



SPNL FutureLondon **2013 Report**



SPNL FutureLondon

- The main purpose of the ***SPNL FutureLondon*** initiative is to develop insights and generate ideas from tomorrow's industry leaders, and to use this to help ensure London maintains its status as a key global shipping capital
- It is hoped that the insights from this report will form part of the discussion of what needs to be done to ensure that the best, brightest and most talented people are attracted to London. Access to talent is a key ingredient for a successful maritime cluster that will generate quality jobs, resulting in an increased diversification of sources of London's business revenue
- The ***SPNL FutureLondon 2013*** initiative, of which this report is the official conclusion, consists of three main elements:
 - Focus groups
 - Confidence index
 - Showcasing talent
- This report was completed after the well received, and highly successful, inaugural London International Shipping Week 2013 (LISW) where SPNL participated. Some input and insights from the week are incorporated herein
- Focus is on the young shipping professionals - the leaders of the next generation of London's global shipping presence.



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Background

- The purpose of the *SPNL FutureLondon* initiative has been to gather useful information from the membership of SPNL to provide insight into London's current and future position as a maritime cluster
- The membership SPNL consists mainly of young professionals working within various fields of the land based maritime industry in the greater London area
- The main focus has been on London, where the majority of SPNL's members are based, and the part played by the shipping industry cluster operating here. The information presented in this report, in many cases, acts as a proxy for the rest of the UK and has enabled us build up a picture of the significance of the country's shipping activities
- If London is to succeed in being one the pre-eminent global shipping clusters going forward, it relies on attracting and retaining the best and the brightest
- To achieve this, the views and ideas of shipping's young professionals need to be summarised, presented and listened to. The *SPNL FutureLondon* initiative is an attempt to do this



Background – Use of the report

- This report interprets and summarises the information gathered and presents it in an easily digestible format
- The intention is for this information to be used to better understand the views, concerns, ideas and needs of the young shipping professionals currently working in London
- The report should be used as one aspect of stakeholder input when policy is being shaped and when the roadmap for a vibrant shipping capital the next 5-10 years and beyond is being laid



Background - Specifics

The *SPNL FutureLondon* initiative has consisted of the following parts:

- Part 1: Focus Groups
 - 4 sessions of brainstorming, discussion groups and seminars
 - Held in cooperation with commercial, political and non-profit institutions
 - Input from the wider shipping community
- Part 2: Confidence survey
 - Based on the Annual Moore Stephens Shipping Confidence Index survey, but tailored to address specific issues relating to London's strength as a maritime cluster
 - Run in collaboration with Moore Stephens
 - Specifically targeting shipping's "next generation"
- Part 3: Showcasing the talent of London's next generation of shipping professionals
 - Examples of successful young shipping professionals that have chosen London as their place of business
 - Open event at the London International Shipping Week (LISW) at the replica vessel *The Golden Hinde*. This provided an opportunity for LISW attendees to network with young shipping professionals and vice versa



Part 1: Focus Group

- Consisted of a group of 30 dedicated individuals with a strong interest in London's shipping cluster
- In addition to seeking insights for the *SPNL FutureLondon* initiative, the purpose has been to engage the next generation of shipping leaders in the process, and to give them an opportunity to take a step back and consider the bigger issues facing shipping and its importance to London and the UK economy
- As part of this process specific background reading was distributed ahead of each focus group. The context for each session was set by knowledgeable speakers from various sectors of the shipping industry
- The overriding objective has been to collect views and ideas from London's young shipping professionals on what needs to be done to ensure London remains a key global shipping cluster in the future
- The initiative is driven by the assumption that if London is to succeed in the above, it needs to listen to the young talent that will be running the industry in the near future



Sessions

Four sessions were held during the course of the spring and summer 2013:

- Session 1: Introduction & brainstorming (14 May, City of London)
 - Introduction to the *SPNL FutureLondon* initiative, meet and greet, initial brainstorming and House of Lords dry run
- Session 2: Brainstorming (11 June, House of Lords)
 - Hosted by former shipping minister Lord Clinton-Davis and attended by a variety of industry participants including Lord Higgins, and Greek Shipping Co-operation Committee (GSCC) member Nicholas Skinitis. The session consisted of three brainstorming sub-sessions introduced by Huw Coffin (DNV), Jostein Ueland (Flex LNG) and Julian Bray (TradeWinds) challenging various aspects of the shipping industry in London
- Session 3: Shipping of the future (18 July, hosted by DNV)
 - Group discussions covering issues around what the global shipping industry will look like in the future, and how London can position itself. The session was introduced by Martin Crawford-Brunt (DNV)
- Session 4: The people factor (1 August, hosted by the Mission to Seafarers)
 - Round table discussion around "The people factor". Spinnaker chairman Phil Parry lead a frank and open discussion around the challenges and opportunities faced by entrants (whether local or international) to the shipping industry



Results

Three main themes emerged from the focus group ideation and discussions. These will be covered in more detail on the next slides:

- Marketing and awareness
- Access to talent
- Building on strengths



Marketing and awareness

- **Strategy: actively define the main areas within shipping in which London should be a leader**

The delegates noted that the shipping and maritime sector is wide reaching. Any initiative towards this sector needs to clearly define what is actually included.

- **Branding: Improve the international brand and awareness of London as a major shipping hub. LISW was seen as a very good first step in creating a brand of London as a leading shipping centre**

Shipping is very much a people oriented industry and international branding is important. London is benefitting from its momentum as an historically important shipping business destination (centre of world trade), but a more proactive approach can and should be taken. LISW is a excellent initiative that should be developed further.



Marketing and awareness

- **Awareness: the general public must be made aware of the shipping industry as a career option, and of the importance of shipping on the UK economy.**

There is a general lack of awareness of the shipping industry in the UK. Particularly around its contribution to the UK economy, the interesting job opportunities it provides and even its role in keeping the country supplied with imported goods. Successfully raising awareness at an early age (at school) will result in a larger supply of home grown talent to the industry in the future.

The previous example should be supplemented by initiatives directed at the general public. This can be done by relatively simple means such as placing a shipping container with infographics in central areas.

- **Government: its involvement is seen as highly relevant and important**

Facilitate for Principals and others to choose London and the UK as the preferred location for business.

Shipping is competitive and should be left to the market forces. However, government involvement will remain an important factor in the mix that is needed to maintain and build a successful sustainable shipping centre. Importantly government should not create impediments.



Access to talent

- **London and the South East has the potential to be a world class shipping and maritime educator**
- **For the graduated talent there is a lack of opportunities for work experience, internships and jobs**

There was a perception among the focus group that the UK by its visa restrictions and non-tangible barriers is losing out on a lot of talent. Every year internationally renowned educational institutions with a strong maritime flavour such as University of Southampton, Plymouth University and CASS Business School educate a large number of students. Upon graduation many are forced to leave the UK. This may be for reasons of onerous visa requirements or because of a lack of opportunities to gain relevant experience. The suggested solutions to this were numerous. The two most prominent were; firstly, to relax work visa requirements for degree level graduates of UK universities and for the Government to reinstate the two year post study work visa system. Secondly, companies operating in the land based maritime sector may want to collectively invest in the future by taking on graduates for internships, traineeships and work placement programs, possibly as part of a structured and government supported scheme. This is not as costly and time consuming as one may think. There examples of this being successful in other competing clusters e.g. Hamburg.



Access to talent

- **Low proportion of women in shipping remains an issue**

There are still perceived issues of an uneven gender distribution within the various professions in the shipping industry. The view expressed by some focus group participants was that this could have a negative effect on new female entrants to certain professions, as a lack of role models and perceived barriers to entry may potentially discourage some women from taking up roles that are still perceived as being male dominated

- **People are willing to spend their productive years in London**

Interestingly, despite the high cost levels and some time demanding working conditions young people from across the world still wish to spend their most productive years working in London. This is an interesting observation and should be taken advantage of. There is a view that if you can make it in London you can make it anywhere. Other factors attracting talent to London are the world class companies, the cultural attractions and the ease of international travel.

This “magnetic effect” on talent will remain a big advantage for companies operating in London



Access to talent

- **Cost levels not seen as a major barrier**

The cost level, although high, is not seen as a major barrier for London to remain attractive as a shipping capital. The price level may accelerate a differentiation between front office and back office work, where the latter may get outsourced to lower cost destinations. The high value jobs and positions involving influence and decision making will likely remain in London.

- **New types of principals emerging**

With the changes taking place in the industry, a new type of principal is emerging in London. To some extent they are replacing traditional ship owners. This involves companies operating in freight, and in-house shipping departments of investment banks, hedge funds and commodity houses. This is another example where the high value jobs and positions of influence have emerged in London.



Building on strengths

- **Key Strengths**

The delegates specifically highlighted the insurance market and the global and open nature of the economy as main strengths of London. In addition, London is the location for highly developed, and sometimes world leading, sectors such as maritime insurance, legal expertise, broking, technical expertise, ship finance expertise/capital markets and education. In addition there are advantages such as stability (legal and political framework), English language, ideal time zone vs. Americas and Asia, competitive personal and corporate tax, long history, established institutions, free and developed media.

A particular strength which is difficult to replicate is London's maritime heritage, which has been built up over centuries and the reputation established by the Baltic Exchange for trust in transactions ("our word, our bond").

- **Shipping cluster**

London is safe, stable and international. It has world class financial institutions, legal firms, brokers, class, flag states, the Baltic Exchange and so on. London is a major shipping cluster. The fact that all these companies and organisations are based in London creates a network effect that is not easily replicated. The focus group acknowledged that London will not be central for the cargo owners and cargo buyers in the foreseeable future. This will naturally gravitate towards other regions, for example South East Asia. London should however focus and capitalise on its strengths.



Building on strengths

- **If it's not broken, don't fix it!**

If London is to remain open for business, this must be supported by the Government. Most of the time it is better for the government to stay in the background, but occasionally, for major issues such as taxation (e.g. tonnage tax and non-domicile taxation) a clear and predictable course must be taken to ensure no unnecessary impediment to London's global competitiveness.

Barriers to entry and exit for businesses should be kept low. This means not only that it should be easy to set up a business, but also that it needs to be straightforward for businesses to scale down or exit the market altogether. This will force the stakeholders to always be proactive and do the right thing in order to attract business, and the businesses that do stay here will be among the most competitive in the world (not only by price but also by quality). They will be here simply because it is the best place to be. It is difficult to compete head on against an action oriented and commercially minded city state in Asia on tax incentive structures, but on the other hand it is difficult for other emerging centres to compete with institutions that are the result of centuries of evolution.



Concluding thoughts

- This is the first comprehensive attempt to gather the views and opinions of London's young shipping professionals
- The points raised in this report provides a highly condensed, but valuable set of insights into the current thinking of London's young shipping professionals. Their insights are interesting and relevant because today they are valued trainees, colleagues and junior managers – tomorrow they will be industry leaders that will form part of a global network of professionals with strong ties to London. So even if they don't end up working in London, they will look to London for business opportunities, insurance, finance, legal advice and to meet with their global peers
- This initiative forms part of the wider and ongoing efforts of ensuring London maintains a competitive edge in global shipping. To remain competitive businesses must have access to young talent that are passionate about their chosen industry and that actively choose London as their place to work
- Our recommendation is that the shipping industry stakeholders reflect on the material presented herein, and that they play an active part in facilitating for the next generation of leaders in shipping. If executed successfully, we believe this will be a major factor in ensuring that London maintains, and indeed increases, its position as a key shipping capital and contributing to the growth of the UK economy for the foreseeable future



Part 2: SPNL Confidence Index

- This section has been released earlier – refer to www.spnl.co.uk for full report including SPNL Confidence Index



Part 3: Showcasing London's talent

- The global shipping industry is currently in its 5th year of downturn
- There is a perception that London as a shipping centre is suffering in the face of competition from other shipping destinations
- It is easy to only focus on the negatives, we wish to put focus on some success stories and also showcase what London has to offer
- There are hundreds of impressive stories to be told, we bring you three of these



Consultancy and audit: Cassie Forman



From: Aberdeen, Scotland
Years in London: 12
Job: Director at Moore Stephens
Achievement/career highlight:
Having made Director

What you do and how you came into your field of work

I was born in Aberdeen, where the comings and goings of offshore supply vessels are very much an everyday sight. So it is perhaps not surprising that I gravitated towards a career that involved, in some way, the shipping and offshore industry.

I studied accounting and finance at Robert Gordon University in Aberdeen, and part of the degree course took me to London to work with an accountancy firm for twelve months. I was attracted to the diversity of London, and in 2003 joined Moore Stephens, qualifying in 2007. I have been with the firm now for ten years and am a Director in our Shipping and offshore maritime group.

Why London is a natural home for your company / business

Founded in London in 1907, Moore Stephens has an unparalleled depth of knowledge and breadth of worldwide experience within the shipping industry. That knowledge is demonstrated by the fact that the net book value of vessels which are included in the Moore Stephens credentials in London alone is in excess of US\$20 billion.



Our clients range from large multinational corporations to single vessel owners, and include not only ship owners, but also ports, brokers, ship managers, port agents, logistics operators and shipping funds, with offices globally.

With Moore Stephens member firms in all of the principal shipping locations throughout the world, London is a key location for our headquarters that enables us to provide a truly international service to our clients.

Your biggest achievement

Having been with one firm since starting my career, I am particularly proud to have climbed the internal professional ladder and so would say being promoted to director at Moore Stephens in May this year is amongst my biggest achievements. It is great to be able to add value to both my firm and to my clients.

Your ambition for the future

I have been handed the reins to develop the services which Moore Stephens provides to the Offshore maritime sector and in doing this I hope to raise the profile of London as a key maritime hub and to strengthen the Moore Stephens brand as market leaders in global shipping and offshore maritime.



Entrepreneurship: Frederik Rye-Florentz



From: Oslo, Norway
Years in London: 10 years
Title and company: Principal and Investment Director at Borealis Maritime Limited
Achievement/career highlight: Co-founder of a ship owning company

What you do and how you came into your field of work

My first big step into the industry was taking a Master in Shipping, Trade and Finance program at Cass Business School. Then I worked for a ship broking company, a ship finance bank and a ship owning/investment company, before co-founding Borealis Maritime Ltd in 2010.

Why London is a natural home for your company / business

The volume of business, the concentration of interesting people, and the buzz are exceptional.

Your biggest achievement

Having co-founded Borealis Maritime, being a main part of building something the way I want and, through discipline and a progressive approach, deal after deal to bring it where it is now, which is an important turning point that will allow it to take hopefully take important leap forward.

Your ambition for the future

During my 30s, I hope to be able to drawing the most of the current period, to continue developing Borealis Maritime and our new JV into a successful business. With that comes personal development as well, which in combination with the professional achievement will allow me to gain experience and continue being able take advantageous of inspiring and profitable opportunities.

Media: Savahna Nightingale



From: Hampshire, England
Years in London: 10
Job: Reporter / Africa Maritime Analyst at IHS Maritime
Achievement/career highlight: BBC anchor correspondent

What you do and how you came into your field of work

I am a reporter and Africa Maritime Analyst for IHS Maritime. I was most recently BBC World Service presenter and BBC World News Reporter for their global flagship show "Focus on Africa". I came into my line of work through a fervent passion for anything to do with the sea, borne out of growing up spending summers on-board my uncle's yacht in Trieste - an Italian Ship broker – eating prosciutto crudo and melon on deck.

Following a Bachelors degree in Maritime Business and Maritime Law and with a post graduate in journalism under my belt I was quickly snapped up by Lloyds Shipping Economist - a publication deeply admired from my days studying.

I branched into mainstream media and broadcast working for the British Broadcasting Corporation producing and reporting for global news and went on to specialise in Africa for the BBC. I set up my own media production and consulting company, producing documentaries and consulting at government level across Africa; dipping my toes into shipping wherever possible. I delightfully returned to shipping joining IHS Maritime as their in-house reporter focussing on finance and Africa.



Why London is a natural home for your company / business

Working in London is a privilege. Nowhere else in the world would you find such a nucleus of maritime excellence, from bankers, to lawyers, brokers, regulators, charterers, ship managers, insurers, and service providers all in one place. It means I have easy access to my target market and it keeps my finger on the pulse. It's the best place to be with so much history and so much to learn.

Your biggest achievement

My biggest achievement would have to be accomplishing my goal of working at the highest level of media broadcast and interviewing the Presidents of Ghana, Nigeria, Sierra Leone and Zimbabwe in my capacity as a broadcaster and working for the BBC.

It opened my eyes to the power of emerging economies and the potential to explore untapped markets. I believe Africa is a continent of such opportunity that I see shipping absorbing in the near future.

Your ambition for the future

It's a privilege to work for IHS Maritime which has been built on a heritage of 125 years of editorial excellence and has the ability to reach core decision makers and key players in the Maritime world. I hope to expand the coverage and reach of IHS Maritime to become the leaders of global maritime insight and intelligence, and to continue blazing the path into new markets of which Africa is one of them. I hope to turn the world's attention to unreported stories and opportunities.



Part 4:

London International Shipping Week 2013

- SPNL provided a whiteboard at their “Showcasing Next Generation shipping” event and informally asked the participants: What Makes A Maritime Centre?
- Unsurprisingly there were as many opinions as there were people. Below is a list of some of the points mentioned:

People
 Good Training
 Classification and technical competence
 High quality of service
 Innovation
 Tradition
 Competence
 Lloyd’s of London
 Clever people
 Like minded people
 Demand

Trust
 Cargo (and people)
 Investing in people
 Industry expertise
 One stop service centre
 Knowhow
 Logistics hub
 Convenient time zone
 English law
 The Baltic Exchange
 Ingrained expertise
 SPNL
 Institute of Chartered Shipbrokers



London International Shipping Week 2013



What Makes a Maritime Centre (left to right):. Phil Parry (Chairman, Spinnaker), Eloise Hardy (Spinnaker), Aleksandra Czerlonek (Cwaves) and Rhiannon Pritchard (Deck Officer Cadet, Trinity House)

Picture by Dominica Marszalkowska
 For more photos see <http://www.spnl.co.uk>



About SPNL



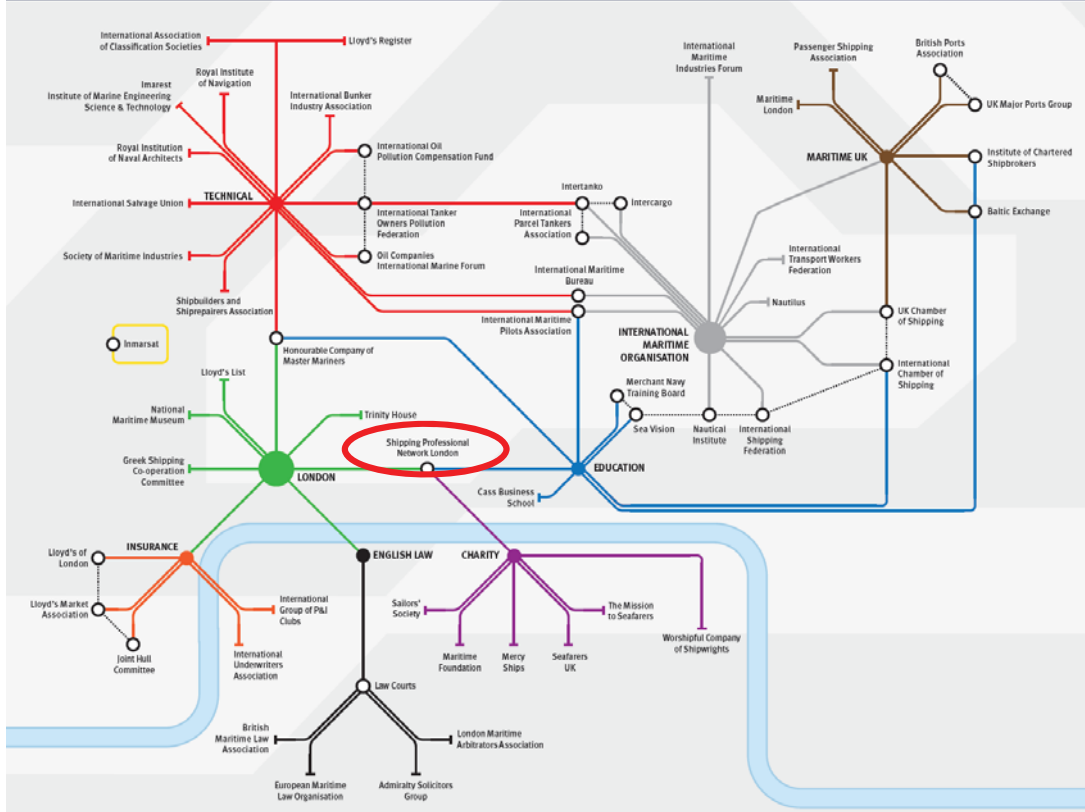
- The Shipping Professional Network in London (SPNL) was founded in 2007 as a meeting place for young shipping professionals in London. It is incorporated as a Company Limited by Guarantee
- Vision:
 - To promote and enhance London as a maritime financial centre
 - Be the 'voice' of young shipping professionals in London by engaging with the broader shipping community
- Objectives:
 - To organise and provide on a regular basis a forum where young professionals who work within the Shipping Industry in London can meet to build social and professional networks
 - To provide a competence and expertise-developing educational forum for young professionals who work within the Shipping Industry in London, and the fields related to these industries
 - To function as a recognised and respected representative of the Shipping Industry in London and work towards its advancement

About SPNL



- Managed by a well diversified and elected executive board consisting of members from companies across the shipping industry in London
- 334 registered members and over 6,000 LinkedIn group members
- Enjoys wide support from the London shipping cluster, including the UK Chamber of Shipping
- SPNL supports tomorrow's young shipping professionals by way of the recently launched SPNL prize for the top Institute of Chartered Shipbrokers student (London-based first year studies) and Plymouth University (best maritime-business related dissertation towards the Bachelor degree)
- Organises outreach and awareness raising projects such as port visits, supporting the creation of new shipping networks and representing/promoting the next generation shipping talent (*SPNL FutureLondon* initiative)
- For a comprehensive overview refer to the website <http://www.spnl.co.uk> or join the LinkedIn group (<http://www.linkedin.com/groups?gid=1840361>)

Lloyd's List *Maritime London Map*



KEY TO LINES

- Education
- Technical
- Maritime UK
- IMO
- London
- Charity
- English Law
- Insurance

This map is an illustration of the connections between key maritime organisations in London or the UK and is not a geographical representation of the locations of these entities.

Lloyd's List



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