

# GRAIG HORIZONS

THE NEWSLETTER FOR THE GRAIG GROUP  
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## Eco ships make market sense

### Shipping operates in a near perfect global market.

**Premium freights don't last for long under market pressure. So the owner with tonnage which is cheapest to finance and operate will always make the best return. That is the simple argument today for going green.**

Shipyard prices are now at a low point, yet yards are able to build and deliver high quality ships which can operate with daily fuel savings of several tonnes. Despite the poor freight markets, which look to persist, that gives owners of greener ships built now a competitive advantage. Low capital costs and lower operating costs are two very good reasons for going green, and doing it now.

The current poor shipping markets will not last for ever. Today there is an

oversupply of tonnage, and that will persist. New tonnage will exacerbate that. But the new tonnage ordered now will be so much less costly to build and operate that it will survive and owners will prosper. More, they will be ahead of regulation. Tighter emission standards and the imposition of CO2 emission trading or limits will force all owners to build and operate fuel efficient tonnage. That regulation is fast approaching. Those who wait for it will find themselves looking at busy yards and higher build prices. By holding off until regulation forces them to go green, they will destroy the economic case for doing it.

Graig has just taken delivery of two very fuel efficient handysize bulkers. These vessels mark a significant step in our phased reinvestment into shipowning. We are confident that the design is economical and practical for charterers, we know it is well built because we

supervised it ourselves and we are confident in our crewing and management operation which is delivering excellent results in service for the vessels we already manage. We believe the ships will deliver value for money in the charter market.

Value for charterers, returns for Graig and a greener, cleaner ship which is ahead of regulation. Three good arguments for ignoring the cynics and opting for green tonnage now.

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### The Graig Group

The Graig Group is a broad-based international shipowning and shipping services group delivering technical and commercial ship management, newbuilding supervision, lay-up services, marine consultancy, ship design, ship owning and ship finance to global clients who appreciate personal service.

Graig has been building, managing and owning ships since 1919. Today it provides technical management and crewing for a mixed fleet of vessels on behalf of a number of owners. It has supervised well over 120 newbuildings for itself and major shipowners and Graig's consultancy division provides technical consultancy services to two major banks with a portfolio of over 100 vessels. It develops innovative designs such as the Diamond bulk carriers and Marlin container feeder vessels. It can source yards and finance and provide newbuilding supervision and follow up with in service management for any ship.

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## Commercial management

**The Graig Group has launched a new Commercial Management service (Graig Commercial Management – GCM) to deliver a full post-fixture service to owners who are looking for a customer focused commercial manager to operate their vessels.**

**G**CM will deal with the day to day commercial operation of the ship including liaison with the charterers and the master and arranging all port services and the appointment of local agents. Using GCM owners can ensure they gain maximum returns from each voyage. GCM will negotiate the most competitive bunker prices, agent fees and port costs using its experience in these areas, building on long standing relations with brokers and agents.

GCM will monitor vessel performance and perform full voyage calculations for owners as well as dealing with any insurance claims.

Accounting and cash flow reporting can be matched to the owner's requirements. One straightforward competitive monthly fee will deliver all the services owners need to gain maximum returns from their vessels.

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## IMS boosts flag inspection services

**Graig Group technical subsidiary Idwal Marine Services has increased its services for flag states. IMS already provides inspection and ISM / ISPS / MLC audit support to the Isle of Man, Cayman and Gibraltar registers.**

**T**he service is built on a global network of qualified surveyors supported by specialist training. The surveyors report through a web-based database which allows the flag authorities to monitor the inspection status of their vessels and also the surveyor doing the work.

At a recent Red Ensign conference IMS was given an exclusive opportunity to demonstrate its growing range of services to flag states. These include ISM SMC audits, ISM DOC audits, ISPS audits, ILO

(MLC) audits, flag state safety inspections, pre-registry inspections and Port State Control follow up.

IMS' global network of surveyors, which is especially strong in Asia, means a qualified auditor or inspector can be on a ship at short notice and with low outgoings. This reduces costs for flag states and improves flag state efficiency of service to owners and compliance by owners.

IMS also provides a global ship inspection service to major shipping banks, insurers and brokers, backed by technical consultancy when required.

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## Graig teams up with GMI

**The Graig Group and Global Maritime Investments have teamed up to provide Chinese shipyards with safe havens and tailor-made solutions for problematic deliveries.**

**T**hey also aim to provide shipping lenders with tailor-made solutions for problematic shipping exposures.

Working together, the two groups will provide yards with employment and management for vessels which have been built but which cannot be delivered to the owner. They will also provide lenders with workout solutions, safe havens and exit routes for distressed assets and underperforming shipping portfolios. The joint approach builds on Graig's extensive knowledge of Chinese shipyards and shipping and its contacts with leading banks and the outstanding freight market expertise and access to capital investors of GMI.

Hugh Williams, CEO, Graig Group, says, "There are many shipyards in China which are facing problems delivering ships or which are effectively building for their own account because owners cannot meet their commitments. They need good commercial and technical management for the ships to get them into operation and an exit route for the future. GMI has access to investors and employment opportunities and Graig knows the yards



*and ships and has the technical and crewing management expertise to get the ships into operation economically. Together we can help yards ride out this crisis of delays and cancelled deliveries.*

*"Outside China we are in a slow burn crisis for shipping banks and it is by no means over. Banks are currently only really lending to offshore and LNG projects, while nursing portfolios of tankers and bulkers which may be under the water in value terms and in many cases are underperforming as loans. They want a lot of ships off their books or under better commercial and technical management and with GMI alongside us we can deliver that. This link up with GMI can apply technical knowhow and commercial presence to help banks clean up their portfolios."*

[www.gmilimited.com](http://www.gmilimited.com)



# Graig duo deliver energy savings

Graig has taken delivery of two 35,000 dwt handysize bulk carriers, the Graig Cardiff and Graig Rotterdam. The two Seahorse 35 class vessels were built for Graig and partners at Jiangdong Shipyard, Wu Hu, China. They deliver significant energy savings compared to older tonnage.

**The two vessels are entered into the Lauritzen Bulkers pool. Both vessels were constructed under the supervision of Graig China Limited and are managed by Graig Ship Management. Both vessels operate with a full Chinese crew of 21. The vessels are DNV class and fly the UK flag.**

The vessels' main parameters are economical and efficient operation, environmental friendliness and maintenance, safety, loading flexibility and shallow draft. The cargo capacity is divided into five flush double skinned cargo holds with wide hatches and no hopper tanktops, ensuring easy access and cleaning. The hatches are served by four 30 tonne SWL wire-luffing cargo cranes and remote-controlled grabs.

Short turn-around time is achieved by effective cargo hold cleaning by portable washing machines. Outlets of water and compressed air are arranged in all cargo holds at tanktop-level. A permanent washing water return line is arranged in each cargo hold at tanktop level. Two cargo hold washing water holding tanks arranged for temporary storage enable cargo hold cleaning in sensitive and restricted areas.

The complete double-skin configuration ensures easy access to structural inspection, even when the vessel is loaded.

A slender after body and a high efficiency propeller ensures optimal performance with minimum fuel oil consumption. A vertical stem is designed to improve the fuel efficiency in adverse weather conditions.

Frequency-controlled SW cooling pumps reduce power consumption by 70 per cent and waste heat recovery on two of the three generators obviates the need to run the boiler when slow steaming.

## Principal dimensions

- Length OA 180.0 m
- Breadth 30.0 m
- Scantling draft 10.1 m
- DWT at scantling draft 35,000 tonnes

The vessel is propelled by a MAN B&W 5S50MC-C engine giving a loaded service speed of 14 knots consuming 25 tonnes per day.

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## SITC extends Graig China newbuilding supervision

**Chinese logistics major SITC has contracted Graig China to supervise the newbuilding of two 76,000 dwt bulk carriers at Yang Fan Shipyard.**

The new contract was awarded following successful supervision of ten other newbuildings for SITC.

Graig is now supervising eight 1,100 teu containerships and four 76,000 dwt bulkers for SITC, all at Yang Fan. The last of the twelve newbuildings is scheduled for delivery by early 2014.

Graig China also provided plan approval for the containership series. Graig is supervising

two further 1,100 teu containerships at the same yard for Ningbo Ocean Shipping and is currently supervising a total of forty three newbuildings at nine shipyards in China.

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## news

- **It is a myth that the captains of British ships can marry couples.** But that did not deter the wife of the immigration officer in Jin Zhou, China when she saw the opportunity for some unusual wedding photographs on the deck of the Graig Cardiff.



- **Steve Davies, shipping director, has been busy.** In July he married Laura at a ceremony in the Cotswolds, but still found time to study for and pass his first exams on the way to a maritime law degree.



- **Welcome to:**

– Mark Bell who joins GSM as Business Director and is one of the new Senior Management Team at GSM with Steve Davies and Nick Owens. He comes to GSM after a career at sea and with DNV.



– Marcus Brady who joins GSM as Technical Superintendent and Raymon Mace who joins as Assistant Technical Superintendent. Both join Graig from Meridian.

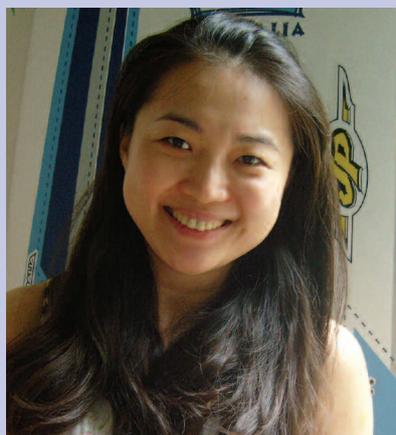


– Steve Small who joins Graig as Post Fixture/Commercial Co-ordinator. He joins from OSG and will work alongside Steve Halstead and Hugh Price to develop commercial management.

– Li Jun who joins GSCS in Shanghai as Technical Superintendent and  
– Christine Liu who also joins GSCS as Accounts/Admin Assistant

# Spotlight

Maggie Shao comes into work smiling and goes home smiling. "I really enjoy my job," she says. "That's because every day I feel I'm learning something, and because I feel that Graig appreciates what I do. They show that they value me and the clients value me, so it is very fulfilling."



**Maggie Shao**

Maggie is Business Development Manager for Graig China. "Every day I'm reading the press and on the phone, looking for new business," she says. "Keeping up relations with existing clients is also very important, perhaps more in China than other countries. It is hard work and we have ambitious targets. We have built a good portfolio of newbuilding contracts here with Chinese owners. I want to help develop Graig Ship Management to fifty ships. China is still growing and I think we can do it."

At a recent lunch with an owner she was told that the shipyard where Graig was supervising some newbuildings for him had said they had to work much

harder on the Graig ships than on sister ships for other owners. "He said our teams work harder and are more demanding," says Maggie. "So the owner gave us another big contract because of that. I feel good to work for a company that delivers more than its competitors."

Personal growth is always in Maggie's mind. "I studied broadcasting and journalism at university because that is popular with girls," she says. "It was interesting working for a radio station, but I soon realised it is not the dream people think it is. I moved into sports management then into a shipyard, and was honoured when Graig offered me a job. This really gives me the chance to grow as a person in a real business. I plan to study for an MBA over the next few years. I need to get a better grip on figures and business practice."

When Maggie is not building relationships with ship owners she likes to watch films. It is relaxing with a purpose. "Films help improve my English," she laughs. She also has a plan to have a family of two children and is confident of fitting that in alongside an MBA and developing Graig's business in China. "Chinese women today are confident and moving fast," she says. "What we need now is the men to catch us up."

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– Vineet Bhalla who joins GSM as Technical Superintendent.



- **Goodbye and good luck to John Barker** (below) who is retiring as Office Superintendent/Deputy DP after seven years' service.



- **Congratulations to Phil Thomas who was presented with his United Kingdom Merchant Seafarers Veterans Badge recently.** The badge honours the service and sacrifices of seafarers in the Merchant Navy. Phil was a seagoing engineer who rose to become technical director of Graig. He is retired now but keeps in close touch with the company.