

## Witam • ПРИВЕТСТВОВАТЬ • Mabuhay Sveiciens • Welcome • Ласкаво просимо Velkommen • Zdrastvuyte

### Commercial news

2010 was one of the toughest in the reefer industry's history with rates falling, costs increasing and the full impact of the economic crisis really being felt for the first time. Falling household incomes and the reluctance of most banks to extend credit lines to traders had far reaching effects. For example, the volume of tropical fruits imported by the Ukraine, which for many years has been one of the main non – EU markets collapsed

to less than half their previous level. Climatic and economic conditions in Ecuador also had a negative effect on production and exports and in other areas around the world, trading was very slow. Furthermore STAR Reefers was adversely affected by the wrongful termination of three vessels on long term charter to Russian fruit importers JFC.

As a consequence of these negative

factors, STAR Reefers net income fell from US\$ 16.2 million in 2009 to a break-even result for 2010. We can perhaps draw some comfort that even though these results are poor, STAR Reefers debt remains relatively small and our position compares favourably against other listed operators like Green Reefers who have just posted a substantial loss of US\$ 53 million for 2010, their shares having lost nearly almost all of their value in just one year.

### Market news

January started with rates well below operating costs but encouragingly at least 20 % higher than at the same time in 2010. During 2010 almost 7% of the reefer fleet was sold for demolition so even a small uplift in cargo volumes is likely to result in an improvement in the market.

Vessels were also disappearing towards Chile and Argentina as the deciduous season commenced, although the utilisation of cargo space to date has been poor in Chile due to a late harvest in the growing regions. We can also observe the increase in fruit exports from Argentina to Europe

and Russia, where more conventional ships have been used than last year. Owner/operators have also rightly or wrongly fixed a large amount of employment in advance, thereby restricting the flow of ships onto the spot market.

Very cold temperatures and insufficient ice-breaking capacity has also resulted in a tightening of ice class restrictions in St Petersburg and removed tonnage from the market. The ice in the approaches to the Russian port has thickened causing convoys to be aborted and vessels to be trapped and the current situation

is said to be similar to the winter of 2002/03 when up to 40 reefer vessels were reported trapped in the ice.

As supply and demand moved more in the Owners favour, rates have continued to improve and as we approach the end of February it is becoming evident that the charter market should hopefully be firm till the end of April at which point ships employed in Chilean trades start to redeliver. We have already seen a number of fixtures concluded at 115 cents T/C equivalent so we can be optimistic that 2011 will be a better year than 2010.

### News from STAR Reefers Poland

February 1, 2011 was a special day for the good people of STAR Reefers Poland as this marked the 5th anniversary of the company's formation. A small function was held to celebrate this event.

### SMS upgrade

On 1st of January we implemented the second edition of Star Reefers Safety Management System with a limited number of manuals in order to make the system user friendly.

Share Point server (electronic SMS) is being tested on board Afric Star which is the next step of SMS improvement.

Snapshot of SMS upgrade



The screenshot shows a web-based interface for the STAR Reefers SMS system. The main content area is titled "Star Reefers: Afric Star" and contains several sections:
 

- Company Libraries:** Lists various document types like SMS System, Company Documents, and Restricted.
- Shipboard Announcements:** A section for adding new announcements.
- Shipboard Calendar:** A calendar view for adding new events.
- Shipboard Tasks:** A table with columns for dates (20/02/2011, 27/02/2011, 06/03/2011, 13/03/2011) and a "Title" column.

 On the right side, there is a "Site Users" section listing various roles like Afric Star Crew, Afric Star Deck, Afric Star Engine, Afric Star Master, Afric Star Senior Officers, R&S Admin, SR Poland Managers, and Star Reefers IT. A small image of a ship is also visible in the top right corner of the interface.

## Profile of Afric Star

*This month we have decided to feature a ship rather than a person, although many individuals have been associated with this particular vessel. For some time the Afric Star has been our problem child, a legacy of poor previous ship management and it was decided that the only remedy was to take the vessel "in-house". **Capt Bogumil Zurawik** is currently on board her and is familiar with the transformation. He reports from the ship, having just transited the Bosphorus Straits.*

"When I was asked me to write some words about Afric Star's transformation I was surprised - but for a short time only. Why? Well, to tell the truth I became a witness to the biggest transformation which occurred last year.

For the very beginning I will say a few words about the history of the Afric Star. She was built at the Spanish Yard - Astilleros Espanoles, S.A in 1990. Her first name gives a clue as to where she was employed and was called "Del Monte Consumer", later renamed "Tundra Consumer" in 1999. She has been working as "Afric Star" since 2004.

Previously the Afric Star was managed by FML in Hong Kong and during that period of time I can say this was a dark period for this ship. If somebody asks me question - Captain, why are you thinking like that? I will answer very simply - because of her very poor condition inherited when Star Reefers Poland took over the responsibility of managing her. Why this happened I do not know, but in my opinion it was the last moment for a management change on this and also for the other vessels from FML. The period of time from 2008 till now wasn't easy for all of us and step by step improvement in her condition was noted and finally Afric Star becomes a vessel we can rely on.

The first time I was introduced to the "Afric Star"(and A class in general) was at the end of March 2010. The vessel was under CSAV charter and was scheduled for discharging in Philadelphia. There were two serious challenges for the vessel and the vessel's staff - to carry cargo to USA (first time for a few years) and to cope with US Coast Guard requirement. We did it in an excellent manner. It proved to us that everything is possible - even on the Afric Star which still had a poor reputation. It was one of the first steps when we recorded a "visible improvement". The next step was a major dry-dock in Odessa which solved our main problems and now the ship is back up to a good and reliable speed.

What decided the Afric Star transformation? What is recipe for success? Management, but management in a wide meaning sense of this word. Nothing is possible without good cooperation and understanding between Managers, Owner and the ship's staff. In my opinion this good cooperation and understanding is a main reason that we can call our vessel now - "New Afric Star", as well as hard work. That is a recipe for success.

Grabbing this opportunity, I would like to say "thank you" to the all staff in the STAR Reefers Poland Office for their assistance and very professional help on the different levels in this difficult task. They carried out a huge work, but first of all I would like say "thank you" to my staff for their hard word within recent period of time.

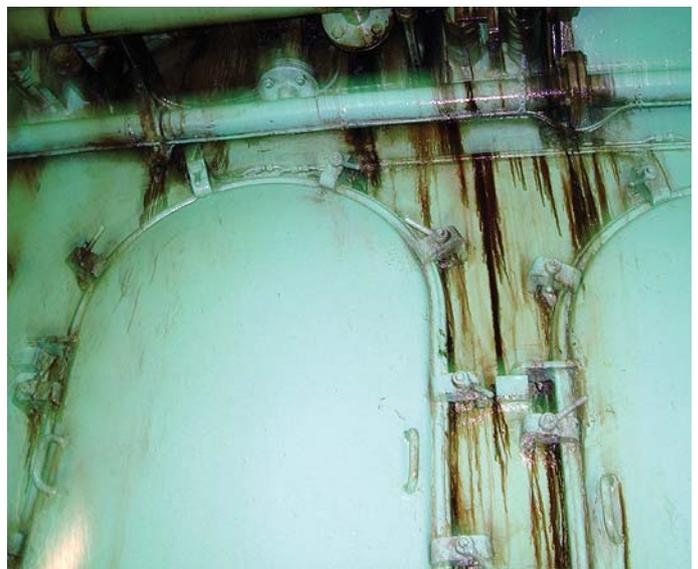
There are many "improvement steps" still ahead of us but we are on the proper way and I believe Afric Star one day will become one of the best vessels in Star Reefers fleet. And finally -"knock, knock on wood "- just in case.

**Arek Gronowski** from STAR Reefers Poland gives his views from a technical perspective.

"When the Afric Star delivered to us, she was found to have been very poorly maintained and it was clear we were faced with a big



*Before the overhaul began*



*Oil leaks need to be addressed.*



*Capt Zurawik and the Afric Star*

## Profile of Afric Star *cont.*

challenge to bring the ship back to an acceptable STAR Standard.

We discovered that all four generators required full overhauls including turbochargers and safety devices needed to be repaired or installed. Unbelievably the engines also ran without safety alarm devices. No2 Aux Engine crankshaft was replaced and we installed centrifugal filters on all engines in order to keep the lube oil in good condition. In the boiler, automatics were restored including programmer and safety devices. The burner was rebuilt with new parts.

In the main engine in order to solve the problem with overheating, cleaning of the coolers system with chemicals took place along with replacement/recondition of all cylinder heads and exhaust valves, with the work being undertaken during service. There was a problem with piston rings breakage after 1000 hrs run maximum, so all units were overhauled and 2 worn out cylinder liners were replaced. Honing of cylinder liners took place in order to remove "cut fines" plus an overhaul of all fuel injection pumps.

As there was a high lube oil consumption, a recondition of all piston rods, one by one and during service was undertaken

as well an overhaul of all stuffing boxes and main engine turbocharger. Fuel injection pumps were overhauled with new parts. HFO oil purifiers were both found to be out of order, so one was repaired and the second was beyond repair and replaced. "Cut fines" problem in cylinder liners was directly related to a malfunction of the fuel system. Many other overhauls and repairs also took place such as sea water pumps, purifiers, crane automatics, hatch covers opening system etc.

Last year the Afric Star was the most visited vessel by superintendents and was the most difficult ship for the technical department. Now that situation has changed".

*Note from **Kenneth Ross**, COO: "The lesson we can all take from this is the importance of good leadership and teamwork. The Afric Star has been a challenging ship for most of her life but today, in her 21st year, she is working to a good standard, her crew can operate her safely and in compliance with all regulations. This is a genuine transformation which was achieved through determination, team work and good leadership at all levels. We can take pride in our collective capability to achieve such success in only our 5th year of operations in STAR Reefers Poland when many others before had failed".*



Above left:  
Top speed now 18.9 knots

Above:  
A clean main engine

Left:  
Excellent appearance after  
upgrade is completed

## New frozen fish trades for STAR Reefers

Doug Spooner has taken some time out from his car carrier activities to report on an exciting new development for STAR Reefers in the world of fish transportation, a trade we have not specialised in before.

“STAR Reefers is pleased to announce that it has secured a two year contract with Alaska Reefer Management / American Seafoods to transport palletized hard frozen fish – mainly pollack, sole and surimi from Dutch Harbour to Pusan with fish oil and fishmeal being carried in containers on deck. There will also be numerous spot positions to cover during the course of this year, so other crews will get the chance to experience this unique place.

Being new business for STAR, I travelled from Anchorage to Dutch Harbour with Per Brautaset, Director and Operations Manager of A.R.M. to see at first hand the port. A purpose built cold store has just been completed by Kloosterboer and American Seafood trawlers discharge their factory packed cargo into this terminal.

All the trawlers were presented to a high standard and it was clear a great deal of pride surrounds this company. Equally well presented, was our Dunedin Star under the command of Capt Poletek ably assisted by Chief Officer Kirko. Considerable effort had been made by all on board to prepare for this charter and the holds were presented to the very highest standard which impressed both myself and the charterer. It is worth stating that on a recent visit, STAR Reefers technical auditors were able to record a high percentage of positive marks on the condition of this ship, reflecting the work that has been put into this 17 year old vessel.

Dutch Harbour is a remote port and whilst the weather was fair during my stay it can quickly change and be most unforgiving. Our crew will need to alert to best practices for stowage, securing and safe navigation during the charter and we wish all on board safe and successful voyages.

When the sun shines the wild life is truly unbelievable, from Eagles through to Sea Lions and I am told that in summer the salmon are a spectacular sight in the harbour. I hope our crew like fishing and can get some much deserved rest and recreation.



*Dutch Harbour's location*



*Dunedin Star in beautiful Dutch Harbour*



*Cargo holds in an excellent condition*



*Alaska Reefer Managements dramatic loading berth*

## Berlin Fruit Logistica

Members of STAR Reefers commercial department spent 2 days at the beginning of February attending the Berlin Fruit Logistica. This annual event has become the centre-piece for growers, traders and receivers, where views are exchanged and deals are done. Many of STAR Reefers most important clients attend and we took the opportunity (amongst others)

to visit the stands of Banacol, Rastoder, Dole, Fyffes, Zespri and Adriafruit as well as the St Petersburg importers and South African based exporters. We were well received by all and even though some of the fruit companies have not had a particularly successful 2010, we were encouraged to note that reefer shipping remains a very viable

alternative to containers and in many cases the preferred option. Conventional shipping was represented on the “360 Quality” stand and judging by the large numbers of customers attending the now traditional “happy hour”, we should remain optimistic about the future, noting at the same time there were just 4 people on the Maersk stand!

## Crew List Owned Vessels

Ship's Name	Master	C/O	C/E
Afric Star	Bogumil Zurawik Polish	Andrzej Kuzminski Polish	Anatoliy Kochubeev Russian
Almeda Star	Alexander Mel'nikov Russian	Jan Sapkowski Polish	Sergey Mishchenkov Russian
Andalucia Star	Nikolay Zhuravlev Russian	Jerzy Kowalczyk Polish	V. Kriger A. Krivonogov Ukrainian Russian
Argentina Star	Andrzej Mos Polish	Viktor Petrov Russian	Gennadiy Lyutenko Ukrainian
Avelona Star	Andrej Kudriasov Lithuanian	Rostyslav Pikulyk Ukrainian	Nikolay Artsybashev Russian
Avila Star	Andriy Demydenko Ukrainian	Jozef Laskowski Polish	Alexander Akalelov Russian
Brasil Star	Vasiliy Kulyukin Russian	Andrzej Witczak Polish	Andrzej Szymanski Polish
Caribbean Star	Alexander Andryushchenko Russian	Konstantin Polyakov Ukrainian	Bogdan Andreykov Ukrainian
Canterbury Star	Vladimir Kulinich Russian	Igor Chegaev Russian	Gennady Dubatovka Russian
Cape Town Star	Andrzej Biniek Polish	Marek Gajda Polish	Andrzej Markowski Polish
Chile Star	Grzegorz Ruman Polish	Piotr Rostkowski Polish	Sergey Pashin Russian
Colombian Star	Murat Sugralimov Russian	Valeriy Prudnikov Ukrainian	Vladimirs Ivanovs Latvian
Costa Rican Star	Dmitrijs Angersman Latvian	Victor But Russian	Andriy Frul Ukrainian
Cote D'ivoir Star	Alexander Kovalyov Russian	Valentins Minkovs Latvian	Yuriy Lushin Russian
Dunedin Star	Roman Poletok Polish	Oleg Kirko Russian	Igor Vikhman Ukrainian
Durban Star	Alexander Chugay Russian	Jacek Pliszko Polish	Sergey Pigarev Russian
Ecuador Star	Piotr Boguslawski Polish	Miroslaw Suszczynski Polish	Jan Kuriata Polish
Honduras Star	Waldemar Gozdiewicz Polish	Mikhail Makarenkov Russian	Alexander Ozerov Russian
Napier Star	Vasil Sarmanov Russian	Oleksandr Melkov Ukrainian	Nikolay Gurguldayev Russian
Nelson Star	Pjotrs Baizulins Lathvian	Gennady Bychkov Russian	Dmitriy Gerasimov Russian
Regal Star	Slawiusz Zygmuntowicz Polish	Oleg Pashkovskiy Ukrainian	Dmitry Dorogov Russian
Scottish Star	Jacek Krowiranda Polish	Yuriy Dudinov Russian	Sergiy Godovikov Ukrainian
Solent Star	Janis Freimanis Latvian	Nikolajs Vertunovs Latvian	Dmitry Galashev Russian
Southampton Star	Igor Sorokin Latvian	Vasily Kochevanov Russian	Igor Chernyshov Russian
Timaru Star	Igor Knerik Russian	Dmitry Bogachenko Russian	Aleksandr Mihhol Estonian
Uruguay Star	Jerzy Swiatek Polish	Vadim Chebotarev Russian	Alexander Yerikhonov Russian
Viking Star	Yury Tylik Russian	Sergey Davlatov Russian	Alexey Starkov Russian
Auckland Star	Vessel Laid Up	Vessel Laid Up	Vessel Laid Up
English Star	Vessel Laid Up	Vessel Laid Up	Vessel Laid Up
Tauranga Star	Vessel Laid Up	Vessel Laid Up	Vessel Laid Up
Valparaiso Star	Vessel Laid Up	Vessel Laid Up	Vessel Laid Up
Wellington Star	Vessel Laid Up	Vessel Laid Up	Vessel Laid Up

## Happy birthday to the following



### London birthdays

Iain Rae - 29 Dec  
Peter O'Toole - 14 Jan  
Simon Stevens - 27 Feb

### Poland birthdays

Adam Wolski - 21 Dec  
Zbigniew Czerwinski - 28 Dec  
Cezary Blok - 29 Dec  
Emilia Leszewicz - 27 Jan  
Aleksander Bieniek - 7 Feb

### Joiners London

Alex Greg-Smith will join STAR Reefers on the 1st April as Fleet Technical Manager, primarily to take on the duties previously performed by Doug Spooner.

### Crew birthdays

Dmitrijs Angersman - 2 Dec  
Yury Tylik - 7 Dec  
Alexander Kovalyov - 17 Dec  
Vladimir Kulinich - 19 Dec  
Igor Sorokin - 23 Dec  
Mikhail Makarenkov - 24 Dec  
Alexander Andryushchenko - 27 Dec  
Dmitry Dorogov - 1 Jan  
Igor Vikhman - 1 Jan  
Gennady Dubatovka - 6 Jan  
Nikolay Zhuravlev - 6 Jan  
Jozef Laskowski - 12 Jan  
Jan Kuriata - 24 Jan  
Vladimirs Ivanovs - 31 Jan  
Viktor Kriger - 1 Feb  
Valentins Minkovs - 6 Feb  
Vasil Sarmanov - 16 Feb  
Alexander Ozerov - 19 Feb  
Gennady Bychkov - 20 Feb  
Dmitry Bogachenko - 25 Feb

## And finally...

Some time ago we requested readers of STAR Reefers News to submit a poster idea and a cash prize was awarded to the winner. Two very good photographs were recently sent to us and this has given us another idea;



"A stowaway on the Caribbean Star"  
by David Reid, Norbulk, Glasgow



"Where eagles dare" by Adam Wolniak, SRP

We would like to invite all readers to submit a maximum of two digital photos per person for entry into a 2011 photographic competition. These should be received by the end of April and the lucky winner will receive a cash prize of US\$ 150, along with 2 runner-up prizes of US\$ 50 each. Pictures should be broadly associated with the sea and the more unusual/artistic the better. The winning entries will be published in a future edition of STAR Reefers News and please submit your photos to:

[Richard.Dunlop@star-reefers.com](mailto:Richard.Dunlop@star-reefers.com)

Good luck!