Rig delivery hits 100%

Offshore reputation solidifies as all rig projects at ASRY in 2014 were completed on-time, on-schedule, and on-budget

New Construction & Engineering Division seeing upswing

Project Jupiter secures another contractor

2014 sees highest annual dockings in ASRY history
The first quarter of 2015 continues the same pattern of 2014 - good vessel numbers with modest spend per vessel.

The first three months of 2015 are following a similar pattern of business that we experienced in 2014 as a whole. Yard capacity is high, with a solid number of vessels being docked, yet owners are still reluctant to extend beyond the minimum requirements of their repair scopes.

While the market remains under pressure, maintaining dominant market share is a more pressing priority. As such, we are focusing keenly on turnaround efficiency. By ensuring each project is kept tightly within time and budget targets, we can continue to cycle a greater number of vessels through the yard without compromising the renowned ‘ASRY quality’ that keeps customers coming back.

Already this year we have seen 40 completions, including interesting work on both the ship side and offshore side. On the ship side, we’ve completed an installation of a global satellite reception system and fuel tank conversions from LSFO and MGO to LSMDO tanks on a VLCC. We’ve also seen large area treatment and water ballast tank preservation work on a Derrick pipe-laying Barge. As well as superstructure preservation on an oceanographic survey ship. Meanwhile on the offshore side, we are using the momentum of the fact that 100% of our 2014 rig projects were completed on-time to penetrate further into the market. For example, a major Offshore player is expanding in the Arabian Gulf region - one of the only ones to do so - and they have chosen ASRY to best prepare their assets for deployment in the region. Our experience with Saudi Aramco regulations and quick access to all the primary specialist contractors for their upgrades make us the natural choice for their needs.

Project Jupiter continues apace with another specialist contractor joining forces with ASRY to enrich the cluster of expertise we are gathering here in Bahrain. Al Mufaddel’s new workshop, office and storage facility for boilers, heat exchangers, condensers and coolers, will be another valuable addition to the already comprehensive list of on-site expertise.

Internal improvements are also ongoing as we launch our new upgraded medical centre, which we’re proud to announce will not only service the ASRY workforce, but has the capacity to provide care to the surrounding community as well. In closing I’d like to thank all ASRY employees and contractors for their efforts so far this year and to remind everyone to stay safe as we head into Summer.

Nils Kristian Berge
CHIEF EXECUTIVE
ASRY
In 2014, ASRY Offshore Services completed every one of its repair scopes within schedule, on-budget, and with leading safety standards.

A review of last year’s operations has been completed and has confirmed that the Offshore division of ASRY achieved 100% on-time delivery of all the rig projects completed in 2014. Global clients including Saudi Aramco, Saipem, Nabors Drilling, Egyptian Drilling Company and more chose ASRY for their rig repair projects last year, which totalled 17 rigs, and all took delivery of their vessels on schedule, and within budget.

“With competition rising in the region,” said ASRY Chief Executive, Nils Kristian Berge, “rig customers are more focused on ensuring that the maintenance of their assets is completed as efficiently as possible. As such, rig operators have been increasingly turning to ASRY due to our commitment to our core values, to complete each scope on-time, on-budget with top safety and quality. In 2014, we’re proud to be able to say we achieved that on all our rig projects. This also explains why ASRY has the highest repeat customer rate in the region.”

In 2015, this reputation of timely, safe, cost-conscious reliability has attracted other big names to the yard, confirmed ASRY Offshore Service General Manager, Rob Bryant, “Despite the challenging market, there are some firms who are expanding their Offshore activity, such as Shelf Drilling, who are choosing ASRY to ensure the new rig assets they are bringing to the region are optimised, certified, and up to Aramco and ABS specifications. They know when they come to ASRY, they’ll get a safe, quick, quality turnaround within budget.”

The Offshore Division of ASRY has also recently seen its capabilities expand to include offshore industrial work in Saudi Arabia, with involvement in a project in Saudi called Camellia. ASRY was commissioned to design procure and fabricate a significant number of stainless steel hoppers, pipe spools, valves, flanges and fittings, for a new catalysts production facility called Camellia, which is being built by Axens Catalysts Arabiya, a company specializing in process licensing and manufacture and sales of catalysts and absorbents in the fields of refining, petrochemical, gas and biofuels.

“The High Island II - one of Shelf Drilling’s assets ASRY is preparing for deployment in the Arabian Gulf region.

“Customers know when they come to ASRY, they’ll get a safe, quick, quality turnaround within budget.”

Rob Bryant, ASRY Offshore Services General Manager
New Construction & Engineering Division seeing upswing

The New Construction & Engineering Division (NC&E) of ASRY saw revenue growth of 54% in 2014, with several unique projects completed and in the pipeline. As the yard continues to bed down its recent expansion and diversifications, this division is fulfilling its potential to widen ASRY’s capabilities and customer appeal.

An important part of this growth is the proportion of work that the division is generating independent of work that comes through the ASRY Ship Repair (SR) division or the ASRY Offshore Services (AOS) division. That figure grew substantially in 2014 to 55%. The significant increase was due to a major job won for Kuwait Oil Tanker Company (KOTC), which saw the New Construction & Engineering Division carry out an engineering feasibility study for fitting a variety of different Ballast Water Treatment Systems (BWTS) to the KOTC tanker fleet. However, even without this large contract, the division’s proportion of external client revenue was up on 2013.

2014 also saw the NC&E division make three noteworthy advances in its capabilities and experience portfolio. First was the deployment of a new FARO 3D scanner, which now gives ASRY the capability of scanning machinery and other spaces on board ships. The new technology was used during the aforementioned KOTC BWTS pre-engineering study. With this new tool ASRY has the ability to help owners mitigate risks involved with installation of new equipment such Ballast Water treatment systems, Scrubbers, etc. required to be fitted for meeting upcoming regulations. A second highlight of the year for the division was the sponsoning of a Derrick pipe-laying barge. The work consisted of adding sponsons on the port and starboard side of the vessel along the vessel’s full length, thus increasing the beam of the vessel from 31.7m to 40.3m. The vessel was available in ASRY for only 45 days, thus requiring ASRY to prefabricate all sponsons beforehand. The NC&E division used their in-house production design software NUPAS CADMATIC and SHIP Constructor to complete production engineering and ensured that all blocks were fabricated and outfitted fully prior to the vessel’s arrival. The third highlight of 2014 for the NC&E division was the upgrade of ASRY’s AOS barge to have the capability of acting as a test load for testing heavy lift cranes. Four pad eyes, each with SWL of 700T, were added to the AOS Barge to develop this capability, with the NC&E division undertaking the design and management of the conversion. An evaluation was carried out on Structural Design software STADPRO for global loads and Finite Element Analysis software ANSYS for local loads, and the engineering was approved by IACS classification society RINA. The upgraded barge now has a test range from 400T to 1600T and has deployed on several crane tests for clients.

The Division is actively pursuing opportunities in new construction of port craft (tugs/pilot/mooring vessels), naval craft (landing craft), offshore support vessel, lift boats, coastal vessels and specialised barges. Some progress was made in this regard with several negotiations started for such vessel construction and is close to securing contracts. The NC&E Division has invested in resources to be able to complete full turn-key projects from design through to hand over, and has already overseen the full project completion of the yard’s own in-yard fleet of tugs, and now this experience will be brought to bear on third-party vessels.

“The DLB 1600 sponsoning project was a great engineering challenge, and also gave us the opportunity to conduct a crane load test with the new 1600T test load barge we recently engineered.”

Sauvir Sarkar, ASRY New Construction & Engineering Senior Manager
ASRY NEWS Q1 2015

193 vessels dock at ASRY in 2014, the highest in yard’s history

ASRY continues to lead in terms of regional repair market share, despite competition, and market pressure

ASRY saw 193 vessels dock in the yard for repairs in 2014, the highest annual tally in the history of the company. The total came from 176 ships and 17 rigs.

The numbers are a demonstration that the yard is still growing its market share, maintaining its leading position in the regional and international marine repair sector, and customers are choosing reliability and quality. However, in general terms, 2014 saw a tightening in the maritime market affect revenues at repair facilities across the globe and the region.

For companies operating in the global maritime market, such as ASRY, 2014 was a challenging year. With regional competition increasing, the global maritime market not showing any significant growth, and the average age profile of the fleets operating in the region remaining low, the annual revenues made by ASRY in previous years were difficult to maintain. However, in the face of those challenges, ASRY maintained its leadership position in terms of market share, with the number of repair jobs increasing from 2013, a reaffirmation of its reputation with an average customer satisfaction level of ‘highly satisfied’, and also continued forward motion towards safety and operational excellence. This was possibly due to a double-headed strategy that focused on two primary goals: firstly, to make the yard a ‘one-stop’ facility which aspires to provide every customer with all their repair needs in-yard, and secondly to unify the organisation and resources of the yard under a ‘one yard’ philosophy to streamline all divisions towards customer satisfaction.

Chairman of the Board of Directors of ASRY, Shaikh Daj Bin Salman Al-Khalifa, has commemorated the recent signing of a 19-vessel ship repair block agreement between the shipyard and Kuwait Oil Tanker Company (KOTC), by officially visiting the first ship being repaired under the deal. The official visit launched a congratulatory campaign which saw tokens of appreciation distributed to thousands of ASRY employees to mark the landmark deal and thank them for their contribution to the $33m deal.

“This agreement not only makes history in the regional maritime industry, but is also a strong demonstration of GCC cooperation,” said Shaikh Daj Bin Salman Al Khalifa commented during his visit. “Leaders like KOTC and ASRY working together is an example of premier regional industrial businesses finding common ground for mutual growth. Positive effects of deals of this nature will be experienced by our customers, our employees, and our respective countries.”

The visit by the Chairman and senior management included a tour of the bridge of the first vessel being repaired under the two-and-half-year agreement, the Al-Jabriyah II, and a gift-giving ceremony to the Captain and crew of the ship. Following the visit, the Public Relations department of ASRY initiated a tour of the yard which distributed tokens of appreciation to thousands of ASR employees over the subsequent week.

Landmark KOTC agreement commemorated

ASRY Chairman visits the first vessel in the $33m contract agreement for ASRY to maintain KOTC’s fleet

ASRY’s Management team enjoyed a crane basket ride to join the commemoration service onboard the KOTC vessel.
PROJECT JUPITER UPDATE

Latest developments on the project making ASRY the region leader in on-site specialist contractors

**Al Mufaddal to build new 2,100sqm facility**

Shipyard signs Services Agreement with engineering experts for Boilers, Heat Exchangers, Condensers, and Coolers, Al Mufaddal Engineering & Marine Services

ASRY has again expanded its portfolio of onsite specialist contractors with the signing of a Services Agreement with Al Mufaddal Engineering & Marine Services, specialists in the repair and maintenance of boilers, heat exchangers, condensers and coolers. The agreement will see Al Mufaddal construct a custom-built state-of-the-art workshop, office, and storage facility in Kingdom of Bahrain, spread over a plot of 2,100 sqm within the premises of ASRY. The signing is the latest development in Project Jupiter, an initiative to build the leading cluster of maritime onsite specialist contractors in the region of ASRY.

Nils Kristian Berge, ASRY Chief Executive, commented at the signing “Al Mufaddal is another strong partner to include in our drive to build the most comprehensive selection of contractors for our customers to have access to. Their professionalism and expertise complement ASRY’s prestigious reputation in the region. Project Jupiter has gained very encouraging momentum with our customers and in the regional maritime market, due to service agreements like this with reputed names in the marine market.”

Berge, was joined by Magdy Moustafa, ASRY’s Procurement & Contracts General Manager, Husaifa Shabbir, Managing Director, Al Mufaddal Group, and Narendra Singh, Director, Business Development. Shabbir remarked that ASRY had strong ties with AMG since 2000, and with this major achievement he is confident that the new set up in ASRY coupled with the signing of the agreement will further boost the relationship and the business between the two companies. Magdy Moustafa, agreed that “It is a good sign that we are moving on the right track which will ensure presence of more and more specialized service providers in the Yard on a long-term basis, which will continue to enhance ASRY’s image in the Ship Repair and Offshore Repair markets”.

The new workshop, once completed, will provide a dedicated Service Point for Al Mufaddal’s repair and maintenance services to all ASRY customers. Al Mufaddal will also be able to offer round-the-clock supply of products from a stock holding of critical items essential for marine and offshore industries as well as a special manufacturing unit for supply of metallic gaskets, expansion bellows and other steel and piping fabrication.

New Medical Centre Revealed

$1m upgrade to onsite health facility qualifies it to become nationally-certified Medical Center

ASRY has invested over $1m to upgrade its health facility to a nationally-certified Medical Centre. The new ASRY Medical Centre now boasts state-of-the-art medical equipment, new facilities, and an expanded paramedic staff of 22 to handle the yard’s 3,000+ employees.

“The welfare of our employees has always been our highest priority,” commented ASRY Chief Executive, Nils Kristian Berge. “This new facility reflects our commitment to ensure the best possible care and treatment of ASRY’s formidable workforce. Our policy of providing the highest possible industrial and occupational medical care will continue to be put into practice, now with even greater results.”

ASRY Health, Safety, Security, and Environment (HSSE) Senior Manager, Adel Boutari added, “This Medical Centre is now at a level that is comparable to that of the most advanced medical centres of industrial companies all over the world, and in line with the requirements and standards of the World Health Organization (WHO) in the field of occupational health.”

The expansion doubles the capacity of the onsite medical resources, confirmed Boutari, who also explained that the expansion included addition of medication rooms such as a minor operating theatre, an emergency room and a medical isolation room for treatment of infectious diseases, a pharmacy, and a training room. Also added are an occupational health laboratory for auditory, breathing and vision testing, in addition to a division equipped for resuscitation of acute emergency cases, where the first stage medical and surgical procedures will be administered.

The new building comprises a small laboratory for routine urine and blood tests, a division for administrative staff, and a patients’ screening room.
Bahrain Exhibition boosts local ASRY Customer Contact

Participation in 2015’s Gulf Industry Fair has lead to fortification of ties with several local customers and suppliers.

ASRY has welcomed the benefits of participating in the regional industrial exhibition Gulf Industry Fair 2015 in Manama, Bahrain at the Bahrain International Exhibition Centre. Several important local client meetings took place that strengthened ties with the local market and should lead to new business in the year to come.

“This year we welcomed the opportunity for some useful meetings with local clients.”

The event was held under the auspices of His Royal Highness the Prime Minister, Prince Khalifa bin Salman Al-Khalifa, from 3 to 5 February 2015. ASRY’s Chief Executive Officer, Nils Kristian Berge, said: “Supporting local exhibitions and industrial events such as the Gulf Industry Fair is always a priority for ASRY, but when it also yields potential new leads, it’s difficult to deny the importance of the event for both exhibitors and the industry as a whole.”

ASRY is a long-term supporter of the event and this year was Sector Sponsor for the Marine and Ports Sector, along with other major industrial players in Bahrain.

MEET THE TEAM

Adel Boutari


What’s the most interesting part of your job?
The most interesting part of my job is being responsible for the continual development of the Yard facilities throughout the years. Adding more capabilities to ASRY with every infrastructure development project, maintains ASRY’s position as a world class shipyard and a leader in the region.

What do you think is the most interesting thing about ASRY?
The most interesting thing about ASRY is the blending of around 20 nationalities coming to Bahrain from all over the world and from different cultures and walks of life to work together as one team with one man spirit in the friendly environment of Bahrain and the Arabian Gulf.

In your opinion, what will be the most important feature of the industry in the near future, and why?
In my opinion the most important feature of the industry in the near future will be the “Diversity of Products and Services” as the increasingly competitive market will be the driving force for shipyards to do two things: Firstly yards will need to improve their efficiency in providing their existing range of products and services. Secondly, yards will need to acquire new capabilities that can provide them with an edge over the competition. These goals are expected to require shiprepair yards to invest in new techniques and technologies.

If you could change one thing in the industry as a whole, what would it be?
The one thing that I would like to change in the shiprepair industry, if I could, is its huge dependence on labour intensive markets. This has been the main reason for the closure of numerous shipyards in many countries, in contrast with the increasingly automated ship-building industry. However, this is much easier said than done as it can only be achieved through the creation of new engineering concepts and the achievement of outstanding technological breakthroughs.

After completing mandatory military service from 1974 to 1977 as QC Officer in Egyptian Airforce, and one year of compulsory civil service as Aircraft Maintenance Instructor, Boutari joined ASRY in July 1978 as graduate trainee-Technical Services where he proceeded to assume the positions of Shiprepair Co-ordinator, Maintenance Section Head, Technical Services Head, Technical Department Head, Projects Realization Manager and lately HSSEQ Senior Manager.

35+ Years Of Experience

Nils Kristian Berge, ASRY CEO
**CUSTOMER FEEDBACK**

**“ASRY provided maximum effort to achieve the short time target”**

Ajeesh E.K., from Valentine Maritime, feeds back his crew’s opinions on their docking of the DLB1600 at ASRY.

“On behalf of Valentine Maritime Ltd. I would like to express our appreciation for the efforts carried out by the ASRY team for the successful completion of DLB 1600 - Hull Extension project.

Starting from the Project Management team to Customer Care Team, everyone provided their maximum efforts to achieve the target within this short time period. It is very hard for us to choose one or two names considering all the assistance which we had during the last couple of months, but still we must mention Mr. Mohammed Abdul Rahman, Ship Repair Manager for his hard work and commitment to this project. It was our pleasure to work with ASRY and once again THANK YOU very much for all of the extended support. We wish the whole team at ASRY very good luck for the same successful completion of all your future assignments.”

**CUSTOMER FEEDBACK**

**“Your shipyard is one of the best I have ever been to”**

ASRY Ship Repair General Manager
Mr Magdy Sharkawy,

I wish to thank ASRY for a most satisfying shipyard experience in regards to M/V Ocean Victory’s recent shipyard period. Your shipyard has proven itself to be one of the best I have ever been to, or associated with.

Every personnel in every department, without fail, were the most courteous, professional and capable I have witnessed in my long experience. I did not have one Crew member or Technician come to me at any time during our long stay with an issue or complaint in regards to shipyard personnel. This one fact proves to me the level of professionalism and attitude your personnel exhibited every day.

Your Customer Care Department never failed to amaze me at their excellent attitude and kindness. Ms. Fousia was always most helpful and was always smiling and a joy to talk to. Jinesh and Mayur (Invoices) were professional and exacting in their accounting and invoicing practices & enjoyable to talk to.

Your piping / painting / blasting and steel departments are second to none. Mr. Moustafa, to put it in most simple terms, was “The Best”. His attention to my ever-demanding and changing requirements and the ever-growing vessel’s needs were met without fail and on schedule. His ever-professional attitude was put on display every day we were at ASRY. I can say without hesitation that he was the best person I have ever associated with in his capacity. I will close with this: I would recommend ASRY shipyard to any associate to come to for their needs.

I hope to see you and your most excellent facility again in a couple of years.

Regards,

Chris Lowth
Shipyard Superintendent / M/V Ocean Victory
Oceaneering International
Morgan City Louisiana 70380

Shipyard Superintendent Chris Lowth from US-based Oceaneering International reviews his experience of docking their bulk carrier Ocean Victory.