



The Crow's Nest

A newsletter of the Thomas Schulte Group

EDITORIAL



Welcome to another edition of The Crow's Nest.

The year 2007 is rapidly nearing its end and the third edition of The Crow's Nest will take its readers half way around the world.

In our effort to provide training initiatives and as part of the groups endeavour to maximise potentials resulting out of the various national and international resolutions, we get to hear of a young woman's experience on her voyage eastwards as a deck hand being part of her career path as a nautical student.

We also take a look back at the 2nd Senior Fleet officer meeting that took place in the corporate headquarter in Hamburg just a few weeks ago. The meeting focussed on loss prevention matters, emergency response training and competence management within the Thomas Schulte fleet.

In addition The Crow's Nest will take its readers even further to a new trade route that has been in the minds of seafarers for hundreds of years and that might change various trading patterns and shipping routes in the future.

And as part of the managements constant effort to strengthen the companies core business, there's a comprehensive outlook of the groups extensive new building programme reaching well into the year 2011.

Reflecting on the year that has almost passed I would also like to take this opportunity to express my sincere appreciation and thankfulness to the entire staff of the Thomas Schulte Group and everybody on board (or on shore leave for that matter) of the Thomas Schulte fleet for their continuous hard work and dedication. To all a peaceful Christmas time and all the best for the new year.

As always we hope that The Crow's Nest will be interesting reading.

Sincerely,
Alexander Schulte

Eco-friendly ship management

**Hong Kong crackdown on sulphur emissions – California forces Clean Coastal Act –
The shipping industry is starting to face the facts.**

The combustion of fossil fuels like coal and oil results in the production of carbon dioxide (CO₂), sulphur oxides (SO_x) and nitrogen oxides (NO_x). These gases are responsible for the generation of smog, acid rain and the greenhouse effect.

The overall output of emissions by the shipping industry is comparatively low, but none the less taken seriously by the industry as such.

Container shipping is by far the most environmental friendly means of transportation. It carries huge amounts of cargo over long distances with – compared to transportation by land or air– low fuel consumption. It is ecologically friendlier to ship a 20' container from Shanghai (China) to Los Angeles (USA) over a distance of 10.000 km compared with the

road transport of such a container over the distance of only 100km.

None the less, even the environmental impacts of seaborne transport need to be acknowledged and addressed in a serious and forward looking manner. Reederei Thomas Schulte is maintaining a comprehensive environmental management system according to the international standard ISO 14001:2004 for the shore based organisation and its entire fleet. With this voluntary certification the Reederei Thomas Schulte is taking responsibility for participating in the worldwide transportation/logistics chain. In most areas the self-imposed control even goes beyond industry benchmarks.

Along with the certification, a challenging environmental program has been set

up defining targets and responsibilities. Everybody ashore and as well as on board – from the Technical Director to the Deck Cadet – is encouraged to enhance the environmental performance within their defined area of responsibility.

The cutback of fuel oil consumption remains one of Reederei Thomas Schulte's primary objectives. Proper voyage planning, optimized trim and stability as well as sound maintenance of the fuel oil system are valuable tools in order to reduce respectively minimise the fuel oil consumption and consequently emissions of NO_x, SO_x and CO₂.

Other environmentally related areas are addressed with equal priority. For instance, all vessels are required to have a class-approved Ballast Water Management Plan onboard as proper waste management ensures a responsible handling of natural resources.

The purchase department of OCEAN Shipmanagement GmbH, the in-house technical manager of Reederei Thomas Schulte GmbH & Co. KG, is taking the waste production already into account when ordering stores and spare parts. In terms of paints and chemicals only eco-friendly products will be supplied. The efficient and ecologically friendly operation of the Reederei Thomas Schulte fleet is one of the core elements of the voluntary commitment to ISO 14001:2004.

A positive side effect of the growing environmental consciousness is that several ports around the world have introduced a voluntary environmental management certification resulting in port fee discounts.

The environmental input of any individual corporation will prove to be a valuable step towards a reduction of emissions by the shipping industry, however we do believe that a concerted effort and unified standards are necessary in order to reach the ultimate target.



Second Thomas Schulte SFOM in Hamburg

Fourteen Masters and Chief Engineers from seven countries attended the second Senior Fleet Officer Meeting (SFOM) of the Thomas Schulte Group in Hamburg from the 20th to the 22nd of November 2007.

Based on the feedback from the first meeting in April the duration had been increased to 3 days in order to provide more time for discussions. Both guests and office staff felt this had been a pleasant opportunity to get to know each other better, get a better understanding of current problems faced on board and ashore and to seek ways to further improve the company's management system.

The first day was dedicated to safety, security and environmental matters and commenced with a review of key performance indicators by Designated Person and Company Security Officer Mr. Oliver Kautz. Later Safety Advisor Mr. Volker Utzenrath draw special attention on new regulations concerning the carriage of dangerous cargoes. In the afternoon Technical Director Capt. Frank Wilhelm Heidrich presented findings of recent accident investigations and navigational safety audits which resulted in a lively discussion. In the day's closing session Mr. Oliver Kautz highlighted key requirements to be observed when aiming for ISO 14001 compliance on board.

The second day started with a presentation by Mr. Oyvind Andersen of Seagull Norway explaining the potential of



the Competence Management System (CMS) planned to be added to the recently installed shipboard training stations in early 2008. The CMS will provide a comprehensive assessment and career development tool tailor made to the specific needs of the Thomas Schulte Group. The CMS could be best compared to an electronic training record book covering all ranks in the fleet.

The following Crewing Round Table was also attended by Mr. Andre Trommler,

Mrs. Franziska Hartmann and Mrs. Nicole Gerbig of Hanseatic Shipping Deutschland and gave the opportunity to exchange views on variety of crew related issues. With the planned fleet expansion by currently 14 vessels between 2009 and 2011 in mind, refresher and upgrading training were central topics in order to ensure that the newbuildings will be manned with a high percentage of experienced Thomas Schulte crew.

Technical Superintendent Mr. Jan Paninka chaired a discussion on the prevention of machinery damages. In the following interesting presentation Mr. Henning Schier of the Emergency Response Service (ERS) of Germanischer Lloyd explained the damage stability calculation capabilities and specific experience that can be provided should any of our vessels encounter an emergency situation. The day closed with a comprehensive exchange on supply and service issues moderated by Head of Purchasing Department Mrs. Tina Doescher.

The last morning was reserved to a loss prevention presentation by Mr. Ola Skauge of the Norwegian Hull Club, who was assisted by Mr. Marios Phidia and Mr. Rakis Michaelides of the insurance brokers HSBC Cyprus assisting in responding to specific insurance related questions. In the afternoon the round table discussed under the lead of General Manager Mrs. Sigrid Gerth operational questions with the goal to better meet customer expectations despite the sometimes difficult conditions faced in certain trading areas.

In his closing remarks Managing Director Mr. Alexander Schulte pointed out the importance of good teamwork between the company representatives in the head office and those at sea in order to meet our responsibilities towards our clients and all shareholders. We believe this meeting was a valuable contribution to this end and look forward to meet the next group of senior officers early in 2008.



Paving the way for future growth

The fleet growth of the previous years has been remarkable and a quintessential stepping stone for the overall development of the Thomas Schulte Group.

The strategy to concentrate on standard types of container ships with good technical parameters has created a modern and homogenous container vessel fleet.

And whilst the fleet has grown considerably in size and capacity over the last number of years, every purchase remains a deeply measured decision that is focussed on the trade respectively marketing potential and perspectives within each segment.

The next new buildings coming into service are four 4250 TEU units ex Samsung Heavy Industries in 2009. These units were ordered back in 2006 and long term employment with United Arab Shipping Corporation (UASC) has already been secured.

In 2007 Reederei Thomas Schulte has been extremely active with the acquisition of 10 new buildings, ranging from 2500 TEU to 4250 TEU.

The year kicked off with the purchase of a series of four 3600 TEU container vessels equipped with 4 cranes, thereby being amongst the largest geared contain-

er vessels in the world. The units will be built at Shanghai Shipyard, a yard well known to Reederei Thomas Schulte from the four 3500 TEU (gearless) units taken over in 2006/2007.

The Panmax segment was further strengthened by the purchase of four 4250 TEU container vessels from Jiangsu

New Yangzijiang Shipbuilding and set for delivery in 2010/2011.

Finally, the new building programme was completed with the order for two more 2500 TEU container vessels from Jiangsu Yangzijiang Shipbuilding and to be delivered in 2011.

The current new building programme

of Reederei Thomas Schulte continues with the idea to consistently broaden the spectrum of the fleet, setting the way for future fleet growth, whilst maintaining a particular focus on opportunities within the various container segments.



The Northwest Passage – Trade Route only in the future

The thinning of the ice in the Arctic is presenting a new opportunity for the ocean shipping industry to transport goods faster between Asia and Europe in the future. In practical terms however, it may be a significant period of time before international shipping companies abandon their traditional routes and venture into new waters.

A recent statement released by the European Space Agency (ESA) has given

rise to these considerations, announcing that ice loss has now opened up the so-called Northwest Passage making it fully navigable for ships. The passage was first discovered in the 19th century. Economic interest in its use as a transport route has grown since oil was first found in Alaska in the last century.

A ship travelling for example from Hamburg to Shanghai covers a distance of 25,000 kilometres when passing

through the Panama Canal. The alternative route through the Suez Canal totals 20,000 kilometres. The route via the Northwest Passage would only be 17,000 kilometres. At full speed (20 knots or 37 km/h), a medium-sized container ship might save some 3.5 days in transportation time.

This corresponds to considerable financial savings, when one considers daily charters, not to mention the expenses for the fuel oil.

It is a highly theoretical calculation though, as the direct connection is not economically attractive at all. Ships can dock at various other ports en route when passing through the Suez Canal. A shorter route for container ships is therefore not necessarily a relevant economical consideration. It has undoubtedly more potential for tankers or bulk carriers, as they are transporting cargoes in their entirety from one port to another.

In the short term, the Northwest Passage is not a viable alternative for bulk cargo carriers either though. This is due

to the fact that a schedule service has to operate smoothly throughout the entire year to ensure that goods reach the respective ports on time. Over the coming years though, the Northwest Passage will, at best, be passable during a few months of the year. And even in these supposedly ice free periods, an accompanying ice breaker may sometimes be necessary. According to estimates, they entail costs of between 30,000 and 50,000 dollars per day. In addition to this, the drift ice means that ships have to pass considerably slower. It is estimated that the route will not be of real interest to schedule depending shipping companies for at least another five to ten years. Nevertheless there are shipping companies who have invested in this route and already implemented their new building orders accordingly. Ships usually have a lifespan of 20 to 30 years. Those companies considering future use of the Northwest Passage will have to have ships built with enhanced bracing and thicker hulls.



Manning and Training Conference in Manila

Representatives of the maritime manning and training industry met from the 14th to the 15th of November in Manila at the 8th Asia-Pacific Manning & Training Conference.

This annual event is hosted by Lloyd's List and complements similar regular gatherings in other regions of the world.

Faced with a shortage of skilled and experienced senior officers, speakers focussed especially on the question why the Philippines as the dominating maritime labour supply country still fail to produce an adequate amount of management level officers.

Based on August 2007 figures of the Professional Regulation Commission (PRC) there are currently 8.871 Masters, 5.910 Chief Mates and 36.386 Watch Officers registered. In a similar ratio 7.407 Chief Engineers and 6.790 Second Engineers are registered along with 35.384 Watch Engineers. In license examinations over the last 3 years only an average of 50 % of the participants was successful.



A large number of graduates of the maritime academies never even try to sit their initial PRC exams to become 3rd Mate or



4th Engineer. The PRC has responded to complaints about the insufficient number of exam dates (3-4 per year in the past) by introducing a new examination system that allows now to take the tests almost every week. In case of failure there is the possibility to repeat the examination.

The Thomas Schulte Group currently

employs approximately 900 seafarers, of which around 480 are of Philippine origin. Among them 76 officers, including one

Junior Officers at the Hanseatic Maritime Training School in Limassol there is still too little self-confidence and initiative by

Master and three Chief Engineers.

A recent survey by Hanseatic Shipping found that about 60 per cent of the Filipino ratings on board of the Thomas Schulte fleet are former academy graduates. Despite various support measures including credits for taking the PRC exams and preparatory upgrading courses for

potential candidates to continue their chosen career as officers. The improvement of the existing cadet and junior officer training schemes will therefore remain a joint target of Thomas Schulte Group and Hanseatic Shipping to ensure a larger supply of 'home grown' senior officers in the future.

THE THOMAS SCHULTE GROUP

TWS Chartering & Shipbroking GmbH is the exclusive chartering broker for the vessels managed by Reederei Thomas Schulte as well as vessels from other clients and partners.

The company was founded in 1987, with its main activity in competitive chartering for single- and tweendecker in the size of 5.000 to 20.000 dwt, employed in worldwide trading.

Over the years, all types of steel cargoes, fertilizers, grain- and paper products, plastic raw products as well as equipment for the coal industry, power plants, knocked down breweries - just to name a few - have been negotiated for inhouse tonnage respectively vessels which were quoted on the open charter market.

When container chartering became more and more dominant in Hamburg, and Reederei Thomas Schulte ordered their first container vessels in the mid 90's, TWS Chartering & Shipbroking became deeply

involved in the container trade.

It is today primarily involved with:

- Container trade developments
- New building evaluation
- Chartering of the fleet managed by Reederei Thomas Schulte
- Competitive chartering
- Market analysis and reports reflecting the present and future container market/trade
- Bunker prices

The experienced staff of TWS Chartering & Shipbroking is negotiating all terms and conditions of a Charter Party for each individual vessel. The duration of the charter employments varies from short term employment to long term contracts that last up to 10 years time.

Over the years the TWS Chartering & Shipbroking has built up valuable relations to the major liner companies worldwide, which has been an integral part of the success of its parent company, Reederei Thomas Schulte.



A modern software and communication system assists the company with the maintenance of its valuable and successful position in the charter market.



A Passage to India

Ms. Burda Brauer is one of the numerous cadets using the opportunity to receive practical training on vessels of the Thomas Schulte Group. Enrolled with the Maritime Academy of Elsfleth in Germany she expects to graduate as Navigational Officer in 2009.

My name is Burda Brauer. I am a twenty-two year old nautical student at the university of applied sciences in Elsfleth.

In February 2007, I completed my two weeks internship in the Thomas Schulte Group headquartered in Hamburg. Afterwards the company gave me the great offer to come back to join one of their vessels during this years summer vacation.

The office training was very interesting for me, as I had the opportunity to learn about both sides: ashore and at sea. Besides I think it is important to get to know the people, one will be communicating with once on board the vessel.

It was agreed that I should join for a round voyage from Hamburg to India.

I was tremendously excited as one never knows what kind of crew is waiting on board and if everybody will be friendly, particularly being a woman. Some huge organisations such as Maersk Line have employed female leading staff, but it is still rare. In addition I was glad to sign on in Hamburg, as I would pass my home village for the first time by sea.

My first doubts disappeared soon. The Philippino crew was always friendly and helpful, and open-minded for any kind of questions.

Three quarters of the day I spent with them on deck. I made the same work: typical deck work like painting, washing and other maintenance duties. In my case I have been lucky because we had to change the mooring ropes and we had to splice new eyes, which was a pleasant change from the other work.

The rest of the day I went on watch with the chief officer. He was also very understanding and always ready to assist. We worked a lot with the sextant and I freshed up my celestial navigation. From time to time he gave me little exercises during watch, for example squat calculation followed by preparing an excel squat table.

After the watch I was often in the recreation room. We also had a lot of fun singing caraoke, which, I think; is one of the most important crew leisure things on board of a vessel. I was the specialist in singing "My heart will go on". When we were not singing we just played dart or watched movies. Usually there is always somebody in this room after working hours.

If not, you have still the chance to spend time with the new seagull training system, which had just been installed when I arrived on board.



But not only because of the crew it was a pleasure to be on this trip. Also the route was new for me. The Arabic countries and the Suez Canal passage gave me a lot of new impressions.

As I signed on as an Ordinary Seaman, I had my watch at the gangway during harbour times. And not seldom a further

watchman from ashore joined my watch during our stay at the port. Often we had interesting discussions about the countries and their cultures.

A disadvantage on our route was the absence of time ashore. There is rarely a chance to go ashore. Sometimes the city was just too far or in some ports it is simply not advisable to go ashore. But nowadays this is seaman's life - gone are the days when ships used to stay for weeks in a port.

This was my 3rd contract and the next will be as a cadet again at the end of February 2008.

Thanks again to the entire crew of the vessel CMA CGM ROSE (CLARA SCHULTE).

My appreciation also to Reederei Thomas Schulte for letting me embark on such an interesting journey.

O/S Burda Brauer



CREW'S NEST

Promoted seamen

(from 01/05/2007-18/11/2007)

	Rank	Surname	Firstname	Date	Vessel
1	MASTER	MAYSTRENKO	VITALY	24.07.2007	NYK Floresta
2	MASTER	SELIVANOV	RINAT	18.07.2007	YM Faha
1	C/OFF	KRASNOV	MAXIM	25.06.2007	APL Sokhna
2	C/OFF	SHABROV	VLADIMIR	25.07.2007	CMA CGM Rose
3	C/OFF	YAKIMENKO	KONSTANTIN	20.05.2007	CAP Cleveland
1	2/OFF	BORYSYUK	OLEKSIY	23.08.2007	Ariake
2	2/OFF	KOSTENKO	RUSLAN	01.09.2007	APL Shenzhen
3	2/OFF	POSHUTYLO	SERGIY	01.09.2007	Marie Schulte
4	2/OFF	TATARENKO	SERGIY	17.08.2007	Antje Schulte
5	2/OFF	TORRECAMPO	GARY PAUL	19.05.2007	Cap Beatrice
1	3/OFF	AUNG	HTAIK	22.05.2007	MAERSK Neustadt
2	3/OFF	AVDEEV	ARTEM	23.05.2007	MAERSK Neuchatel
3	3/OFF	DEFENSOR	ELY	27.05.2007	Annabelle Schulte
4	3/OFF	DESPI	ELVEEN JAKE	22.09.2007	MSC Caledonien
5	3/OFF	GUMIA	HARGENIO	21.05.2007	Maruba Confidence
6	3/OFF	KISLITSYN	ANDREY	16.06.2007	MAERSK Nanhai
7	3/OFF	KYAW	ZAY YA	27.07.2007	CMA CGM Rose
8	3/OFF	NYI	NYITUN	10.05.2007	YM Faha
9	3/OFF	PANALIGAN	ALBINO	11.06.2007	MAERSK Navia
1	C/ENG	CHERNIKOV	DMITRY	15.10.2007	Ariake
1	2/ENG	BANSHCHIKOV	OLEG	14.06.2007	Kota Pemimpin
2	2/ENG	KOVALOVS	ALEKSEJS	17.09.2007	Cm Cgm Iroko
3	2/ENG	MELNIKOV	ANDREY	07.05.2007	Apl Sokhna
4	2/ENG	ROTAR	VYACHESLAV	26.07.2007	Csav Panamby
1	3/ENG	BAKUMA	DMYTRO	08.08.2007	Kota Pekarang
2	3/ENG	BEZULENKO	GENNADIY	12.08.2007	Maruba Confidence
3	3/ENG	CHUMACHENKO	DMYTRO	13.10.2007	Tatiana Schulte
4	3/ENG	IVANOV	SERGEJ	04.07.2007	Cma Cgm Iroko
5	3/ENG	IVASHCHENKO	VIKTOR	20.08.2007	Cap Capricorn
6	3/ENG	NEYCHENKO	IGOR	27.10.2007	Kota Pemimpin
7	3/ENG	POKOTYLO	ANDRIY	27.02.2007	CSAV Itaim
8	3/ENG	TRUFKIN	ANDRIY	07.10.2007	Nyk Floresta
9	3/ENG	UMBAO	JOSE TEODORO	20.10.2007	Maruba Confidence
1	4/ENG	AMBROSIO	ROMY	18.05.2007	YM Faha
2	4/ENG	MARATA JR.	ROMEO	08.07.2007	Annabelle Schulte
3	4/ENG	POBUDEY	ANTON	09.07.2007	Cap Beatrice
4	4/ENG	RIBO JR	EDELBERTO	24.05.2007	MSC Caledonien
5	4/ENG	SOROKOVYKH	ARTEM	22.05.2007	Tatiana Schulte

It is with deep regret and sorrow that we have to announce the sudden and unexpected death of Electrical Engineer

Aleksandr Syciov

born 08.01.1960
died 08.11.2007

Our condolences go to his family, friends and colleagues.



IMPRINT



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