

# MÆRSK POST 4/2005





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As you read this, our container business is in the midst of integrating two strong brands: Maersk Sealand and Royal P&O Nedlloyd. I am certain we will have a very strong, professional and agile integrated Maersk Line team going forward. Meanwhile, we must keep focus on our customers, making sure the implementation will be a success for them too.

In August this year, Maersk Oil looked west and acquired the majority of Kerr-McGee's UK assets. The deal was finalised last month, and we have welcomed 500 new colleagues based in Aberdeen and at the offshore worksites. We have acquired a highly professional organisation which bodes well for growing our energy business in British waters and elsewhere. We now have a strong UK platform which we also hope to use as a gateway for recruitment for our operations around the world.

For the entire A.P. Møller - Maersk Group, it is no secret that we aim to be a world-class organisation. Our employees are a deciding factor in fulfilling this ambition. Thank you for your personal and significant contribution towards this objective.

Welcome to all new employees and a Merry Christmas and a Happy New Year to you all.

Jess Søderberg



# Minister for the Environment Visits the Dan Field



**O**n 19 September 2005 the Minister for the Environment and for Nordic Cooperation Connie Hedegaard and representatives of the Ministry of the Environment visited the Dan field on the North Sea.

The visit included a presentation of Mærsk Olie og Gas' activities and projects in the North Sea and a guided tour of the Dan field. Transport from and to Esbjerg was by helicopter.

*Minister for the Environment  
Connie Hedegaard and Thomas  
Thune Andersen after landing on  
the helideck of the Dan field.*





# Joining Forces

On 11 August 2005, A.P. Moller - Maersk announced the successful completion of its acquisition of Royal P&O Nedlloyd. This day marked a new era in the container industry, with the combined Royal P&O Nedlloyd/Maersk Container Business becoming the largest container shipping and logistics company in the world.

## ***Consolidation and integration***

For years, the container shipping industry has been fragmented, with many players of different sizes and capabilities. Consolidation of the industry has become necessary for a number of reasons: to achieve economies of scale, to encourage the investment needed for its long-term growth, to meet

customer needs and for shelter against cyclical returns. Since the acquisition of Royal P&O Nedlloyd, we have seen other competitors follow suit, which we believe will benefit customers and the market in general.

Our acquisitions of Sea-Land and Safmarine in 1999 and now Royal P&O Nedlloyd, combined with



*P&O NEDLLOYD BARENTSZ  
was built in 2000 and  
sails under the Dutch flag.  
The vessel has a length  
of 278 metres, a beam  
of 43 metres and a  
capacity of 5.468 TEU.*

our growth in recent years, mean we are now an industry leader. Joining forces with Royal P&O Nedlloyd will allow the Maersk Container Business to offer one of the best products in the market: increased frequency and coverage on land and water, an advanced fleet of vessels and containers, as well as strengthened local and centre organisations.

#### **The road ahead**

Until February 2006, Maersk Sealand and Royal P&O Nedlloyd will continue to operate as separate shipping lines. This will enable Royal P&O Nedlloyd to honour its current commitments to customers and to specified conferences and consortia. It also allows Maersk Container Business to plan for the actual integration.

The road ahead will be challenging for some time, while the two organisations merge into one. Integrating two large, global companies with extensive vessel networks, landside and logistics activities is no small task. Besides meticulous planning, a sustained focus on our customers is required while continuing to provide the high service level they expect from us.

From our experience with the Sea-Land acquisition and integration in 1999, we are especially aware of the importance of communication with our colleagues. Through a global programme of "town hall" employee meetings and via enable (the Maersk Container Business' worldwide intranet), we are communicating the impacts of the changing organisation, as well as encouraging two-way discussion and feedback.

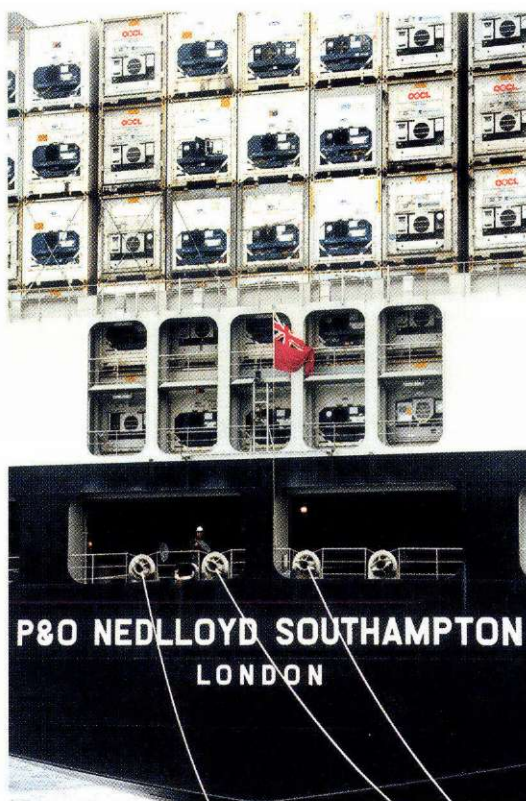
Training is also a vital area. At our head office in Copenhagen and in all of our 17 Areas across the world, the training and education functions are working on learning programmes that will introduce our new colleagues from Royal P&O Nedlloyd and Royal P&O Nedlloyd Logistics to our systems and processes.

From February 2006, Royal P&O Nedlloyd and Maersk Sealand will merge under the name Maersk

Line, and Royal P&O Nedlloyd Logistics and Maersk Logistics will be combined as Maersk Logistics. To support the "new" brand, we shall also launch a new visual identity that will further strengthen the recognition of our name, logo, and the unique Maersk blue colour. This will be used in all communications, internal and external, such as brochures, product sheets, posters, website design, letter-heads etc.

Our 35,000 Royal P&O Nedlloyd and Maersk Container Business colleagues in all corners of the world are working hard to make the integration a success. Their dedication and effort leaves little doubt that we shall succeed in joining forces and shall be able to offer our customers second-to-none transport and logistics services in the years to come.

Mette Lundorf



**With the combined  
Royal P&O Nedlloyd and  
Maersk Sealand network  
(excluding feeder strings)  
we shall:**

- make more than 33,000 port calls per year
- make more than 1,500 Suez Canal and more than 800 Panama Canal passages per year
- make more than 34 million container moves per year
- sail more than 52 million nautical miles per year (or seven times around the world daily) operate a combined fleet of 510 vessels and about three million TEUs of containers (including more than 350,000 TEU reefers)



# The Board of A.P. Møller - Mærsk A/S visits India

In October 2005 the Board of Directors of A.P. Møller - Mærsk A/S conducted a Board meeting in India, and also visited some of A.P. Møller - Mærsk's localities in the country.

## Global Service Centre

On 4 October 2005 the Board of Directors, led by Chairman Michael Pram Rasmussen, visited the Maersk Global Service Centre (GSC) in Powai. On their arrival the Board was given a presentation on GSC's role in supporting the overall Maersk Container Business strategy of delivering best customer service and ensuring cost leadership. This was followed by a tour of the facility where the Board were introduced to the key activities performed at the GSC.

During the demonstration of the documentation process, the members were taken through the entire Bill of Lading production cycle as well as the workflow management tool that helps with prioritising the tasks. At the [maersksealand.com](http://maersksealand.com) helpdesk activity "Live Chat" the Board witnessed first hand how Mumbai GSC provides vital assistance to Maersk Sealand's customers worldwide, with on-line registrations, website navigation and general queries.

## Port Pipavav

On 6 October 2005 the Board members visited Port Pipavav in the Saurashtra region of the North West Coast of India. The Port is spread across almost seven km<sup>2</sup> (700 hectares) of land along the Arabian Sea.

The Board was given a presentation and then visited the main facilities and important landmarks. The presentation focused on the immense potential of the Port to develop further into a large Indian multi purpose port and one of the most important assets of APM Terminals. The need to develop in a phased manner was stressed, taking into consideration all the limitations of local conditions and the remote location.

During the tour around the Port, the Board visited the 725 metres of jetty, handling bulk cargo and containers and also saw the LPG (Liquefied Petroleum Gas) jetty nearby. Pipavav is a unique feature in the APM Terminals portfolio because bulk, liquid and container cargo are handled in the same vicinity. The Board also saw the Container Yard, Warehouses, Captive Power Plant, Conveyor, Coal Yard, Workshop, Fire Station, etc. and were given a briefing on the projects underway.

The living conditions in the port colony were observed and the measures being taken to improve the quality of life, with all the necessary living and recreational facilities.

## GLOBAL SERVICE CENTRE

Mumbai Global Service Centre was established in July 1999. Since then, the GSC has developed to cater to a broader range of processes and from December 2003 has been part of the global Maersk Service Centres organisation. Mumbai GSC is involved in over 18 activities like Export and Import Documentation, Operations Support, Logistics Support, E-commerce Activities, Global Audits, Tariff Publishing, etc.; some of which are global support functions, whereas others are limited to particular geographical regions or countries. Most of these activities are customer critical and all are well backed-up with effective continuity plans so as not to impact Maersk's service deliveries.

*The members of the Board of Directors at port Pipavav.*



For more information about Global Service Centres see article in Mærsk Post 2/2003 and <http://enableportal.apmoller.net/c4/sharedservicecentres/default.aspx>





# Namegiving of GUNVOR MÆRSK

*At the namegiving ceremony: Sponsor Janet Gehman surrounded by (from the left) Captain Franz G.D. Holmberg, Mærsk Mc-Kinney Møller and Torben Anker Sørensen, Managing Director, Odense Steel Shipyard Ltd.*

**O**n 1 October 2005 the newbuilding GUNVOR MÆRSK was named at Odense Steel Shipyard by Janet Gehman, accompanied by her husband, Admiral Harold W. Gehman, Chairman, Maersk Line, Limited.

GUNVOR MÆRSK is the third in the new series of updated container vessels operated with extensive automation. With its 12-cylinder Wärtsilä RT-flex

diesel engine from Doosan Engine Co., which develops 93,000 BHP, GUNVOR MÆRSK will enter Maersk Sealand's worldwide liner service and together with the other vessels contribute to global, competitive and flexible transport solutions.

GUNVOR MÆRSK is registered in Aalborg, Denmark and will be commanded by Captain Franz G. D. Holmberg with Michael Sort as Chief Engineer.





APM Terminals, Oakland.



# The Maersk Inc. group

In North America, A.P. Moller - Maersk can look back on a rich history of an operation that today connects the world's largest markets and has positioned itself to meet a challenging and vibrant future.

## ***The Maersk Inc. group***

The importance of Maersk Inc., which includes activities in the USA and Canada, has continued to grow. The Maersk Inc. group of companies operates as one container business in North America and includes:

- Maersk Sealand and Safmarine, which serve 18,000 customers and hold the largest share of North America's container market.
- APM Terminals North America is the largest terminal operating company on the continent. The company operates terminals at 13 ports, handling more than 4,000 vessel calls a year. To help meet the expected future growth, APM Terminals has initiated four major terminal projects:
  - Pier 400 in Los Angeles is in its third and final development stage. It will be able to accommodate continued growth for the next decade. The facility, which opened in 2002, is the largest proprietary container terminal in the world.
  - Work began last year on a major new port facility in Portsmouth, Va., expected to open in July 2007.
  - The Port Elizabeth, N.J., terminal is being expanded from 266 to 350 acres.
  - The two Oakland port facilities are being consolidated for greater efficiency.
- Maersk Logistics, which offers a variety of global supply-chain services, including supply chain management, airfreight, forwarding and customs house brokerage services.
- Hudd Distribution, a subsidiary of Maersk Logistics that specialises in warehousing and distribution services.
- Maersk Customs Services, which is committed to securing the supply chain and ensuring compliant import and export processes.
- Maersk Line, Limited, a U.S. corporation that owns, charters and manages a fleet of 48 U.S.-flag vessels on its own account and under contract with the U.S. Department of the Navy.
- Bridge Terminal Transport (BTT) provides service to all major port locations and inland rail sites in North America. Its combined facilities – including

40 truck terminals and 30 container yards – and fleet make BTT the largest marine terminal drayage company in the world.

- Maersk Equipment Service Co. provides maintenance and repair activities for Maersk Inc. equipment, including leasing and managing a fleet of 90,000 chassis and 5,000 generator sets.
- Maersk Canada Inc., which represents Maersk Sealand and Safmarine in Canada, operating eight companies in 10 locations. The Canadian operations include logistics, warehousing and distribution, trucking, supply vessels and tug boats.

The emphasis across North America Area (NAM) is on operating as one container business, which is how the customer sees the Maersk Inc. family of companies. For example in June 2004 the Maersk Sealand and Maersk Logistics sales teams were integrated. The single, unified sales force benefits customers by offering a single point of contact for all their transport and logistics needs.

Contributing toward a better environment is an important value. For example, when APM Terminals North America was preparing to develop a new terminal in Portsmouth, Va., it agreed to contribute to cleaning nearby sections of the Elizabeth River. The terminal is slated to open in 2007. For several years, Maersk Inc. has supported the Great Swamp Watershed Association, which is committed to improving the water quality in northern New Jersey.

*Dan Carnahan and Annette St. Amand at Pier 400. Los Angeles is the key North American gateway for trans-Pacific cargo, and Pier 400 is the busiest of 13 port facilities operated by APM Terminals in North America.*







*Maersk Equipment Services Company (MESOC) is one of the many important Maersk Inc. business units in North America. Managing and maintaining a fleet of 90,000 chassis is one of the services provided by MESOC.*



*Russ Bruner assumed the role as president and CEO of Maersk Inc. and manager of the North America Area more than a year ago. He has promoted the message of operating as one container business throughout all area business units.*

### **The History of Maersk Inc.**

The first Maersk vessel called there in 1913. Six years later, shipowner A.P. Møller together with his cousin Hans Isbrandtsen established a shipping business, the Isbrandtsen-Møller Company, in New York City. In 1928 a long-term agreement was reached with Ford – the key needed to begin a shipping line and on 12 July 1928, LEISE MÆRSK, laden with Ford auto parts and general cargo, launched the Maersk Line when it departed Baltimore for Japan, China and the Philippines via the Panama Canal.

In order to secure continued business when Denmark was occupied during World War II, Mærsk Mc-Kinney Møller, A.P. Møller's son, moved to New York. In 1943, he established the Interseas Shipping Co., which served as the general agent in North America for A.P. Møller - Maersk and which evolved into Maersk Inc.

In 1999, A.P. Møller - Maersk made the strategic decision to acquire Sea-Land's liner business, prompting the Maersk Line name to be changed to Maersk Sealand for a period of approximately six years. It will be changed back to Maersk Line in February 2006 following the acquisition of Royal P&O Nedlloyd. Sea-Land had the distinction of revolutionizing the world of cargo delivery by introducing the first container transport nearly 50 years ago, on 26 April 1956.

### **A Major World Player**

Maersk Inc. is a player at one end of the world's busiest trade route – across the Pacific. This route connects three of the world's four largest exporting nations: the United States, Japan and China. Canada is seventh largest. The trans-Pacific trade accounts for 62% of Maersk Sealand's North America Area market.

Of the overall North American market, Royal P&O Nedlloyd and Maersk Sealand combined have a 16% share. The reach of Maersk Sealand from NAM is truly global, operating 37 linehaul services that cover all of the world's major routes. Each week, about 150 Maersk Sealand vessels operate to and from NAM, calling at about 280 ports, and carrying a capacity of more than 60,000 TEUs. Inside the containers is everything from lentils to laptops and from toys to textiles. And, yes, auto parts from Ford as well as other automakers.

### **One Container Business**

A hallmark of Maersk Inc.'s success in North America is that it commands a strong presence in all the major segments of the transport industry, from

port facilities to trucking to equipment services. Combined with Royal P&O Nedlloyd, Maersk Inc. employs more than 5,000 colleagues and operates more than 100 offices and facilities across the United States and Canada. About 800 colleagues work at the head office, in Madison, N.J., located just 35 miles from New York City.

### **Maersk Tankers**

Maersk Tankers is represented in the US with offices in New York and Houston with six employees. The office in New York covers both crude oil and product tanker activities in North America and South America and has full authority over spot activity in the region. The main trade lanes covered by the office are West Africa to the US Gulf Coast for Very Large Crude Carriers (VLCCs) and from the Caribbean or Europe to the US Gulf Coast/US East Coast with gasoline on the Handytankers fleet.

The gas business is represented by the Houston office located at the premises of Norgas, which is our partner in the ethylene pool MNGC (Maersk Norgas Gas Carriers). The gas chartering activities with North American and South American-based clients are handled by this office in close coordination with Maersk Tankers' office in Copenhagen. The petrochemical gasses are primarily imported and exported to and from the Houston area on semi-ref gas carriers.

Substantial quantities of LPG (Liquefied Petroleum Gas) are moved, mostly on Very Large Gas Carriers (VLGCs 78,000 m<sup>3</sup>), into both the US Gulf and US East Coast, where Maersk Gas Carriers operates today with five time chartered vessels. An additional four newbuildings are to be delivered in 2007.

MAERSK RHODE ISLAND is on long term charter to the US military through the Military Sealift Command. This is handled by staff in Maersk Line, Limited.

### **Maersk Supply Service**

Maersk Supply Service's activities started in 1987 when six anchorhandling tug supply vessels (AHTS) were acquired from Husky. Two vessels left Canada immediately, but four remained for a short period until activities off the east coast of Canada ceased. In 1990 Maersk Supply Service identified new opportunities in Canada and formed a relationship with Seabase Limited in St. Johns, Newfoundland for representation in the market area and for the provision of Canadian crews and agency related services.

In 1994 a long term contract was signed with Hibernia Management and Development Company



for two purpose built multipurpose platform supply vessels (MPSV) to support their production. The two vessels were delivered in 1996 but had to trade for the first year outside Canada, awaiting completion of the Hibernia production platform (a 680,000 ton concrete platform). When this was completed Maersk Supply Service bid successfully for towing the platform from Bull Arm to location on Grand Banks offshore Newfoundland. 11 vessels, not only Canadian but also vessels from the international fleet participated in the tow. The market offshore the east coast of Canada has continued to grow to support exploration activities as well as production from several fields.

Today Maersk Supply Service operates a fleet of two PSVs and seven AHTSs under the Canadian flag including the latest newbuilding delivered in October 2005. This represents about 50% of the Canadian market. St. Johns, Newfoundland is the most important harbour for Maersk Supply Service together with Halifax, Nova Scotia. 250 Canadian seafarers are employed.

### USA and Canada

The United States and Canada share a close relationship – each is the other's largest trading partner, and they share the world's longest non-militarized border. Canada, comprising 10 provinces and three territories, is only slightly larger in area than the 50 states and District of Columbia (Washington, D.C.) that make up the United States. There is far more contrast in population, with the United States fast approaching 300 million people while Canada counts some 32 million people.

### Full Steam Ahead

The industry in North America faces challenges on many fronts – such as a near-term shortage of port facilities, a growing trade imbalance, and a shortage of truckers. Maersk Inc., however, is continuing to make the necessary investments in people, port infrastructure, logistics and technology to accommodate the enormous growth in trade expected for North America as we progress further into the 21<sup>st</sup> century.

John F. Heenehan

*The position book of the LEISE MÆRSK in 1927 recorded the vessel's travels from Baltimore to the Philippines, marking the first voyage of the Maersk Line.*

### MILESTONES FOR THE A.P. MOLLER - MAERSK GROUP IN THE UNITED STATES OF AMERICA

**1913** First call of a Maersk vessel at a North American port when LAURA MÆRSK called at Galveston, Texas, on 2 December 1913.

**1917** OLUF MÆRSK called at Halifax, Nova Scotia, on 8 March 1917 as the first Maersk vessel to call at Canada.

**1919** Shipowner A.P. Møller together with his cousin Hans Isbrandtsen established The Isbrandtsen-Møller Company Inc. (ISMOLCO) in New York "to promote and carry on a general shipping business including chartering of adequate suitable tonnage from any port and in any direction as may be found advisable from time to time with the view of settling down into permanent trades."

**1928** Maersk Line's first voyage on the Panama Line from the US East Coast via the Panama Canal to the Asia Pacific Rim. LEISE MÆRSK left Baltimore on 12 July 1928 with Ford car parts and general cargo.

**1940** Mærsk Mc-Kinney Møller moved to New York upon the German occupation of Denmark to act as managing owner for shipowner A.P. Møller.

**1943** Mærsk Mc-Kinney Møller established Interseas Shipping Co. – later Moller Shipping Company Inc. and Moller Steamship Company Inc. and, in 1988, Maersk Inc.

**1946** Moller Shipping Company became general agent for Maersk Line. Sailings resumed on the Panama Line.

**1947** Maersk Line, Limited was established.

**1955** First Maersk Line branch office outside New York was established in Los Angeles.

**1958** First own terminal opened at Pier 11 in Brooklyn, New York.

**1972** Moller Steamship Company Inc. moved its head offices from 67 Broad Street to One World Trade Center, New York.

**1974** The Maersk Company Canada Ltd. and Maersk Line Agency Canada Inc. were established.

**1975** Containerisation of the Panama Line. New container terminal at Port Newark, N.J., opened.

**1980** Maersk Canada Inc. was established as an independent company.

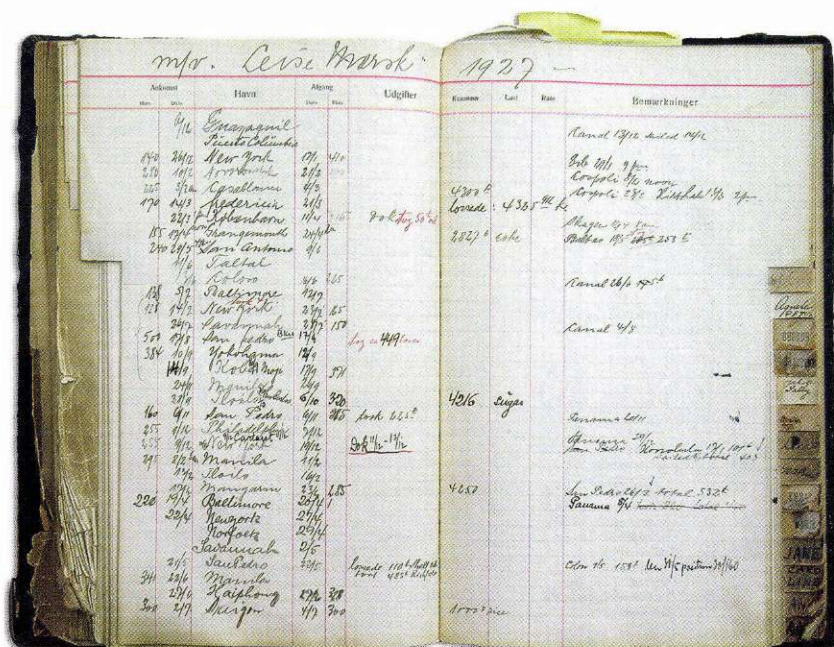
**1982** Maersk Line, Limited commenced management of U.S. Navy vessels.

**1985** First departure on dedicated Maersk Line train connection, Tacoma-Chicago-New York.

**1988** Moller Steamship Company Inc. changed its name to Maersk Inc., and moved its headquarters to Giralda Farms, Madison, New Jersey.

**1999** A.P. Moller - Maersk acquired Sea-Land's liner business. Maersk Line changed name to Maersk Sealand.

**2002** Pier 400, Los Angeles, opened as the largest single proprietary terminal in the world.





# On a Cruise to Copenhagen

During the last ten years Copenhagen has developed into one of the most important cruise destinations in Northern Europe. The number of calls made by cruise ships has increased steadily from about 140 in 1995 to about 285 in 2005 and today Copenhagen is the port of call in Northern Europe with the most calls and some 350,000 passengers per year.

## ***A Popular Port of Call***

While the cruise industry has shown a growth of 3-5% annually through the past ten years, the growth in Copenhagen for the same period has been about 10%. Thus, Copenhagen has succeeded in putting itself in a central position.

This development has been closely connected to the fall of the Berlin Wall in 1989, dramatically paving the way for tourism to Eastern Europe, including Russia. From the beginning of the 1990s the entire Baltic region experienced increasing interest. The Baltic region is however highly dependent on the success of St Petersburg.

Several of the most important interested parties got together at an early stage and established Cruise Copenhagen Network (CCN). The parties include the Danish Tourist Board, Wonderful Copenhagen, SAS, Tivoli and many sub-contractors such as hotels and carriers. CCN, the oldest network of its kind, still exists, and its strategy for 2005-2007 is based, among other things, on an extended collaboration with other destinations in the region.

## **MAERSK BROKER AGENCY**

Maersk Broker Agency is the leading cruise agent in Denmark and has throughout the past ten years experienced a marked increase from about 45 calls in 1995 to about 245 in 2005. Besides being an agent in Copenhagen, which of course is the largest Danish cruise destination, Maersk Broker Agency represents approximately 45 calls at other Danish ports. The calls are handled by Maersk Broker Agency's offices in Fredericia and Kalundborg and in a few cases by local sub-agents. Furthermore, Maersk Broker Agency acts as general agent for calls at the Faroe Islands, Iceland and Greenland.

## ***Floating Giants***

Cruise tourism has traditionally been associated with American package holidays to the Caribbean. Today, the Caribbean is still the largest region, followed by the Mediterranean and the Baltic countries. Globally, most passengers are American, but new markets are developing continually, and today the British are the second largest passenger segment followed by Germans and Italians.

The global fleet of cruise ships has increased considerably, just as the ships have grown steadily in size and become more luxurious. Ten years ago the ships typically had a maximum gross tonnage of 30,000 and a capacity of approximately 800 passengers. Today, ships with a gross tonnage of 110,000 and a capacity of 3,000 passengers and 1,000 crew call at Copenhagen. However, this development does not stop, and ships with a gross tonnage of 180,000 and a capacity of 4,000 passengers and 1,500 crew are being built. Vessels of this size cost around USD 800 million, but there is everything on board such as a theatre auditorium with room for 1,200-1,500 passengers, skating rink, cinemas, casino, pools, fitness centre, sauna, etc. The restaurants offer 24-hour service.

Today's most important operator is the Carnival Group with a market share of more than 50%, followed by the Royal Caribbean Cruise Lines and Star Cruises and, as a new operator, Mediterranean Shipping Company has now arrived on the international scene.

## ***Derived Tourism***

Cruise calls may be transit calls, i.e. when the passengers arrive in Copenhagen and leave Copenhagen



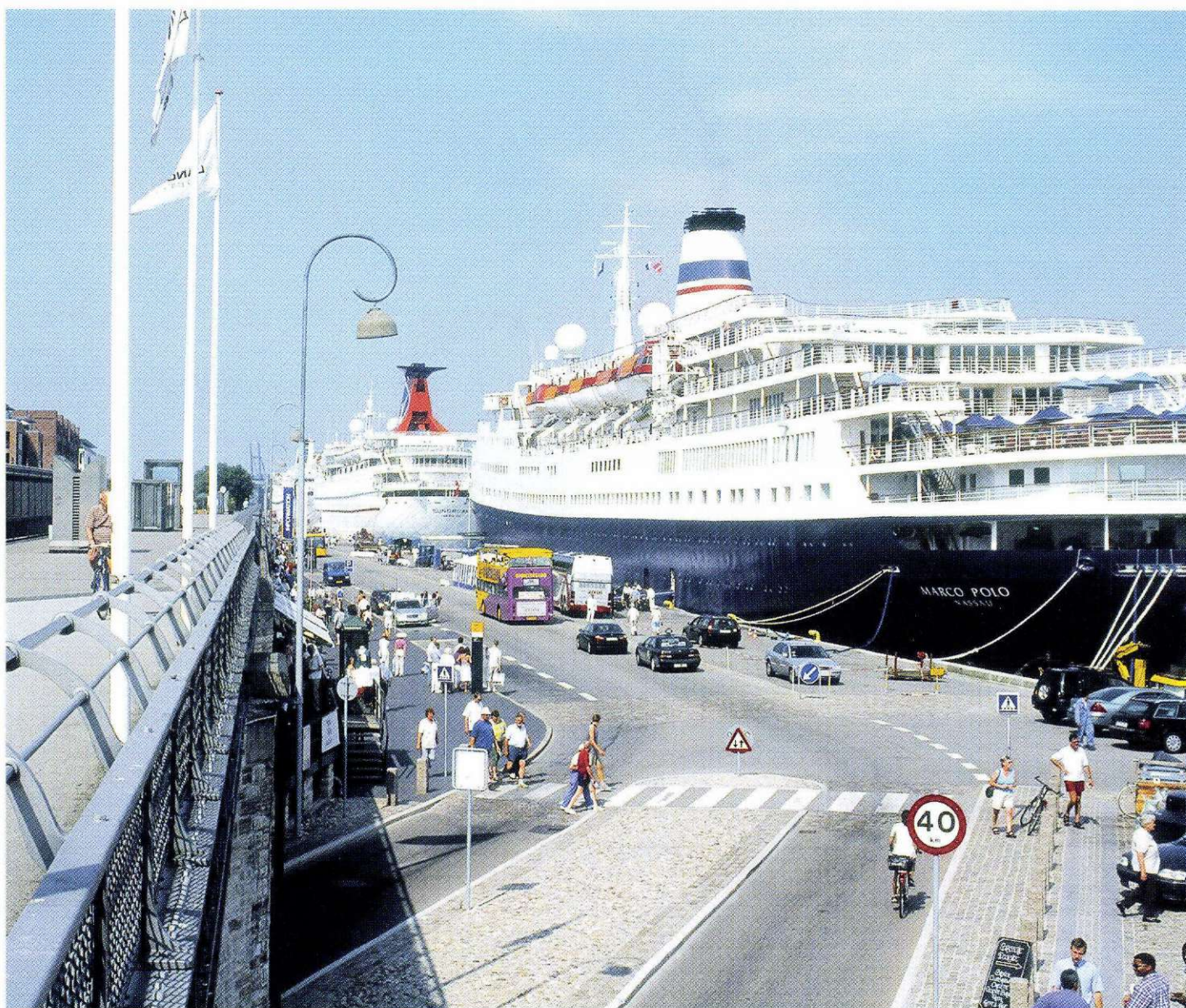
with the same ship; or turn-around calls, which is when the cruise starts and ends in Copenhagen.

Thanks to exhaustive and serious work Copenhagen has become Northern Europe's most important turn-around port. Turn-around calls are particularly important as a considerable turnover is generated in the form of hotel stays and provisioning, crew changes and numerous maritime services. Transit calls typically stretch from 8 a.m. to somewhere between 6 p.m. and midnight and the passengers make sightseeing tours, the most popular being the North Zealand castle tour or the City/canal tour and of course Tivoli – if the ship is in port until midnight.

### ***Enormous Potential***

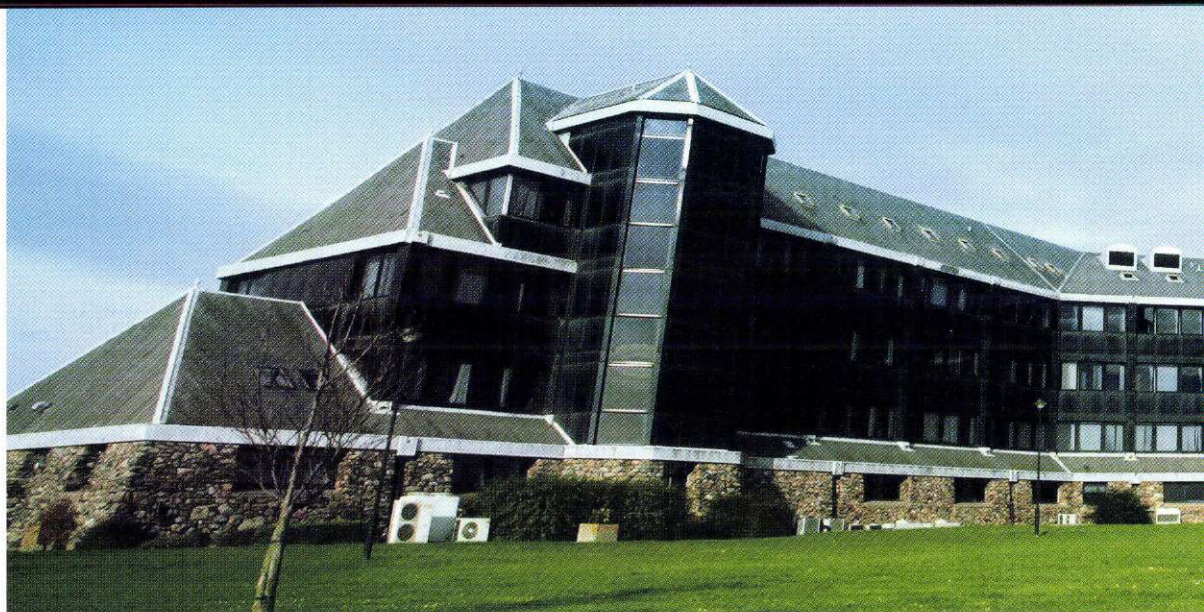
The potential is enormous; today, approximately 15 million people take holiday cruises, which still only constitute 4-5% of the overall potential of international tourists. However, Copenhagen has gained a lot of international praise throughout the years, most recently in 2005 with the World Travel Award, as the world's leading cruise port and Europe's leading cruise destination.

The prospects of cruise calls for 2006 are expected as of 1 August to be at the same level as in 2005, but more passengers are expected as several of the ships have greater capacity than those which serviced the Baltic countries in 2005. Christian Lund





*Mærsk Olie og Gas has taken over the so-called Ninian House which has functioned as headquarters for Kerr-McGee's British activities since 1999.*



# Mærsk Olie og Gas Growth in the

**M**onday 8 August 2005 was an important day for the further development of Mærsk Olie og Gas' activities in the North Sea. Following a short and intense negotiating period Mærsk Olie og Gas could inform the Danish Stock Exchange in the morning that the company had agreed with the American oil company Kerr-McGee Corporation to purchase the majority of Kerr-McGee's British oil and gas activities.

As part of the deal Mærsk Olie og Gas took over responsibility for more than 500 employees, mainly in Aberdeen and offshore on three production units in the British sector of the North Sea. The purchase was effective from 1 July 2005. The takeover was conditional on approval from the British authorities and EU competition authorities, which has now been obtained, and consequently the deal could be formally closed on 17 November 2005.

Mærsk Olie og Gas has taken over shares in seven producing fields in British territory with a total production of more than 50,000 barrels of oil per day

and a small volume of natural gas. Besides the activities carried out by Kerr-McGee so far, the purchase includes interests in several licences in the British sector of the North Sea and in one licence in the South of England.

On the day the purchase agreement was announced, an online press conference was held for the Danish and foreign press with the opportunity to put questions to Partner Thomas Thune Andersen who subsequently flew to Aberdeen and met with the new employees. Here Thomas Thune Andersen explained that the takeover makes a good starting point for Mærsk Olie og Gas' further development of its activities. The intention is on the one hand to utilise the experience gained by Mærsk Olie og Gas from activities in Denmark and internationally and on the other hand to learn from the new colleagues regarding Mærsk Olie og Gas' other activities.

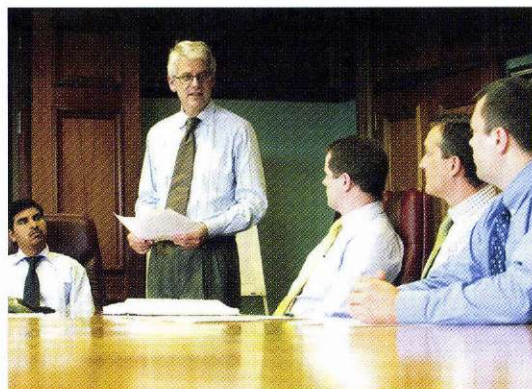
Since entering into the agreement, a team of representatives from both the Aberdeen organisation and Mærsk Olie og Gas in Copenhagen has been planning and performing tasks relating to the integration in Mærsk Olie og Gas of the new employees as well as preparation of the necessary routines and systems.

Almost coincident with the takeover of Kerr-McGee's British activities, Mærsk Olie og Gas was awarded five new exploration licences in British territory; in the British sector of the North Sea and in the waters west of the Shetland Islands.

## **Aberdeen still benefits from the North Sea**

Since its foundation, the historic city of Aberdeen

*All Mærsk Olie og Gas' activities in British territory are now managed from the office in Aberdeen where Michael Engell-Jensen is day-to-day manager.*







# United Kingdom

has been closely connected with the North Sea. You cannot escape the sea, they say in Aberdeen, meaning it positively.

Since its establishment as a castle in 1124, Aberdeen has been oriented towards the sea. The city has benefited from the North Sea since magnificent sailing ships left the harbour to take the tea route to China and now is a base for the many activities of the oil industry in the North Sea. However, Aberdeen is many other things, and the city has many nick names such as Granite City, Flower of Scotland and Silver City. Aberdeen carries all its names with pride; a prosperous, historic city with one of Scotland's most distinctive skylines.

The granite buildings such as Marishal College, His Majesty's Theatre and St. Marchar's Cathedral in the northern part of Aberdeen, which sparkle after rain, give the city its own look, whereas historic Old Aberdeen and the fishing hamlet Footdee have a special atmosphere. At the same time, Aberdeen is the city of flowers and has won the competition

"Britain in Bloom" many times, with two million roses, 11 million daffodils and three million crocuses.

## **A Cosmopolitan City**

Besides having a proud history, Aberdeen – the third largest city in Scotland after Glasgow and Edinburgh – also represents a modern cosmopolitan city to its inhabitants and guests. A gripping cultural calendar, vivid theatre activities and international restaurants and attractions make Aberdeen a city worth visiting.

As we are in Scotland, let us not forget the whisky – or the "water of life" as the Scots call it. The Malt Whisky Trail is popular with tourists with an opportunity to visit the many distilleries.

Life is good in Aberdeen, and behind it is an energetic business life and not least the important offshore industry, centred on the harbour. In 2004 nearly 5,000 ships servicing the offshore sector called at Aberdeen. For the offshore industry a record high 13 million tons of goods were handled in 2004.

*Floating production facilities such as GRYPHON are used on several of the new fields.*





### Capital of the Grampian Region

Grampian is a region in the north-eastern corner of Scotland, well provided with motorways and an international airport with many services. The level of activity in the oil industry has meant that the region has one of the world's largest helicopter airports. The region has more than 70 historic ruins, town houses and country houses, and half of Scotland's whisky distilleries.

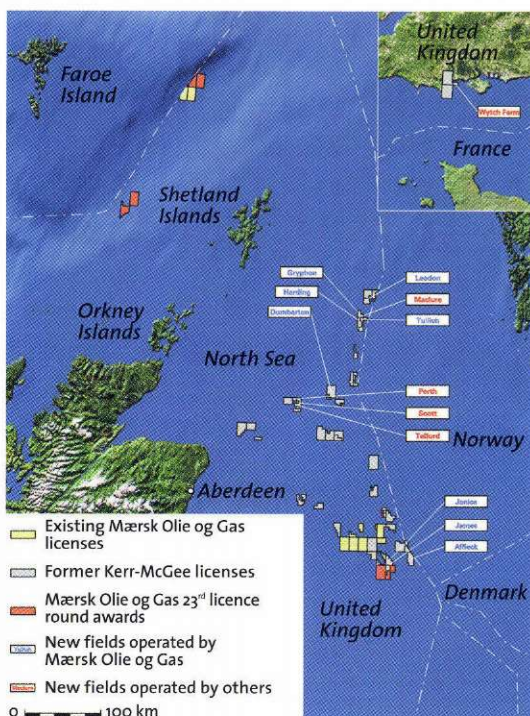
About 450,000 of Scotland's 5.1 million inhabitants live in the Grampian region. A relatively high economic prosperity is first and foremost a result of the activities of the offshore industry. This success has also provided a high-technological business

### The Oil and Gas Industry in Scotland

More than 100,000 workplaces in Scotland – or six percent of the work force – depend on the oil and gas industry. 30,000 work offshore and the oil industry procures work for 2,000 companies.

Oil was first discovered in the British sector of the North Sea in 1966. Since 1975 oil and gas have been produced from its offshore fields and recently also from an area north-west of Scotland.

In 2005 there were about 275 productive offshore fields, more or less evenly divided between oil and gas fields. Oil reserves in the area have recently been estimated at approximately 10 billion barrels.



life. The traditional fishing industry and its resulting activities are still alive and guarantee diversity. Furthermore, Aberdeen is known for good educational institutions.

### The A.P. Moller - Maersk Group in Aberdeen

Salamis has been established in Aberdeen for 30 years and part of the A.P. Moller - Maersk Group for the past 20 years. With an annual turnover of approximately £100 million and subsidiary offices in England, the USA and Canada, Salamis is a market leader in inspection, repair and maintenance across the energy industry.

In addition to Mærsk Olie og Gas AS and Maersk Contractors, clients include BP, Shell, Chevron, Apache, Talisman, Total, ExxonMobil, Marathon, ConocoPhillips and Amerada Hess.

### Maersk Supply Service

Maersk Supply Service started in 1965 and shortly after the first ships called at Aberdeen doing occasional, short jobs for oil companies. In 1976 the Maersk Company, London purchased four supply ships and gained contracts with major oil companies with the vessels operating out of Aberdeen or Peterhead. In 1979 and 1980 the Maersk Company built a series of four high horsepower anchor handlers and in 1983 a diving ship was added to the fleet. All these vessels were chartered by Maersk Supply Service.

Due to the expanding business for Maersk Supply Service in the North East of Scotland it was decided to open an office in 1985 with four employees. The first office was in the Aberdeen Harbour Office building, a convenient location for the harbour and visiting ships. The office has since moved a few times and now occupies space at the Maersk Contractors office in the East Tullos area of Aberdeen.

There are four employees involved with all aspects of chartering and operation of the supply vessels for the oil and gas customers based in Aberdeen and the UK. Ten Maersk Supply Service ships trade out of Aberdeen on a regular basis.

*The map shows Mærsk Olie og Gas' newly awarded fields and licences in British territory.*



Kerr-McGee, whose main activity is oil and gas exploration and production, was founded in 1929 with its head office in Oklahoma, USA. In 1945 Kerr-McGee initiated the first exploration activities offshore in the Mexican Gulf and in 1947 the company drilled its first commercial well. Today, the company is involved in production activities in the Mexican Gulf and offshore China. Kerr-McGee's Chairman and CEO is Luke R. Corbett.



# Maersk Contractors Expands in Venezuela

On 30 June 2005 Maersk Contractors doubled its fleet of drilling rigs in Venezuela with the acquisition of six drilling barges. With this addition to the fleet Maersk Contractors now owns 12 barge rigs, all operating on Lake Maracaibo. In addition to this, the local organisation manages two additional barge rigs for the state-owned oil company Petróleos de Venezuela S.A. (PDVSA).



**T**he purchase of the six drilling barges also included the rental of 7,000 metres<sup>2</sup> of office and warehouse facilities of very high quality. The base is situated on the shore of Lake Maracaibo and includes among others our own dock area for crew transport to the rigs operating on the lake. The move to the new facilities was completed during September 2005 and on 3 October the facility was officially opened with a ceremony attended by employees and representatives from the clients.

## Starting in Venezuela

In 1991 Maersk Contractors entered the Venezuelan market. At that time the Atlantic Pacific Marine Corporation (APMC), a subsidiary of Maersk Contractors, was struggling to find employment for the company's barges in the Louisiana swamps, where activity was decreasing. Opening the Venezuelan oil market to foreign companies in 1990 presented new opportunities for use of the rigs. At first, two of the APMC swamp barges were converted into cantilevered drilling barges, soon followed by two more conversions. During the 1990s four new barges

were put into operation on Lake Maracaibo by Maersk Contractors, which by then had taken over the operation in Venezuela as APMC was closed down. The professional operation is undertaken primarily by Venezuelans supported by international staff from Maersk Contractors. The organisation has demonstrated very high safety awareness over the years and MAERSK RIG 61 holds the record of 3,503 days without lost time accidents.

## Drilling in Lake Maracaibo

Lake Maracaibo is the largest lake in South America. It is connected to the Gulf of Venezuela by a narrow strait to the north. Approximately 14,000 wells have been drilled in the Lake which covers an area equivalent to the Island of Zealand in Denmark. The wells are not very productive, so many are required. They are supported by simple structures and placed in large grids only 100 metres apart. The narrow spacing makes operation and rig moves complicated. The oil companies operating on the lake are aware of the sensitive environment and Maersk Contractors is placing major emphasis on avoiding pollution.

## A Large Production

PDVSA expects that the production of oil in Venezuela will increase from the current approximately three million barrels per day to 5.8 million barrels per day in 2012. A large part of this will have to come from the Lake and demand for drilling services should thus increase.

The current production places Venezuela as the world's 9<sup>th</sup> largest oil producer with 3.71% of the total world production in 2004. Proven oil reserves place Venezuela in 6<sup>th</sup> place with 77.2 billion barrels.

*In 1990 Maersk Contractors found a way to convert the company's swamp barges in Louisiana from resting on the seabed during operation to becoming floating units, thus enabling them to operate at water depths up to 46 metres on Lake Maracaibo in Venezuela.*





# An Introduction to Vetting

Maersk Tankers' Vetting Department handles all vetting-related issues. Their primary responsibility lies in ensuring that all tankers owned by A.P. Moller - Maersk are vetted by the oil companies. This is to ensure acceptability for carrying their cargoes and maintain maximum flexibility for these vessels to trade at their optimum.

## ***What is Vetting***

Vetting is defined as a careful examination or evaluation. In the shipping industry, vetting has come to mean an assessment of all available information by oil companies, to determine with due diligence the operational standards of individual vessel operators and their vessels.

## ***Why Vetting***

An operation that is not vetted is an unknown and unquantifiable risk. Oil companies therefore operate a rigorous ship-vetting programme. They assess vessels for suitability for business, based on a range of criteria including management standards, fleet profile, crewing policy, terminal feedback and lastly their own inspection reports combined with those shared across the industry through the OCIMF (Oil Companies International Marine Forum) SIRE (Ship Information Reporting Exchange) system. This forms a key parameter in measuring the effectiveness of a shipping organisation's safety, environment and quality management performance. A creditable vetting track record with oil companies undoubtedly plays an important role in this competitive industry.

## ***A Uniform Programme***

Setting up these vetting programmes was a very positive step towards raising the safety and environmental standards in the tanker shipping industry.



However, this led to each oil company coming up with their own specific requirements including making vetting inspections a prerequisite. This meant that a vessel was inspected several times in a year for the same purpose. This burdened operators like A.P. Moller - Maersk and especially the seafarers on board the vessels.

This is where OCIMF took the lead and initiated the SIRE program to address concerns from member companies regarding substandard shipping. OCIMF created a uniform ship inspection programme incorporating specific industry requirements intended for use by all its members. A common database was created to store their inspection reports and share them with the members. This led to better information sharing and a reduction in duplication of inspections a vessel was subjected to.

## ***Self Assessment***

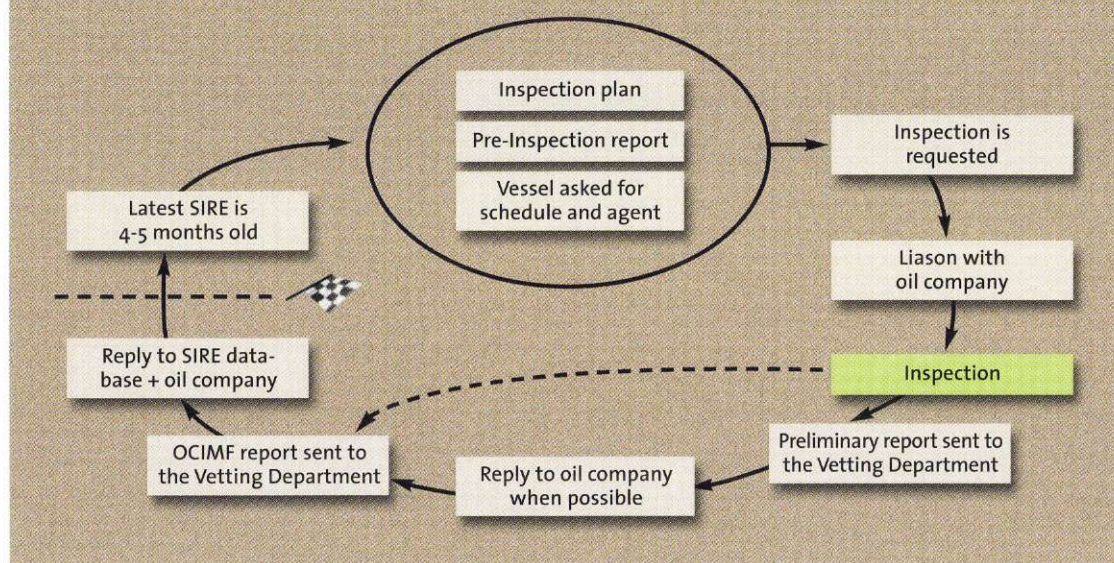
Another off-shoot of the SIRE system has been the Tanker Management Self Assessment (TMSA) which is a tool to help oil companies assess the operator in a more thorough manner than earlier. The TMSA programme encourages vessel operators to assess their safety-management systems against listed key performance indicators. The intention is to make the TMSA guide definitive and comprehensive in terms of what constitutes best practice. In the future the TMSA will no doubt be linked to the SIRE system and individual oil companies vetting programmes. The responsibility for the A.P. Moller - Maersk TMSA lies with Technical Organisation. As technical managers, they play an important role in ensuring that the TMSA reflects alignment with the recommended best industry practices and that the staff, both ashore and afloat in fact fulfil requirements of the TMSA.

## ***The Vetting Process***

The Vetting Department initiates a request to the oil company and coordinates the inspection of a given vessel. The vessels are always well prepared but never-the-less, they are informed about the inspection. The oil company appoints an inspector to perform it. The decision of accepting or rejecting a vessel is partly dependent on his report which describes the operational condition of the vessel and its safety standards. This report is sent to Maersk Tankers for owner's response to the deficiencies. The vetting department, in close cooperation with Technical Organisation responds to the oil company, reflecting on the actions taken to close out any deficiencies noted on the report. This is an important



# SIRE Inspection Cyclis



process as this reply is critically evaluated for the operational standards and management policies of the operator. The oil company will consider other factors like the track record of the operator, its fleet profile and incident/accident record for the fleet. The oil company finally completes their vetting process and reverts with their conclusion which, for A.P. Moller - Maersk, is usually an acceptance of the vessel for business. These SIRE inspection reports are finally uploaded with the owner's comments to the common database.

Due to legal implications, oil companies do not grant approvals anymore. Acceptance from an oil company shall be viewed as a single voyage acceptance unless otherwise specified. Vessels are evaluated on a case by case basis and up to date available information is used to screen the vessel. Screening can be termed as the part of the vetting process where all available information is taken up for consideration to reach a conclusion.

According to the SIRE statistics, 300 inspections and 1,600 screenings are carried out each month. This means that most oil companies no longer require their own inspections for screening as long as there are other reports available.

## The Vetting Strategy and its Effect

The Vetting Department incorporates the oil company's requirements into its strategy to ensure maximum trading flexibility. The strategy is for all vessels to have an inspection report in the SIRE database not older than six months which is the current OCIMF recommendation. Further, additional

inspections could be arranged for oil/chemical companies not participating fully in the SIRE system.

Analyzing, monitoring and improving our performance in vetting inspections on a continuous basis are a matter of utmost importance for us. For this purpose, we maintain a database of all inspections. We conduct surveys and share the statistics with interested departments to highlight areas of concern. We have been engaged in information sharing with the fleet trying to impress upon everybody why vetting inspections are such a good idea. Safety is a state of mind and no amount of resources can bring about the change unless we conduct ourselves in a safe manner. Vetting inspections are an opportunity to reaffirm just that. We have moved in the right direction, driven mainly by the commitment and performance of the fleet's well trained crew and their focus on safety.

## The Future

The massive newbuilding programme undertaken by Maersk Tankers will, no doubt, create a lot of challenges on the vetting front. The Vetting Department will be more pro-active than in the past. The intention is to make our presence felt at the various forums like OCIMF. We have initiated a dialogue with OCIMF and oil companies to keep abreast of the latest issues in the industry. We also maintain contact with pool partners and other oil shipping companies with similar concerns and expect to lead the way on vetting issues.

Sachin Matwankar and Kristian Dam Jensen





# Buyer's Compass

## – All Information about Purchasing in one Place

The Buyer's Compass portal gathers all important information about purchasing in the A.P. Moller - Maersk Group. The portal has been developed by Maersk Procurement in close collaboration with purchasers and specialists from the entire Group.

### ***A Variety of Purchasing Contracts***

Globally in the A.P. Moller - Maersk Group purchasing contracts exist for everything from ballpoint pens to ships' engines. Buyer's Compass includes a database providing an efficient overview of these contracts.

If, for instance, you need to arrange travels, all relevant information is found in the "Travel and related activities" section. Here you have access to travel policies and relevant news. You can book flight tickets directly with A.P. Moller - Maersk's global travel agency TQ3 and access news about

departures, delays, safety and weather forecasts. You can hire a car, or via the hotel search engine reserve hotel rooms at a discount.

If your interest is in areas of a more strategic nature, Buyer's Compass also contains valuable information about purchase of e.g. container handling equipment, steel and paint.

### ***Search for Information***

Buyer's Compass contains large amounts of information about suppliers, products, contacts, news, etc. A state-of-the-art search engine makes information easily accessible and ensures a better basis for decisions. By use of keywords it is possible to find information about:

- Colleagues in the Group with expertise in the desired area
- Registered purchasing contracts
- Suppliers
- News

#### **FROM A DAILY USER:**

**Jim Tunis,**  
**Corporate Purchasing, Maersk Inc.:**

"Buyer's Compass enables Maersk Inc. Corporate Purchasing to manage all contracts in one central location. Besides the ability to post actual contracts, it will send an email as contract expiry approaches to start the renewal or sourcing process."





*On Buyer's Compass relevant information about all types of purchasing can be found. Read more about how to receive news of special areas of interest electronically. All employees have access – quickly and easily. Find Buyer's Compass via a link on @maersk, enable or local Intranet pages.*

### Latest News

Why not keep up to date with the latest relevant news from Buyer's Compass? Receive automatic e-mails with links to news that interests you. Just register on the portal, where you can simply tick off the relevant product and service categories without use of ID or password. Registration also provides direct access to the database with framework agreements and other purchasing tools.

Maersk Procurement is responsible for the purchase of goods and services across the A.P. Moller - Maersk Group, i.e. coordination of purchasing volume and negotiation of global purchasing contracts. This applies to consumer goods and products within strategic areas.

Find Buyer's Compass via a link on @maersk, enable and local Intranet pages. Get more information about registration by e-mailing [cphmprobc@maersk.com](mailto:cphmprobc@maersk.com)

### REVIEW OF A.P. MOLLER - MAERSK GROUP'S PURCHASING CONTRACTS

One of the more specialised Buyer's Compass tools is the "Frame Agreement" database. Search for knowledge and share information about purchasing contracts across business units and regions. Information about prices, products, suppliers, contract details, etc. is available with one click. At the same time, the database keeps track of your own purchasing contracts.

The database is developed for electronic handling of the Group's purchasing contracts, globally as well as locally. Owners of contracts file their contracts electronically in the database in a user-friendly set-up and define possible restricted access. A feature of the database is that contract owners are informed electronically when the contract is to be re-negotiated or expires. The system keeps track of the dates.

The database can be used to advantage for administration of local contracts where access to information needs to be restricted.

For further information about the tools for administration of purchasing contracts, please contact [cphmprobc@maersk.com](mailto:cphmprobc@maersk.com)





*At the terminal in Scheveningen (left to right): Jess Soderberg, Captain Berno. A.C. van Geest, Chief Officer Jaap E. Nip, Chief Engineer Ruud C. Mehlbaum, Gerhard Quist, Norfolkline Marine department and Thomas Woldbye, Managing Director Norfolkline.*

## Jess Soderberg Visits the Netherlands

Mr Soderberg paid a visit to the Netherlands in September 2005. On 28 September he had a very full programme with visits to APM Terminals' construction site in Zeebrugge as well as the terminal in Rotterdam, before continuing to the APM Terminals corporate head office in The Hague.

On 29 September Mr Soderberg visited Norfolkline's headquarters and terminal in Scheveningen. He had a chance to talk to all Norfolkline's employees during a reception in the headquarters. After the visit, Mr Soderberg and Thomas Woldbye had lunch with the Mayor of Rotterdam Ivo Opstelten.

Jess Soderberg also visited the Central Europe Area office in Rhon on 29 September, where he was introduced to the employees and had a talk with them about their tasks, the challenges they are facing and the support they receive. His visit was much appreciated by everyone involved.

*The terminal in Aarhus, Denmark.*

## APM Terminals Moves on

### **New concession in Apapa, Nigeria**

On 20 September 2005, APM Terminals concluded the lease agreement for Apapa Container Terminal in Nigeria. Under the agreement APM Terminals will develop, operate and manage the common-user terminal for a period of 25 years.

Apapa Container Terminal is the primary Nigerian container handling facility. APM Terminals is implementing a development plan that includes new cranes and other handling equipment, expansion and refurbishment of the yard areas as well as training for the staff. Apapa has historically suffered from substantial con-



gestion, but APM Terminals will work with all stakeholders to deliver the true potential of Apapa Container Terminal.

### **Expansion in Aarhus, Denmark**

APM Terminals Aarhus inaugurated a 70,000 m<sup>2</sup> (seven hectare) expansion of the container yard on 3 October 2005.

The terminal has enjoyed increasing volumes from its primary customers, Maersk Sealand and Eimskip, so has been operating with a very high utilization throughout the year. The expansion increases the terminal's throughput capacity by 80% to 275,000 TEU, so APM Terminals Aarhus is well positioned for the future.





From left to right: Wang Zhenggang, Head of Haier Logistics Promotion Department; Xia Suijia, Vice President of Guangzhou Shipyard International; Chen Jingqi, Vice President of Guangzhou Shipyard International; Xiang Li, Director of Neigang Office of Guangzhou Customs Administration; Charlie Wellins, Greater China Area; Hu Guoliang, Chairman of Guangzhou Shipyard International; Sponsor Yang Mianmian, Executive Vice Chairwoman of the Board of Directors and President of Haier Group; Tom Behrens-Sørensen, CEO of the Greater China Area; Steffen Christensen, Greater China Area; Han Guangde, President of Guangzhou Shipyard International; Lu Xihua, Assistant President of China Shipbuilding Trade Corporation and Chen Jie, Vice President of Guangzhou Shipyard International.



From left to right: Ding Lina, Deputy Director General of Shenzhen Municipal Foreign Affairs Office; Yu Min, Deputy Director General of Guangdong Provincial Foreign Affairs Office; Hu Guoliang, Chairman of Guangzhou Shipyard International; Sponsor Lei Yulan, Vice Governor of Guangdong Province; Per Jørgensen, A.P. Moller - Maersk Group; Wendy Jørgensen; Tim Smith and Lars Mikael Jensen, Greater China Area and Chen Jingqi, Deputy General Manager of Guangzhou Shipyard International.

## MAERSK BRISTOL and MAERSK BELFAST Named in Guangzhou

On 5 August 2005, Hull No. GSA01310008 was named MAERSK BRISTOL at Guangzhou Shipyard International (GSI) by Mme Yang Mianmian, Executive Vice Chairman of the Board of Directors and President of Haier Group. Around 100 guests, mainly A.P. Moller - Maersk's business partners, participated in the festive namegiving ceremony. Tom Behrens-Sørensen, Chief Executive Officer of the Greater China Area was host.

On 23 September 2005, Hull No. 01310009 was named MAERSK BELFAST at Guangzhou Shipyard International by Mme Lei Yulan, Vice Governor of Guangdong Provincial People's Government of the People's Republic of China.

More than 180 guests participated in the event, including of officials from the various departments of Guangdong Province and the Municipal governments of the Pearl River Delta. We were also pleased to see many colleagues from Royal P&O Nedlloyd participating in this event. Per Jørgensen, Chairman of Maersk (China) Shipping Co., Ltd. hosted the event.

MAERSK BRISTOL and MAERSK BELFAST are both 29,000 DWT chemical tankers and the 22<sup>nd</sup> and 23<sup>rd</sup> vessels respectively built by Guangzhou Shipyard International for the A.P. Moller - Maersk Group.

Guo Dehua





*Vladimir Shkolnik, Minister of Energy and Mineral Resources of Kazakhstan visiting Mærsk Olie og Gas' stand and Anders Damgaard, Managing Director of Maersk Oil Kazakhstan GmbH.*

## Kazakhstan International Oil and Gas Exhibition

From 4 to 7 October 2005 the 13<sup>th</sup> Kazakhstan International Oil and Gas Exhibition and Conference (KIOGE), the largest oil and gas event in Central Asia, took place in Almaty, Kazakhstan. Maersk Oil Kazakhstan participated in this exhibition for the fifth consecutive year together with other 420 companies from 34 countries and received a Certificate of Gratitude from ITE Group Plc, the exhibition's organiser.

KIOGE's sponsoring exhibitors are Chevron, AGIP KCO, ExxonMobil, Shell, ConocoPhillips, Total, Statoil and BG, among others. The exhibition's aim is to promote the interests of the Kazakhstani authorities and companies involved in the oil and gas sector and to provide networking opportunities for participants and visitors to the exhibition.

## An Informative Voyage

Shipping is becoming increasingly important in the Danish national economic picture. A.P. Moller - Maersk arranged a voyage on board KATE MÆRSK, from Algeciras in Spain to Le Havre in France, from 29 September to 2 October 2005, to give the Danish minister for shipping, Minister of Economic and Business Affairs Bendt Bendtsen, and Niels Sindahl, spokesman on shipping policy for the Social Democrats, an idea of container shipping and life on board a large container vessel.

The voyage began with a visit to the large container terminal in Algeciras, where John E. Thomsen, Area Terminal Manager, explained the role of the terminal as the centre of the global route network and entry into Spain. During the voyage to

Le Havre there was time to get a thorough insight into the vessel: bridge, engine, accommodation and container holds, under the expert guidance of Captain Svend Lykke Kjeldsen and Chief Engineer Bjørn Balle-Petersen. There was also time to observe the crew in their daily routines, as well as follow the voyage from the bridge up the Bay of Biscay, where the gentlemen discovered that the sea is not always calm. On arrival at Le Havre, Area Manager Lars Kastrup took them round the port and presented the plans for a new APM Terminals project. During the entire voyage Bendt Bendtsen and Niels Sindahl were accompanied by Leif Nielsen, Head of Technical Organisation and Knud Pontoppidan from the head office in Copenhagen.

*Left to right: Leif Nielsen, Technical Organisation; Niels Sindahl, spokesman on shipping policy for the Social Democrats; Erik Graumann, APM Terminals; John E. Thomsen, Area Terminal Manager; Knud Pontoppidan, A.P. Moller - Maersk; Bendt Bendtsen, Minister of Economic and Business Affairs; Chief Officer Martin Ytte Hansen and Captain Svend Lykke Kjeldsen.*







## More than Safety Courses

The training platform STAR-DOS spotlessly painted and renovated is now in Esbjerg Harbour, ready to receive a fast growing number of trainees from Survival Training Maritime Safety (STMS). STMS is an independent course organiser under ESVAGT A/S, aiming at reaching approximately 2,000 trainees this year compared with approximately 1,600 in 2004. STMS continuously expands and develops its course pro-

gramme and no task is too large or too small. All courses focus on the customer and flexible solutions are always offered.

All the mandatory offshore courses are included in STMS's programme and, as something new, refresher courses on safety have been introduced as well as repetition courses. New clients have arrived on the scene resulting in, among other things, development of courses

for the windmill industry and efforts are now being made to have standby courses approved for the offshore business in the British sector.

STMS also arranges teambuilding courses. Together with two partners, teambuilding and event courses are developed and sold – including packages with start-to-end courses with a social gathering and dinner after the exercises.

## Jess Sørenberg Visits Moscow

On 12 October 2005, the Eastern Europe Area received a visit from Jess Sørenberg who was invited to Moscow to attend the JPMorgan Chase International Council. Mr Sørenberg took a day out of his busy schedule to meet representatives from the Ministry of Transport and the Ministry of Economy of the Russian Federation as well as customers, authorities and staff at our office in Moscow. At a reception, Mr Sørenberg expressed thanks for the support given in Russia to Maersk Container Business and commented on the forthcoming opportunities afforded by the acquisition of Royal P&O Nedlloyd in the Area and particularly for Russia.

Mr Sørenberg noted with interest the impressive market growth of 25% in Russia and indicated that we shall continue to focus on providing our



customers with an increased quality of service. He also took time to greet all staff members and get a full overview of the business units in Russia and at the Area level. During a presentation given by Management, Jess Sørenberg was provided with detailed information on the recent development of the Area in general and the fast growing market in Russia in particular. The visit was concluded with a small office celebration to mark Mr Sørenberg's birthday that same day.

*Jess Sørenberg and staff at the office in Moscow.*





*HSE manager Sarah Glover, Salamis receiving the Offshore Contractors' Safety Prize 2005.*

## Salamis Wins Safety Award

Following the success in winning the Offshore Contractors' Association Technology and Innovation prize in 2004, on 27 October 2005 at the Annual Dinner in Aberdeen, Salamis was awarded the Annual Safety Prize. This double win highlights Salamis' continual focus on safety and innovation; the two key drivers for their many clients.

## Fairytale Express

With the desire to bring fairytales to disadvantaged children, Maersk Vietnam in cooperation with the Embassy of Denmark organised a special programme called "Fairytale Express" for street and handicapped children in Ho Chi Minh City.

Inspired by the famous Danish writer Hans Christian Andersen, who was well-known for writing and composing whilst travelling by train, we sought to take these fairytales on the "Fairytale Express". We designed a stage full of bright colours and hundreds of balloons with gifts hidden among them. We asked each of the children to choose a character from Hans Christian Andersen's stories that they loved, and imagine that they were the ones in the stories. The Vietnamese actress, Minh Hang, spun a tale that took us all to Copenhagen, Denmark in the times of Hans Christian Andersen.

The "Fairytale Express" was brought to many people through the media, most notably a two minute report on the Vietnamese National TV HTV.



## On a Sailing Boat in Portofino

For the second year Maersk Sealand has been cooperating with CVC, the largest Italian Sailing School, in organising the last regatta of its sailing season. The famous bay of Portofino, east of Genoa, Italy was the charming setting for this event.

This time we wanted to be in the game and a majestic 45 foot sailing vessel named URAGANO (Hurricane) was hired to actively take part in the race: proud seawomen and seamen of Maersk Sealand, Royal P&O Nedlloyd and Safmarine finally had the chance to show their ability while having a good time on board. Unfortunately the low wind conditions did not allow our boat and motivated crew to attain the rank at which we aimed.

After two days at sea, the historical abbey of Cervara welcomed our guests for the ceremony and party which concluded the event.

Alessandro Tiro



*Left to right: Kang Soo Kim, Senior Executive Vice President and Chief Production Officer of Daewoo Shipbuilding & Marine Engineering Co., Ltd.; Chief Engineer Yash Anand; Setsuyasu Hagiwara, Managing Executive Officer of Mitsui OSK Lines Ltd.; Lene Skou; Sponsor Kuniko Hagiwara; Søren Skou, Maersk Tankers and Captain Arpan Prasad.*



## MAERSK WILLOW

On 27 September 2005 Kuniko Hagiwara, wife of Managing Executive Officer Setsuyasu Hagiwara, Mitsui OSK Lines Ltd., honoured the owner, A.P. Moller Singapore Pte. Limited, by naming the latest newbuilding MAERSK WILLOW at Daewoo Shipbuilding & Marine Engineering's Okpo Shipyard on Geoje Island, Korea.

With MAERSK WILLOW, Daewoo Shipbuilding & Marine Engineering Co., Ltd., is continuing the delivery of a series of updated Pure Car and Truck Carriers for the A.P. Moller - Maersk Group. The vessels' 6-cylinder diesel engine from B&W develops 18,420 BHP at 105 RPM. With a deck area of about 45,000 m<sup>2</sup> and an intake of about 5,000 cars, the vessel will be one of the largest in A.P. Moller Singapore Pte. Limited's fleet of 10 Pure Car and Truck Carriers.

MAERSK WILLOW is registered in Singapore and will be commanded by Captain Arpan Prasad, with Yash Anand as Chief Engineer.

## Cadet Training and Education Facility in India

As the A.P. Moller - Maersk Group continues with rapid and large scale expansion of its fleet of vessels, the requirement for suitably trained Officers to serve on board has increased exponentially. To meet this demand, A.P. Moller Singapore Pte. Limited has entered into a management agreement with the Academy of Maritime Education and Training (AMET) at Kanathur in Chennai to train around 250 cadets annually for the shipping entities of the A.P. Moller - Maersk Group. It marks a groundbreaking agreement as A.P. Moller Singapore is pioneering the dual officer concept in Asia.

The first course at AMET commenced on 16 August 2005. Brand new facilities have been built at the AMET campus in Chennai, specifically for the A.P. Moller - Maersk programme. The faculty and the teaching and training equipment are state of the art and training will be conducted to make the cadets feel as if they are already on board a

vessel. Officers from the fleet will be attached to the facility on both a permanent and rotation basis, reflecting the importance of providing complete training for the young men and women selected as future Maritime Officers for the Group, and to ensure that the Company's standards are met at every stage of the training and education.

Certificates of Competency will be issued under the auspices of the Director General of Shipping, Government of India. Furthermore, an agreement has been obtained in principle for the issue of a Bachelor of Engineering degree from Birla Institute of Technology, Ranchi on successful completion of the four year course.

*The first class of A.P. Moller - Maersk Group cadets at the Academy of Maritime Education and Training at Kanathur in Chennai, India.*







*Left to right: Jing Wan Kim, President and CEO of Samsung Heavy Industries; Bok Ran Ahn; Adrie Visbeen, Director Visbeen Transport Group; Captain William Londesborough; sponsor Anja Visbeen; Chief Engineer Gary Sinclair; Hanne Lyng; Thomas Woldbye, Managing Director of Norfolkline; Pernille Robdrup and Kell Robdrup, Norfolkline Ferry Division.*

## Namegiving of MAERSK DUNKERQUE

It was a special day on 28 October 2005 when Norfolkline's new purpose-built Ro-Pax vessel was named MAERSK DUNKERQUE at the Port of Dunkerque in France. MAERSK DUNKERQUE is the A.P. Moller - Maersk Group's first passenger vessel. Anja Visbeen, accompanied by her husband Adrie Visbeen, Director and owner of Visbeen Transport Group, honoured Norfolkline by naming the newbuilding.

MAERSK DUNKERQUE is the first of three state-of-the-art Scandinavian designed vessels, built with one purpose in mind – to provide a superior service across the channel. Each vessel will have capacity for 200 cars, 780 passengers and up to 120 freight vehicles and a service speed of 25 knots, with a crossing time of just 1 hour and 50 minutes between Dover and Dunkerque. Spacious, light and modern, the double deck environment offers a choice of restaurants, bars and relaxation areas specially designed for motorists and freight passengers.

MAERSK DUNKERQUE will be operating on the Dover-Dunkerque route, sailing under the British flag, and will be commanded by Captain William Londesborough with Gary Sinclair as Chief Engineer.



*The Kong Fuz Fighters and sweet stimulants.*

## APM Super Cup

This year, the annual recurring event APM Super Cup took place on Saturday, 5 November. The main ingredients were, as before, an indoor soccer tournament followed by a celebration and dance at Radisson SAS Scandinavia Hotel. More than 900 A.P. Moller - Maersk employees from Denmark and several European Areas participated. A total of 112 teams contended throughout the day for the venerable winner trophy. They played well, and many of the teams were very creative in their choice of team suits.

Once again the defending champions Iznogood from Maersk Broker qualified for the final, opposed by the Europe Line Management team from the South American service, Los Diablos Rojos. It was a very exciting final where the attacks swayed back and forth. A few seconds before time Iznogood drew 2-2 and the game continued into a Golden Goal period which was won by Iznogood thus defending their title as APM Super Cup champions.

The evening was the perfect ending to a long, eventful and successful arrangement. The celebration committee thanks everyone for their participation.

*The winning team:  
Iznogood, Maersk Broker.*





# Corporate Citizenship

In business circles there is considerable discussion concerning the concept of Corporate Social Responsibility. This very broad term covers sustainability, codes of conduct, human rights, donations, etc. In the A.P. Moller - Maersk Group we use the term Corporate Citizenship.

Our Corporate Citizenship is governed by our strong values which are an integral part of the way we conduct our business – indeed constant care has always been a guiding principle within our Group. However, our communication of this has been limited as it never has been – and never will be – our intention to promote our Group by means of our Corporate Citizenship. Unfortunately, our limited communication has been interpreted in some quarters as lack of action, which of course is not the case. A Task Force Group has been established to address this and to develop our Corporate Citizenship further.

## Task Force Group

Headed by Corporate Communications in Copenhagen, the Task Force Group consists of representatives from each business unit within our Group as well as employees from certain Group functions and other relevant functions (e.g. environmental supervisors).

Further information about the work of the Task Force Group will be available soon on the @maersk intranet where a specific site on our Corporate Citizenship is being developed. The site will keep you updated on the Corporate Citizenship initiatives within our global organisation.

*KelsenBisca checks that all cookies lie nicely and are not broken.*

## Time for Cookies

With the approach of December it is time once again for cookies in the well-known Maersk tins with motifs from the Container Business. The cookies are supplied by KelsenBisca (Kelsen), an international bakery group with head office in Copenhagen. The collaboration between A.P. Moller - Maersk and Kelsen has lasted over nearly ten years.

Every year Centre Marketing in Maersk Container Business decides after careful consideration which cookies will be put in the tin, and in recent years the assortment has changed considerably. Kelsen submits new suggestions for cookies for evaluation and selection, and this year a very exciting assortment of five different cookies has been chosen.

Centre Marketing and marketing at APM Terminals begin the process of designing the tins and boxes in March, to allow Kelsen to produce the cookies not later than August for delivery in mid-September. In close collaboration with these departments Purchasing Logistics is responsible for the purchase and coordination of 180,000 tins of cookies.



Production takes place in Kelsen's factory in Jutland where there are five baking lines – one for each of the five cookies. Glud & Marstrand A/S supplies the tins to Kelsen. Maersk Procurement ensures during the production process that design, logo and colours appear correctly on tins and boxes. Maersk Logistics handles the physical distribution in more than 100 countries.

The Danish cookies are very popular among our customers, partners and employees all over the world. They draw attention to the Group and are a way of showing our appreciation of the work performed.





# Personalia

## Esplanaden



**25 Years Anniversary**  
Bente Nielsen  
1 January 2006



**25 Years Anniversary**  
Torsten Svanholm  
1 January 2006



**25 Years Anniversary**  
Jens-Aage Semler  
10 January 2006



**25 Years Anniversary**  
Bente Steensen  
Seistrup  
19 January 2006



**25 Years Anniversary**  
Jai Kumar Alichadani  
24 January 2006



**Retiring**  
Jens Peter Jensen  
31 December 2005



**Retiring**  
Jørn Andersen  
28 February 2006

## The Fleet



**40 Years Anniversary**  
Preben Bech Schierup  
Captain  
29 December 2005



**25 Years Anniversary**  
Peder Hansen  
Hjulmand  
Captain  
9 January 2006



**25 Years Anniversary**  
Leon Møller Jensen  
Captain  
29 January 2006



**25 Years Anniversary**  
Flemming Bach  
Olesen  
Captain  
13 February 2006



**Retiring**  
Claus Dahl  
Chief Cook  
31 august 2005



**Retiring**  
Ole Nygaard  
Sørensen  
Captain  
6 september 2005



**Retiring**  
Egon Skov  
Gas Engineer  
7 October 2005

## Mærsk Olie og Gas



**Retiring**  
Frede Thomas  
Pedersen  
Ship's Assistant  
4 november 2005



**Retiring**  
Ole Aagaard Holm  
Chief Engineer  
27 December 2005



**Retiring**  
Paul Vestergård  
Chief Engineer  
30 January 2006



**25 Years Anniversary**  
Anders Peter  
Damgaard  
1 January 2006



**25 Years Anniversary**  
Bent Faueryby  
5 January 2006



**25 Years Anniversary**  
Peter Horsbøl  
Jørgensen  
5 January 2006



**25 Years Anniversary**  
John Ernst Andersen  
12 January 2006

## Maersk Contractors



**25 Years Anniversary**  
John Fremlev  
Petersen  
12 January 2006



**25 Years Anniversary**  
Benny Rasmussen  
12 January 2006



**25 Years Anniversary**  
Else Møller  
1 February 2006



**25 Years Anniversary**  
Axel Christensen  
26 February 2006



**25 Years Anniversary**  
Wayne Steven  
Benson  
Senior Toolpusher  
1 January 2006



**25 Years Anniversary**  
John Thorstein  
Drilling Supervisor  
26 February 2006



**Retiring**  
Gordon Porter  
Superintendent  
27 December 2005



## Organisations Abroad



**40 Years Anniversary**  
Freddy Porse Wett  
Jørgensen  
Maersk Ship Design,  
Brazil  
11 December 2005



**25 Years Anniversary**  
Andre de Ranter  
Maersk Benelux  
31 October 2005



**25 Years Anniversary**  
Vicky Siu Ying Chung  
Maersk Hong Kong  
3 December 2005



**25 Years Anniversary**  
Connie Scott  
APM Terminals Pacific  
31 December 2005



**25 Years Anniversary**  
James R. Glover  
Maersk Inc.  
26 January 2006



**25 Years Anniversary**  
Sara P. Van Sickler  
Maersk Inc.  
2 February 2006



**25 Years Anniversary**  
Edita V. Tawagon  
APM Terminals Pacific  
2 February 2006



**25 Years Anniversary**  
Frank T. La Bianca  
Bridge Terminal  
Transport  
17 February 2006



**Retiring**  
John Gericke  
Maersk Ship Design,  
Korea  
31 December 2005



**Retiring**  
Erling Moesgaard  
Maersk Singapore  
31 December 2005



**25 Years Anniversary**  
Rui de Brito  
20 October 2005

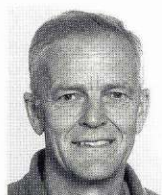


**25 Years Anniversary**  
Henri de Boer  
1 December 2005

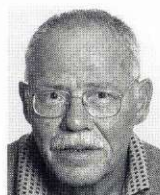
## The Yard



**50 Years Anniversary**  
John Almind  
Knudsen  
9 December 2005



**40 Years Anniversary**  
Leif Nielsen  
9 December 2005



**40 Years Anniversary**  
Jørgen Christensen  
16 December 2005



**25 Years Anniversary**  
Bjarne Højlund  
Kierstein  
9 December 2005

## Obituary

The A.P. Møller -  
Maersk Group is sorry  
to announce the  
following deaths:

William Hong Yen Lam  
Maersk Hong Kong  
10 May 2005

Jia Ling Zhang  
Maersk Logistics  
(China)  
12 May 2005

Børge Henry Jensen  
Captain  
ex. ELI MÆRSK  
2 July 2005

Niels Juhl  
Westergaard Jensen  
Captain  
ex. ARTHUR MÆRSK  
1 August 2005

Helge Emil  
Valdemar Poulsen  
Captain  
ex. DAGMAR MÆRSK  
29 August 2005

Rolf Siekmann  
Rosti Verpackungen  
9 September 2005

## Norfolkline





**MÆRSK**