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The Bluff

portsider



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▶ Chief Executive, Nigel Gear

Often, we recognise the effort that is made in the operational areas of the Company, which again this year is rightly justified. However, it is also important at times to highlight the important role that the Administration Team plays within the Company.

The month of February is an extremely busy period for the "Admin Team" at the Port and a time when we produce the interim results and reports.

As most will be aware South Port is listed on the NZX which brings along with it, strict reporting guidelines and obligations. Although this creates a heavy workload, we feel these requirements create a good discipline within the Company especially around our disclosure requirements to our shareholders.

This work eventually culminates in an Audit & Risk / Board meeting, a NZX and Media Release.

On 12 February we were pleased to announce a record result with a NPAT for the first six months of FY2021 of \$6.1 million, a 33% lift in profitability (FY2020 \$4.6 million).

The main contributors to the increased profitability were a record container throughput, higher returns from the cold store and increased marine activity.

The most pleasing aspect of this result is that these increases are directly related to the operational areas where most of our staff are employed.

A big thank you therefore goes out to all operational and admin staff members that helped make this result possible.

Infrastructure

The Infrastructure Team continues to make great strides in keeping our workplace operational and safe.

Excellent progress is being made with the upgrade of our access bridge. 9 bays (of 14) will be completed with a further 2 to begin work this financial year. It is hoped that these and the remaining 3 bays will be completed in FY2022.

During a time where we have seen record volumes of containers being handled through the Port, we have still managed to complete yard expansions, wash yard upgrades, storm bollard installations and the construction of a new reefer tower, all within the container terminal.

The most pleasing aspect of this work is that it was achieved in an extremely busy period and without incident. This can only happen through meticulous planning and collaboration between our engineers, the support of our container terminal staff and wider operational team.

A great effort by all.

March is always an exciting month as it is once again the start of the Oyster season. Our local fishermen have been catching these sought after delicacies for close to 150 years now. Let's hope it is another successful season.

Nigel Gear



▶ Left to right: Kirsten, Sonja, Sarah, Donna, Nicole, Nicky, Jo and Lara.



▶ **COVER:** A rare sight of two MSC vessels in Port at the same time with the *Sagitta* and *G H Zonda* lined up in beautiful Bluff conditions.



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► SOUTH PORT'S PEOPLE



SAM WITHEY

Sam joined the Business Development team in January in the role of Business Development Support. Sam and his partner live in Invercargill but frequent Riverton where they are currently renovating their little piece of paradise near the seaside.

Sam has a Bachelor of Business Management Studies, majoring in Electronic Business. His previous roles with DT Kings Transport and Halls Refrigerated Transport have provided him with experience in supply chain management, information technology and systems management which suitably transfers to his new role at the Port.

An important part of the Business Development Support role is analytics which provide insight and understanding of exporter/importer requirements and supply chain functions. He will also assist with customer relationship management, which is key to the success of our business.

When time allows, he does a bit of mountain biking and enjoys leisurely walks with his miniature schnauzer 'Freddie' in tow.



MATTHEW COSTAR

A change is as good as a holiday! Well, perhaps, but learning a new job is never a holiday. Matthew joined the South Port Container Terminal team in November 2018 as Terminal Yard Planner but has recently been successful in securing a move to the role of Compliance

Coordinator. Being successful in obtaining a new appointment within the Company, his previous Port knowledge has to make things a little easier which is a great advantage for both Matthew and South Port.

Matthew is widely respected for being reliable, dedicated and he is always looking for ways to improve the way we operate. His customer experience and his friendly, helpful personality allow him to build effective working relationships, which will be complimentary to the work he will be doing in the compliance area.

Matthew has been an effective team player both on the job and on the football field where he has played in the Port's futsal team showing others how it is done.

SOUTH PORT COMMUNITY SCHOLARSHIP RECIPIENT 2021

DOMINIC SUTHERLAND

Local Bluff resident, Dominic Sutherland has commenced a three-year apprenticeship with Competenz and is being hosted by McKenzie Marine in Bluff working towards a New Zealand Certificate in Mechanical Engineering. Last year Dominic completed his Certificate in Level Three Mechanical Engineering at Southern Institute of Technology which gave him a head-start on his studies and provided him with insight into what might come next for him.

Dominic has been involved with a number of clubs/organisations while growing up in Bluff such as Te Ara O Kiwa Sea Scouts, Bluff Yacht Club, Bluff Rugby Club and Bluff Swimming Club. Dominic takes advantage of the activities that are available to him in Bluff and is a keen downhill mountain biker and more recently dirt biking. He is also a passionate hunter, fisherman and diver.

Honest, enthusiastic and thoughtful are words that were used to describe Dominic who unselfishly gives his own time to help others learn. His leadership, common sense and being a team player are valuable attributes that will assist Dominic with his future endeavours.

He enjoys the opportunity to just get in and do what needs to be done and has a great attitude towards life and his future and we wish him well on his journey towards gaining his trade.

Photo – South Port Chairman, Rex Chapman presenting Dominic Sutherland with his Community Scholarship.



Congratulations Dominic.

► MILESTONES

20 YEAR MILESTONE JASON GILLAN – 20 YEARS

Time flies by!

Some people take the opportunity to wind down after a busy day at work by taking the 15-20 minute drive back home from the Port! Jason Gillan is one of our Invercargill based staff who makes the journey to Bluff and back every day and in January, he clocked up 20 years and a lot of kilometres doing so.



Although born and bred in Bluff, Jason was enticed to Invercargill by his lovely lady, Tracey about 18 years ago. He has 4 children and his family unit is incredibly important to him. He is very much a family man.

Jason initially started with South Port in the Cold Stores as a part-time employee, progressing to permanent full time employment on 31 October 2001. He subsequently transferred to the Dairy Warehousing team 7 years ago. Jason is a straight shooter and has a reputation for his strong work ethic and focus on getting the job done.

Jason has a complete appreciation that he is one cog in the wheel and that it takes everyone on the Port to achieve what we do. What has impressed him over the 20 years he has been here are the changes and growth across the Port.

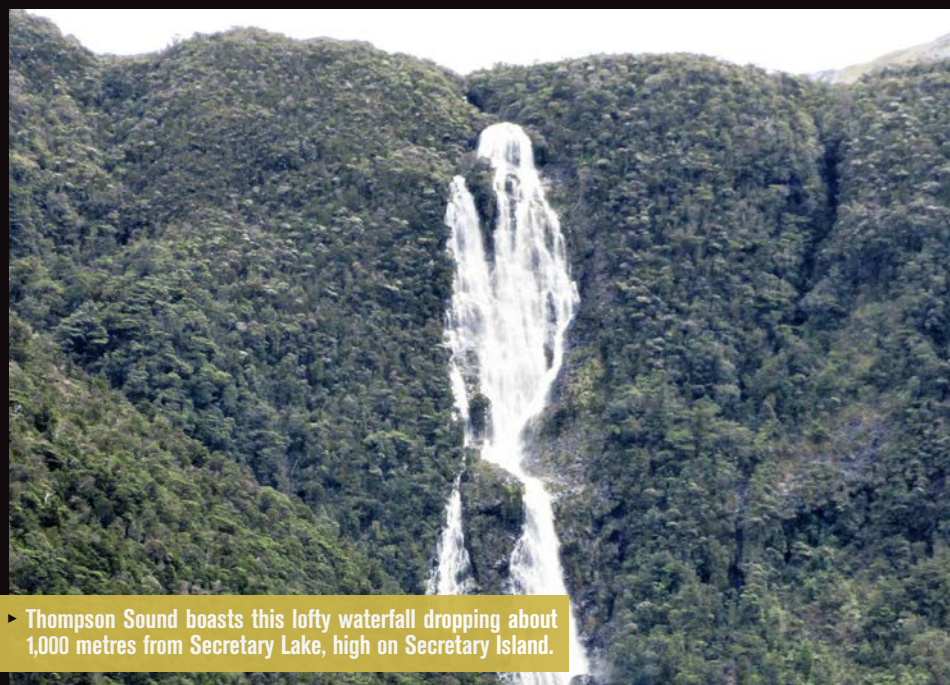
When asked what keeps him coming back to the Port, his response was "Job satisfaction – I enjoy the job".

Congratulations Jason.

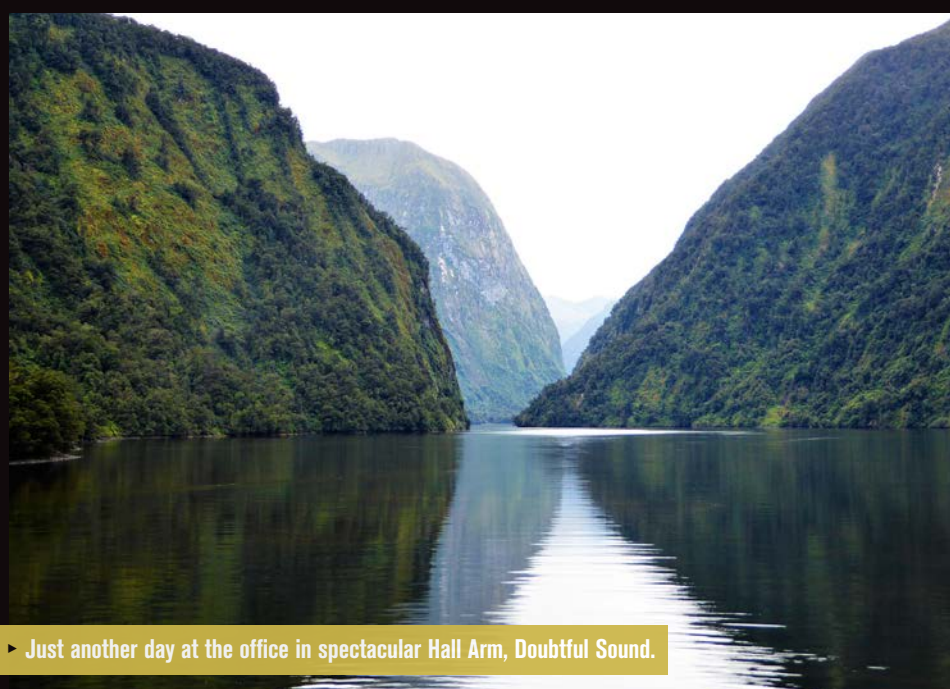
► BLUFF F FIORD



► The remnants of the glacier that carved out Milford Sound are beneath this snowfield atop Mount Pembroke.



► Thompson Sound boasts this lofty waterfall dropping about 1,000 metres from Secretary Lake, high on Secretary Island.

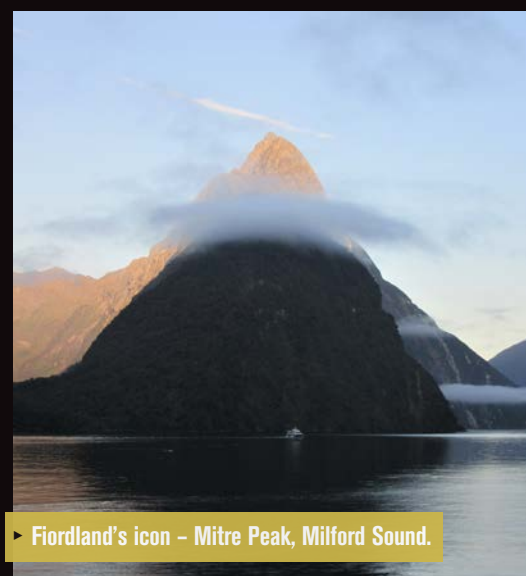


► Just another day at the office in spectacular Hall Arm, Doubtful Sound.



► The *Professor Khromov* in the depths of Dusky Sound.

These pages of our March issue traditionally feature cruise ships amid the scenic glories of Fiordland but this year the international pandemic that is COVID-19 has virtually closed New Zealand to international tourism and only one cruise ship, the *Professor Khromov*, visited Fiordland. Naturally, we have included a photograph of her, well most of her anyway. Our thanks to Heritage Expeditions, New Zealand's only international cruise company, for providing the picture. With no other cruise ships to catch our photographer's eye we have instead focused on the scenery that brought them here in the first place with views taken in Milford, Thompson, Doubtful and Dusky Sounds.



► Fiordland's icon – Mitre Peak, Milford Sound.

FOCUS ON DUSKY SOUND



For the great majority of international tourists their Fiordland experience consists of a bus trip into Milford Sound, a cruise round the fiord then back in the bus and away Fiordland? Been there, done that. Those who arrive by sea do rather better with large cruise ships spending a day sailing through the scenery while the smaller 'adventure' type generally spends a few days with shore excursions to historic sites and zodiac cruises to view the wildlife. To really get to grips with Fiordland, however, tourists need to shop local and cruise on one of the many small locally owned excursion boats based there. Some, of course, prefer to fly and again there are many options, both rotary and fixed wing. Or they can walk.



► The cascade of Cascade Cove.



► A local tour boat sailing from historic Pickersgill Harbour.



► Eastbound in Cook Passage south of Long Island, Dusky Sound.



► A calm day in Supper Cove at the head of Dusky Sound.

► ARCHAEOLOGICAL DISCOVERY

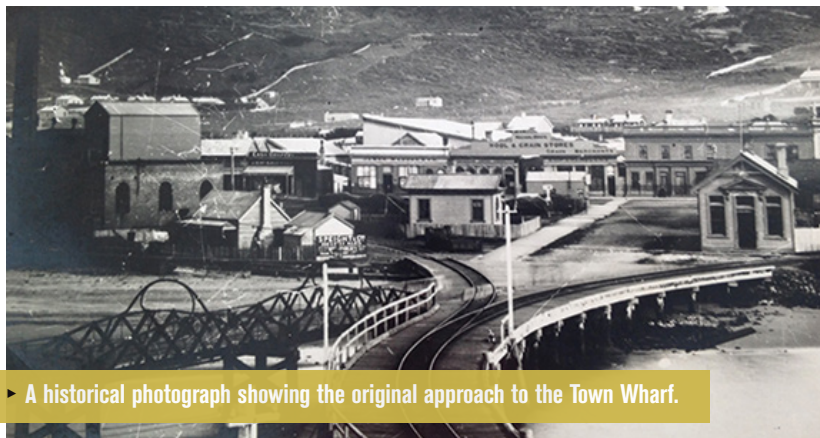
BLUFF TOWN WHARF

A significant upgrade of the petroleum berth is scheduled for 2021 which includes a 7 metre wide access way with supplementary discharge platform. To build the new structure, we need to remove parts of the original town wharf. As the town wharf was built in the 1860's it is classified as an archaeological site (pre-1900) and therefore archaeological authority was obtained from Heritage NZ to allow the project to progress.

Readers may not be aware, but the town wharf had a bigger footprint than what is visible today. Before the foreshore was reclaimed in the 1960's, the town wharf access extended back to Gore Street and hence the archaeological site follows suit.



► The archaeology work will continue as we shift to removing parts of the original structure when the petroleum berth upgrade officially begins in May.



► A historical photograph showing the original approach to the Town Wharf.

In January, some preliminary excavations were required at the approach to the wharf to prepare for wharf construction in May. This excavation was monitored by an archaeologist to record anything of significance which was uncovered.

The excavation uncovered 12 historic Australian hardwood piles that were part of the original 1860's wharf approach. The piles were starting to rot into the sand that was surrounding them from the land reclamation of the 1960's. Once the position of the piles was recorded by the archaeologist, they were cut-off and 2 piles taken to the Bluff Maritime Museum with a view to preserve them both.

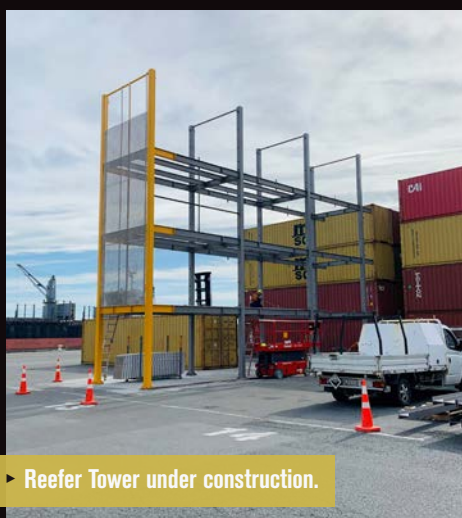
► REEFER TOWER

Among other infrastructure projects, the Port has recently constructed a Reefer Tower which has increased the Port's existing capacity to 190 reefer plugs, allowing up to 64 x 40-foot containers to be on power at a time in the new tower. A reefer is a refrigerated container suitable for chilled or frozen cargoes and temperatures are monitored twice daily.

The tower increases the Port's ability to receive product from the Southland Region with a mix of containers that are both packed on site by South Port personnel or arrive on site pre-packed.

The tower took five months to construct at a cost of \$600K between the electrical supply, the structure itself and the fit-out for the electricians.

It has been a great addition to the Port, it saves a lot of space because of its smaller footprint and in terms of health & safety for the operators, it is a big improvement on what we had before.



► Reefer Tower under construction.



► Tower operational with reefer containers on power.

A reefer tower is a steel platform structure that allows reefer containers to be stacked on top of each other while keeping them accessible for temperature monitoring purposes.

SPORTING MOMENTS

Mayall Cup Golf

Last year they were the bridesmaids, but commitment and grit saw their partnership soar to new heights. South Port's Scott Faithfull and Gareth Carson stood the test of time to proudly take out the 2021 Mayall Cup 4 shots ahead of their closest rivals.

In beautiful conditions 46 fine golfers stepped out onto the picturesque Bluff Golf Course at Omaui in an effort to have their name etched into the coveted trophy, even attracting a couple of people who travelled south for the opportunity.

There was little confidence from a number of teams as they made their way around the course with some enjoying the weather



and walk but their golf was not beaming like the sun. This year's Biggest Battlers prize went to Anthony 'Smiley' Padgett and Roger Little representing Ballance who made it to the 19th hole, but their scorecard sat safely at the bottom of the stack.

Findatruckload's Kerry Hodges and partner, Dean Cherry put in a solid effort as they confidently cruised around the course in style to take out second place, with Open Country Dairy representatives Jono Stenton and Daryl Hill checking out the course for the first time with the added bonus of approaching the prize table in third place.

A Hat Trick of Victories

For the past 4 years the South Port and EIS cricket teams have gone head-to-head to decide who has the best sports people in their respective companies. At 2 games a piece, game 5 proved to be crucial for both organisations with bragging rights on offer to claim a 3 and 2 record.

South Port captain Hayden Mikkelsen won the toss and had no hesitation bowling first in overcast conditions handing the ball to South Port pilot Ray Tull. After struggling to control the vicious swing early doors, Ray lived up to his big reputation and had the ball on a string troubling both EIS openers.

Unfortunately, the tight bowling in the powerplay was not supported by a fielding unit desperate to win with a number of dropped catches and sloppy out fielding assisting EIS's chances to amass a likely target in excess of 160.

The middle overs proved crucial for South Port with some outstanding bowling from Ray, Kenny James and Geoff Finnerty limiting the bad balls making it difficult for EIS to build on the strong platform upfront,

ultimately restricting the electrical and engineering company to 112 all out after 20 overs.

The mood at the half time break was positive, however the Port was rolling out two unproven openers with Frank O'Boyle making his batting debut up the order. Frank performed well scoring 11 runs, however opening partner Hayden Mikkelsen was dismissed just second ball into the innings for the unwanted duck.

As with any good sports team, the panic never set in, trusting that there were a number of quality batsmen in the hut awaiting their turn. After Frank was dismissed for a very dubious catch down leg side Ray and Jamie May had the job of steadying the ship, wrestling the momentum back in favour of the chasing team putting on a respectable partnership. Upon the retirement and departure of Jamie and Ray respectively, Barry Van Beek paced his innings to perfection, chasing down the total with 6 balls to spare.



GAME 5 SCORECARD SUMMARY

EIS V SOUTH PORT 2021-4TH TEST

EIS	eis	112-10 off 20 Overs
Ray Tull 2-7		(2 OVERS)
Kenny James 2-8		(2 OVERS)
Geoff Finnerty 1-3		(2 OVERS)
Barry Van Beek 1-5		(2 OVERS)
SOUTH PORT	South Port NZ	114-4 off 19 Overs
Barry Van Beek		31 RUNS RETIRED
Jamie May		30 RUNS RETIRED
Ray Tull		11 RUNS
Frank O'Boyle		11 RUNS

RESULT: SOUTH PORT WON BY 6 WICKETS WITH 6 BALLS TO SPARE

Surf to City

All staff and their family members are invited to take part in this event as part of the Port's "Pulse" wellbeing programme and the recovery station at the end is a welcomed sight with refreshments and lunch on offer following their great effort.

Photo – A warm Southland morning welcomed 53 participants from South Port to walk or bike the annual Surf to City event. A successful family fun day.



► SCORPIO GROUP

Over the past year or so a number of overseas tankers bearing rather stylish funnel markings and the prefix 'STI' to their names have visited Bluff. STI stands for Scorpio Tankers Incorporated and indicates that these ships are part of the large fleet operated by Scorpio Group, while a sister fleet, prefixed 'SBI', makes up the bulk carrier division of the company, the *SBI Tango* being the only Scorpio bulker visiting to date. Those who have controlled the company's fortunes include several notable names from Italian maritime history.

Glauco Lolli-Ghetti who guided Scorpio during its early years is one such name. He had married into the Bibolini family, a leading Italian ship-owning dynasty, in the early 1950's and in 1964 formed Carbonavi, ordering a number of bulk carriers as the basis of its fleet, later moving into tankers and oil-bulk-ore carriers, or OBO's, a type with which he was particularly enamoured. He also had strong views concerning safety and the environment leading him to order nothing but double-hull vessels after 1966 at a time when few other shipowners were even considering them. Carbonavi and its associated companies prospered and included some of the largest ships under the Italian flag such as the *Annalisa Lolli-Ghetti*, completed in 1971 and her two sisters, OBO's of 134,000 tons deadweight. Another company whose fortunes Glauco Lolli-Ghetti directed was Navigazione Alta Italia, a long established company founded in 1906, and at one stage he controlled a fleet of over forty ships with a total deadweight of about 4.5 million tons. Not for nothing did he get the appellation 'King Midas'.

Successful though Glauco Lolli-Ghetti had been he yearned for his own company



► Showing off the Scorpio funnel colours to advantage the *SBI Tango* is seen inbound for Bluff.

where he would be free to put his safety and environmental ideals into practice. During the 1970's he moved from Italy to New York where he acquired the Scorpio Shipping Company. This company had been founded in 1972 and owned two bulk carriers, the *Tonin* and the *Garden Sun* and the 'Garden' prefix was now adopted for newly built ships reflecting their environmental qualities, with the *Tonin* being renamed *Garden Moon*. Over the next decade or so a moderately sized fleet of bulk carriers and OBO's were built up ranging in size from just under 17,000 tons for the *Garden Sun* to nearly 170,000 tons in the case of the ore-oil carrier *Garden Green*. In 1973 Scorpio Ship Management was established.

Monaco, in particular the district of Monte Carlo, is perhaps best known as a playground for the very rich and home of the eponymous Grand Prix. With its favourable tax regime it has also become an important business and shipping centre and in 1984 Glauco Lolli-Ghetti shifted the Scorpio Group headquarters there. In 2003 his grandson Emanuele

Lauro joined Scorpio, selected by Glauco Lolli-Ghetti to be his successor. The following year Emanuele Lauro became Managing Director of Scorpio Ship Management, however Lolli-Ghetti continued to be actively involved with the company until his death in 2006.

Although the Lauro name is one of the most famous in Italian shipping Emanuele realised that at 24 he was too inexperienced to run the company so sought skilful, knowledgeable people with the required experience. So successful was the team he assembled that by 2008 the company had 30 plus tankers on time charter and the total managed fleet was about 60. On 1 July Scorpio Tankers was incorporated in the Marshall Islands followed by Scorpio Bulkers on 20 March 2013. By astute chartering during the buoyant period before the recession that followed post-2007 the company was in a good financial position to go on an ordering spree when ship building prices fell and the fleets of both Scorpio Bulkers and Scorpio Tankers expanded rapidly, the tanker fleet now numbering about 140 ships. Emanuele Lauro gained the nickname 'Prince Midas'.

With the Marsden Point Refinery output decreasing it seems likely we will see more of the Scorpio Tankers' fleet as direct imports of petroleum products increase but the winds of change are blowing through the dry-bulk fleet. Scorpio Bulkers is selling off its fleet and under the new name of Eneti will focus on the renewable energy industry with a wind turbine installation vessel to be built in South Korea, and options for two more. It could be that the *SBI Tango* is the only Scorpio bulk carrier we ever see in the Port of Bluff.



► A typical Bluff day farewells the *STI Tribeca* as she makes her way out of the Port.