## SCANJET COURIER

Scanjet Newsletter

Welcome to the 16th edition of Scanjet Courier 2019. We will take you through



Photo: Gabriel Brännlund scanjet

Multi Purpose Vessel "Everest".

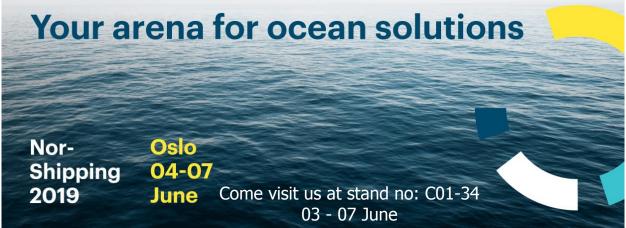
INTELLIGENT TANK MANAGEMENT



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# A WORLD OF SERVICE The oceans may be vast, but we're always close.

Issue 16 - 2019

Scanjet Newsletter

Sunlight Venus underway, Singapore.

Photo: Gabriel Brännlund

The oceans may be vast, but we're always close. 24/7 service provided from 25+ offices, located in major shipping and financial centers around the world.

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### **CEO at Speakers Corner**

Partners, colleagues and end users of Scanjet services: New Year and Christmas has passed. Recharged and with full speed ahead, we are all going into 2019 with

confidence.

Signs of improved market for tankers newbuilding's are several new orders for VLCC in China and Korea and being armed with the ITAMA concept, all SCANJET units are looking forward to the 2019 sales with a strength second to none in the market. Quotations for ITAMA are frequent and the after sales market is exceeding our expectations. In fact the first quarter 2018/2019 all sales and order booking are basically on or over budget targets.

The PT SCANJET Production Indah Batam production unit (later presented in this issue by Thomas/Gabriel) is operative before schedule and the first high qualitative deliveries are already made ready – well done by all involved.



From left to right - Mr. Mikael Nehvonen, Mr Magnus Wallin & Mr. DG Kim

Scanjet Macron Ltd in Korea is as always performing admirably and undersigned and Mikael Nehvonen recently performed a work visit to DG Kim and factory team in Pusan. DG Kim and crew have successfully delivered over 10 complete IGS sets and the LNG boom

in Korean shipyards is perfect and Scanjet Macron Ltd is again over and beyond their budgets – against all odds in an otherwise declining Korean newbuilding market.

So, finally, business as usual and awaiting the possible tanker booming, the SCANJET Group is steaming ahead in line with our expectations.



Technical Director Mr. Jean-Michel Franque (Socatra) & Mr. Magnus Wallin onboard "MT HYDRA", Avic Dingheng Shipyard. Photo: Mikael Nehvonen

#### **Avic Dingheng**

CEO Magnus Wallin and Sales Manager for IGS visiting AVIC Dingheng shipyard close to Nanjing in China, where the Group has secured ITAMA orders for Socatra of France, Thun of Sweden and Furetank of Sweden. Total 9 vessels to be supplied with SCANJET:s Tank Cleaning, Tank Level Gauging, PV valves and SCANJET Feen IGS systems and various accessories.

The very same shipyard is also in the delivery process for newbuilding's to Utkilen A/S from Norway were Scanjet deliver Tank Cleaning and PV valves.



Magnus Wallin CEO & Part Owner SCANJET GROUP

### China Office

#### **General Market Insight**

The general economies in the world have shown some slow down but the growth is still healthy in most countries meaning that transport demand will also grow. Many owners/operators of vessels have right now a lot of focus on the new regulations coming into force by 2020 for the sulphur cap and the BWT rules already in place. This has led to increased scrapping of older tonnage and many operators invest in Scrubbers also for sailing vessels.



Container ships lined up for scrapping. Source: BIMCO/Photo:Unknown

Scrapping and vessels taken out of service when fitting scrubbers will be a driver for better rates for transport that will also give an increase appetite for new tonnage.

Scanjet, with the ITAMA concept, is well geared for the coming projects and already proven to be a success on a numerous of projects in Korea and China. By having the ITAMA package, with most equipment for the tanks onboard, both yards and owners have recognised the benefit of having "One Port of Call" for equipment, spares and service and avoiding any issues with integration of individual system from different makers.

Tankers are recovering from some slow month and cruise, bulkers and some offshore segments have shown good activity and many projects are in the pipeline.

#### China Office

In light of the important Chinese market, Scanjet have strengthened the presence in China even further by recruiting additional persons and moved to more suitable premises. Under the management of Mr E. Gu, we focus on technical support and service/commissioning work all over China. With some 75% market share in China for Scanjet well known Tank Cleaning machines and expanding market share for PV, level gauging, UPS and other products we see China as one of our key markets and focus on giving owners and yards professional service during the building period as well as for the drydocking's made in the area.



Scanjet representatives in our new China premises. From left to right: Dawson Zhang, Tommy Yao, E. Gu & Shen Fawu.



Niklas Falkmer Managing Director Scanjet Marine AB



### Navy Success & More for PSM

#### **Navy Successes & More for PSM**

PSM Instrumentation has had a busy start to 2019 with some high profile project wins. We have recently supplied a complete tank gauging package, based upon our centralised Tankview Display for the US Military Vehicle Carrier, Cape Rise.



Military Vehicle Carrier Cape Rise

Photo: Unknown

Cape Rise joins its sister vessels, Cape Washington and Cape Wrath, which are both equipped with PSM tank gauging systems covering all fuel oil, service, and ballast tanks. The Cape Washington and Cape Wrath systems have provided reliable in operations for more than a decade, with a mid-term upgrade to provide enhanced graphical presentation and data.

Installation of the new tank gauging system on Cape Rise will be phased throughout 2019 as access to the required tanks become available.

We were also delighted to begin 2019 with another naval project win, this time for the UAE Navy, working in partnership with our local agent in the Middle East, Tritek.

Tritek secured the high profile order against strong competition, and as part of the project we were requested to supply our complete Tank Gauging System to the Al Fattan dockyard as they build two 70 metre landing craft for the UAE Navy.

We are providing our complete Tank Gauging System for 25 tanks and 4 draught measurements, using Series 260 transmitters with isolating valves. The system is interconnected with distributed acquisition modules to collect all tank level signals and route back to a centralised TankView package. It is anticipated that these initial two builds will be followed by a further four landing craft.

We have also been working closely with Scanjet Marine, who were recently commissioned to supply a full Intelligent Tank Management (ITAMA) solution with tank cleaning machines, PV Valves and the Tank Gauging by Rubis Eastern Caribbean for their newbuild tanker, the MT Bahama Blue, built at the MTG Dolphin Shipyard in Varna, Bulgaria.



MT Bahama Blue Photo: Unknown

Our contribution to this project included transmitters for tank levels, overpressure, and manifold pressures in Hastelloy, Titanium and Stainless Steel.

PSM is very active within the Scanjet Group and is working on a number of exciting initiatives to deliver ITAMA solutions.



Mark Jones Sales Director PSM Instrumentation



### Scanjet Feen IGS

#### Welcome to 2019

and the Chinese year of the Pig. The Pig is blessed with good fortune so let's hope that the success will continue also this third year in the history of Scanjet Feen IGS Pte. Ltd.

So far so good. We are anticipating the next series of MR Tankers at STX (3+2) 50,000 Dwt. Also in Turkey we see several inquiries coming in. Projects in China look promising. We are prepared and look forward to see a growth of IGS orders in 2019.

#### Hanjin Subic Bay's Way Back

The reported trouble at Hanjin shipyard Subic Bay in the Philippines, seems to come to a positive resolution. Reconstruction work is ongoing and we anticipate the yard to be up and running again. Scanjet Feen IGS has taken the last consecutive orders on the yard but for Scanjet Feen IGS, the impact is minor. We look forward to work with Hanjin Subic Bay again for projects in the future.



Aerial photo of Hanjin Subic Bay Photo: Unknown

#### **New Faces**

Let us present the Quality Controller for the Inert Gas Systems. Mr. Candra Sudirman, seen on the picture to the far left. He is here accompanied by four IGS Project Coordinators with whom he will work closely for keeping up a steady and high overall quality. From steel selection to paint procedures. Recurring quality meetings are summoned by Scanjet Feen IGS to highlight areas where there are potential of improvement.



Seen from left to right: Mr. Candra Sudirman, Mr. Wiria Sumala, Mr. Semin Sabah Sento sa, Mr. M.A. Rauf, Mr. Heri Budi Kesuma. Photo: Mikael Nehvonen

We are also welcoming the new Quality Manager at Scanjet Macron Korea. Apart from other duties he will support and coordinate the IGS shipments and yard contacts. Mr. Young-Mok Cho.



Mikael Nehvonen IGS Product Manager Scanjet Feen IGS



### PT Scanjet Production Indah

#### PT Scanjet Production Indah

After more than 25 years production of Scanjet tankcleaning products in Sweden and Scandinavia, it's time to announce that Scanjet finally have opened a new production factory on the Batam island in Indonesia, south of Singapore.



Aerial photo of PT Scanjet Production Indah Photo: Gabriel Brännlund

This project has been ongoing during last year to build up everything in the correct way and to follow Scanjet standard as the market leader for tankcleaning products.

Scanjet need to come closer to our customers to be able to give them the best service and to shorten the lead time since shipbuilders today are pressed in delivery time and schedule and Scanjet production needs to follow those demands in a professional way with highest quality.

#### From Idea To Establishment

The initial idea to start a production factory closer to the market started several years ago during the time Scanjet were part-owned by Emerson. Magnus Wallin and I visited Batam already 2002. We visited Batamindo Industrial park both in Batam and Bintan. Since Scanjet were part-owned at that time, we could not agree about the forms to start production overseas.

The years went by and Scanjet became independent from the American ownership in 2006 and could grow and make our own decisions as we wanted and with our own strength. A time came with very strong growth on the marine market and there was no time to move anywhere. Customer demand was high, and we continued to stay in Sweden but started Scanjet Production Spo. in Lobesz, Poland instead.

Many years later in 2016, we decided that now is the time to develop the Asian market further, since the majority of the Maritime Industry had already settled there.

By the end of 2016 me and Magnus went back to Batam again, curious to investigate in the possibilities of starting up a production unit here. First question we asked ourselves was whether we should own the land and build up the property onto it, or rent an already established property. I went to many different locations on Batam and found out that most of them were meeting our building criteria's. However, very soon it would come to our knowledge that it's not easy to buy land and build up a factory just like that, which is why we quickly changed to find a proper factory to rent instead. After many visits to different industrial estates around the Island, the selection came to Batamindo again, where the infrastructure already was working great and several international companies were already localized.



Photo: Mikael Nehvonen



Eventually, we found Lot 293. We signed the contract in the beginning of 2018 and the lot was handed over 1st of march. A contract with a renovation entrepreneur was signed and the rebuilding in accordance to today's factory-layout started. At the same time, we started with all company registration paperwork and import/export license. That was quite a hazzle and took more time than expected. Not just 3 months as they initially promised at Batamindo administration.



SC 30T Tank cleaning machines lined up in the assembly hall Photo: Thomas Jinbäck



Photo: Gabriel Brännlund

#### **Timeline and Employment Process**

#### August - September 2018

- Arrival of new machines and material.
- Arrival of second-hand equipment.
- Overhead roof crane was mounted in position.
- Ms. Sela Hasibuan, HR, was the first one to be employed.

#### October - November 2018

- Renovation works are completed.
- Delivery of all furniture for the office arrived.
- All machines in the workshop are installed.
- Ms. Trini Susanawati are employed as purchasing assistant.
- Scanjet IT Manager Mr. Jonas Jinbäck installs firewalls and VPN tunnels for smooth computer communication.
- First board meeting with SHAB takes place in the new meeting room of PT Scanjet Production.
- During meeting it's decided to move over production orders directly with the new goal to start delivery from the end of february 2019.

#### December 2018 - January 2019

- First batch of materials for building machines arrives.
- All equipment for the installation of the pallet stand and mezzanine floor arrives.
- 6 Indonesian workers are employed.
- 2 Polish supervisors are brought over from factory Lobesz in Poland.
- Mr. Mikael Jönsson, Quality & Control Manager from Scanjet Factory in Sweden are brought over.
- All components, machinery and parts are installed on the rightful locations.
- Production Starts.



### PT Scanjet Production Indah

#### **Today**

As I'm writing, the number of employees have increased and today we are a total of 6 foreigners (4 Swedish & 2 Polish) and 12 Indonesians, being part of the new PT Scanjet Production Indah.

As mentioned in the early stage of this resumé, the main reason to start a factory in Batam originated due to logistical benefits. The delivery time to our main customers in China, Korea and Japan is much shorter from Batam than it is from Sweden. If there are any modifications or changes to the order we can act faster if we are in Batam as well. All export from Batam is going through Singapore so there is a challenge to keep export documents in order to the transport done as smooth as possible.



From left to right: Doni Agus, Wisnu Widodo, Arief Hidayatullah & Sayed Musthafa.

To find the right criteria personnel in Batam is a challenge but that is the same in every country nowadays. However, it is more difficult to find high educated labour than pure worker. But that is of course one of many things to find a solution for when starting up a new production unit. It's neccessary to have a base crew of foreigners here as supervisors and teachers in order to train our local staff. The engineering team was already started up two years ago under the supervision of Mr. Johan Helamb. They were earlier located at an office closer to Batam Center, but have since the new establishment of Batam Factory moved into the new premises. They are working with project

engineering pre-order, but also after with all needed documentations and drawings.

#### **Highest Standard & Quality**

By having the production in Batam does not equally mean lower production or less good products. In Scanjet we are following a top of the line quality standard to keep all our customers happy and satisfied. By production and quality means, we are proceeding exactly as in Sweden and Poland by checking all receiving and supplying products, whether it is from our own machining facility or from external suppliers. We even have our own spectrometer in order to guarantee highest material standard and to avoid any discrepancies from our material suppliers.

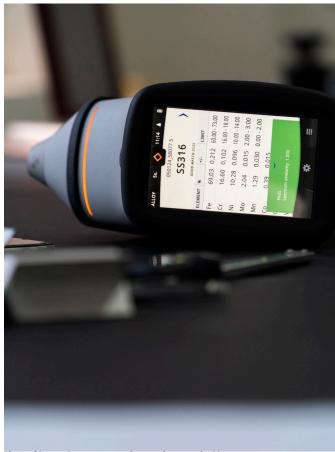


Photo of Scanjet Spectrometer and material passing the SS316 requirement. Photo: Gabriel Brännlund



#### **Assembly & Capacity**

The assembly is also following Scanjet Standard according to assembly instruction that has been written several years ago and now translated to English and later to local language. Everything in order to avoid any mistakes. Our employees will also work together with experienced supervisors to fully learn the procedures. All products that is produced in our Batam factory will also be tested in our newbuilt test tank that will be delivered during the month of April.



ssembly of drive units Photo: Gabriel Brännlund

The production capacity shall in due time reach 6000 units yearly as a minimal. Depending of the market demand this capacity can be improved if neccessary. All of the Scanjet tank cleaning products will be able to be built here when the personnel have gotten more experience.

Our goal is that this factory will be able to supply the



Photo: Gabriel Brännlund

Responsible people for building up PT Scanjet:

- Thomas Jinback, Director
- Claes Jinback, Production Manager
- Janusz Pena, Purchasing manager
- Mikael Jönsson, QC supervisor
- Tomec, Technical Supervisor
- Gregory, Technical Supervisor

Finally, we welcome the PT Scanjet Production Indah Batam unit into the warmth of our Scanjet Production Group, now truly global with Production and Service units in Sweden, Korea, Norway, Singapore, Indonesia, China, Holland, Poland & UK. While other organisations in very hard marine times have to reduce their production capacities, Scanjet continues its healthy growing path and are increasing customer service and availability with yet another production unit.



Thomas Jinbäck Director PT Scanjet Production Indah Batam





### Re-bounce for Bulk Carriers

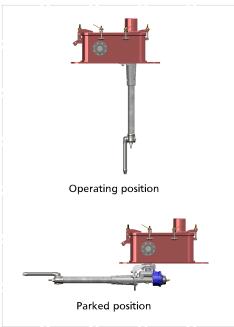
The NB market for bulk carriers have taking a positive turn and many orders are placed recently. Most of the contracts are made in China who also is the major buyer of bulk transports. The vessels are built with minimal specification but there are some owners, like Algoma, that invest in equipment for better operation of the vessels.



Capesize Bulker MT Cape Spencer underway, Singapore Straits. Photo: Gabriel Brännlund

Scanjet have suitable equipment for the bulk carriers in terms of Hold cleaning solutions, Water Ingress System and Level Gauging Equipment.

The Scanjet Hold Cleaning solutions consist of both fixed alternatives and portable solutions.



One recent successor is the bulkers being built for Algoma at Jiangziang yard in China where Scanjet install foldable hold cleaning equipment that enable the operator to perform cleaning with closed hatch conditions. This is a major advantage as they can perform cleaning during voyage and minimise otherwise labour-intensive manual cleaning.



Scanjet state of the art level gauging solutions for ballast and service tanks as well as the water Ingress detection system ensure that stability and safety is maintained. Any water ingress will be detected even as humidity by the special developed WIAS sensor and safeguard that any water ingress is quickly detected.





Johan Olbing Sales Director SMAB



### Service & After Sales

#### Service By The Right People

We can see that more and more shipowners and operators are noticing the added value to use our unique new ITAMA-Service. It's unique in a way that we don't have to send a service engineer for each product group. What we can see together with the Shipowner and operators is that the behaviours onboard the vessels differ a lot. As an example, four sister vessels in the exact same trade route have a large spread of how many spares and what type of spares they are buying. This specific problem became our very first starting point and where everything started. It turns out that the knowledge onboard had a huge difference, hence the pattern. There was one vessel that used ten times more spare parts then the lowest one, which did not use any at all. The middle vessels were the only ones that almost did the correct service. Our solution was training of crew and that Scanjet performed the Dry-dock service overhauls.



Scanjet Service Engineers during training in Varna.

So far, we do the larger service every 5 years and the crew do the overhaul in-between. This has reduced the downtime almost to zero and spare part consumption is same on all vessels. What we could see on the vessels that did not follow the maintenance routines is that after 10 years the machines start to consume seriously higher number of spares due to wear and tear and that tolerances are out of the healthy area.

### **Dry-Dock Services**

We are supporting during dry-dock services on Tank cleaning equipment, P/V-Valves, Tank level gauging systems, IHLOA, VECS, UPS and different sensors etc. This is the only time we can access all parts of the systems and really re-set and overhaul damaged equipment. We do the job faster than crew and or yard personnel, and we are the experts on our equipment, so we leave one-year warranty on the job and the parts used. P/V valves must be restored with an CNC- Machine since there is a radius between seat and disc. We have seen "repairs" where this angle has been graded off to 60 or 45 Degrees and this destroy the P/V valve. It will start leaking immediately after such mishandling. We leave a full report and check the PMS system together with you, so we are sure that you have the correct routines onboard. We also leave a fully and correct filled "Service Record Book", so you always have full control per Tank Cleaning Machine and each P/V valve. This is a great help for vetting and inspections, easy to see and follow the status of the equipment.



Photo: Unknown





Photo: Unknown

#### **Fleet Agreements**

This is something our larger clients have for parts of their fleet or certain types of vessels. This is to ensure the up-time of the vessel where breakdowns are very costly. In some cases, just to ensure they have access to our Service technicians in advance i.e. for Dry-docking and yearly service overhauls and health-checks. We assist with the proper training and PMS-routines onboard (Planned Maintenance System). We share know-how and look at the most cost-effective ways to service the vessels together with the Shipowner/Operator.

#### Service Is Picking Up In 2019

We can see a steady increase in service picking up. To keep our core competence, we have invested in new service tools and training of new Scanjet ITAMA-Service Engineers. They provide added value since they are also able to give you a status check on the full

Scanjet ITAMA-Package. If you have one of our ITAMA Engineers onboard he can easily give you a report on the status of the P/V valves when he calibrates your Tank Level Gauging System for an example.

## "We can see a steady increase in service picking up."

#### **Repair Yards**

We see that the knowledge within this area needs to increase and to check what parts they change and or if they just wash/refurbish the parts and grease the gear box (Tank cleaning machines). We see a need for training at the yards as well. We never see any signs of yards buying the spares. In most cases they only use spare parts that the vessel already has onboard. It's not enough for a complete dry-dock service.



Patrik Rilby Global Service & After Sales Director Scanjet Marine



