

Transport News

SAMSKIP

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CITY LIGHTS:

M/V HELGAFELL IN PORT IN ROTTERDAM



Samskip Norge AS opens in Moss, Norway:

A major step forward



The team at Samskip's latest new facility in Moss, Norway (from left): Karl Guðmundsson, Ólafur Steinarsson, Bjørn H. Waglen, Audrey Syversen, Anne-Gro Ringstad. Seated, front, Jan Erik Nilsen.

The New Year saw the beginning of a fresh chapter in Samskip's operations in Scandinavia, with the opening of a new office in the Norwegian port of Moss. Intended primarily to service Samskip vessels operating on liner routes in southern Norway, particularly around the Oslo fjord, the office took over the agency for Bruno Bischoff at the end of January, and will assume control of services to Iceland from previous local agent H. Schiander as of April 23. According to Samskip Norge AS general manager Ólafur Steinarsson, the office's workforce will consist of six employees.

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As regular readers of *Transport News* are aware, only a few months have passed since the opening of a new Samskip branch in Trondheim, but the Moss office will in no way impact on the operations of its northern neighbour.

"The reasons for this are simple," explains Steinarsson. "In its role as principal agent for our west Norway and Rotterdam-Murmansk routes, the Trondheim office serves a different region from ourselves."

Meanwhile, the team at Moss are eager to get to work. "Initially, we'll be handling one container vessel a week on Samskip's UK-Holland-Sweden-Norway route, carrying mainly chemicals and a variety of other goods," continues Steinarsson. "At the same time, we're also providing a weekly service between mainland Europe and Scandinavia. By April, this will have been joined by the two vessels on the Iceland-mainland Europe route, so with three vessels a week, we will have plenty to keep us busy."

As Steinarsson confirms, competition in the European transport market is becoming tougher by the minute.

"Recent months have seen several mergers within the sector, meaning that companies are becoming fewer, bigger, and increasingly competitive. We hope that the opening of the Moss office, which is linked directly to Samskip's integrated in-house information system, will mark a major step forward for Samskip and the services we offer to our clients."

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HACCP

• Hazard Analysis and Critical Control Point

The first five steps:

- Staff training. Production of a training plan on quality control and hygiene.
- Hygiene monitoring. Production of a written manual on hygiene, product handling, cleanliness and pest control.
- Temperature Control. Ensure correct storage temperature, with regular monitoring and recording.
- Warehouse supervision. Ensure quality, and establish a monitoring system for incoming products.
- Corrective action. Decide what to do if things go wrong.

Samskip scores as handball sponsor

As part of the company's ongoing commitment to sport in Iceland, Samskip recently concluded a three-year sponsorship deal with the Icelandic Handball Federation (HSÍ). Due to run until November 14, 2001, the agreement ensures that the men's national team will enter the new millennium bearing the company's logo on their shorts, while the Samskip name will feature prominently in court-side advertising at home international matches.

A familiar name on the Icelandic sporting scene, Samskip's active participation reflects the company's awareness of the importance of sport to society in general, youth in particular, while for the country's cash-strapped

handball governing body, this latest deal comes as a welcome boost.

"The scale and gravity of the financial problems faced by the Federation in recent years is no secret," says HSÍ chairman Guðmundur Ingvásson, pictured below with Samskip marketing manager Lilja Bjarnadóttir as the agreement was concluded.

"However, thanks to a lot of hard work and good will from several people and organizations inside and outside the sport, we've now succeeded in turning things around, and thanks to companies like Samskip and our other sponsors, we can now face the future with optimism," Ingvásson recently told *Transport News*.



A stamp of quality in Iceland

The designation of Samskip as a food company in 1997 not only brought with it a series of new policies and working practices, but also the introduction of the HACCP control system. According to Samskip quality control manager Svala Rún Sigurðardóttir, this process has now been completed in all four warehouses at the company's Holtabakki headquarters in Reykjavík, and at all its distribution centres around Iceland.

Asked whether Samskip's designation as a food company had come as a surprise to its management, she says that this was by no means the case.

"It came about largely as a result Samskip's position as a major transporter of food," she asserts. "If food products are to reach the consumer in the best condition possible, there can be no weak link in the production or distribution chain, and in this respect Samskip is no exception."

As Sigurðardóttir explains, HACCP involves a wide range of checks and controls. For Samskip, this includes, among other things, a monthly assessment of all warehouses and storage facilities, and the immediate implementation of corrective measures should they be found not to meet the system's stringent requirements. Based as it is on



Samskip employee Ulf Lundahl checks product temperature at Warehouse A, Holtabakki.

two critical factors, hygiene and temperature control, HACCP is designed to achieve the highest standards of quality and safety in all aspects of food handling and storage. However, although it calls for a high level of staff training on a wide range of subjects including basic virology, it is not as complicated as it seems.

"In actual fact, HACCP means treating and handling food in basically the same way as you would at home, and the underlying principles are the same," she explains.

According to Sigurðardóttir, the costs of implementing the system have been minimal.

"The largest investment lay in cleaning equipment and in staff training. Of course, we experienced a few teething problems when the system was first introduced, but everyone involved has proved extremely receptive and these are now behind us. The adoption of HACCP gives Samskip a definite stamp of quality, with resultant benefits for the company's image."

Quality control enters new phase

Work towards the full implementation of Samskip's in-house quality control system throughout the company is now entering a new phase, with the designation in each department of an individual whose role will be to liaise with the quality control division.

According to Samskip quality control manager Svala Rún Sigurðardóttir, the aim of the scheme is to simplify management and decision making within the company.

"Companies like Samskip which operate in a highly competitive

marketplace must be able to respond rapidly to any change in conditions. To enable them to do so, a structure must be in place which allows decisions to be taken quickly, and ideas processed swiftly and efficiently," she says.

As Sigurðardóttir explains, service is a sensitive yet intangible concept. As quality control manager, she sees her role as being to focus on and demonstrate its individual components, thus making life easier for all those involved in serving the company's clients. But why quality control?

"The principle aim of quality control is to improve the level of service to each client, and fulfil individual customer expectations and requirements," she states. "Service is the end product of a clearly definable process which runs throughout the company, but sometimes bottlenecks can occur in individual departments which affect its efficient flow. Quality control aims at identifying such problems, and ensuring there are no weak links in the chain," she concludes.



Once home to the Czars, the Winter Palace, St. Petersburg.

“A great challenge”

– says Sigurjón Markússon, regional manager in eastern Europe

When Sigurjón Markússon returned to Samskip to assume control of the group’s eastern European operation on February 1, it was to a very different company from the one he left almost four years ago.

Having worked in Samskip’s shipping department from 1980-87, Markússon left to resume his education. After acquiring a master’s degree in economics and a Diploma in Shipping, he returned to the company as manager of its agency, bulk and chartering department from 1993-95.

Now based in St. Petersburg, where he will oversee the development of Samskip/BBG’s local office along with those in Murmansk, Moscow and Riga, Markússon is no stranger to Russia, having worked for the Iceland Seafood Corporation at that company’s branch in the Siberian port of Kamchatka since 1995.

In a recent interview with *Transport News*, Markússon discussed some of the tasks facing him in his new post.

“My first priority will be to integrate the computer and information systems of the former Bischoff Group with those of Samskip, and rationalise internal office practices,” he states.

His next step will be the development of transport on the inland rivers and lakes of Russia and the former Soviet Union. Backed up by road-based distribution by, this will produce the so-called “Door to Door” system.

Unlike many of its competitors, Bruno Bischoff has succeeded in surviving the recession in the transport sector resulting from Russia’s chronic economic problems, and has maintained scheduled sailings in the Baltic for the past 40 years.

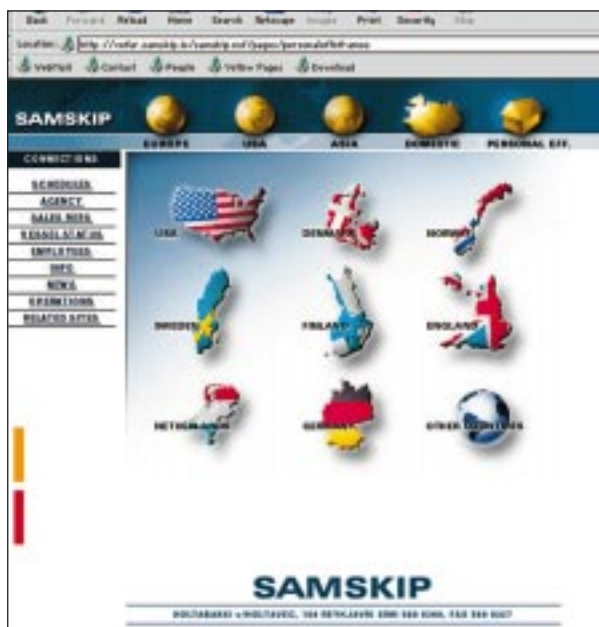
Markússon is under no illusions as to the difficulties involved in his new job. “This is not only a major change for me personally, it’s also a great challenge,” he declares. “I realise the problems involved, and look forward to dealing with them.”

www.samskip.is

Web page now available in English

Another phase in the Samskip Group’s ongoing commitment to improved customer services was completed in December, with the opening of an English-language version of the company’s website.

According to Samskip marketing manager Lilja Bjarnadóttir, the primary intention of the site is to improve services to clients outside Iceland, particularly those involved in the import and export sectors. At the same time, it provides customers, actual or potential, with ready access to the company, along with news



and up-to-the-minute information on its operations.

By visiting the site at www.samskip.is, clients can gain instant access to all Samskip offices abroad, and establish contact with the company’s nearest representative.

“Interest in our web page has been growing steadily since it opened last year, and the Internet is becoming an increasingly influential medium in our operations as a whole,” explains Bjarnadóttir. “Given these facts, the opening of an English-language version was a natural development.”



Work on treating all Samskip computers and on-board microchips has been in progress for some time, and is due for completion by the end of June.

The millennium bug:

No hiding place for Y2K

With the year 2000 now fast approaching, Samskip Information Technology Department swat teams are well on course to eradicating the dreaded millenium bug from the company's computer and microchip systems.

As has been well publicised in recent months, the bug - official title Y2K - has the potential to crash any untreated machine or chip, bringing the very real threat of large-scale havoc to a computer-dependent world.

According to Samskip IT manager Ragnar Þór Ragnarsson, work on treating all the company's equipment should be completed by the end of June. As he points out, the problem is by no means confined to computers, but can affect any microchip whatsoever, including the many found on board vessels at sea.

Based on the premise that prevention is better than cure, a committee designed to deal with the problem has been at work within the

company for some time, and over the past three years, older equipment has been replaced and adjustments made where required.

At the same time, Samskip's main database has now been integrated to

operate using the Concorde system and Oracle software, the aim being to ensure that whatever happens at midnight on December 31, the company will not be caught unawares.

Bischoff system well set to come on line

According to Bruno Bischoff CEO assistant Frank Sattler, work on the first stage of the installation of an integrated in-house computer system at the Bischoff Group is now nearing completion at the company's head office in Bremen.

Linked directly to Samskip Group headquarters in Reykjavík, the Concorde system has been specifically adapted to meet German standards and requirements, and comes as part of a major reorganization of the Bischoff Group office which has

resulted in a total re-appraisal of working methods and practices. At the same time, Michael Steuermann has joined the group from MacGregor-Conver GmbH, and takes control of its financial and IT departments.

"The new system represents not only a major step forward for those of us who work in the office, but will also result in an even higher level of customer service. And that, of course, is the most important thing of all," Sattler told *Transport News*.

Samskip Express, Rotterdam:

Outlook bright for New Year following reorganization

The New Year may still be only weeks old, but prospects at Samskip Express in Rotterdam already look bright in the wake of last year's programme of restructuring and improvements in services designed to meet the demands of the increasingly competitive intra-European transport market.

This encouraging start to 1999 was revealed by Samskip BV product manager Peter Dubbeld, who is responsible for intra-Europe operations at the company, in a recent interview with *Transport News*.

"Although last year was undeniably difficult, the outlook for this one is bright," he said. "Things have already got off to a good start following

the recent changes and restructuring, and we are very optimistic."

Previously operated by the Bischoff Group, Bremen, but now under the direct management of Samskip BV, Rotterdam, Samskip Express currently operates two vessels on liner routes linking ports in the UK, Netherlands, Sweden and Norway.

"We're operating in a low-margin trade, and the key to the success of Samskip Express is to further professionalize our overall structure, and shift the focus of our activities towards more value-added services such as LCL and reefer transport, storage and distribution.

"Negotiations are currently in progress within the Samskip/Bischoff Group aimed at expanding these services even further by making use of the alternative transport routes provided by Samskip's main liner service and Bischoff's Scandinavian side port operation.

"A conclusion is expected by the end of February which will boost the frequency and the number of port calls, so strengthening Samskip's service coverage in the intra-European trade. Samskip Express is a full container operation, and is represented by Samskip's own offices in all areas of its operation," concludes Samskip BV product manager Peter Dubbeld.



Linking ports in the UK, Netherlands, Sweden and Norway, Samskip Express scheduled sailing routes.

Support for gymnastics brings award:

Springboard to success

Samskip's high-profile involvement in Icelandic sport brought its rewards recently, when the company was presented with a commemorative certificate by the Icelandic Gymnastics Federation (FSÍ).

The award, which came as part of the federation's 30th anniversary celebrations last year, was made in

recognition of the fact that for the last three years, Samskip has served as one of the main sponsors of what is one of the most popular participant sports among young Icelanders. And unlike most other sports, gymnastics is a pastime where females are in the majority, accounting for some 80% of participants.

Speaking to *Transport News*, FSÍ chairman Árni Þór Árnason emphasised the importance of Samskip's contribution to his federation.

"Strength, speed, skill and precision are the qualities most people associate with gymnastics. These could just as easily be applied when describing Samskip," he remarked.

A coffee break with ... Willy Sørensen, Aarhus

A flowering partnership

It is no exaggeration to say that the entire character of Samskip's operation in Aarhus, Denmark, would have been very different were it not for the efforts of operations manager Willy Sørensen, whose expert local knowledge of the Danish transport and export sectors has proved of invaluable benefit to the company on several occasions down through the years. Sørensen's connections with Samskip extend as far back as 1982, when the firm at which he then worked, Bergmann, Smith & Co., became the company's Danish agent. In his capacity as a departmental manager, he was entrusted with the task of developing Samskip's presence on the local market, and the rest, as they say, is history.



"Things have gone well for Samskip in Aarhus," asserts Sørensen, taking time off from his busy schedule for a short chat with *Transport News*. "The company's history here has been one of continuous growth, and we have recently been expanding into the Baltic States and Russia."

Few people are better qualified to comment on Samskip's development in Denmark than Sørensen, who played a key role in the formation of Samskip Denmark in 1992-93, which later became Samskip A/S.

"My brief at the time was to ensure that everything went as smoothly as possible, and my local experience served me well," he says.

Born in the Jutland town of Ribe, Sørensen has spent almost all his working life in shipping. "I moved to Odense when I was at 16 to take up an apprenticeship at Friis & Frideriksen, a well-known shipping line," he remembers. "At the same time, I took a commercial

course in German, book-keeping, business, marine law, and a variety of other subjects."

After a short spell in the Danish army, Sørensen moved to Aarhus, where he joined Bergmann, Smith Co. late in 1967. As supervisor of the company's international shipping division, he was responsible for the servicing of vessels sailing to ports as far afield as India, Australia, the Middle East, and the US Pacific coast.

Now aged 53, Sørensen has been married to his wife Kirsten for the past thirty years, and although the couple's three children, Jes, Niels and Anne, whose ages range from 20-25, have all now left home, Sørensen's life is far from empty, as he is a self-confessed compulsive gardener.

"Although in many ways I consider my work as a hobby, I also love gardening, and as I grow most of my own vegetables, I've little time left for anything else except my family and friends," concludes Samskip A/S operations manager Willy Sørensen.



These giant earth movers accounted for just a small part of the 350,000 tons of cargo handled by Bischoff Terminal, Bremen, last year.

Steady growth on all fronts at Bischoff Terminal, Bremen

According to Bruno Bischoff CEO assistant Frank Sattler, recent weeks have seen a steady expansion in all aspects of the operations of Bischoff Terminal, a new service company formed recently within the Bischoff Group. Over the next months, the company plans to offer clients a direct computer link with its head office in Bremen, providing them with a host of potential benefits including on-line ordering and the opportunity to monitor the progress of their cargoes.

At the same time, Ingvar Sigurðsson has been appointed manager of the group's Nordic department. A long-time Samskip employee, he served as manager of the company's agency, bulk and chartering department from 1995-98, before taking up his new post.

Strategically located in the heart of Bremen's massive harbour complex, Bischoff Terminal is situated close to a railway station, and only a four-minute drive from the nearest autobahn. Equipped with state-of-the-art freight handling and

warehouse facilities, the company handles some 350,000 tons of cargo each year.

"We are constantly working to improve all aspects of our client services," Sattler told *Transport News*. "As part of this commitment, we have, realigned scheduled sailings of one of our vessels, the Bremer Saturn, to

better suit the needs of our customers, and made several improvements to facilities on board."

While the map below shows the route of the Bremer Saturn, ports served by other Bischoff Terminal vessels include Bremen (Germany), Moss, Larvik, Odda (Norway), and Gunnes and Killingholme (England).

