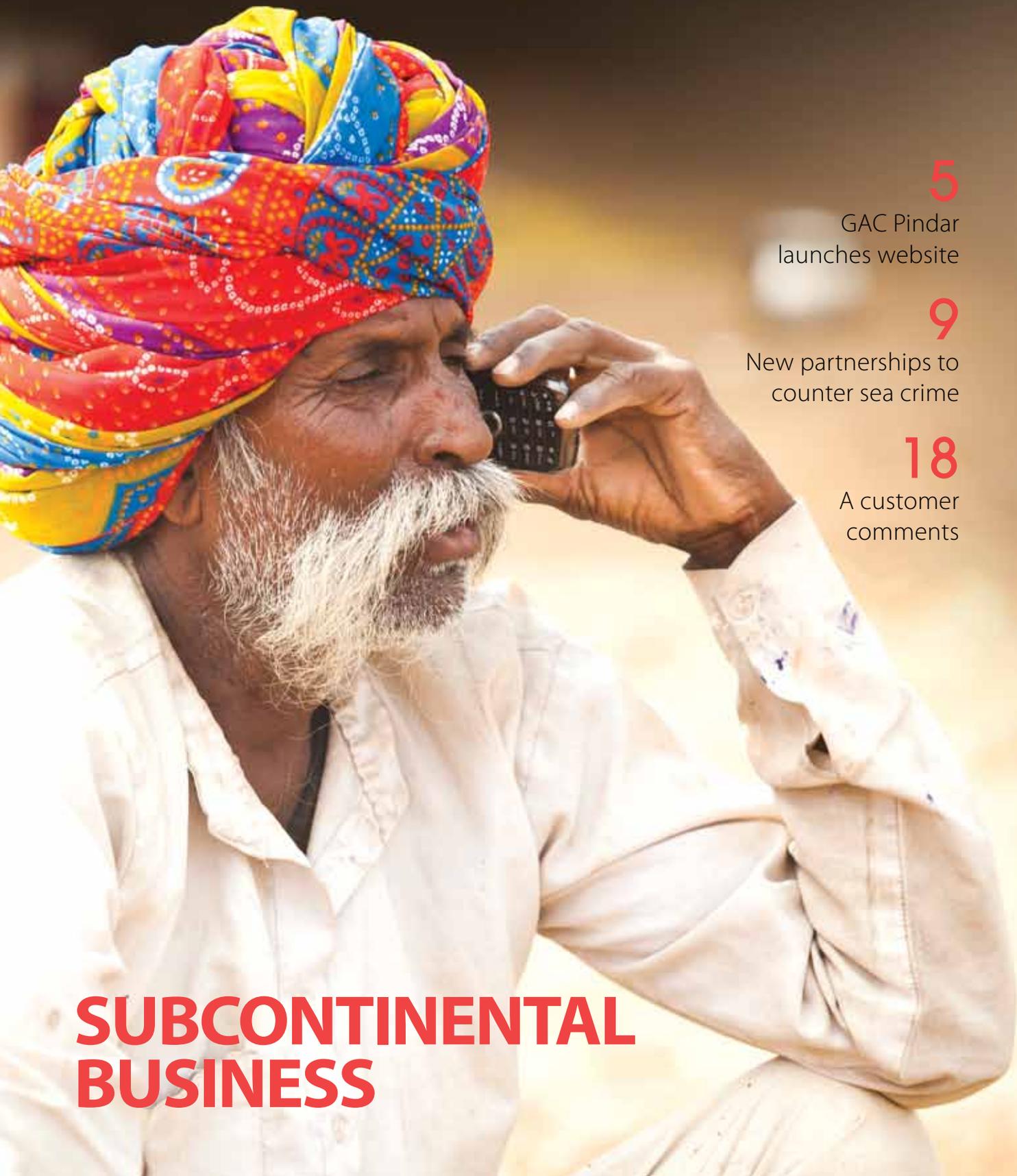


# GACWORLD

JUL  
SEP  
2012



wherever you go



5

GAC Pindar  
launches website

9

New partnerships to  
counter sea crime

18

A customer  
comments

## SUBCONTINENTAL BUSINESS



# SEEKING THE SUBCONTINENT

The valleys of the Indus, Ganges and Brahmaputra rivers have been lively places for about 5,000 years. Fertile soils, watered by the melting snows of the Himalayas, have made these rivers the source not only of food but of civilisation itself. It is sometimes forgotten in these days when so much of the world is measured in Western terms and seen through Western eyes.

India stands above its near neighbours like a vastly elder brother. It is bigger in all measures: land area, population, GDP, education, industry, technology, poverty and movies. Several Indian-owned companies are now global enterprises. The purchase of the Jaguar and Land Rover marques by Tata Motors was seen by many on the Subcontinent as an event which was both significant and symbolic.

### Howzat!

The one area where India, Pakistan, Sri Lanka and Bangladesh compete on an almost equal footing is cricket. The game is played by millions, analysed, dissected and enjoyed by millions more. The passion and knowledge of the local crowds is a clue to the hearts and minds of the remarkable people of this region.

They will surprise you, challenge you and inspire you if you have the time to watch and listen. Our review of the Subcontinent starts on page 10.

### The GAC Brand

Brands embody ideas, intentions and reputations. The GAC brand was put to the test last year when we asked customers to give us their views. On page 7 we say thank you. On page 6, our Insight section takes a broader look at brands and branding.

### West Africa

Many parts of Africa are experiencing strong economic growth, none more so than West Africa. Here, the lure of oil dollars and mining wealth is encouraging plenty of foreign investment and development. Not surprising then that the demand for goods and services is on the up. In light of this, GAC has signed an agreement with global container line Hapag-Lloyd, to handle its operations and representation in Ghana and Nigeria. See page 8.

### On a wave

The GAC Pindar yachts have been winning races in prestige events around the world. The GAC Pindar yacht logistics team has been winning races too, mainly against the clock. Transporting yachts and all the necessary support kit to race locations requires judgement, skill and relentless energy. The rewards are great races for those who sail and great watching for those who follow. GAC Pindar now has

its own website and Facebook page to promote both its racing and its logistics services. See pages 4 and 5.

### A Customer's view

It doesn't happen often but when it does, it's a fitting reward for all the effort. A happy customer was moved recently to express his appreciation in writing. We are moved to print it in full on page 18.

### Look to the east

As Europe shudders and warps under the stress of economic meltdown, over on the Subcontinent, some of the poorest people in the world are looking happier. Old ways, based on caste and creed, are giving way to more open societies with greater social mobility and income opportunities. Despite arguments, internal disruption and dissent, and even cross-border conflicts, the Subcontinent is moving forward with vigorous intent. It was once a great centre of civilisation and a region renowned for its wealth. It is starting the journey back to that historical position. Happy reading.

### Neil Godfrey

Editor  
neil.godfrey@gac.com



# 10-14

## LEAD

### 10 Subcontinental Shift

The energy and enterprise in India, Sri Lanka, Pakistan and Bangladesh is lifting the region to new heights while challenging old traditions and prejudices.

## GAC WRAP

**04** Flying start for yacht logistics

**08** Hapag-Lloyd chooses GAC in Nigeria and Ghana

**09** New partnerships to counter sea crime

**15** Helping 'Cutie' hit the right note in China

**16** Wherever you go: GEMS Houston

**17** Service relay ends in bonded warehouse

## INSIGHT

What's in a brand?

# 06



**20**  
BizSAFE  
Level 3 achieved

# GACWORLD

## EDITORIAL INFORMATION

### Editor

Neil Godfrey, GAC Shipping (UK) Ltd, London UK

### Editorial Team

Greg Newbold and Amanda Millen

### Art & Production

Lancer Design Pte Ltd, Singapore

### Correspondence to

Amanda Millen

### Email

gacworld@gac.com

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### Contacting GAC

Want the contact details for a GAC office or staff member? Please visit the Contact section of [www.gac.com](http://www.gac.com)

Back copies of GAC World are available for download at [www.gac.com](http://www.gac.com). Click on 'News' and then on 'GAC World magazine'.

## FLYING START FOR YACHT LOGISTICS

GAC Pindar has successfully raised its flag in the yacht logistics market with the transportation of all the yachts for the opening round of the Extreme Sailing Series.

It was the first major project completed under a three-year contract awarded to GAC Pindar by global sports marketing company OC Thirdpole.

In the Series, top sailors compete on identical 40ft catamarans, racing close to the shore in classic and challenging locations all around the world.

As official logistics provider, GAC Pindar handles everything including transportation of the Extreme 40 yachts and the supporting infrastructure such as the Race Village, media centre, support centre and VIP area.

Charlie Carter, Executive Chairman of OC Thirdpole, says: "GAC Pindar met the rigorous demands of the Extreme Sailing Series logistics. They delivered everything on time and offered excellent customer service on the ground with their agent. GAC Pindar is also working closely with us in planning our logistics schedule and requirements for the rest



of the 2012 Series, adding tremendous value to our relationship."

### Sailing Arabia – The Tour

GAC Pindar has also successfully transported several racing yachts from Barcelona and Antwerp to Oman in its capacity as the official logistics partner for Sailing Arabia – The Tour. **GW**



## SWISS WRIST AND FRENCH EYE GEAR FOR PINDAR TEAM

GAC Pindar has entered partnerships with two global brands - Swiss watchmaker Armin Strom and France's Bollé, maker of premium sunglasses.

Armin Strom sponsors the sailing team for the World Match Racing Tour and Extreme Sailing Series 2012 and has designed a limited edition watch to commemorate the agreement.

Bollé eyewear has signed up as the team's official sunglasses supplier for the season. GAC Pindar's crew are wearing Bollé's polarised Marine sunglasses during the 2012 Extreme Sailing Series and the World Match Racing Tour circuit. **GW**

# GAC PINDAR WEBSITE HIGHLIGHTING SERVICES AND SAILING TEAM

Marine leisure logistics company, GAC Pindar, has launched [www.gacpindar.com](http://www.gacpindar.com) to showcase its portfolio of services and deliver the latest news from the GAC Pindar sailing team.

Visitors can download an online quotation form for all logistics services as well as other documents covering commercial invoices, dangerous goods, ATA carnets and Ocean Bills of Lading. The website also provides direct links to GAC Pindar's partners and social media pages on Twitter, Facebook, LinkedIn and YouTube.

Andrew Pindar, Director for GAC Pindar, comments: "The GAC Pindar team possesses a deep knowledge of the world of boats and yachts and all the elements that need shipping around the world to make race deadlines or ensure smooth and pleasurable sailing."

## Racing news

The site also allows fans to follow Ian Williams and the GAC Pindar racing team as they compete in the Extreme Sailing Series, the World Match Racing Tour and other events. There's also a Facebook page ([facebook.com/TeamGACPindar](http://facebook.com/TeamGACPindar)) for those seeking a more interactive engagement with the team. **GW**



# WHAT'S IN A BRAND?

We all recognise a good brand when we see it. We know companies that we like, that we trust and that we feel a connection to. Understanding what a brand is, let alone how to build a strong one, is a harder question.



by **Simon Phillips**  
Senior Consultant,  
BLUE Communications

## What is it?

A brand is more than a logo or a strapline. It is akin to the personality of a company. It is the living embodiment of a company's culture and everything that the company stands for: its values, attributes and principles. It encapsulates how a company's past actions, current activities and future prospects are perceived. It evolves every day through every interaction between customers, suppliers and employees.

## Does it matter?

Brand matters because in business, it matters what people think of you. If they like you, trust you and rely on you, they are more likely to buy from you, work with you and recommend you. If they don't, they won't.

Brand is today regarded as a vital business asset, with considerable effort expended in measuring brand value; the value of a business over and above its physical assets. Apple was recently identified as the world's most valuable brand, with a brand value of \$70 billion.

So it's worth taking seriously!

An organisation with a clear sense of 'who it is' can use its brand as a touchstone for corporate decision-making. Decisions affecting a company's business strategy can be judged against its brand and the brand value impact. Strong brands also help to manage reputations with financial institutions and investors; something of particular importance to the shipping sector at present.

Price matters when it comes to winning business, but when cost-competitiveness is a prerequisite, a company's brand helps it to stand out from its competitors. For example, if you need to transport a time-sensitive, high-value cargo around the globe, you'll want a company that exudes experience, reliability and expertise; all brand attributes.

Brand also influences how a company is perceived to respond to wider market trends, such as the drive for higher customer service standards or growing public scrutiny of its environmental performance; whether it is seen as a market leader, moving with the pack or dragging its feet.

Moreover, brand is critical when things don't go to plan, be it a problem with a customer assignment or a wider crisis. A company's brand - its values, culture and behaviour - can provide the roadmap for tackling such challenges. Strong brands are more likely to enjoy the benefit of the doubt and be trusted to put things right.

## Building a brand

Building a brand is not straightforward. To be truly embedded within a business, the brand will be part of the company's DNA and represented in every transaction and every action of every employee.

That is why building a brand is intrinsically linked to building a business. Brand begins with a set of values that must be translated into behaviour, which creates a culture capable of uniting the workforce through a common set of performance standards.

As such, brand-building is both a top-down and a bottom-up process. It requires a vision from those that lead the organisation, but also the buy-in of everyone else within the business.

## Commitment, values, standards

Building and sustaining a brand requires conscious decisions about who you want to be and what you stand for, along with a long-term commitment to invest in your business to embed those values and performance standards. However, those willing to make that commitment - like GAC - will be rewarded with a business and a brand that will be highly valued by employees, suppliers, investors and customers. **GW**

BLUE Communications is a global public affairs and public relations consultancy specialising in the marine, energy and environmental sectors. BLUE provides public relations services for GAC.

## THE GAC BRAND SURVEY – RECEIVED WITH THANKS



Last year 1,243 readers of GAC World responded to a request for their opinions about GAC. 65% of the respondents were from the Shipping, Marine or Solutions business areas and 35% were Logistics customers.

The survey showed a high level of awareness of GAC's services in the markets we serve. There was warm appreciation for GAC being a global company, able to deliver services 'wherever you go'.

Overall, respondents liked the focus GAC puts on building long-term relationships, our pursuit of quality, our commitment to ethical business practices, our emphasis on the personal/human touch in our relationships and finally, our willingness to tailor services to suit client needs.

"Our thanks go to all the respondents for giving us a clear outsider's view of our company. This will help us to build on our strengths

and address our weaknesses," says Bill Hill, Executive Group Vice President – Commercial.

And GAC's Director of Group Corporate Communications, Esther Oon-Bybjerg has noted a key change in customer behaviour.

"The survey showed that an increasing number of customers are using the internet to locate and transact the services they require," she says. "We will be taking this message to heart in our onward development of our online presence, particularly in relation to social media."

The survey was conducted for GAC by Denmark-based Cross-Border Communications. **GW**



## TOP GEAR DELIVERY FOR VW ROAD SHOW

The Volkswagen Road Show is a complex mix of vehicle display items, stages, electrical fittings, lighting and more. GAC took the full package from Dubai to five venues in Oman, delivering everything in good shape so that local motoring enthusiasts could view the latest models.

The success of the operation was built around GAC Oman's pre-event survey of the locations, facilities, available equipment and manpower, to make sure all contingencies were covered.

Once the five shows were over, GAC then packed everything up and delivered the consignment safely back to Dubai. **GW**

# HAPAG-LLOYD CHOOSES GAC AS PARTNER IN NIGERIA AND GHANA

Global container line Hapag-Lloyd has appointed the GAC Group to handle its vessels calling at ports in Nigeria and Ghana. GAC will act as dedicated agent for Hapag-Lloyd, actively promoting the line's services in the region and providing a range of ship agency and complementary services for its fleet.

The agreement is part of Hapag-Lloyd's strategy to expand its presence in sub-Saharan Africa. Currently, the company operates a fleet of about 150 modern



West African partners. Left to right: Neale Proctor, MD, GAC Nigeria; Erlend Ebbersten, GAC Vice President – Africa, Russia & Central Asia; Hapag Lloyd's Joachim Schlotfeldt, MD, Region Europe and Jörg P Erdmann, MD, Area Iberia.

container vessels and is present in 114 countries.

### Common values

The West African operation will be coordinated by GAC Nigeria, led by Managing Director Neale Proctor who says: "GAC and Hapag-Lloyd share the

same sound, ethical values and approach to business. We have similar strategic ambitions, including the determination to take advantage of the opportunities in the region's largely untapped markets."

GAC has operated in Nigeria since 1978, providing shipping, logistics, marine and manning services. **GW**

## BRINGING THE HARVEST TO US CONSUMERS

The GAC Group's newest alliance partnership in the USA, GAC-Wightman, has helped deliver the best of Chile's fruit harvest to local markets.

During the first month of the season, which began last December, GAC-Wightman managed the calls and cargo operations of five reefer vessels bringing in more than 30,000 tons of Chilean fruit for Latin America's largest

shipping company, Compania Sud Americana de Vapores (CSAV).

### Brief season

Under the USA's Chilean Grape Marketing Order, fruit shipments from Chile to the USA are permitted only between December and April. After 9 April, some fruit imports are still permitted, but seedless grapes are banned to allow fair competition for California's grapes.

As the grape harvest represents the lion's share of CSAV's business, the company wanted a partner that could deliver reliability, accurate timing and prompt turnaround during the brief season. GAC-Wightman delivered. **GW**



# NEW PARTNERSHIPS TO COUNTER SEA CRIME

GAC PROTECTIVE SOLUTIONS WORKING WITH UNIFIRE AND INTELLIGENT ENGINEERING TO OFFER LATEST NON-LETHAL TECHNOLOGY

GAC Protective Solutions, Powered by AKE, has entered into two strategic partnerships with the innovators of sea crime solutions technologies to help protect vessels, cargoes and seafarers: Unifire's SEASERPENT sea crime solutions Water Cannon System and Intelligent Engineering's (IE) SPS Citadel Access Protection.

## Repelling skiffs

The Unifire SEASERPENT Anti-Pirate Water Cannon System is a unique, non-lethal protective measure using high-volume, remote control water cannons to rapidly flood pirate skiffs.



Representation of the Unifire SEASERPENT in action.



By delivering a jet of up to 80 litres of water per second from a range of 80 metres, the flooding of the pirate vessel both prevents boarding and inhibits the use of firearms. The system can be controlled from the bridge or citadel.

## Citadel reinforcement

With crew safety paramount for vessel owners and operators, Intelligent Engineering uses a special Sandwich Plate System (SPS) to reinforce ship citadels so that even the most determined hijacker cannot gain access.

SPS is a composite material that delivers high strength, superb impact resistance and enhanced rigidity as a robust alternative to conventional stiffened steel structures. SPS Citadel Access Protection panels significantly enhance crew security, are simple to install on new build or existing vessels and can be deployed within 90 seconds per doorway.

## Effective measures

Christer Sjödooff, Group Vice President, GAC Solutions, says: "We are committed to delivering the most effective sea crime solutions for our customers, including intelligence-led tools and



the latest innovations in non-lethal technologies.

"The SEASERPENT water cannon system and SPS Citadel Access Protection are designed to enable owners and operators to minimise the threat to crews, cargoes and vessels, and offer greater peace of mind for seafarers. An added benefit of investing in such cost-effective protective measures is that it can save money by reducing sea crime insurance premiums."

For further details please email [unifire@gac.com](mailto:unifire@gac.com) and [iesps@gac.com](mailto:iesps@gac.com). **GW**

# SUBCONTINENTAL SHIFT

It's home to about 22% of the global population, the world's tallest peak and a whole lot of energy and enterprise. The Subcontinent is a region of immense challenges and opportunities – and fertile ground for business.

We talked to the Magnificent Four in charge of GAC's operations in India, Pakistan, Sri Lanka and Bangladesh about the ups and downs of doing business in their respective countries.

## PRACTICAL GIFTS MARK WORLD HEALTH DAY

GAC's shipping team at the busy Indian port of Visakhapatnam commemorated this year's World Health Day by making a donation to a local hospital providing free medical care for the city's poor.

Dr. S.V. Adinarayana, the founder of the Prema Hospital and research laboratory, was presented with a wheelchair and a selection of baked goods for patients by the team when they visited the clinic. **GW**

## INSPIRING INDIA

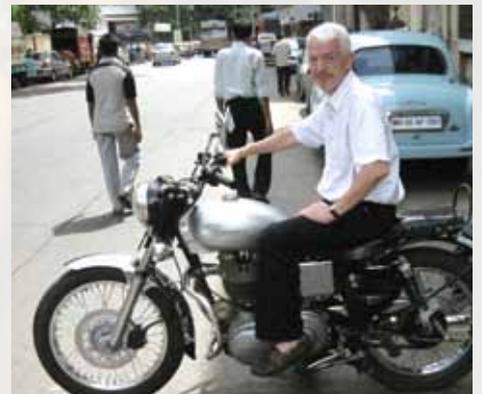
Though Belgian by birth, Paul Haegeman feels at home in the chaotic, colourful streets of Mumbai.

A long-time GAC man, he took over as GAC India Managing Director in 2004 and since then he has embraced his current home town.

Paul is a big fan of Indian street food – the hotter, the better! Until recently, he drove a GAC-liveried Hindustan Motors Ambassador (a model more usually seen in the teeming

ranks of taxis in Delhi and Kolkata). These days, he can often be seen thumping along the streets of Mumbai on his Royal Enfield Bullet motorbike, dodging cows and potholes, between the office and the GAC-sponsored Mamata Kindergarten which caters for 90 children from one of the city's biggest slums.

He says: "India is a truly inspiring place - a great cultural heritage, great economy, great variety of people, great food, great traffic jams, great smells, great extremes of wealth and poverty, all mixed together in a noise and energy-filled environment that has no equal." **GW**





## INDIA

**Population: 1,205,239,923**  
(July 2012 estimate)



**Paul Haegeman**  
Managing Director  
of GAC India



GAC India was founded by GAC stalwart K.O. Mathews in 1984. It has since become one of the country's biggest ship agents with more than 360 staff at 25 locations.

It provides a range of integrated shipping, logistics and marine services including ship agency for all kinds of vessels, P&I correspondence services, commercial intelligence through its Business News service, and cargo handling (including containers, LCL shipments, air freight, special event logistics, project cargo). The company also holds an in-house customs broker (CHA) license.

This year, GAC's International Moving service chose India as the location for its first base outside the Middle East.

### Power to the people

India is energy-hungry. Next year, it will need to import more than 100 million tons of coal to power its industries and meet domestic demand. In response, more coal concessions are being allocated, but the day when India will be

able to cover all its needs for coal from domestic supplies is a long way off.

The demand for oil is massive too and while refinery capacity is expanding, the country still relies on imported supplies. This has sparked strong growth in the oil and gas sector as energy companies seek to find and develop fields both onshore in places like Rajasthan and offshore along the west and east coasts.

GAC India has a dedicated team serving all the shipping, logistics and offshore support needs of the energy industry. That team also supports colleagues in neighbouring countries like Sri Lanka, where oil and gas exploration in previously untapped fields is now opening up.

### Scandals

India's reputation as a good place for foreign investment has suffered as result of some scandals in recent times. Not least, the iron ore trade (one of the country's main bulk exports) was hit when illegal mining practices came to light and an export ban imposed as a result.

"Such cases only serve to illustrate just how important it is for a serious business to operate in an ethical and transparent way," says Paul Haegeman. "This is where the international standing of the GAC Group, with its clearly stated and firmly enforced Code of Ethics, is a huge asset to national operations like ours."

### Strengths

- Growing consumer middle class
- Private sector taking control of infrastructure development
- Large pool of manpower
- Iron ore, minerals bulk exporter/importer
- Nationwide coverage through a network of 27 GAC offices offering diversified services
- The GAC Code of Ethics

### Weaknesses

- Shortage of energy holding back development
- Bureaucratic system slowing development and coordination
- Poor Infrastructure
- Uneducated/unskilled labour force

### Opportunities

- Growing energy needs
- New ports being built
- Increasing demand for professional logistics solutions
- Growing middle class will bring huge contract logistics opportunities
- Rising demand for professional services in shipping and logistics, moving away from traditional "small shop" operators
- GAC's reputation as logistics problem solver

### Threats

- Political climate slowing or halting development
- Unclear laws governing direct foreign investments
- Unethical competition
- Complicated and cumbersome legal system
- Tense border situations, threat of foreign and domestic terrorism

## HELPING MANCHESTER UNITED SOCCER SCHOOLS SCORE IN INDIA

There's a slice of northern England football fever in Mumbai these days and it's due to the Manchester United Soccer Schools and GAC.

It all started when the Western India Football Association established the Indian Chapter of Manchester United Soccer Schools to provide training for promising youngsters. Shipments of gear from Manchester were needed to

equip it but the Football Association (FA) was not familiar with the formalities for imports and did not hold the required documents.

That's when the GAC Mumbai team laced up their boots. Working with GAC colleagues in the UK, the team cleared the first two loads containing goal posts and T-shirts and, when it became clear there would be a regular

flow of shipments, advised the FA on how best to handle the cargo without incurring extra costs or penalties. The necessary documentation was obtained to ensure that all future shipments would enter the country without any problems.

### The other agent

GAC's value became clear when a shipment was consigned to another agent. It was a direct shipment and the consignee did not know the correct procedures.

The winning GAC team was called upon to help out and, after some issues with the documentation were sorted out, the shipment was cleared and delivered. **GW**

**A.K.M. Shahidul Islam**  
Managing Director  
of GAC Uni-Global  
Bangladesh



## BANGLADESH

**Population: 161,083,804**  
(July 2012 estimate)

There is a scent of promise in the air for Bangladesh. Despite notoriously high poverty, the country's economy has averaged 5% growth per annum since 1990. There are plans for major infrastructure developments including a new port and international airport.

The Bangladesh Government is pursuing a market-orientated industrial strategy which gives emphasis to exports. Further, the country's 'Vision 2021' aims to establish Bangladesh as a resourceful and modern country by 2021 through the effective use of information and communications technology.

The capital, Dhaka, and the key ports of Chittagong and Mongla are major hubs for driving growth. They are also home to GAC Uni-Global, an alliance between the GAC Group and local ship agent and freight forwarder Uni-Global Business Ltd.

GAC Uni-Global's Managing Director, A.K.M. Shahidul Islam, says that as Bangladesh has gradually cut its

dependency on foreign grants and loans from 85% in 1988 to 2% in 2010, the country has become a more attractive target for private foreign investment.

### Development plans

The Bangladeshi government plans to build South Asia's largest deep sea port at Sonadia Island. Once completed, Bangladesh will become a major regional maritime transport and logistics hub.

A new USD 7.5 billion international airport is also planned, modelled on Thailand's Suvarnabhumi Airport in size and capacity.

Other projects for more airports and bridges and better roads are set to boost trade and greater regional development.

### Obstacles and optimism

"The country is subject to frequent cyclones and flooding which hit the poor hardest of all," says Shahidul Islam. "And despite the will to reform and improve the business climate, it is sometimes thwarted by inefficient state-owned enterprises, poor management of energy resources, political infighting and corruption."

"However, the middle class is growing and with it, local demand for consumer goods."

### Well-placed

GAC Uni-Global has 34 staff at three offices providing a range of shipping services including liner and tramp agency,

stevedoring, husbandry and crew handling. On the logistics side the team handles sea & air freight forwarding, customs clearance, warehousing and local transportation.

### Strengths

- Average annual growth of 5% since 1990
- Dramatic increase in foreign investment
- Export Processing Zones to attract foreign investment
- Widespread promotion and use of microcredit

### Weaknesses

- Poor governance
- Weak public institutions
- Mismanagement of port facilities
- Inefficient use of energy resources leading to insufficient power supplies
- Slow implementation of economic reforms
- Traffic congestion in cities

### Opportunities

- Expanding middle class
- Named one of the "Next Eleven" economies to watch by Goldman Sachs
- Potential for growth in oil & gas sector
- Major infrastructure developments

### Threats

- Frequent cyclones and flooding
- Political in-fighting
- Corruption

**Preethilal Fernando**  
Director/CEO  
of GAC Sri Lanka



2011 was a good year for Sri Lanka. The economy grew by 8.3% and the country made the transition to a peacetime economy focused on reconstruction and new opportunities.

Preethilal Fernando, Director/CEO of GAC Sri Lanka, says consumer and investor confidence is rising as part of the peace dividend, boosted by favourable macroeconomic conditions, increased capacity utilisation, infrastructure development and renewed economic activity in the previously stagnant Northern and Eastern provinces.

Industry and services were the main drivers of growth in 2011, reflected in the lowest ever recorded unemployment rate, 4.2%, for the year. And although bad weather affected growth in the agricultural sector, industry and services are expected to grow by another 8% this year, driven by mining, manufacturing, tourism and the increasingly important financial services sector.

#### Award-winning

2011 was also a good year for GAC Sri Lanka, with the company recording its highest ever net operating income since it was set up as a joint venture in 1994.

"Our success was not only measured in financial terms," says Preethilal. "We also received the National Chamber of Commerce Merit Award of Business Excellence in year 2011, as well as the GAC Group Chairman's Award for Environmental Excellence in recognition of fuel savings

## SRI LANKA

**Population: 21,481,334**  
(July 2012 estimate)

made by using a fleet of hybrid vehicles.

"These awards are important to us, because they underline our commitment to doing good business well."

#### Power positive

Sri Lanka is emphasising local resource development to meet rising domestic energy demand. As such, several new exploration projects have been launched, creating a significant growth opportunity for GAC.

#### Ship-to-Ship

In January this year, GAC's in-house ship-to-ship transfer expert GAC Transfer Services (GTS) established a fully-equipped base in Sri Lanka at Galle. With its proximity to the Indian market and its position close to major east-west shipping lanes, Sri Lanka was a natural choice for the extension of GTS's services into the region.

#### Sea crime concerns

Increasing concern about sea crime in the Indian Ocean has boosted demand for professional sea marshals to escort vessels when they transit high-risk waters. That has brought a new dimension to GAC's Ship Supply Service at Galle, making it a popular choice for helping security professionals board ships steaming towards high risk waters.

Ship Supply Services at Galle OPL (Off Port Limits) rose to 300-325 vessels per month during 2011. In response to rising demand, GAC expanded its fleet to 12, making it the biggest launch operator in Sri Lankan waters.

#### Relocation

Sri Lanka is the second base outside the Middle East for GAC International Moving, coming on the heels of the opening of the bespoke packing and moving service in India in March.

#### Strengths

- Strategic location in the Indian Ocean
- Established regional Sea & Air hub
- Peaceful business environment
- Flexible government policies
- Relaxed exchange controls for foreign investment
- GAC status as a one-stop shop for Shipping, Marine and Logistics services
- Strong financial standing
- Established relationships with key authorities
- Well-trained staff
- First mover advantage in many business areas
- Strong company HSSE and FCPA policies

#### Weaknesses

- Uncertain government policies related to international political relations
- Lack of waterfront and storage yard facilities for major projects, particularly oil & gas
- Colombo port at saturation point
- Delay in development of port terminal facilities
- High fuel costs
- Delayed road & infrastructure development
- Limited availability of mechanical handling equipment for mega projects

#### Opportunities

- New development projects such as oil & gas, port development, infrastructure upgrades, etc.
- Strategic location of Galle and Colombo ports
- Liberalisation of exchange controls related to foreign exchange and banking

#### Threats

- Stress on local economic conditions due to global downturn
- Potential loss of well-trained staff to competitors
- Price war due to enlarged boat fleet
- Somalian sea crime
- Mushrooming of small scale opportunist operations



**Capt. Abid Mukhtar Ahmed**  
Managing Director  
of Pakistan



## PAKISTAN

**Population: 190,291,129**  
(July 2012 estimate)

Pakistan often hits the world's headlines for the wrong reasons, but GAC Pakistan's Managing Director Capt. Abid Mukhtar Ahmed says there's positive news to report too.

While its location, bordering Afghanistan, China and India, is a source of uncertainty which has constricted foreign investment, it also represents an opportunity for the country's business community. Pakistan is presently the safest and most reliable transit route into Afghanistan. GAC has built a strong suite of shipping and logistics services to serve that trade, handling shipments arriving at the country's ports and their transportation to final destination.

### Shipping strength

Pakistan's largest sea port, Karachi, handles about 39 million tons of cargo every year and is now set to accommodate deep-draft vessels over 12 metres. Port Qasim, the second busiest and most eco-friendly port is located in the Indus Delta region, 28 nautical miles from Karachi, on the trade route to the Middle East. It handles more than 40% of the country's seaborne trade.

A project valued at over USD 2 billion is in place to develop the infrastructure at

Port Gwadar, Pakistan's deepest port and an important transshipment hub for the region over the next 50 years. The project will add an airport, industrial and export processing zones, beach developments, resorts, housing and civic amenities.

Gadani ship-breaking yard, 132 plots along 10 km of beachfront northwest of Karachi, is the world's third-largest ship-breaking yard where more than 1 million tons of steel are recovered each year.

GAC Pakistan is the country's leading ship agent offering a comprehensive range of services extending from basic port clearance, documentation and husbandry through stevedoring and shipside supervision to local canvassing/marketing and port intelligence services.

### Logistics too

GAC is a one-stop solution provider for all supply chain and logistics related business in the country. Services include consolidation/de-consolidation, air & sea freight, clearing & forwarding, support base logistics, inland transportation, transit logistics to Afghanistan, project cargo, and support services such as developing sales leads and providing market intelligence. GAC Pakistan is also a licensed Customs Agent.

### Energetic support

Energy majors are taking stronger interest in potential sources of oil and gas in South Asia and Pakistan is no exception. GAC Pakistan combines its shipping and logistics services to support companies which are expanding their operations in this sector.

### Ethics bring rewards

"One of the major challenges that many businesses face in Pakistan is how to counter the unethical conduct of some of the competition," says Capt. Ahmed.

"Thanks to GAC's sound financial standing, connection to the GAC global network and the Group's firm stance on ethical behaviour, GAC Pakistan is in a strong position to face such competition without having to resort to the same tactics. The very fact that we refuse to engage in underhand methods to gain business is a strength." **GW**

### Strengths

- Strong GAC brand and global resources
- GAC values embodied by the GAC Spirit, Code of Ethics, Anti-Corruption and Anti-Money Laundering policies and strong commitment to HSSE
- Company's strong financial standing
- Experienced operations and support staff

### Weaknesses

- Poor infrastructure
- High levels of bureaucracy and non-transparency within various Government sectors
- Shortage of qualified professionals in shipping and logistics

### Opportunities

- Expansion of Port Qasim and new deep water terminal at Karachi
- Development of Gwadar Port
- Positive trade relations developing with India (with GAC offices providing a link)
- Afghan transit with limited exposure
- GAC's integration of software to increase efficiency and reduce manual processing

### Threats

- War against terrorism. As a front line US partner, Pakistan is exposed to potential retaliation which can affect development
- Unstable political situation in neighbouring countries
- Sea crime
- Lack of international contracts and foreign investment
- Power crises and rising inflation
- Complex tax structure and ambiguous tax laws related to shipping
- Unethical practices by some competitors.





## HELPING 'CUTIE' HIT THE RIGHT NOTE IN CHINA

American alternative rock band "Death Cab for Cutie" got to the gig on time in Shanghai and Beijing with the support of GAC's local import/export team.



When the band's gear (1,600kg) arrived at Shanghai Airport from Singapore, there was just half a day to clear the shipment under temporary import and deliver it to the YunFeng Theater in time for the show. Normally, such a procedure would take two to three working days to complete.

To speed up the process, GAC staff invited Customs officials to conduct their physical inspection at the venue on the morning of the show and everything was completed well before the band started its sound check.

Once the final Shanghai encore was played and the fans were heading home, the GAC team started their own show – getting all the gear packed up and delivered back to the airport for the flight to Beijing.

The innovative efforts of GAC China ensured that high volume rock fans in the country's biggest cities had their ears filled to the brim. **GW**



## GEMS HOUSTON

Houston is the oil capital of the USA and the majority of the country's oil and gas companies are based there. Little surprise, then, that GAC Energy & Marine Services LLC (GEMS) is based there too. This specialist provider of logistics, maritime and support services draws customers from the energy and mining sectors worldwide.

GEMS has carved out a niche in the oil and gas industry by offering a unique package of integrated services under a single umbrella and working in synergy with the global GAC network.

### Made-to-measure services

Bob Bandos, CEO of GEMS, says the company was formed as part of the GAC Group's strategy to expand its range of solutions tailored to the needs of the oil & gas business.

"We expect to see our activities expand on a global scale as a direct result of business we are consolidating here in Houston," he adds. "Our ability to provide global coverage has been a major factor in our success to date."

GEMS raises the bar by tailoring the GAC matrix of services to meet the constantly changing needs of each individual client. A recent example was a project for a long-standing oil and gas customer where GEMS extended its range of services to provide enhanced solutions, including customs bonding of their warehouse (see facing page).



The GEMS top team (left to right): Mark Moore, Yalonda Henderson and Carlos Arrieta.

### Compliance

In line with the GAC Code of Ethics and HSSE policy, GEMS places great emphasis on strict compliance with all Health, Safety, Security and Environment (HSSE) standards. The principle is simple: no harm to people, no accidents, no security breaches and no damage to the environment.

Further commitment to adhering to all relevant rules, regulations and restrictions is underlined by the GAC Group's global compliance team, as well as clearly stated Whistle Blowing and Anti-Corruption & Bribery policies.

### Looking ahead

GEMS will continue to work globally to build strong relationships with customers. In response to client demand, the company is looking at opening a branch in Laredo, Texas.

Bob Bandos says: "As we complete our first year of operations in Houston, we anticipate an impressive increase in business that will showcase our brand and its reputation for providing outstanding, one-of-a-kind logistics services. GAC has the unique capability to provide a broad list of services across business sectors. This alone gives our customers the confidence that a single phone call to our account managers will set the wheels in motion to take care of their needs." **GW**





## SERVICE RELAY ENDS IN BONDED WAREHOUSE

When GAC Energy and Marine Services LLC (GEMS) signed with BG LNG Services to assist with its customs bonded warehouse in Lake Charles, it marked the end of a relay race that passed the baton through GAC offices in the USA, Greece, the Netherlands, Japan, South Korea and back.

### First pass

The business baton started with GAC USA President Bob Bandos, who learned that BG was seeking bids to manage spare parts coming into the US from Japan, Rotterdam and South Korea. The multi-origin shipments would arrive for consolidation in Houston, before going into long-term storage at Lake Charles.

Bob conducted an analysis and identified a cost-saving tool, based on the customs bonded warehousing expertise of GEMS in Houston. Customs bonded warehousing is a major cost-saver as imported goods may be held tax-free until they are withdrawn for use, giving importers greater control over their funds. And so Bob passed the baton to GEMS.

### Second pass

GEMS contacted BG and started preparing to bond their Lake Charles warehouse. It was calculated that GEMS could help BG secure cost savings over a five-year storage period, and the GEMS proposal also lifted the burden of the warehouse management

from BG. A Customs Bonding Manual was created for all warehouse staff and an orientation programme prepared to train them. GEMS' tailored logistics package included management of all in/out transport activity, inventory control, customs compliance, staffing, picking and packing, labeling, repacking and equipping the warehouse with GAC's proprietary IT business application, GACWare.

Following this, BG awarded GAC a contract to manage, consolidate and transport its shipments to Lake Charles.

### Final stretch

With the business secured, GAC USA worked with Harris Theodorakis at GAC Marine Logistics in Greece, to secure the quote. Harris in turn involved colleagues in Rotterdam, Japan and South Korea to manage the shipments for consolidation in Houston and hand over to GEMS for transport to final destination at BG's Lake Charles warehouse. **GW**

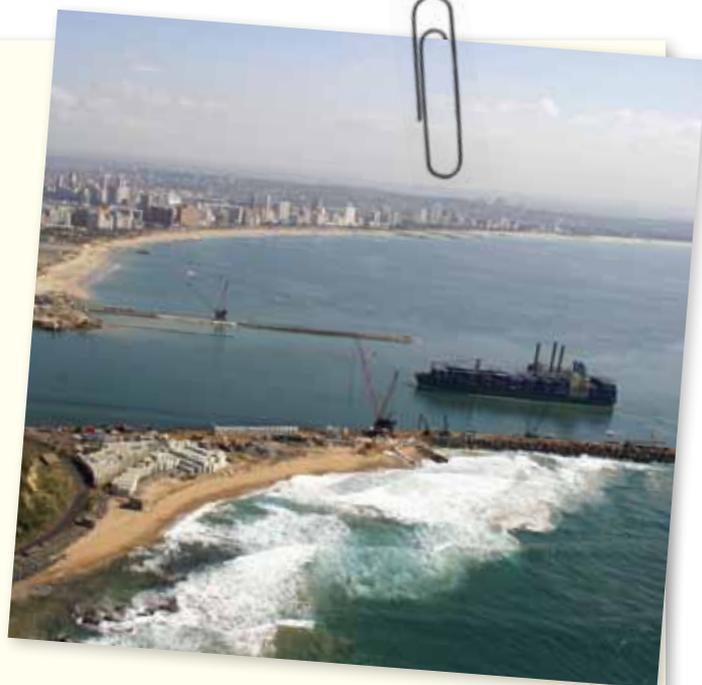
A CUSTOMER COMMENTS

# TO GENERAL MANAGER SHIPPING, GAC SOUTH AFRICA:

"I have just returned from a port call for the Polarcus Nadia in Durban [South Africa] that GAC was contracted to handle as agents on our behalf. I felt compelled to write to you to comment on the work of your personnel and office during our short 24 hour call ...

The attitude and professionalism shown by your Durban office in dealing with all the issues we threw at them was exemplary. In particular I have to single out Warren, Kevin and Lizel for the superb email and personal contact they had between myself and my direct reports throughout this short port call.

No matter what we asked of them they found answers and workarounds even at very short notice and should be congratulated for a very strong professional approach to everything they did. I'm sure the 'backroom' staff I haven't mentioned also deserve our gratitude and thanks. Another very notable point is the very high standard of the transport company you used for



us. I have never before experienced the politeness, safety focus and time conscious effort from a transport company and it was very welcome to see the focus put towards that sometimes neglected part of the service.

It's very rare I feel compelled to write and a refreshing change to be able to write positive comments. I'm certainly of the opinion we will be using GAC South Africa again."

**MARK STRACHAN**

- Vessel Manager, Polarcus DMCC, Dubai.

## WHAT THE DOCTOR ORDERED: A HELPING HAND FOR THE NEEDY

Staff at GAC Greece are supporting a local charity providing free health care for the country's growing number of unemployed, homeless and uninsured people.

It started when the Road Freight Manager and his staff wanted to help people suffering as a result of the austerity measures being imposed to tackle Greece's economic crisis.

After checking the options, they decided to ask their colleagues to donate medicines to the Metropolitiko Social Clinic which offers health care to those no longer covered by state health insurance.

So far, 255 boxes of medicines have been handed over to the clinic and GAC Greece staff aim to continue their support by collecting clothes, blankets, food – and more medicines. **GW**

## APPOINTMENTS

### GAC HEADQUARTERS, JEBEL ALI



**Laurance Langdon**  
Group Sales Development  
Manager  
Previously:  
Group Projects Manager  
based in South Africa

### GAC INTERNATIONAL MOVING, SRI LANKA



**Jeremy Enas**  
General Manager  
Previously:  
General Manager of the  
International Moving  
Division, GAC Qatar for  
seven years

### GAC INDIA



**Rashid C. Batliwalla**  
General Manager,  
International Moving, India  
Previously:  
18 years experience in  
the International Moving  
industry

### GAC KUWAIT



**Mohamed Riyas**  
Operations Manager,  
Tankers  
Previously:  
Operations Executive

### GAC USA MARKETING



**Andrew Boaz**  
Marketing Manager,  
Shipping, responsible for  
U.S. East Coast (including  
Florida), U.S. West Coast,  
Canada and the Caribbean  
Previously:  
14 years with a major  
international ship agency

### GAC BUNKER FUELS, USA



**Maurice Lara**  
Bunker Manager for East  
Coast USA  
Previously:  
Marine Fuel Broker and  
Trader with Ocean Connect

### GAC HONG KONG



**Thomas Okbo**  
Business Manager, Logistics,  
South China & Hong Kong  
Previously:  
Senior Sales Manager  
with GAC Hong Kong's  
Sales & Customer Services  
Department

### GAC SOUTH AFRICA



**Gerrit Laubscher**  
Oil & Gas Marketing  
Manager, Sub-Saharan  
Africa  
Previously:  
General Manager of  
GAC Angola

### GAC ANGOLA



**Michael Stuesson**  
General Manager  
Previously:  
Commercial Director of  
GAC Transfer Services,  
based in Dubai

### GAC CORPORATE COMMUNICATIONS, SINGAPORE



**Pansy Ong**  
Communications Manager  
for Asia Pacific & Indian  
Subcontinent  
Previously:  
Senior Marketing and  
Communications Manager  
for the Automobile  
Association of Singapore

### GAC CORPORATE ACADEMY, DUBAI



**Sherol Fernandes**  
Business Development  
Manager  
Previously:  
Customer Relationship  
Manager



**Farhana Kausar**  
Customer Relationship  
Manager  
Previously:  
Key Account Manager  
with GAC Dubai

### GAC THAILAND



**Jarun Soisuwan**  
Business Manager –  
Shipping  
Previously:  
Business Manager –  
Logistics at GAC Thailand



**Patric Lundin**  
Business Manager –  
Logistics  
Previously:  
Branch Manager of  
GAC Xiamen

### GAC SHIPPING (UK), ABERDEEN



**Steve Gibson**  
Director, Oil & Gas  
Previously:  
Purchasing and Logistics  
Manager for a subsea  
construction company

### GAC UK MARKETING



**Peter James**  
Shipping Marketing  
Manager, responsible for  
the UK, Benelux and  
Switzerland  
Previously:  
Business Development  
Manager for GAC Shipping  
UK

### GAC PINDAR, UK



**Simon Rhodes**  
Business Development  
Manager  
Previously:  
GAC Regional Logistics  
Manager for the Middle  
East

### Looking for contact details?

Contact details for many GAC staff are listed in our website [www.gac.com](http://www.gac.com)

Just type in the surname of the person you are looking for in the Name Search field in the "Contact" section of the site.



## BizSAFE LEVEL 3 ACHIEVED

GAC Singapore has achieved higher workplace safety and health (WSH) standards through vigorous participation in the Singapore Government's BizSAFE programme.

The five-step programme was introduced to help local companies build their WSH capabilities and achieve quantum improvements.

GAC Singapore was one of the first companies in the industry to be accredited after volunteering for the programme.

To attain BizSAFE Level 3, the company underwent a year of preparation which included restructuring and appointing "HSSE Champions" from different departments. The company also had to demonstrate that it had a sound risk management plan in place before



being assessed by a Government-approved auditor.

"Through the BizSAFE programme we have implemented best practices which enable us to safeguard the interests of both our people and our customers," says Managing Director Ronald Lichteneker.

All the effort also makes good business sense, according to GAC Singapore's Safety Officer Desmond Goh: "It improves productivity, enhances staff morale and makes efficient use of resources." **GW**