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POWERING Change

Northern Offshore Services is developing and delivering highly specialised and leading-edge vessels for the ever-expanding offshore wind energy market.

Images courtesy of Northern Offshore Services

Since it was established six years ago, Northern Offshore Services has been a leader in a rapidly growing, niche market. Specialising in the safe and reliable transportation of personnel and equipment to the offshore industry, Northern Offshore Services is supporting a growing breed of innovative businesses.

Offshore wind energy, where turbines are positioned throughout the ocean to capture strong sea winds, has quickly ballooned in recent years as the importance of sustainability and alternative energy escalates. When Northern Offshore Services was established in 2008, it became one of the first companies to support this burgeoning industry.

Now, the company provides transportation of personnel and equipment to offshore wind farms across Northern Europe. With well-educated and highly trained crews of experienced employees,

Northern Offshore Services is prepared to meet every national and international regulation necessary. The company boasts 18 multipurpose, high-speed vessels in operation and plans to expand that significantly in the coming years.

David Kristensson, founder and CEO of Northern Offshore Services, has grown up on the ocean and around seafarers, so the shift to offshore operations was a natural one for him. *The CEO Magazine* recently spoke to David about how Northern Offshore Services emerged, evolved, and expanded over the last six years.

The CEO Magazine: What was your journey to becoming CEO of Northern Offshore Services?

David: I grew up on a small island off the west coast of Sweden. It's a special island; there's a lot of seafarers and mariners there. They say that the island is the most heavily populated island for the

shipping industry. There are a lot of international shipping companies there.

My interest has always been around shipping and boats. When I was in school I studied to be a mariner and I was a seafarer. My career has been on several types of ships, though mostly on tankers because they are very common around the island. I've also been a skipper and an officer on board.

It's a special environment and that's how I've grown up, with the shipping and the ideas around running efficient operations and good vessels. Back in 2007, one of my friends called me with a business opportunity to operate one high-speed catamaran for the ship-supply service. We started building that vessel in 2007, and when it was completed by a contractor in the United Kingdom he had another client who asked us if we could start working in offshore wind. That's how it started. >



At that time, I had just come to shore because the tanker I was working on was sold. I was on shore work. My family has actually been involved in the shipping business since 1904. In 2007 we didn't have any investors, so it was good to be able to try something new.

We started Northern Offshore Services and our first work was in Holland. We didn't know how effective we were because when we were there we assumed we did a good job because they paid us, but the client was even happier than we realised because with our resources we did actually two vessels' work. We were more efficient and they saved a lot of money with us. That was how we saw this offshore wind opportunity: it could be a niche for a small operator that sold good-to-run vessels effectively.

Since that time, we've grown with approximately three vessels a year. We have run the business

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now for six years and we have 18 vessels in operation. We are one of the biggest operators today in Northern Europe for offshore wind for crew vessels. So far, there are only offshore wind organisations in Northern Europe so technically we're one of the biggest in the world. This may extend into other continents as well, but for the moment it's mostly in Northern Europe.

The success story of our company is that we're from Sweden, and here in Sweden we don't have so much offshore wind, so when we started we needed to go internationally from day one. We needed to work in other countries directly so we set up that platform from the start. It's really differentiated us because we were

"Uptime is of highest importance for NOS. With an extensive service network, further strengthened in wind farm ports, fuel efficient and reliable engines, and 30 per cent fuel savings with the IPS system, Volvo Penta makes the perfect partner." - Martin Jufors, Head of Marine Nordic, Volvo



known and well-recognised industry with a lot of big suppliers and companies starting to operate in the market. The forecasts suggest that the 30 per cent growth per annum will continue until 2020.

You've recently launched some new vessels. How do you work with suppliers and strategic partners to ensure you deliver the best-quality vessels?

We are one of the operators that has the most experience out there. We try to bring that each time we're starting a new vessel so we can do everything better. We now have a great relationship and cooperation with our Norwegian shipyard.

The vessel that was recently launched was the seventh vessel we've developed with them so we have had a long relationship with them now. We sit down with them and try to develop and gather the best ideas possible. They've also got a lot of experience and they've worked with us for so long so we don't need to start from square one.

We've put a lot of effort into having redundancies so the vessels should be able to work even if we have some engine breakdowns or some other issues. This time we are putting four main engines into the vessel so it can still operate with only two engines running.

Gard is a very good supplier to mention because when we started they said, "Okay, we believe in the business idea, we've never insured vessels like this before because it's a completely new market, but we believe in you and we will cover you." That has been a very good support because when we've done negotiations with big clients it reassures them to hear that we have Gard as our insurance partner. They know that they'll take care of it if something happens. They have grown with us since the beginning.

Where do you see Northern Offshore Services going in the short and long term?

We're not the biggest but we are going to be one of the top suppliers. We are going to have the right size so that big utility companies and suppliers want to work with us. Our strategic goal for the next five years is to expand to 30 vessels. That's where we see the business going, so it's almost doubling our vessels.

We currently have approximately 10 per cent of the market and this is something that we want to defend. If the market continues to grow by 30 per cent each year then we've also got to grow a lot. We don't want to be the biggest. We want to be the best. Our key phrase in the organisation is 'Best 365', which means that everybody, every day should try to do their best. That is something that we live for. •

one of the few operators who could work in a range of countries, which was obviously appreciated by our big clients who had multiple wind farms in a few different countries.

We put a lot of effort into the quality of our crew. Today, we use a mostly Scandinavian crew, and the first 30 crew members we had were mostly people we already knew. We knew their families and their friends so we knew that they could do good proactive work and take care of our customers and vessels. The vessels are quite small—there are sometimes only two crew members on board—so it's very important that each crew member does their job.

How do you see the offshore wind market developing in coming years?

It's growing at a rate of approximately 30 per cent each year. It's a rapidly expanding business. When we started back in 2008, the market was very much in its infancy. Today it's a well-

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