

SeaStar Management reaches milestone with 500 ships

The Wrist-owned catering provider SeaStar Management has experienced impressive prosperity since being established in March of 2009. The company has, in fact, grown more than the parent company Wrist Ship Supply this past year. SeaStar, which handles supplies budgets and the delivery of goods to ships worldwide, has just passed ship number 500, and the company has great expectations for continued growth. As part of the growth strategy, SeaStar has just launched the Stores Catering concept, which covers the outsourcing of budgets and purchasing of general consumer goods.

Whereas Wrist Ship Supply has built an international company on delivering supplies to ships at all main hubs, this new and complementary business unit, SeaStar, will be a global player specialised in outsourcing and handling the entire ship's supplies budget and purchases – so far with great success.

“Our outsourcing management product has proven its legitimacy in the market, and since our start-up in 2009, we've grown with about 100 ships a year. As such, ship number 500 is a bit of a milestone for us. Not least because our growth has been organic – and considerably larger than we have experienced in our core business,” says Søren Jørgensen, Executive Vice President, CCO in Wrist Ship Supply.

The steadily increasing number of clients is partly due to SeaStar being successful in winning clients away from competitors, and partly because of the market expanding. More and more companies that previously handled their supply purchases internally have now discovered the benefits of this type of service – and that includes both existing Wrist clients and new clients.

Kinship is an advantage

The most significant explanation for SeaStar's success is the familial relationship with Wrist and the strong supply chain that entails. This offers clients some major advantages, since SeaStar can streamline the quality, offer a better and broader service, and last but not least, a better price.

“50% of our volume can be covered by our internal supply chain through Wrist. Those of our competitors that also offer shipping supplies in their family of companies can perhaps only manage 10-20%, and they don't at all cover as globally as Wrist does. Several of our competitors actually have no internal supply chain to back them up, and that makes a huge difference,” says Niels Christian Snog, General Manager at SeaStar Management.

At the same time, clients are met with qualified and experienced members of staff in all areas. This is due to the company being able to attract qualified manpower from other Wrist divisions through the business family structure.

“Whereas other companies need to bring in brand new employees and train them, we've been able to bring in experienced people from within our own ranks. As such, going from 2 to 19 employees hasn't slowed down our growth, which is otherwise often the case. At the same time, all of Wrist's sales representatives include our product and services in their sales material, so we have a large sales force and a considerable network in the market,” Niels Christian Snog points out.

Rising demand for administration and handling

At SeaStar, they are experiencing a rising demand for outsourcing of the supplies budget. A natural result of the increasing demands and restrictions in the market.

“There's an increased focus on welfare and ensuring proper working conditions on ships. An example of this is regulation MLC 2006 from 2013, which ensures seafarers good, healthy and varied meals on board. One of the great benefits in outsourcing is that you ensure that ships are in accordance with MLC 2006 and the other restrictions and standards that have been introduced,” says Niels Christian Snog.

New product to ensure even more growth

This impressive prosperity is hugely instrumental in SeaStar today being an important part of Wrist's overall growth strategy. And as part of that strategy, a new parallel concept has just been introduced under the auspices of SeaStar: Stores Catering.

“With Stores Catering, we're expanding our concept to also include the purchasing of general consumer goods. This can be everything from tools to workwear, kitchen equipment and non-skid mats. A yearly total budget is compiled, and we will then help the ship stay within this budget,” Niels Christian Snog explains.

One way to accomplish this is to buy in large quantities and at the right prices – from the right places.

“Prices can differ upwards of 400% from port to port, but when shipping companies outsource the management of all purchases, they don't feel this price difference as we've negotiated a fixed price. This means peace of mind for the shipping companies, knowing that we can guarantee a consistent quality on the ships, regardless of where in the world they are.”

This new product has been off to a good start, and the growth for SeaStar in 2015 and 2016 is expected to be even higher than in previous years.

About SeaStar

SeaStar Management is one of the leading global provider of provision, service & budget management to the international shipping community. The company operates from the head quarter in Noerresundy, Denmark and offers a global 24/7 service 365 days a year, outsourcing to our customers for procurement of provision, bonded stores and general consumables including monitoring the yearly budget and catering support to the crew on board. SeaStar utilizes its vast global network of suppliers of which 50% comes internally through Wrist to ensure the customers the scale benefits of high volume power. SeaStar's team of dedicated specialists ensures that tanker, bulker, container, offshore and seismic vessels are provided with nutritious, healthy, ample and cost-efficient provision supplies at all times. Our focus is continually driven improvements for our customers - our mission is our trademark: Expert Care to Each Ship & Crew.

About Wrist

Wrist Ship Supply is the world's leading ship and offshore supplier. We provide a global 24/7/365 service offering, including handling of owners' goods, shipping, airfreight and related marine and offshore services that meet the demands of both multi-national organisations as well as small local businesses. We take pride in making it easy for our customers to receive their supplies, wherever they are needed, efficiently and at the best possible price – this is encapsulated in our mission: Expert Care to Each Ship & Offshore Location. Since 2007, the majority shareholder has been Altor Fund II GP Limited.

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