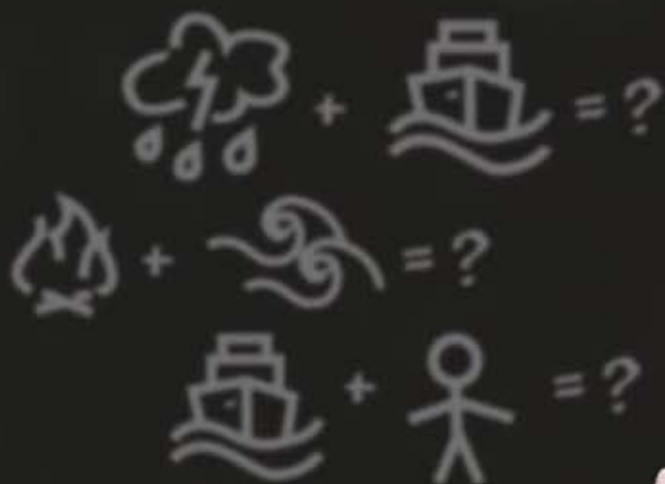




For professionals in shipping and logistics

world

No.2 Apr 2009



Enviro Award Launched

page 5

A visit from the Doctor

page 6

Solutions:

The story so far...

page 12



A progress report...

In late January, GAC managers from all corners of the globe gathered in Dubai for a review of progress made by the Group over the past three years and to discuss the present strategy, Vision Y – Global Values. The meeting of close to 250 managers came at a time of continuing shudders in the global economy.

Nevertheless it was gratifying to witness the positive and determined atmosphere that prevailed at the meeting. You can read more on pages 4-7.

GAC companies are not immune to the current strife, but there was a clear belief at the meeting that disciplined financial management backed by a solid Group balance sheet would ensure a safe passage through the troubled times. Indeed investment opportunities may arise as a result of the turmoil. The consolidation trend in shipping and logistics over recent years could well pick up and this is something GAC would welcome with like-minded partners.

Environment award

During the meeting, a unique approach to improving the environment was launched. Our Executive Chairman, Björn Engblom lent his support to the Chairman's Award for Environmental Excellence. This award focuses on our local companies and aims to reward those that achieve concrete improvements in their environmental impact.

GAC strongly believes in keeping things local, whether the subject is service delivery or saving paper. You can read more about the award on page 5.

Solutions

Our lead stories in this edition direct attention to our newest business area, GAC Solutions. Since its launch in April 2007, Solutions Vice President Christer Sjödooff has been on a relentless drive to engage with world-best service providers and producers to build partnerships that take us into new markets and products.

It has been a process marked by close attention to detail, and no small amount of stamina. The results are notable, particularly with GAC Weather Routing, powered by SMHI and with the steady

expansion of GAC Fire Rescue and Safety. Our report starts on page 12.

Openings

In the past few months, GAC has added several new offices and has secured some important contracts. This is encouraging in a time of shrinking markets and margins. I don't possess a crystal ball and certainly have no intention to offer financial predictions for the coming months. However, the fact that business has been sustained, expanded or renewed with existing customers can only be a good sign.

Laughing in Kazakhstan

Good signs too for our customers and associates in Kazakhstan who found plenty to laugh about when GAC sponsored a tour by well-known stand-up comedians, Craig Campbell and Nick Wilty. Our start-up logistics operation there has benefited from the positive response to this different approach to promoting the GAC brand.

A golfing storm

GAC is pleased to welcome European tour professional Graeme Storm to the GAC brand. Our sponsorship of Graeme is

part of a wider strategy to bring the GAC message into people's homes via television and print media. We wish him every success in '09.

Stronger links

Finally, these are times that test our resilience and our relationships. These are also times when we can build stronger links to our customers through our reliability and commitment to quality. I hope you find useful and enjoyable articles in the following pages and I will be happy to hear from you about anything related to this and other editions of GAC World. Happy reading!

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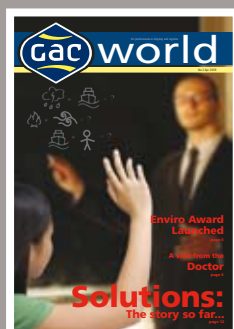
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Want the contact details for a GAC office or staff member? Please visit the Directory section of: www.gacworld.com

Back copies of GAC World are available for download at www.gacworld.com. Click on 'News' and then on 'GAC World magazine'.



LEAD



Solutions: The story so far...

We all have to think smart and get creative to meet the challenges of the current business environment – and that's exactly the philosophy behind GAC Solutions.

12

REGULAR FEATURES



Insight

A visit from the Doctor

Renowned thinker and writer on economic and strategic management Dr Kjell Nordström on key trends for the future of business.

6



Wherever You Go

GAC-OBC in the Shetland Isles

The Shetland Isles are the furthest north you can get in the UK. They are also home to key ports serving North Sea oil and gas fields.

8



Q&A

In conversation with Håkan Wester

22

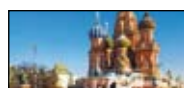
GAC WRAP



Company-based Enviro Award launched

GAC has launched an environmental excellence award focused on the operations of its 79 operating companies around the world.

5



Openings

New offices in Mozambique, France, Warsaw and Russia.

10



Golf pro Storm joins GAC sports stable

European Tour golfer, Graeme Storm, is the latest sportsman to sign a sponsorship deal with GAC.

20



Sponsors boost for Power Boat team

GAC has signed a sponsorship deal for Qatar's F1 power boat racing team.

24



Group meeting signals

confidence

despite global gloom



The GAC Group will not deviate from its positive five-year growth strategy, despite the need for caution and diligent cost management. That was the clear message to almost 250 managers and partners from around the world at a GAC management meeting held in Dubai this January.

GAC holds major management meetings every three years and the 2009 event was marked by a clear message of continuance and quiet confidence.

Growth

"Times may be bad but they are not equally bad nor are they bad everywhere," said GAC Group President Lars Säfverström.

"We expect our operating income to grow by 13 per cent or USD48 million in 2009 and our port call volumes to reach 60,000 for the year.

"Marine Service remains solid and while our logistics and freight forwarding operations are clearly being affected by the global conditions, we still expect to see growth in that business area."

Ethics

Säfverström told the management meeting that the coming years would see stronger emphasis on clear and open corporate governance and a greater commitment to high ethical standards.

"I expect being ethical to align with being profitable as we go forward into the second decade of this century," he said.

Strategic plan

The GAC Group has experienced substantial growth over the past three years both in revenue and geographical reach.

The Group's five-year strategic plan,

Vision Y - Global Values, was adopted in 2008.

It sets a range of targets including those for revenue growth, operating margins and initiatives related to staff development and retention.

Säfverström said there would be increased focus on improving and refining internal processes to ensure more effective customer service.

"In the end our task is simple," he said. "We have to stay close to our customers and, in these testing times, become highly innovative in our service offerings and in the cost savings that customers are looking for."

Company-based Enviro Award launched

GAC has launched an environmental excellence award focused on the operations of its 79 operating companies around the world.

The award, under the patronage of GAC Group Executive Chairman, Björn Engblom, recognises concrete, measurable achievements by local GAC companies in reducing resource usage, recycling and re-using materials.

Next step

"GAC has been an environmentally-aware organisation for many decades, stemming

from our Scandinavian roots," says GAC Group President, Lars Säfverström.

"But now we are taking the next step to ensure all our companies have a clear incentive to look more closely at what they use and what they produce to find ways to reduce our impact on the environment.

"We want to keep this as a locally-based initiative and to avoid using corporate buzzwords like 'carbon footprint' and 'greenhouse gas percentages'.

"The award emphasises clear and simple achievements such as kilos of paper

saved, litres of water saved, number of printer cartridges recycled, and so on."

Prizes

Known as The Chairman's Award for Environmental Excellence, it will be awarded annually and will offer substantial monetary prizes to those GAC companies that contribute most to managing their environmental impact. Award winners will be announced in early December.

“GAC has been an environmentally-aware organisation for many decades, stemming from our Scandinavian roots”





A visit from the

Dr Kjell Nordström, a renowned thinker and writer on economic and strategic management, was a keynote speaker at GAC's recent Management Information Meeting in Dubai.

Dr Nordström has a similar perspective to GAC. He focuses on long term trends and cycles. He told GAC managers that 3.6 billion people in countries like India, China, Brazil, and Eastern Europe now finally had the chance for a better, safer, cleaner, healthier, richer lifestyle – and they wouldn't give up on that dream! Their demand for more, and better, goods and services would not be stifled.

He then went on to identify some other key trends.

It's female!

Women consistently achieved higher grades than men in higher education. And they were now moving into top jobs in business, politics and government service. Their management styles and motivations – often very different from their male counterparts – would be increasingly important influences on decision-making at all levels.

Dr Nordström said women generally demonstrated higher levels of organisation, reliability and honesty. He pointed to the micro finance industry where most small loans were given to women, simply because they had a better record of paying them back. Men took more risks while women were steadier and more cautious.

It's personal!

The family, according to Dr Nordström, is in decline. He said 60% of homes in cities like Stockholm and Moscow were now single-person households, and that figure was rising. That means more people were making decisions based on personal issues and needs.

Dr Nordström quickly added that this did not signal an end to having children, simply that the circumstances in which they are raised were changing. Indeed, rich Scandinavian countries now topped European birthrate ratings, while countries like Italy, Spain and Ireland (which traditionally had high birthrates) were at the bottom.

It's urban!

Current estimates indicated that 90% of people would live in urban areas by 2040. Dr Nordström suggested that it is time to accept cities as the driving economic and cultural forces of a region, not countries. He said the situation echoed the great city-states that dominated Ancient Greece (Athens, Sparta, Corinth) and Renaissance Italy (Milan, Florence, Rome, Venice).

It's international!

People were moving around more, and their choice of places to relocate was driven by a number of cultural and economic forces.

Dr Nordström cited Silicon Valley in the US as a magnet for people from many cultures and creeds bound together by a common passion, interest and talent for IT. Likewise, Marbella in Spain and Phoenix in

the US attracted older people from different backgrounds seeking good weather.

It's tribal!

People still settled into tribes – but instead of being hunters and gatherers, the tribes were clusters of people sharing similar ideas, aims, needs or attitudes. They could be clustered according to age, lifestyle, business, pleasure and so on.

It's mechanical!

These trends were here to stay and they would have a greater impact on what we do and where we go than the current economic crisis, said Dr Nordström. And while agreeing that the crisis was very real, he pointed out that such crises were just what Capitalism was designed to handle.

Capitalism, he said, was a simple machine for sorting the efficient from the inefficient. It exposed all businesses to the pressures of the marketplace, and the inefficient ones "end up swimming naked". Capitalism wasn't a machine with a soul or any set agenda – it just applied pressure and constantly tested the worthiness of all businesses to survive. Essentially, it was Darwinian.

“Capitalism exposes all businesses to the pressures of the marketplace, and the inefficient ones end up swimming naked.”

Doctor



GAC-OBC in the Shetland Isles

The farthest north you can get in the UK is to visit the Shetland Isles, off Scotland's north east coast. They are a haven for seabirds and blessed with a rugged, windswept and daunting beauty.



Operations at Scalloway and Lerwick are taken care of by Stuart Duncan, Adrian Henry, Lindsey Clark and Ross Bennett.

They are also home to key ports serving North Sea oil and gas fields. The largest port in the archipelago is Sullom Voe, originally built to handle production from the North Sea fields and now also handling oil from the Atlantic Frontier, to the west.

Since 1984, OBC (now GAC-OBC) has been meeting the needs of the energy industry there.

North Sea energy

Sullom Voe is also where GAC-OBC's John Nicolson and his team reside, acting as agents for the majority of vessels calling at the port.

Operations at the ports of Scalloway and Lerwick are managed by the branch office team headed of Adrian Henry. They handle ship agency, logistics and project support services throughout the Shetlands.

Most clients are oil, offshore and exploration companies and services can

range from vessel agency/support and logistics to providing diving support, supply or heavy lift vessels. GAC-OBC's team is also involved in handling offshore project equipment – anything from state-of-the-art ROV (Remote Operated Vehicle) equipment to heavy mooring chains and wires for large offshore production, storage and offloading facilities.

Airport operations

The airport at Sumburgh adds another dimension to GAC-OBC's activities in the Shetlands. From there, Ross Bray and his team provide ground handling services for all scheduled airlines and charter flights, taking care of about 4,800 aircraft every year.

The operation includes passenger, baggage and cargo handling, aircraft start-ups, de-icing (vital during winter) and refuelling assistance.



GAC-OBC Sullom Voe's team includes: John Nicolson, Stevie Michael, John Walton and David Isbister.



The team at Sumburgh Airport includes: Brydon Robertson, Theo Sandison, Chris Joyce, Erik Peterson, Stephen Burgess and Craig Robertson.



GAC-OBC Sumburgh also handle helicopters used for transits to North Sea oil installations.

Bonjour!

GAC has opened up in Lille, France, to develop new logistics business, develop trade lanes and manage key accounts throughout Western Europe. The new office is run by European Key Account Manager Guillaume Gilleron (right).



"Lille is the ideal location for us because it is halfway between Paris and Brussels and will bring us closer to our customers," says Gunnar Lundgren, GAC's Regional Logistics Manager based in Prague. "Not surprisingly, Guillaume will focus on France and the Benelux countries (Belgium, Netherlands and Luxembourg)."

Solid

Having worked for GAC in Singapore and Hong Kong, Guillaume brings solid credentials in European/Asian trade lanes coupled with extensive knowledge of the European logistics market.

"I'm looking forward to this challenge," he says, "particularly working with Gunnar to strengthen our relationships with new and existing clients."



Warsaw

logistics office opens

GAC has a new sales office, set up to meet growing demand for logistics services in Poland.

The new office is located in Warsaw as most of the country's logistics business is controlled in and around the capital. It joins GAC's existing bases in Szczecin and

Gdynia which provide essential sea freight connections.

The Warsaw office is headed by industry veteran Jaroslaw Kasprzyk (Sales Manager, GAC Poland) reporting to MD Ryszard Karger.

GAC to support Mozambique ports

GAC is now operational in Maputo, Mozambique, with a second office to follow in Beira.

“Our plan is to support the country’s infrastructure development and establish Mozambique ports as crucial gateways to the landlocked economies of southern

Africa,” explains Erland Ebbersten, Regional Director for the EMAF region.

Alongside general ship agency work, the operation will focus on the country’s growing Energy sector.

“The global energy market figures prominently on our strategic radar, so

expanding into Mozambique is a natural progression,” says Erland. “Rising bulk cargo volumes coming through Maputo due to congestion in other regional ports, plus the impact of the country’s fledgling coal industry, will add up to a busy 2009 and beyond.”

GAC Russia restructures to serve new markets



Arkady Podkopaev – Back in Moscow after three years with GAC Turkmenistan.

GAC has restructured its Russian operations to optimise resources and better serve the country’s fast growing offshore sector.

GAC Shipping & Logistics Ltd. has been established with its head office in Moscow, coordinating branches in Novorossiysk and St Petersburg. A third

branch office was recently opened at the new port of Taman on the Black Sea.

New markets

Arkady Podkopaev has returned to his native Russia as General Manager after three years with GAC in Turkmenistan.

He says: “By restructuring its business in Russia, GAC is able to focus on our core services and customers. We are also better positioned and equipped to explore

new markets such as marine services for the offshore industry in Russian territorial waters.”

The GAC Group’s first office in the Russian Federation opened in Novorossiysk in 2001 to provide shipping services at Black Sea oil terminals. As the business expanded, additional services such as freight forwarding and crewing were added. The St Petersburg office opened in 2005.

Solutions:

The story so far....



by Christer Sjödoﬀ
Group Vice President
- Solutions

Everywhere you go these days, you hear the same buzz words over and over - safety, security, environment and cost efficiency. But for me, the biggest buzz word is: partnership.

We all have to think smart and get creative to meet the challenges of the current business environment – and that's exactly the philosophy behind GAC Solutions.

Our aim is to forge strategic alliances with companies that are best-in-class within their industries but who are not yet or only partly involved in the maritime industry, and to market their specialist offerings to our shipping or logistics customers.

Two weeks to two years

The market has welcomed our initiatives thus far. We have had strong interest both from potential customers for the existing GAC Solutions products (see stories following) and from companies interested in forging alliances.

Since GAC Solutions was formed in April 07, more than 50 potential partners have contacted us and we have spent anything from a couple of weeks to two years examining the possibilities.

We want to be absolutely sure that the solutions we offer are ones that our customers need - and that we forge partnerships with the right people to deliver them. GAC has a strong reputation so it is important for us to work only with partners who truly are 'best-in-class' and whose business cultures and ethics match ours.

Tradition

I could hail GAC Solutions as a new initiative, but the truth is that it is simply a natural evolution in the Group's long-standing tradition of innovation. The same tradition that gave us: Gulf Transfer Services to handle ship-to-ship transfers; Ship Supply Services for deliveries to vessels offshore; Hot Port News to

keep our shipping customers informed; Consolidation services in the Gulf; Sea/Air freight services via the Gulf; GAC Marine Logistics for door-to-deck delivery of ships' spares; and so on.

In keeping with that tradition, GAC employees from throughout the Group are regularly suggesting possible partnerships under the Solutions banner.

The stable

The GAC Solutions stable now consists of **GAC-Fire Rescue & Safety**, **GAC-SMHI**, providing weather planning solutions and **GAC Workwear**, a partnership with the Swedish workwear leader Fristads. Right now there are another dozen potential services at various stages of evaluation and we hope to add at least two of them to our portfolio this year.

Winning formula

Research & Development is one of the keystones upon which we are building our future, along with an open mind, the ability to change, and continued improvements in existing mature services.

Whatever the future holds for GAC Solutions, one thing is certain. Our success will depend on our ability to listen to the markets we serve and then to add our commercial experience and a little imagination. And that's what we going to do.

For more information about GAC Solutions, go to www.gacworld.com/solutions or contact Christer at solutions@gacworld.com



GAC-SMHI Weather Solutions:

Charting a course through stormy waters

1997 - The Azores, mid-Atlantic Ocean: The 'MSC Carla' breaks in two in heavy seas. The front part of the vessel sinks, but the aft is salvaged and towed to the Canary Islands.

1998 - The Pacific Ocean: The 'APL China' is hit by very rough weather en route from Asia to the USA, causing the worst container disaster ever.

2007 - The English Channel, South-West of England: Battered by a winter storm, the 'MSC Napoli' almost capsizes and is pushed aground with a crack in its hull. Many containers are lost overboard and beached, and escaping oil causes pollution along the southern coast of England.

2009 - Makassar Strait, Indonesia: A ferry sinks in rough seas, with an estimated loss of more than 300 lives.

When a ship is delayed by bad weather, there are big costs – more steaming time, more bunkers, lost business and in extreme cases disasters like the above that can run into millions.

Throughout recorded history, ships have been at the mercy of the wind and waves. These have claimed countless vessels along with their cargo and crew.

Wild card

Even today, the weather remains the 'wild card' when calculating a ship's course. And with ship operators liable not only

for damages to their vessels and cargoes, but also for the environmental impact of any losses or accidents, the stakes are high. The Scandinavian Central Union of Marine Underwriters (CEFOR) reports an alarming increase of 86% in average hull claims over a five year period.

Joining forces

It was with all that in mind that GAC joined forces with the Swedish Meteorological and Hydrological Institute in October 2007 to form GAC-SMHI Weather Solutions. The strategic alliance brings together the

specialist knowledge of the Institute – one of the world's top five weather routing services providers – with the GAC Group's capabilities in shipping, logistics and marine to offer customised products and meteorological expertise to help global maritime business achieve greater profitability and safety.

Life, fuel, time, money

In December last year, GAC-SMHI's Products Manager Lennart Cederberg and Commercial Manager Syed Fakhrul Islam addressed the Maritime Arbitration Conference in London about the benefits of leveraging weather intelligence to achieve optimum routes that increase efficiency and reduce costs.

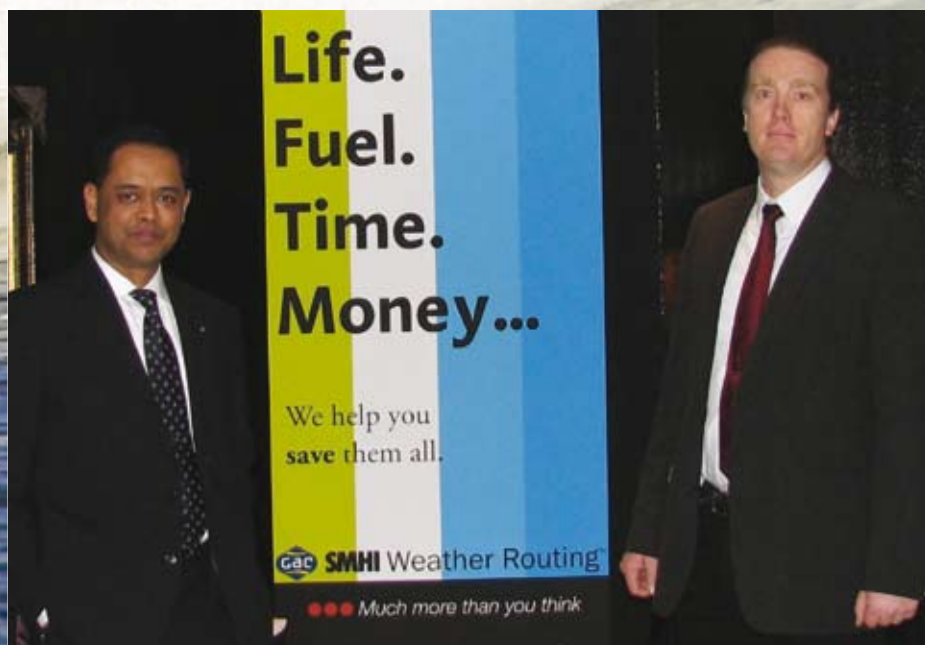
"It is one thing to have loads of information and data – it is quite another to use them for benefit," says Syed. "We do this by harnessing new methods and technologies to help ship owners plan proactively to achieve safer sea transportation and cargo handling, realistic ETA planning, lower bunker consumption, minimal environmental impact and fewer acrimonious claims.

"It's all about saving lives, fuel, time and money."

Costs under control

One of the key GAC-SMHI benefits is in cutting bunker fuels consumption. Research indicates that ship owners can save 5-10% on their bunker costs by using the GAC-SMHI weather solutions portfolio.

Customised weather routing services are currently offered separately or as part of an integrated service which can include GAC ship agency, bunker supply, and logistics services for ship spares or other necessities. Further research & development to expand and enhance the service package is underway.



For further information contact Syed Fakhrul Islam at syedfakhrul.islam@gacworld.com

GAC SMHI meteorologists use state-of-the-art technology to predict weather patterns



Routing advice saves

In August last year, GAC-SMHI warned the Master of Pacific International Lines' M.V. 'Kota Nazim' of heavy seas as he approached Cape Town. He heeded the warning.

By the time abnormal waves up to 12-14 metres high hit the area, Capt. Mohammad and his ship were safely at shelter off the east coast of South Africa, where they waited out the storm without incident.

An unhappier fate awaited another vessel in the same vicinity which disregarded GAC-SMHI's warnings. By continuing its journey, the ship sustained considerable weather damage that could run into millions.



Capt. Alex converts

When it comes to new digital navigational tools, Captain Alex Adriano ranges from cautious to downright sceptical. The GAC-SMHI weather routing system was no exception, but experience has made him a convert.

"It's a whole new way of optimising route/fuel/speed," he says. "It can easily be configured by the Captain himself, and no infrastructure investment is required to install it – just a normal computer.

"On several occasions, the system has advised me to take a completely different

route to what I would usually follow, but with good reason. The quality of weather forecasting is reliable, as you would expect from a real weather institution and not just a software provider."

Captain Adriano now uses the system for all his route planning. Time is a major factor - previously he would spend up to three hours for his route planning using Navtex, web-based weather sites and a weather fax. Today the job takes 30 minutes.

GAC FRS expands on customer demand

Constant customer concerns about health, safety, security and environmental issues drive the business for GAC Fire, Rescue & Safety (GAC FRS). And 2008 was a year of steady rises in the number of clients seeking its specialist services.

GAC FRS was formed in April 2007 as a strategic alliance between GAC and international fire & safety solutions specialist Tyco Fire & Security Asia. In January last year it expanded into northern Europe via Denmark and later in the year set up operations in Istanbul.

Dealing direct

A core advantage of GAC FRS is that it enables clients to deal directly with the designers and engineers of some of the world's most innovative onboard fire, safety and security systems. The services also include:

- Sourcing, servicing and supply of class-approved fire, rescue, safety and other equipment and systems;
- Engineering and installation for any vessels including retrofits, conversions and new buildings.

Tailor-made solution

One of the jobs GAC FRS Denmark completed in 2008 was to provide a leading wind turbine manufacturer with radio communication and smoke detection systems for temporary accommodation units onboard repair vessels off the Danish coast. The demands of the job were very specific.

"They needed a smoke detector/alarm system which could show in which cabin the alarm is raised," says Tom Norderhaug, Managing Director of GAC FRS Denmark. "Our service partner came up with idea of using hand-held UHF radios connected to the detectors. The client was very happy with both the low



cost and rapid installation of the system. We now have a lease contract with them and will soon be installing our third system on board another of their vessels."

Spectrum of service

Many GAC FRS customers link into GAC's wider range of shipping, logistics and marine services worldwide.

One such customer asked GAC FRS for help in handling spare parts from Denmark, elsewhere in Europe and even as far afield as the Philippines. GAC FRS came up with the goods through its links with GAC's logistics network, and they now regularly arrange delivery of anything from huge tank valves to tiny O-rings for this client.





Workwear for all seas

GAC Workwear came about because Christer Sjödoﬀ (right) was given a set of Fristads stevedoring clothes for a holiday job when he was 16.

"I looked at myself in these clothes and I thought 'Wow! These guys are smart designers!'" he recalls.

Some decades later, that memory came back to him and he called Fristads for a meeting. At first Fristads was not interested. It took a number of calls for what was being offered to become clear.

Fristads is Northern Europe's powerhouse producer of workwear for anyone on land. Before Sjödoﬀ called, they had never considered going to sea. The demands from seagoing customers are different. They want smaller batches, no middlemen, and short delivery lead times. But the clothes are in fact similar to what is already in the Fristads catalogue.

"Fristads didn't have to radically redesign their range, they simply had to find a pathway to get it to this new market segment," says Sjödoﬀ. "GAC was that pathway."

Sjödoﬀ emphasises that customers get much more than a pair of pants and a good rain jacket. He argues that

GAC workwear offers safety, high functionality, improved staff retention (because they look so smart), cost savings through long-lasting high quality materials, and a powerful branding opportunity.



"High value workwear stamps quality all over a company's image," he says. "It turns every staff member into a walking advertisement."

Fristads factories can tailor workwear items to suit specific needs in relatively small batches. This allows customers great flexibility when it comes to choice and improved cash flow from not having to buy in bulk.

Sjödoﬀ says another advantage for customers comes from the linkage of GAC Workwear to GAC Marine Logistics. Workwear stocks can be stored and distributed by GML from a range of ports worldwide.

“High value workwear stamps quality all over a company's image”



Laughter

consignment to Kazakhstan

GAC has delivered unusual commodities to all parts of the globe but November 08 marked a first when more than 300 ex-pats in Kazakhstan were delivered a dose of laughter.

Stand-up comics Craig Campbell and Nick Wilty did a six-day tour of three Kazakh cities to promote GAC's new offices in the country and connect with key stakeholders in Central Asia's oil and gas industry.

The tour was organised and hosted by Laurance Langdon, Group Project Logistics Manager. Laurance had worked with the comic duo when he was involved in the stand-up circuit in Shanghai and around the Far East.



Powerful tool

"We wanted to promote GAC's new offices and services in Kazakhstan in a way that would appeal to the growing ex-pat community," he says.

"Laughter is a powerful communications tool and a creative alternative to the traditional corporate launch."

A fresh approach

GAC has served Kazakhstan's growing energy sector since June 2008. General Manager Matthew Towse says the Comedy Tour was a fresh way to connect with existing and potential clients and to underline the GAC philosophy of stepping outside the box.

"The tour certainly raised our profile in the minds of a very specific targeted audience," says Matthew. "We have already received some serious and promising business enquiries as a result."

GAC inks new Philippines pharma deal



GAC Shipping & Cargo Systems Philippines has renewed its contract with the country's top pharmaceutical distributing company, Zuellig Pharma Corp.

The new deal extends a 10-year partnership between the two companies. During that time GAC has provided comprehensive customs clearance and domestic air, sea & land transportation services throughout the Luzon, Visayas and Mindanao regions.

The contract was signed by GAC Philippines' President and Managing Director, Jake Cuerva, and Zuellig

Pharma's Vice President for Distribution, John Weston, at a ceremony attended by Bill Hill, the GAC Group's Vice President – Logistics Services.

Crucial role

Mr Weston said it was a great pleasure to extend the contract with GAC Philippines.

"GAC plays a crucial role in our success by providing efficient logistical support to our nationwide network," he said, "and has proved adept at implementing logistics initiatives in close collaboration with us."



'The 3 Cs' seal gem of a deal

GAC Thailand has signed a three-year deal with jewelry exporter JewelsAgent.com Co. Ltd. - thanks to 'The 3 Cs': creativity, cooperation and commitment to success.

By proposing a package that included Free Zone warehousing and services, GAC helped its customer achieve savings of up to 25% on duties and 7% on VAT.

JewelsAgent produces and exports jewelry, largely to the United States, where Wal-Mart is one of its major clients. Under the agreement, GAC's responsibilities include handling twice

weekly shipments to the US, as well as air import/export duties, customs clearance and warehouse rental and management.

The deal was driven by GAC Thailand's Business Development Manager, Eerez Agmoni.

He says: "The client was keen to cut costs so they could reduce the prices of their finished product. However, competition was fierce on cargo rates, so we had to get creative. And in the GAC tradition, we came up with a solution by taking advantage of the benefits of Free Zone operations."



News Beat

WELCOMED:

...to Abu Dhabi, the NYK-Hinode vessel 'Muroto'. NSGAC Abu Dhabi's Ingemar Porathe presented her Captain, Alejandro B. Guzman, with a commemorative plaque to mark her maiden call to the port.

The 'Muroto' is expected to be a regular visitor as part of the NYK-Hinode Line, which serves the Middle East Gulf with 4-5 sailings per month carrying cargo from Japan.



MARKED:

The start of GAC Qatar's three-year commitment to Doha College's sports programme, with General Manager Michael Stuesson presenting Team Captains with their new the GAC-branded kit.

Mark Leppard, Principal of the College, says the sponsorship relationship is mutually beneficial and shows GAC's commitment to supporting education and the local community.

WRAPPED UP:

A 23-foot long helicopter owned by United Helicopters Hanger, Mumbai, ready for its trip to Qatar, in an operation handled by GAC India. Loading the chopper (which was also 11 feet wide and 13 feet high) on to a 40-foot flat-bed container might have been a challenge but Ravi Menon, Sudhakar Shetty, Vipesh Chande, Vaishali and Gowari were undaunted. They coordinated every stage of the process including preparation, on-site supervision, packing, and loading.

VICTORIOUS:



GAC-sponsored golf pro Richard Sterne at the South Africa Open, in December, beating Northern Ireland's Gareth Maybin in a play-off at the Pearl Valley course. Richard, a native South African, had a big 2008, winning the Joburg Open and the Alfred Dunhill Championship prior to his Pearl Valley win.

STRENGTHENED:

Marine operations and growth opportunities in the EMAF region are being strengthened with the appointment of Greg Flint as Regional Marine Manager. EMAF's Regional Director, Erland Ebbersten says the appointment will lend more vigour both to existing operations and to the pursuit of new business in the region, particularly in West Africa. Greg was formerly General Manager of GAC Turkmenistan, where GAC runs a major Marine and integrated services operation.



RECOGNISED:

GAC Singapore's efforts to ensure a healthy workplace, with a Bronze Award in the Singapore HEALTH (Helping Employees Achieve Life-Time Health) Awards.

Says GAC Singapore's MD Ivo Verheyen: "The health and wellbeing of our employees are very important to us. To back that up, we have recently rolled out health screening for all employees to be followed by a series of health talks, sports activities and events which will be organised in the coming year."

CORRECTION:

Apologies (and congratulations) to GAC World reader, Boris Leyton, and all other sharp-eyed heliphiles! They spotted that the photograph on page 8 of the last issue did not show a Super Puma helicopter taking off from Beirut Port, as stated in the caption.

Our readers advise that the picture actually showed a Bell Huey 1H - 1H/E, one of two other helicopters that GAC Lebanon helped load for their return to Spain for maintenance.

Golf pro
Sto
joins GAC s

DOING GOOD
Supporting communities around the world: Dubai

rm ports stable

European Tour golfer, Graeme Storm, is the latest sportsman to sign a sponsorship deal with GAC.

Storm has been professional since 2000 and last year finished the Johnnie Walker Championships at Gleneagles as runner-up. That was one of three top ten finishes in the season.

He clinched his maiden title in the Open de France ALSTOM in 2007 and has had nine top-5 finishes, seven top-10 finishes and an additional 18 top-20 finishes.

Brand-building

Bill Hill, Group Vice President, Logistics Services, says: "Our sponsorship of Graeme complements existing relationships with Crystal Palace FC, pro golfer Richard Sterne, Formula 3's Viktor Jensen and Palmer Audi Championship driver Alex Brundle, and will carry the GAC brand into living rooms around the world."



All businesses aim to do well. GAC also aims to do good.

GAC Dubai put that philosophy into practice by joining with St Mary's Catholic Church to provide 250 men from the Emirate's labour camps with a meal and gift packages.

Phil Showering, General Manager Logistics, handed out GAC's gifts, noting that the packages contained practical

consumables such as toiletries and shirts.

Giving something back

"Most of the workers at the camps are a long way from home but they are a vital part of Dubai's economy," says Phil. "We hope that events like this help make their lives a little easier.

"Supporting good local causes – regardless of race or religion – embodies

the GAC Spirit. We want to give something back to our community and to those less fortunate than us."

In August last year, GAC Dubai also took part in a Children's Festival organised by St. Mary's Church, by providing lunch kits for 140 children over a three-day period.



Q & A:

Håkan Wester

Born: 24 November 1960, in Kristianstad, Sweden
Family: Married to Catharina and father to Jacob and Carolina.
Joined GAC: 1 March 1998 as Group Business Controller
Before GAC: Group Controller & Division Controller, Air & Sea for a major international Logistics Group in Sweden

What are your main responsibilities as GAC's Group Business Controller?

My main responsibilities within the GAC Group are:

- Management accounting, including monthly reports, forecasts and the budget processes
- Analysis and follow-up of companies' business performance and initiation of corrective action, if necessary
- Overseeing Group management systems to improve efficiency and performance
- Implementing the 'Vision Y - Global Values' Strategy Process
- Overseeing the Group accounting software
- Writing and updating the GAC Financial Guide & Administration Manual.

What do you find the hardest thing about your job?

Coping with the ever increasing size of the Group in both income and geographical reach.

What do you consider the three key components of a successful business?

For me, a business is successful if:

- it provides a 'win-win' situation both for itself and for its customers
- it is long-term
- it creates other business opportunities.

In your opinion, what is the biggest challenge GAC will face in the coming months?

To keep close to our customers to ensure we are paid on time as agreed, and to keep really good control of our own expenses.

And what about its customers?

To handle the rapid downturn in the economy in a positive and structured way – and to remember that it is always darkest before dawn.

Do you think the global financial downturn will bring changes to business practices? If so, for better or worse?

I expect governments and financial bodies will introduce more rules and policies to regulate the financial sector much more. I see this as positive, as the short-term 'profit now' attitude is a major factor that led to the global financial situation we are facing today.

As a rule, do you tend to see the glass as half full or half empty?

I'm a born optimist so I always see the glass half full. However, for my job, I need to temper that optimism with a healthy dose of realism.

What is the best professional/business advice you ever received?

At the beginning of my career, I was told that I should always digest and think carefully over everything one more time before making my final decision. This ensures that you don't make a hasty decision which you then have to go back and change. This advice has been of great help to me over the years.

If you were to write a book on business management, what would its title be?

I would call it "Effective General Management with a Human Touch".

What must GAC do to be seen as significantly better than its competitors?

Continue to provide consistent quality services to our customers, wherever they are and wherever they go.

What is the value of strategic 5 year plans when the global economic situation is shifting so quickly?

A strategy is a road map showing the way to achieve our long-term goals. Just because today's economic situation is in flux, that does not mean we should change direction. GAC will continue its evolutionary development, just as it has done successfully in the past.



Moves & Appointments

GAC Samudera Logistics / GAC Samudera Freight Services, Indonesia



Hari Krishnan
Managing Director

Previously:
Business Manager.

GAC Angola



Gerrit Laubscher
General Manager

Previously:
Worked for the Capespan Group, South Africa, for more than 20 years.



François Traversa
Shipping Manager

Previously:
Assistant Manager of Sea Invest Shipping Agency in Dunkerque, France.

GAC Hong Kong



Alwyn Mendonca
Managing Director

Previously:
Business Manager – Logistics for GAC Hong Kong.

GAC Nigeria



Per Johannisson
Shipping Manager

Previously:
Operations Manager for Unifeeder Sweden AB.



Ayodele Popoola
Operations Manager, Shipping

Previously:
Traffic Accounts Manager for GAC Nigeria.

GAC Regional Projects Logistics, Middle East



Darren Ball
Regional Projects – Logistics Manager

Previously:
General Manager of GAC Logistics BV in Rotterdam, Netherlands.

GAC USA



Bob Bandos
President of GAC Shipping (USA) Inc., in addition to duties as President & CEO of GAC-RUR

Previously:
President & CEO of GAC-RUR.



Tim Karl
Manager of GAC Houston Office

Previously:
LNG Manager at GAC Houston.

GAC Sri Lanka



Asoka Kalansooriya
Galle Station Manager

Previously:
Operations Manager for P&O Nedlloyd Keells Pvt. Ltd.

EMAF Region



Greg Flint
Regional Marine Manager

Previously:
General Manager - GAC Turkmenistan.

GAC Turkmenistan



Gerry Rowlands
General Manager

Previously:
Technical Manager - GAC Marine Turkmenistan.

GAC Strategic Purchasing Unit, Bangkok



Thanida Amornpatsophon
Strategic Purchasing Unit Manager – Air Freight

Previously:
Strategic Purchasing Unit Executive - Air Freight.

GAC Logistics (based in Thailand, reporting to HQ)



John Faulds
Global Account Manager

Previously:
Strategic Purchasing Unit Manager - Air Freight at the GAC Strategic Purchasing Unit in Bangkok, Thailand

GAC Bunker Fuels London



Martyn McMahon
Marketing Coordinator

Previously:
Worked in a trade support function for the Gas, Power and CO2 desks at Morgan Stanley, London. Previously worked for Blue Ocean and STASCO, for six years.

GAC Logistics UK, Manchester



David Burck
Branch Manager

Previously:
Manager of the RIF Worldwide Limited Manchester office.

LOOKING FOR CONTACT DETAILS?

Many GAC staff are listed in the directory section of the GAC website: www.gacworld.com
Just type in the surname of the person you are looking for in the Name Search field in the "Directory" section of the site.

Sponsor boost for *Power Boat team*



Qatar's F1 power boat racing team will benefit from a sponsorship deal signed by Qatar Marine Sport Federation (QMSF) and GAC Qatar.

For its part GAC will see its logo prominently displayed at F1 races and will be able to offer customers the thrill of watching the high-speed races up close from the VIP area.

Extension

The deal arises from GAC's close working relationship with QMSF, handling local logistics for the racing teams over the past five years.

QMSF President and power boat pilot Sheikh Hassan bin Jabor al-Thani said the Federation was proud to have GAC as a sponsor.

GAC Qatar's General Manager, Michael Stureson, says it is an honour to support the world class team, noting that Team Qatar's Ray Price clinched the world championship last season.

Profile

GAC Qatar has a strong reputation for providing specialist sport logistics. Besides the F1 Power Boat races, it has taken care

of international events such as the Doha Asian Games, MotoGP, Superbikes and Class 3 Boat race.

