

# Anchored by excellence

Tough economic times mean shipping companies are looking to wind farm development to fulfil capacity. Raymond Fisch, Senior Vice President of BBC Chartering explains to PES how they are expanding despite intensifying competition.



**PES:** Welcome back to PES. It's been some time since we last spoke, can you give us an update on how the business has been faring in 2011?

**Raymond Fisch:** The outlook for the general cargo and project market is far better than it has been for the past two years. There seems to be a healthy demand and sensible order-books in various industry sectors. Still, the issue is that the project cargo sector is emerging from its downturn situation and faces intense competition from both dry bulk tonnage and "pure" container carriers, i.e. excess capacity that is currently squeezing the break-bulk market.

**PES:** Similarly, how buoyant is the wind sector in particular for you at the moment? Is it an area that is showing growth?

**RF:** The wind sector is relatively stable, it is however a low return business. Growth is a matter of definition, and as available capacity from other shipping sectors is coming in to the wind industry, it is very difficult to determine. We can say that next to the general onshore developments, we see an increase in transport enquiries for offshore wind park development projects, and being more Europe centric this requires intelligent near-shore logistic solutions.

**PES:** The European market is once again being buffeted by economic difficulties. Do you think this will impact upon your business over the coming months, and if so, what measures will you take to lessen the impact?

**RF:** As chartering brokers we have two main tasks to manage so we are able to continuously improve our business and

succeed in the long term. Firstly, the nature of our business requires us to be set up to react to short-term market cycles, whereas with the ship-owning business you need to adjust to long term market cycles with your commitments. This means that we have to be able to adjust capacity quicker than any ship owner who is marketing his own tonnage.

Secondly, improving our service set-up is of paramount importance so it becomes even more appealing to our clients. We continuously invest in expanding our global network of sales and chartering offices, so our clients can get in touch with us and access the single largest heavy-lift fleet in the market most conveniently.

So in fact, it is still a matter how you perceive the market cycle, what long or short position you choose, and how well



we are getting our service approach across through intense communication. Any market provides opportunities if you are geared to react appropriately.

**PES:** Are there any parts of Europe that you're still to fully exploit?

**RF:** If we look at geographical coverage we now operate six regional offices in Europe. With offices in Leer, Genoa, Aarhus, Bremen, St. Petersburg and now Liverpool we feel that we currently have sufficient direct presence in the European market – this is accompanied by an agent network which helps us to cover the rest of Europe. The decision to further invest in the setup of additional offices is subject to local market strategies and our perception on how we can better manage local market demands through such presences. In July this year we opened a sales and

chartering office in Liverpool – a city steeped in maritime tradition – in the UK. We concluded this step to add value to clients in the British Isles and deliver a more local experience.

**PES:** We have noted that you've recently taken delivery of the BBC Everest and the BBC Amber. What are your plans with these vessels?

**RF:** The new BBC Everest type is made to be a flexible workhorse. It's a rather compact vessel (9,282dwt, LOA 125m, BOA 22m, Draft 7.60m) with 2x350mt lifting capacity. We plan to operate eight of these vessels by the end of 2013.

In addition to that, for us the development of the category up to 800 metric tons lifting capacity marks an important step in our company's history. The 14,360dwt

BBC Amber was the first of 14 vessel of this series that will join our fleet over the next two years. Both series together add 22 modern vessels to our fleet with lifting capacities above 500 metric tons. In order to underline our quality attitude, we have also recently introduced the BBC Chartering Project Division as a cross-functional service unit that caters for dedicated tender and transport engineering for assignments in this segment.

We believe another advantage lies in the scale of our fleet that currently counts about 140 vessels. This allows us to flexibly assign vessels of the BBC Everest or Amber type to liner services which help our clients to benefit from this for smaller but very heavy cargoes.

**PES:** To what extent does the price of oil impact upon your operation?

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**RF:** Any player in the market has to live with the price of oil. We sort of “select the severity” of short-term impacts ourselves. There is a risk by committing to fixed price; for us if the oil price moves up, and for the client if the price goes down – this is a risk we bear on spot charters.

For longer term contracts and with lead times of multiple months we consider a bunker adjustment clause in our charter parties; this is common practice and helps to mitigate this risk for both sides. In a macro view, we all benefit from increasing oil prices since they put the energy sector under pressure to investigate, develop and exploit alternatives. Whether this is good or bad is up to anyone’s individual judgment. Both in the short and the long term, this demands for transport solutions both for the oil and gas industry which is moving more in the exploitation of marginal fields, and the renewable sector that is increasingly filling the gaps that conventional energy policies produce.

**PES:** Is the recent company HQ change of address due to expansion?

**RF:** BBC Chartering has grown significantly since its establishment in 1997. The change in address reflects the recent office expansion in our headquarters – we are still in the same building, the main entrance has simply moved next door.

**PES:** You’ve expanded your fleet with 14 former Beluga vessels. What brought this about, and what are your plans for these vessels?

**RF:** The vessels have been renamed and now joined the BBC Chartering umbrella. Any decision is based on the perception of risks and opportunities and we see this move as supporting our leading role as the single largest operator of vessels in this area.

Amongst the new vessels that we took on from Beluga, we now operate the BBC

SkySails. This vessel is part of a practical pilot project that provides zero emission propulsion support. A giant towing kite is mounted on a launching and recovery system located at the forecandle of the BBC SkySails. With that we support this innovative concept and help to gather relevant data and experiences that allow improving such system, giving other vessel operators the opportunity to investigate and employ such energy saving, zero emission propulsion technology successfully.

**PES:** Europe has always been a strong region for you, but we note that you’re expanding your operations in Asia – what are your strategic plans for this region, especially in relation to wind energy?

**RF:** We are currently experiencing the so-called “BRIC” phase in global economic development. The emerging economies of Brazil, Russia, India, and China are the driving engines of global trade today. We still consider this trend a sustainable



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**Raymond Fisch,**  
BBC Chartering

Zero emission propulsion support on BBC SkySails



- Global tramp and liner services
- More than 140 vessels
- World wide setup - 25 offices
- Local experience
- Powerful versatile fleet
- Lifting capacity for cargoes over 500 mtons

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source of transport demand at the highest level for many years to come. As we enter such markets we seek to play a sustainable role supporting the economic development of such regions. It is our objective to position BBC Chartering as leading brand in such markets as well. The wind industry will remain an important driver for shipping demand for many years. Asian producers are gaining experience and market share and very likely continue to play a lasting role in this industry as well. As leading carrier we face Asian competition in this area, too. We closely follow such developments and offer our services where they are needed, also if it means that we have to follow a different set of rules. We are in a constant effort of becoming the leading player in our market – if we keep this in mind there will always be room for improvement. As badly as we want to stay ahead, we have to be able to question ourselves.

**PES:** The company seems to have a strong set of values; can you tell us a little

about your commitment to the customer and the quality of your work?

**RF:** As BBC Chartering we claim to be “anchored by excellence”. This may sound a little abstract at first but is something that we emphasise all over. And if we explain this to clients and business partners it actually becomes an easy sell. I like using this quote from a football coach to explain; “It’s not the will to win that counts as much as the will to prepare to win.” You see, everyone says they want to win, but very few people want it badly enough to put forth the effort and preparation it takes. A commitment to excellence means work. Work never ends, and with “quality attitude” being one of our core values it means that excellence is never a skill, but an attitude that everyone can adopt and hence positively impact the development of our company.

The company only develops if we are able to successfully help our clients. It is a constant quest to improve the experience

our clients have with us. It is a matter of awareness, a mindset that we like to follow as a company.

**PES:** Finally, are you looking forward to 2012 with a sense of anticipation, or trepidation?

**RF:** As I said before. Any market possesses opportunities. How good we are in recognising them and using them is a different story. We are a group of people, and we share confidence, since our conviction is that our organisation serves the ‘right purpose’. And everyone realising this helps to support the company’s goals. We continue to support global economic development by supplying the relevant tonnage needed. This has been the mission of shipping ever since. It is our goal to become the shipping partner of choice to our clients. ■

For more information, please visit: [www.bbc-chartering.com](http://www.bbc-chartering.com)



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