group.

Craig Jasienski, CEO

and WWL.

and president of EUKOR

Wilhelmsen is much more than a shipping company, with more than 50% of underlying profit coming from logistics and maritime services. We are positioned to grow organically and through mergers and acquisitions, and have financial flexibility to act on the right opportunities. It all boils down to finding the perfect match, building on our core competencies and global network.

\* 20% of EUKOR is owned by Hyundai Glovis.



### **WILHELMSEN ON THE WEB**

The whole group is enjoying a fresh new look online, thanks to a project that was brought in on time and on budget.



Rather than split into internal group divisions as before, visitors are given an initial choice between car and ro-ro, marine products, ships agency, marine logistics, marine Safety and ship management. This presents a more customer-friendly view of the Wilhelmsen group and makes it easier for customers to understand the depth and breadth of what the group offers.

The benefits are many, explains Digital Communication Advisor, Stacey Trodal:

"We see that there is an absolute necessity for people to be able to access information from anywhere and any device. The new website is mobile responsive so it will automatically adjust to display perfectly across different devices: Desktops, laptops, tablets and smartphones. Also, when a visitor returns to the website, the content they see will be tailored to their unique requirements based on the actions they performed

Not only does the website give the Wilhelmsen group greater visibility online, the platform provides benefits internally too. Sales teams will benefit as the content is flexible and easier to update. The new website is expected to perform better in search engines and give the Wilhelmsen group a wider digital footprint.

However, this is just a step in the wider digital transformation of the business, explains Trodal.

"It's important for us to make continual improvements to our digital platforms. We see the digital expectations of our customers changing constantly and we need to adapt. If we are to stay at the forefront of our industry, attract new business, provide existing customers with the best possible experience and attract new talent, we need to be agile and use the best tools and technologies available to us."

The new website was developed by an external partner but involved a project team made up of representatives from each company within the group. Check out the website today on whatever device you have at hand at www.wilhelmsen.com.

## **WWNEWS**



# 20 YEARS OF SERVICE IN CHINA

Celebrating two decades in China, our agency business continues to thrive despite the slow-down in the Chinese economy.

Group CEO Thomas Wilhelmsen visited Wilhelmsen Huayang Ships Service (WHSS) to celebrate their 20th anniversary earlier this year. Over 140 clients, guests, employees and friends were entertained by traditional Chinese folk performances.

### WILHELMSEN SHIPS SERVICE IN CHINA IN

Wilhelmsen formed a joint venture with Huayang Maritime Centre in 1996. Huayang is owned by China's Ministry of Transport.

20 years later, Wilhelmsen/Huayang is the strongest international agency company on the ground in China, both in terms of business volume and network reach. Last year, 5000 port calls took place.

Wilhelmsen/Huayang provides a single point of contact at the initial stage of an agency inquiry, with Shanghai acting as the hub for all of China. By establishing its own agency offices at the major ports in China, Wilhelmsen/Huayang is able to liaise with the local ports and understand their particular and often inconsistent rules. This means Wilhelmsen/Huayang can provide clients with all the information necessary for a smooth call even before the vessel arrives.

#### A GROWING ECONOMY

China's economy grew 6.7 % year-on-year in Q1 2016, the lowest growth since the financial crisis of 2009. However, China remains one of the fastest growing economies in the world and is actually growing more today in absolute terms, than it was at double-digit growth figures in the mid-2000s.

Commonly known as the world's factory, China imported 2.11 billion tons of raw material and products by sea in 2015 and exported 570 million tons the same year. China controlled almost 5,000 vessels at the beginning of 2016 making it the world's largest fleet.

Chinese shipowning is dominated by government-controlled entities. While Dry bulk, Container and Tankers dominate the current fleet, Gas and Cruise are two key segments of interest, expected to grow over the next years.



WHSS and Wihelmsen staff together at the anniversary. MC's Ms. Lisa Zhang and Mr. Jeffery Yang from WHSS in red and tuxedo.



Group CEO, Thomas Wilhelmsen attending the 20 year anniversary in China.



From left: Ms. Zhang Ke, Finance Director of Huayang Maritime Center; Capt.Bi Yuping, MD of WHSS; Mr. Zhang Baochen, Chairman of Academic Committee, China Waterborne Transport Research Institute; Mr. Thomas Wilhelmsen, Group CEO, WWH - Wilh.Wilhelmsen Holding; Mr. Neal De Roche, Vice President Asia Pacific, WSS Regional Vice Presidents; Mr. Wang Lei, the General Manager of Huayang Maritime Center; Mr. Liang Tiancai, the Deputy General Manager of Huayang Maritime Center.



### **STAY CONNECTED**

Do you know about all the places you can connect and engage with WW group companies online? Stay in touch with the activities of our global network on these channels.

### 

WILHELMSEN GROUP

Twitter: @Wilhelmsengroup LinkedIn: Wilhelmsen group

Facebook: Wilhelmsen group/@Wilhelmsengroup

Instagram: wilhelmsengroup Youtube: Wilhelmsen group



#### WILHELMSEN SHIP MANAGEMENT (WSM)

**LinkedIn:** Wilhelmsen Ship Management (Showcase Page)

Facebook: Wilhelmsen Ship Management/@ Wilhelmsenshipmanagement



#### **WILHELMSEN SHIPS SERVICE (WSS)**

Twitter: @WSSNetwork

**LinkedIn:** WSS Ships Agency Port News (Showcase Page)



#### **WALLENIUS WILHELMSEN LOGISTICS (WWL)**

Twitter: @WWL\_2wglobal

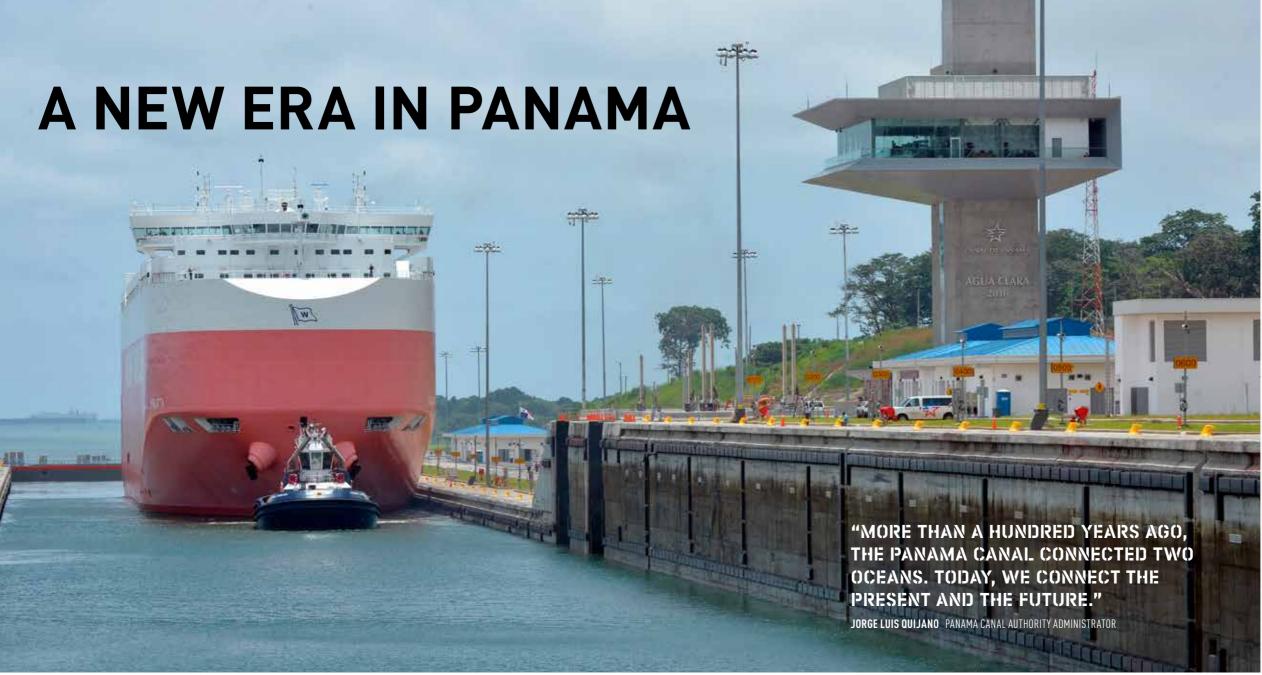
**LinkedIn:** Wallenius Wilhelmsen Logistics **Facebook:** Wallenius Wilhelmsen Logistics/

@2wglobal

**Google+:** Wallenius Wilhelmsen Logistics **Youtube:** Wallenius Wilhelmsen Logistics

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### WW NEWS



Our new Post-Panamax vessels are especially built to fit the new dimensions of the Panama Canal.

In June, thousands of people celebrated the opening of the new and wider Panama Canal locks, doubling the canal's capacity and allowing much larger vessels to cut across Panama between the Pacific and Atlantic oceans.

he expanded canal was opened by Panama Canal Authority Administrator, Jorge Luis Quijano, who introduced the "third set of locks" concept to the world's maritime community under the motto "The Great Connection".

"More than a hundred years ago, the Panama Canal connected two oceans,"

Quijano said. "Today, we connect the present and the future. It is an honour to announce that we did it together, providing this great connection to the world. This is the beginning of a new era."

On June 26, the inaugural transit of the Neo-Panamax Canal began as MV COSCO Shipping Panama passed through the new Atlantic locks in Aguas Claras. WWL representatives witnessed the transit from Cocoli Locks on the

Pacific side, where Panama President Juan Carlos Varela led the opening ceremony attended by more than 25,000 jubilant Panamanians, canal employees and customers, shipping and trade executives, as well as heads of state and dignitaries from around the world.

The Panama Canal has doubled its capacity with a new traffic lane combined with the expanded width and depth of the lanes and locks for larger ships to pass through. The new, larger size of ships, called Neo Panamax, are about one and a half times the previous Panamax size and can carry over twice as much cargo.

Mary Carmen Barrios adds, "As a Panamanian, I am very proud that the expanded canal project has been completed. WWL has been part of this achievement with every single booking and transit made through the waterway."

## NEW TRANSIT SOLUTION FOR PANAMA CANAL

We are moving to ensure that its customers' vessels pass through the new Panama and Suez Canals with the optimum efficiency, speed and safety thanks to a fresh Ships Agency 'canal transit' solution.

PANAMA: The service, which will be run by dedicated local teams, has already picked up its first contract, securing an agreement with leading very large gas carrier (VLGC) owner and operator Avance Gas for the Panama Canal transit of its neo-panamax ships Passat and Breeze.

WSS is answering market demand with a service that will help customers maximise the potential of new shipping infrastructure projects.

"The expansion programmes have the potential to deliver huge time, capacity and cost efficiencies for shipowners and operators, but only if their transits are problem free," explains Steffen Langlete, Product Manager, Ships Agency WSS.

"We are very excited about the

current development going on in our ships agency business. The Canal Transit offer is just one of many upcoming offers from our product and services portfolio," he adds.

Speaking about the on-going
a agreement with Avance, Account
Manager Eric Ramm adds: "WSS
Agency has a strong relationship
with Avance, which appreciates our
global network and standardised
high quality services for its diverse
international fleet.

"We understand their needs and they understand the benefits of our integrated service, products and expert staff. We're delighted that they're the first customer to take advantage of this brand new service and look forward to many more canal transits with them, and our other valued clients, in the future."

#### THE EXPANDED PANAMA CANAL

ANNUAL TONNAGE
TRAVELLING through the
Panama Canal will increase by
118 %, from 275 million tonnes
to 600 million tonnes. While the
expanded locks are wider and

deeper than before, they use less water because of water-saving basins that recycle 60 per cent of the water used per transit. USD 5.25 billion has been invested in this nine-year-long project.

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# **HOW LEAP KEEPS** WILHEMSEN AHEAD OF THE CURVE

The world is changing fast and it requires new competencies in all areas of business. Wilhelmsen's Leadership Advanced Programme (LeAP) was created to ensure group skill sets remain ahead of the curve.

Words Eeva Haaramo Photos Lal Nallath Photography

ndustries around the world are being transformed by disruptive companies, new technologies and groundbreaking innovations-and the shipping industry is no exception. Business leaders today need to be able to deliver optimal results while looking for new solutions and adapting to the changing landscape around them. This is why two years ago Wilhelmsen's WW Academy launched its leadership development programme 'LeAP' in collaboration with the US-based Thunderbird School of Global Management.

"The primary purpose of LeAP is to develop global leaders who can lead the company successfully and drive growth by both seeing and adapting to current and future business challenges with greater vision and agility," savs Hilia Tuori, Head of WW Academy. "While the focus is on leadership development, it is also about driving transformation throughout the organisation."

In practice, LeAP runs over a six-month period during which nominated senior leaders participate in two training modules and between modules they work in a global, virtual team. And the participants have to meet high standards. The programme includes coaching, experimental activities and inmarket visits, all aimed at honing the leadership mindset and skills needed to handle the impact of market disruption and understand the megatrends which shape it.

is used to evaluate how each participant is seen by their superiors, employees and peers. Lee Ann Del Carpio, Academic Director of LeAP at Thunderbird, even says to all new participants: "Discomfort is where real learning happens. So if you feel uncomfortable during some of the activities, that's good" - and she is only half joking.

"We have to help leaders get comfortable a global leader then we are not doing our job

#### EMBRACING EXPERIMENTATION

Del Carpio has worked with LeAP from the start and has seen 32 senior leaders from all Wilhelmsen's business sectors participate in the programme. In particular, she has been impressed by the level of openness across the group and the readiness to learn and try new approaches.

"Our leadership assessments show that Wilhelmsen leaders are very strong at operational excellence. They are decision-makers who invite participation, treat people well and delegate," Del Carpio says. "There is also an eagerness to listen and learn which is a great thing. We see many leading organisations in different industries who fail by falling into the trap of self-satisfaction and

In addition to this a '360 feedback' process

with being uncomfortable. If you aren't stepping out of your comfort zone, trying out new approaches and expanding your thinking like properly," Del Carpio explains.



Members of the LeAP programme learn about innovation in all aspects

of operations for Emirates airlines.

Thunderbird has also been happy to see the LeAP graduates put their learning into practice. They have taken an active role in introducing key new projects and participating in experimental initiatives exploring the impact of various megatrends (such as digitalisation) on the organisation.

But there is always room for improvement. The same assessments show that the Wilhelmsen group still has a fairly conservative business culture. There is an opportunity to push leaders to have more future focus, embrace more experimentation and lead



Lee Ann Del Carpio. Academic Director of LeAP.

others proactively through change. Del Carpio emphasises that the major leadership challenge today is how to maintain the operational excellence of existing business models while inspiring innovation in the organisation.

This is what LeAP participants are also learning by looking at the example of other major companies. In early 2016, the programme visited Emirates airline's headquarters in Dubai to discover how the company is adapting to the new era of disruption.

In a fast moving world, Thunderbird has learnt the most important trait is good lead-



ership. Leaders must actively recognise both the need for change and have the passion to implement it. Companies must see technology as a means to create new value and business models, instead of just improving existing processes. They have to be ready to move quickly and turn ideas into practical experiments.

And Del Carpio has good news: Wilhelmsen is on the right track.

The Special report on digital innovation



igital technologies have had a dramatic impact on our lives thanks to the evolution of the internet, smartphones and social media. The same opportunities and challenges also now signal a new era for business and Wilhelmsen is meeting this head on with its new Digital Solutions Team.

"We are seeing a lot of innovative large and small digital initiatives happening all around the group," says Christian Berg, CFO and head of the Technology Advisory Group at Wilhelmsen. "Our intention is not to take them under group ownership, but to gain a better understanding of what is happening inside the group and support people working with these projects."

The Digital Solutions Team will help Wilhelmsen's different divisions in developing their digital business opportunities while also looking for new initiatives that could benefit the whole group. It will also be responsible for boosting digital competence and sharing good ideas across the organisation.

"The team will provide expert advice for digital projects and act as a sparring partner with them, explains Jon Nordgard, Strategy Manager at Wilhelmsen. "There are also many projects that don't really belong to any specific business unit and previously these could fade away even if they were interesting from a group perspective. Now these projects can belong to the Digital Solutions

#### **CHALLENGE THE STATUS QUO**

While the Digital Solutions Team acts as its own independent unit, it is not working alone. The team reports to Wilhelmsen's global management group and is guided by the Technology Advisory Group, which has been a driving force in forming the new unit. The advisory group has a representative from each of Wilhelmsen's business areas to make sure everyone's voice is heard.

At the moment Wilhelmsen is looking for a team leader with proven skills in the digital world and deep understanding of digital business models. That person will be in charge of building the rest of the team over the next few months.

The first task for the digital team is to closely integrate with Wilhelmsen's business units and understand their operating models, needs and goals. But the team must also be ready to work with each unit to question the existing structures and disrupt old processes.

"We have to ask if our current business streams are the ones we will need tomorrow and the day after tomorrow, or if we should find new models which work better for our customers," explains Berg.

Berg believes the Digital Solutions Team will motivate transparent innovation across the group and become a place where people can share and advance their ideas with like-minded people. It is all part of creating a corporate environment well prepared for the digital age.

"The world is changing fast and many industries are being disrupted by digital technologies. It is only a matter of time before it transforms us and we need to be ready for that," Berg concludes. ■

"THE WORLD IS CHANGING FAST AND MANY INDUSTRIES ARE BEING DISRUPTED BY DIGITAL TECHNOLOGIES. IT IS ONLY A MATTER OF TIME BEFORE IT TRANSFORMS US AND WE NEED TO BE READY FOR THAT."

CHRISTIAN BERG CFO AND HEAD OF THE TECHNOLOGY ADVISORY GROUP

#### **ABOUT THE DIGITAL SOLUTIONS TEAM**

- It is a full-time team starting with a core of 3-5 digitalisation experts.
- It is responsible for Wilhelmsen's digital strategy.
- It will work to find digital synergies across the Wilhelmsen group, enhance its digital competencies and drive innovation.
- It will assist different business areas to develop new digital services and processes.
- The team reports to Wilhelmsen's global management board and works closely with the Technology Advisory Board.



HR specialist, Axel Kronen Grønning and WW Academy learning manager, Emilie Wågsæther.

# DIGITAL TRAINEES REPLACE THE MARITIME TRAINEE PROGRAMME

With the maritime trainee programme on hold due to a dampened industry outlook, the Wilhelmsen group heads to new frontiers in our hunt for future talent.

AFTER 10 VERY GOOD YEARS and 20 highly skilled maritime trainees within the Wilhelmsen group, The Norwegian Shipowners' Association decided to put the "maritime trainee programme" on hold. Especially offshore companies could not continue with the focus and funds needed to sustain the maritime trainee programme. Therefore, Wilhelmsen decided it was time to take a different approach and make our own programme. This time however, we will have a very specific agenda: create a programme that attracts talent for the digital future. Our company depends on it.

"We decided to create the digital trainee programme now that we saw an indefinite pause in the maritime trainee programme", says Emilie Wägsaether from Wilhelmsen Academy and Axel Kronen Grønning from Wilhelmsen HR. They both emphasise that pausing the old trainee programme opens a much-needed doorway into creating an exciting and relevant digital talent programme. "We have always been very fortunate with the

excellent talents we acquired through the maritime trainee programme, but this new opportunity enables us to purposely seek pure digital competence and mind-set", says Axel.

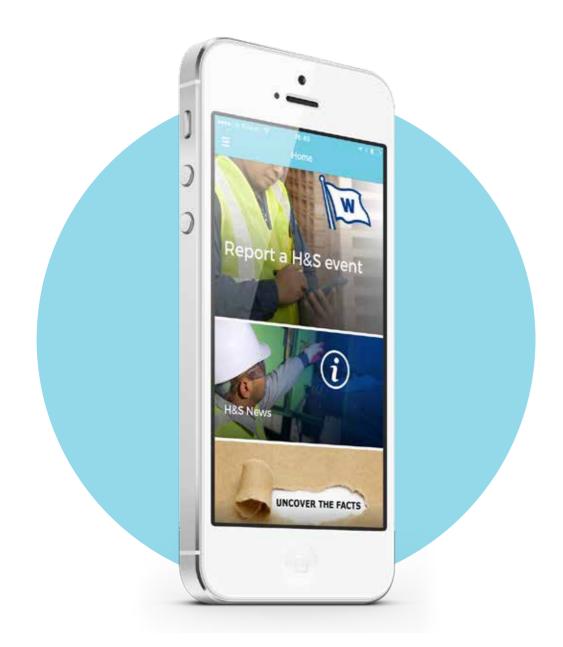
The digital trainees are expected to be in place beginning of 2017. The recruitment process has already started. Once on board, the digital trainees will rotate a minimum of two times during the 18-month long programme. "We will find and recruit two digital trainees. They will work on digital projects in the group, with a clear goal of supplementing the work being done and challenging our ways of thinking", says Emilie. Once the 18 months are over, each trainee will rotate into the digital solutions team, which you can read more about in this issue.

Emilie and Axel agree; "Withelmsen is arming itself with a new breed of maritime employees. The markets and the world has already entered a new time. We simply have to keep up. New skills are needed to support the solid competence and knowhow we already have".

Wilhelmsens health and safety app, special report continues.  $\longrightarrow$ 

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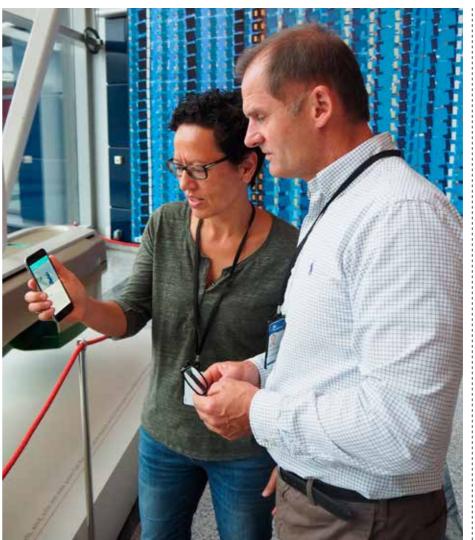
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# NEW APP HELPS PROMOTE HEALTH AND SAFETY CULTURE

A brand-new health and safety app will be available to employees across the Wilhelmsen group starting in 2016. The app is part of the company's strong commitment to promoting health and safety among its employees and in its activities.

**Words** Isabelle Klieger **Photos** Wilhelmsen



Melanie Moore and Jørn-Even Hanssen, members of the HSAT team, going through the app features.

roviding an environment that ensures the wellbeing of all employees is not only a legal requirement, it is also a key priority for any responsible employer like Wilhelmsen," says Jørn-Even Hanssen, group vice president for human resources.

The Wilhelmsen health and safety app is being developed by the Health and Safety Advisory Team (HSAT); a newly formed group that is responsible for promoting health and safety in the Wilhelmsen group.

Jørn-Even, who leads the HSAT, is one of the people behind the new app. He explains that it was created to enable employees to increase their safety awareness.

### EASY WAY TO REPORT A HEALTH AND SAFETY DISK

"The app was built for our employees to encourage safe, responsible behaviour every day," says Jørn-Even, adding that employees will be able to use the app to report a health and safety incident, accident or even make an observation about an area that needs improvement.

The app will also connect employees with health and safety-related information, as well as news and tips for everyday activities. Important details about the various sites and offices have also been built into the app, giving both local employees and visiting colleagues immediate access to local emergency procedures and contacts.

### BUT WHY AN APP, AND NOT A WEBSITE OR INTRANET PAGE?

"With mobile phones in almost every pocket these days, the app allows employees to connect on the spot if something happens or when they have an improvement idea," continues Jørn-Even.

"In the past, people sometimes didn't know what to do next if they saw something risky, but now they have an easy-to-use tool at their fingertips," he says.

Once an incident has been reported, the information is filtered through to a team of health and safety professionals who are responsible for following up, identifying the cause and planning corrective actions.

#### **ENCOURAGING FEEDBACK**

The response so far from employees involved in testing the app has been positive.

"It seems people want these kinds of applications in their day-to-day work," says Jørn-Even. "I'd like to take this opportunity to encourage everyone to make his or her own personal contribution to improving safety in the company by learning more about health and safety and reporting incidents when they occur."

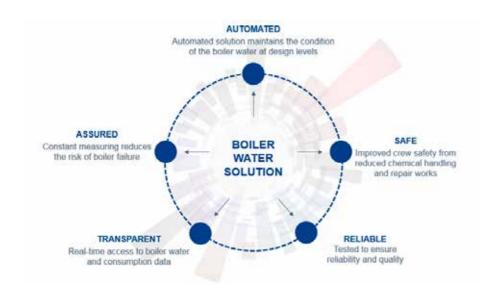
#### **QUARTERLY H&S REPORTING**

The group behind the app, known as the HSAT, was formed in Q4 2015 to foster a health and safety culture throughout the Wilhelmsen group. It consists of seven people from Wilhelmsen Ships Service, Wilhelmsen Ship Management, Wilh. Wilhelmsen ASA, and Wilh. Wilhelmsen Holding.

In addition to the app, the HSAT has also implemented a new, quarterly health and safety reporting structure that will assess health and safety in each business area according to a series of industry-standard metrics. The metrics, which range from absence rate due to sickness, to work-related injuries and total safety observations, will be used to improve attention to health and safety across the group.

"We're fully committed to creating a group-wide health and safety culture because we care about our employees and colleagues. By mapping and understanding the trends across our business, we'll be able to change our behaviour and promote a more health and safety conscious mindset and culture throughout the company," concludes Jørn-Even.

Our special report continues, read all about WSS' new state-of-the-art device.



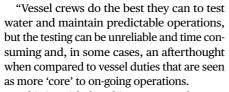
# WSS INNOVATION TO SOLVE PROBLEM OF ON-BOARD BOILER FAILURE

A brand-new innovation from Wilhelmsen Ships Service (WSS) is set to make vessel boiler failure a thing of the past. The device, which has been developed in response to growing demand from the market, will reduce downtime and cut repair costs for customers.

> Words Isabelle Klieger Photos Wilhelmsen

hen a boiler fails on board a vessel, it is often the result of incorrect treatment of the boiler water. However, a state-of-the-art device from WSS is now set to revolutionise the reliability and management of boiler water dosing. Rune Nygaard, WSS Business Manager, Water, explains that this digital, cloud-based, automated boiler water dosing solution from WSS is the first of its kind in the shipping market.

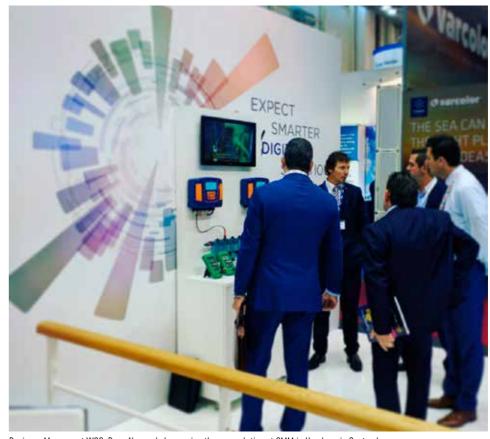
"It's a development we've made in response to very clear customer demands," he comments. "Boiler failure is an ever-present danger, with repair costs often amounting to between USD 80,000 and USD 180,000, and that's before any related vessel downtime has been taken into consideration.



"This is a risk that ship owners and operators shouldn't need to take," adds Rune.

The device, which has evolved from concept to finished product in just three months, reduces the risk of boiler failure and the need for manual testing by crew, and offers a connectivity that enables on- and offshore data sharing. The solution measures the relevant boiler-water parameters, before communicating this data to the command unit, which then doses the boiler water chemicals. This ensures that the boiler water is always well maintained and fit for purpose. Sensors for condition monitoring of the boiler water.





Business Manager at WSS, Rune Nygaard showcasing the new solution at SMM in Hamburg in September.

### "BOILER WATER TESTING AND RELIABLE BOILER OPERATION IS A KEY ISSUE FOR SHIP OWNERS AND MANAGERS. WE'RE PROUD TO BRING AN INNOVATION TO THE MARKET THAT TACKLES AN ON-GOING PROBLEM."

RUNE NYGAARD WSS BUSINESS MANAGER

"The automation further reduces risk by correctly managing the chemical dosage, thus negating human error, while ensuring that crew no longer need to handle these chemicals," Rune explains.

This innovative new solution is yet another example of how WSS is using digital tools to help ship owners and operators predict problems on board their ships and resolve them before they cause unnecessary stoppages and costly repairs.

"The industry as a whole has been talking about the future of the connected ship and how to use big data for years. The future is now for us. The digital platform we've developed, which the automated dosing unit uses, is the base on which we're building the next generation of solutions," continues Rune.

"Limiting the need for time-consuming, and often inaccurate, boiler water testing by the crew, while reducing the risk of the treatment chemicals being handled incorrectly. the WSS dosing system will greatly reduce the risk of boiler failures," he says.

The WSS automated boiler water dosing solution has been thoroughly tested and will be piloted aboard ten vessels for final refinements. It will soon be ready to be released to market.

"Boiler water testing and reliable boiler operation is a key issue for ship owners and managers worldwide," Rune concludes. "So, we're proud to bring an innovation to the market that tackles an on-going problem, giving our customers the confidence they need to focus their time, resources and crew on other areas within this demanding, rewarding industry."



Control unit for automatic dosing of the treatment chemicals.

### WILHELMSEN OFFICE IN FOCUS



Group Photo of WSS Dammam Head Office staff.

# **Celebrating 40** years of WSS in Saudi Arabia

When Wilhelmsen Ships Service (WSS) opened its office in Jeddah. Saudi Arabia. in 1976, it had 20 employees who were tasked with looking after the liner trade in the Kingdom. Today, its presence has grown to ten offices with 200 members of staff. WW World has taken a look at WSS in Saudi Arabia – then and now.

Words Isabelle Klieger Photos Naif Al Buraik ! -------

n the 1970s, a massive construction boom was taking place in the Kingdom of Saudi Arabia. To support this expansion, Wilhelmsen set up its first Saudi office in Jeddah in the summer of 1976, followed by a second in Dammam later that year. For about a decade, these offices mainly supported the liner trade. handling cargo arriving into Saudi Arabia from every corner of the globe.

Fast forward 40 years and WSS is now represented by ten offices throughout the Kingdom, including seven on the East Coast with their Head Office in Dammam and three on the West Coast with Jeddah as the main office. Between them, they employ 200 members of staff, from 16 different nations around the world, speaking 19 languages, with a total of 570 years of WSS experience between them.

Angelo Cachia is the general manager for WSS in Saudi Arabia. While he himself joined WSS three years ago, he says many of his team members have spent two or even three decades with the company.

"We have an extremely loyal, hard-working team here in Saudi Arabia," he comments. "The first things you notice are the strong sense of team spirit and the positive attitude and dedication of our people. I'm very proud of our staff retention rate, which is in no small part due to the great atmosphere we have here."

Today, WSS in Saudi Arabia covers all WSS business streams. Its main segments are Ships Agency - where it offered its services to some 2,000 vessels last year, including ancillary services such as Cash To Master (CTM) and delivery of Ships Spares - as well as Maritime Logistics and Air Freight. With its range of marine products safely stored in the warehouses in Jeddah and Dammam, WSS is also able to cater for any vessel passing through the Red Sea or Arabian Gulf. Finally, WSS Saudi is general agents for the world's seventh-ranked container line Hamburg Sud, which has chosen WSS to represent it due to its expansion plans in the Kingdom.

Angelo says that, whereas in 1980 there were only five main shipping agencies in the entire country, there are now 25 or more, making the business climate today far more competitive than when WSS first arrived here. However, aside from this, most of the changes over the vears have been positive.

"Saudi Arabia has become far more developed, with a higher level of education, and better health facilities and infrastructure, including port development," he explains.

Things are also improving when it comes to equal opportunities - an issue that Wilhelmsen is keen to promote.

"Our first female employee joined the company in 2010 and we're proud to currently count 11 highly educated, able ladies among our ranks. We also have a female assistant manager in our HR department - something that would have been unthinkable here as little as 10 years ago," adds Angelo.

Whilst working in a hotspot like Saudi Arabia can be complicated at times, Angelo maintains that the positives far outweigh the negatives.

"Of course there are security concerns, but this country also offers a world of opportunity," he continues. "There's a great deal of business to be done and the day-to-day is more challenging and exciting than in Europe."

There are also advantages to working for an industry leader like Wilhelmsen in a country that is still in the early stages of developing its shipping sector.

"Although some local companies are now operating to internationally recognised standards, we stand out being a Norwegian owned maritime organisation. In the last 40 years, I believe WSS has shaped the Saudi maritime industry and that our competitors look up to us and measure themselves against our level of service," says Angelo.

"We wouldn't have achieved any of this without the leadership of our head office in Norway and the regional office in Dubai, and the experienced, able and loyal employees who have served this company over the past four decades," he concludes. ■



Finance Team lead by Mohammed Faleel.



WSS Saudi Arabia are proud of their female colleagues. Angelo Cachia, General Manager WSS Saudi Arabia.





WSS Liner Team who represent Hamburg Sud.

# SOLVING THE CRUISE SHIP CHALLENGE

As a world-leading provider of ship management solutions, Wilhelmsen Ship Management knows everything there is to know about keeping vessels ship-shape-even in the demanding cruise ship segment.



ith its global presence, Wilhelmsen Ship Management (WSM) covers all the lifecycle needs a ship owner may have - from building a new vessel, all the way to recycling it in the most environmentally sound way at the end of its service life. It also carries out service and maintenance, installs and manages engines and other equipment, and recruits and manages crewmembers.

WSM is responsible for the full technical management of some 160 ships, and also manages the crewing needs of a further 240 vessels, bringing the total number of ships in its charge to around 400.

Pål Berg Lande is Wilhelmsen Ship Management's fleet manager for the cruise ship segment, based out of the Oslo office. He explains that, while all vessels consist largely of the same parts and equipment, the solutions they require may vary a great deal from one type of ship to the next.

"You might think a ship is a ship, but there are some key aspects of cruise ships that make them very different to cargo vessels," he says.

The most crucial distinction is that cruise ships are full of hundreds - or even thousands - of guests who can often be extremely demanding. This means that any disruptions, from delays in itineraries to malfunctioning equipment, are simply unacceptable. Whereas most cargo ships require some 25 crewmembers, the cruise ships managed by WSM typically have around 70 maritime crew and an additional 400 staff working in the restaurants, shops and accommodation areas.

"When you have guests on board, different equipment is needed; from swimming pools and spas, to laundry services and a large galley. So, while the work itself may not differ that much, there's a lot more of it," adds Pål.

A ship full of people also requires a higher level of safety and security. Pål explains that sanitation and public health need to be strictly controlled, as a disease outbreak on a ship with 1,500 people on board would be unthinkable. Meanwhile, people coming on and off the vessel are subject to airport-like security, with metal detecting archways and x-ray machines for luggage and carry-on items.

Even with all these measures in place, it is not always possible to predict the behaviour of the guests themselves: "There was one adventurous passenger who jumped off a ship to go for a swim whilst inside one of the locks in the Panama Canal," Pål recalls. "Fortunately, he swam to the back of the ship and got back on board and nobody was injured."

Having already managed the World of Residensea, a private residential "community-at-sea" vessel for many years, WSM entered the traditional cruise ship segment three years ago when it signed Paul Gauguin Cruises as a customer. The company has one ship, The Gauguin, which offers up to 332 guests a five-star experience sailing around the South Pacific.

Since then, WSM has added a further two vessels to its cruise ship portfolio-Viking Star and Viking Sea. Owned by Viking Ocean Cruises, which will be expanding its fleet with two more vessels before the end of 2017, each of these state-of-the-art ocean ships offers the

930 guests on board a luxurious environment characterised by understated elegance and modern Scandinavian design.

Whilst most shipping segments have been through tough times in recent years, the cruise segment has been largely unaffected and is continuing to grow.

This is good news for Pål and his team of five people, which currently includes three vessel managers and two support staff.

"Shipyards building new cruise ships remain fully booked with long backlogs, so it's clear that the segment is doing very well. We intend to keep expanding as the market continues to grow," he concludes.



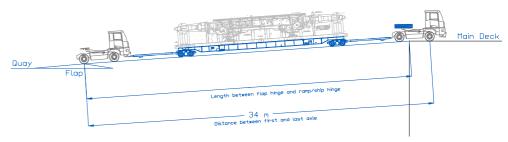
A 17 metre longwall shearer (EL3000), weighing 102 tonnes, left the Port of Zeebrugge, Belgium, bound for Port Kembla, Australia, on board the M/V Asian Emperor. A specially designed 16-metre Samson rolltrailer with low ground clearance was used to move and stow the machine for the sea voyage. The shearer, from leading construction and mining equipment manufacturer Caterpillar, was bound for Whitehaven Coal's Narrabri North mine in Australia. Although this was the second Caterpillar longwall shearer ordered by the mine, it was the first to be transported in one piece using a ro-ro shipping solution.

Caterpillar is one of the world's premier manufacturers of construction and mining equipment, as well as diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives. It employs more than 132,000 people across the globe, and in 2014 it posted revenue of more than USD 55 billion. Caterpillar's mining products are in use all over the world, from underground coal mines in China to surface gold mines in Mali to the oil sands of Canada.





A longwall shearer is used to cut coal from the coalface, the part of an underground mine where the coal is cut out of the rock.



An operational blueprint was developed by WWL to clarify the load distribution on the vessel's stern ramp during loading of the unit.

He explains that

communica-

tion was key

due to the tight

schedule, as

well as the fact

that the ship-

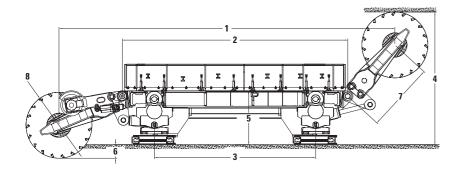
ment required

various types of

equipment.

longwall shearer is a complex piece of heavy machinery that is used to cut coal from the coalface, the part of an underground mine where the coal is cut out of the rock. The CAT EL3000 longwall shearer, manufactured by Caterpillar Global Mining at its plant in Lünen, Germany, was en-

gineered to meet the requirements of the most demanding longwall installations in the world. This particular piece of equipment was destined for Whitehaven Coal's Narrabri North mine in the Gunnedah Basin of New South Wales, Australia. Having set a new production record of 5.659 million tonnes the previous year, the mine ordered its second EL3000 shearer.



Due to the sheer size and weight of the machine, Caterpillar previously opted to transport equipment of this kind as separate components.

Due to the sheer size and weight of the machine, Caterpillar previously opted to transport equipment of this kind as separate components, dividing it up into parts prior to shipping. On arrival at the destination, the machine would then be reassembled before being transported to the end customer. On this occasion, however, Caterpillar was presented with a totally new option: the possibility of shipping this large, heavy and complex piece of equipment in one piece.

The advantages? It would reduce lead time by eliminating the need for a time-consuming reassembly process in Australia. It would also reduce costs and provide assurance of high transport quality.

"It's traditionally considered cheaper to ship this kind of cargo as separate components and pay for assembly at the destination," explains Shintaro Tsuchiya, WWL's account manager on the project. "By finding a way to ship the unit fully assembled, WWL was able to justify to the customer that ro-ro can, in fact, be an even better, cheaper, faster solution for large cargo projects."

In the mining industry, a delay of even a day or two can result in millions of dollars in losses, and since Caterpillar was on a very tight delivery deadline, timing was of the essence when selecting a transport solution.

As WWL's manager of the Caterpillar account in Europe, it was up to Tsuchiya to ensure that the project progressed smoothly, as well as coordinate the planning and communication between the customer and WWL. Throughout the project, regular contact was maintained between WWL and Caterpillar's transportation teams in Europe and Australia, Caterpillar engineers and project managers, as well as WWL's own naval architects. A key objective was to identify the most suitable handling equipment for loading and transporting the shearer without jeopardising transport quality.

"On this occasion, it was natural to seek out the expertise of WWL's cargo handling experts to ensure that we were exploring every possible risk and eventuality," Tsuchiya says.

Andreas Söderberg is a technical equipment adviser in WWL's Cargo Solutions team.



The coal shearer.

"The direct interaction with the customer enabled them to explain what they wanted and needed from WWL, allowing us to respond directly with suggestions for how best to comply with their expectations," Söderberg says.

The subject of how best to receive, load and transport the 17-metre, 102-tonne shearer as a single unit was discussed extensively among the respective teams. Various solutions were evaluated, but, ultimately, a specially designed 16-metre Samson rolltrailer with low ground clearance was chosen as the optimal handling equipment for the sea voyage. Söderberg then prepared an operational

blueprint of the handling process, which was first approved by Caterpillar and then shared with the port and vessel operators, to make sure everyone was on the same page.

The loading of the CAT EL3000 longwall shearer went off without a hitch. The shearer was rolled on board the M/V Asian Emperor on the Samson rolltrailer using two tugmasters. A third tugmaster with a wire rope was added to provide extra pulling power to move the heavy cargo train on board the stern ramp and into the vessel with complete safety guaranteed. The cargo was discharged on schedule in Port Kembla, Australia, and Caterpillar was able to meet its delivery deadline for Whitehaven Coal mine in New South Wales.

"We were pleased that WWL was able to comply with all of the special requirements to support Caterpillar in making this important shipment a success - from reducing the cost of shipping and meeting critical delivery times, to finding innovative solutions and setting up a close and successful collaboration," says Tom France, director of logistics and transportation management for Caterpillar.

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# THE FUTURE VESSEL

The "HERO" is the newest, most modern vessel type in Wallenius Wilhelmsen Logistics' fleet. The name, which stands for High Efficiency ro-ro carrier, refers to a stateof-the-art ship that is fully equipped to meet the customer needs of today and the future. For many years, vessel dimensions have been dictated by the size of the Panama Canal – one of the world's most important trade routes. However, with wider locks, WWL has taken the opportunity to build a new carrier type that is not only bigger, but more flexible and efficient. The result is the HERO.

### **5 REASONS** TO LOVE THE NEW HERO VESSEL TYPE

**FLEXIBILITY** In the fast-paced world of today. customer needs are constantly changing. WWL designed the HERO with liftable decks that support a wide number of configurations, thereby accommodating a much greater variety of cargo. The HERO is a form of hybrid between a ro-ro vessel

and a Pure Car and Truck Carrier (PCTC), offering all the flexibility of a ro-ro carrier, combined with the lightness of a PCTC. This vessel type supports WWL's ability to be flexible in responding to variations in cargo configurations, trades and regulations, preparing it for whatever the future may hold.

#### SUSTAINABILITY

WWL is committed to reducing the carbon footprint of its operations. The HERO's specially designed hull

shape, rudder and bow reduce drag and wave resistance, thus improving fuel efficiency. Some of the vessels have also been fitted with a new Exhaust Gas Cleaning system, which ensures compliance with the strict sulphur emission limits in the new Emission Control Areas and also reduces the emission of particulates. In addition to producing lower emissions of CO2 and NOx, the HERO also complies with the International Maritime Organization's quidelines on ship recycling.



#### **GLOBALISATION**

In today's globalised world. routes are becoming ever more

complex. With more WWL customers seeking access to developing markets, where ports are often less sophisticated, the issues of berth size and depth have started to pose a problem. The HERO vessels have a shallower draft, enabling them to call at more ports than other vessels. Vessels that can call at a greater variety of ports will prove increasingly useful as WWL seeks to expand its network to include smaller ports in developing countries.



#### **INCREASED WIDTH**

For more than a century, the world's seas. Now a wider set

of locks is giving operators the freedom to widen their vessels, allowing WWL to increase the capacity of the HERO. In some countries, such as Japan, ports restrict vessel length to 200 metres. With the HERO, WWL has extended cargo capacity considerably, without adding to vessel length. A wider vessel is also more stable, thus reducing the need to take on ballast water. Ballast water adds to vessel weight, thereby limiting cargo capacity, and can also be harmful to the environment.



#### **ZERO DAMAGE**

The HERO has been designed to support WWL's 'zero damage' cargo quality objective. During loading and unloading, a ship

might be compared to a parking garage, and WWL wanted to ensure that manoeuvring inside it would be as easy and risk-free as possible. To this end, the number of pillars in the ship has been limited, while their design is intended to be as non-obstructive as possible. Further, the width of the stern ramp has been extended from the standard seven to 12 metres to allow for more efficient and safer flow of traffic on and off the ship.

## WILHELMSEN ARCHIVES



