

## November 2017, Ship Machine - Building JSCo

### Expecting a successful year for Ship Machine - Building JSCo

The challenges to the shipbuilding branch in Bulgaria are no secret to the readers of „Marine forum”. The decline in the demand for new ships and equipment for them after the second half of 2008 affected all companies in the industry and Ship Machine - Building JSCo was not an exception.

The period 2009-2015 was definitely difficult for the company. The main activity shifted towards manufacture of steel structures for civil engineering projects and a number of large-scale orders were executed: the steel structures of the new international passenger terminals at the airports in Varna and in Bourgas, structures for a new production line for a cement plant in Italy, slipway installation for a ship-repair yard in Egypt, and others. At the same time a program for restructuring and re-organization of the company was implemented, as a result of which the operational costs were optimized.

The efforts to revive the traditional activity for Ship Machine - Building JSCo, namely the manufacture of complex ship equipment such as hatch covers, stern ramps, etc., continued all throughout that period and the results came. In the beginning of 2015 a contract was signed with the Swedish company TTS Marine AB for the manufacture of a ramp as part of a conversion project. The successful execution of this order enabled the resuming of the cooperation with this strategic client for the company and in October 2015 the negotiations for another project were finalized - for manufacture of car deck panels, ramps and fittings with a total weight of the shipset of ~125 tons. The execution of this order continued until April 2016.



2017 started with winning an order for manufacture of four grabs for bulk cargo for Port Varna JSCo - two grabs with volume 2,8 m<sup>3</sup> for heavy bulk cargo (ore, clinker, lead concentrate) and two grabs with volume 6,8 m<sup>3</sup> for bulk cargo (grain, sugar).



In the end of 2016 a pilot order for manufacture of welded ship anchors was negotiated with an Italian client, which was successfully completed in the first days of 2017. Client's requirements towards the quality and delivery time were satisfied, which led to a start of a cooperation on regular basis - in January an order was received for 44 anchors of 8 types (delivered in two batches in March and April), and in June the client ordered 98 anchors of 19 types with scheduled delivery in September 2017.

In May a contract was signed with MTG Dolphin PLC for the manufacture of a ship block from the cylindrical section of a tanker. Subsequently another ship block for the same newbuilding was ordered. The blocks have high quality requirements. The manufacture is projected to be completed until the end of September.



In June a new contract with TTS Marine AB was signed - for the manufacture of shipsets of panels for four ships under conversion. Each shipset weighs about 25 tons and consists of two couples of panels. The panels have unit dimensions of 15\*3,8 m. and are hinged in couples. The delivery of the first shipset is scheduled for September, and the remaining three will be delivered in November 2017.

On 15<sup>th</sup> August 2017, on the town holiday of Varna, we had another reason to celebrate - the finalization of the negotiations with TTS Marine AB for the manufacture of a tender embarkation platform and a side shell door for a special-purpose vessel. The execution of this contract will be a challenge for Ship Machine - Building JSCo - equipment of this type will be manufactured for the first time by the company, the main structure and the fittings are relatively complex and the quality requirements are very high.

Considering the high production load, the optimized production processes as a result of the restructuring and re-organization program, and the partnership with key local and foreign clients, 2017 is expected to be a successful year for Ship Machine - Building JSCo - not only in terms of annual financial results, but also as strategic accomplishments, which open the potential for upward development of the company in the coming years.

(info: <http://www.smb.bg/>)