Building relationships

Building ships is what Kleven does. But CEO Ståle Rasmussen knows that building good relationships comes first.

“We don’t have our own design, so we team up with designers to compete for projects with owners,” Rasmussen says. “That means we have to have good relationships all around.” Relationships that last, and that help Kleven navigate through rough seas and calm.

“Only a few years ago most of our work was for regional customers, primarily in offshore oil service. But we could see that things were going to change dramatically in that market, so we began to pursue work in other segments where we had experience. Now our clientele is mostly international, and we are serving many segments, not just one.”

For proof, just take a look at the recent deliveries from Kleven, and their orderbook: Luxury yachts, fishing vessels, a diamond mining ship, a cable laying vessel, and Explorer-class passenger ships all witness the fact that Kleven cultivates good relationships across the board, and around the world.

The diamond-mining vessel is for gem giant DeBeers out of South Africa, and departed Kleven Verft for Africa in of June 2016. “Underwater mineral exploration is a new segment for Kleven,” Rasmussen said when the contract was announced, “and we look forward to working closely with DeBeers on the realization of this highly advanced vessel.” One key to winning the ground-breaking job was cooperation with world-class designer Marin Teknikk, located just down the road from Kleven.

Big things in small places

“Shipbuilding and design are really global businesses,” he points out, “but it just happens that many of the best designers are in our same neighbourhood.” The team of Kleven and Marin
Teknikk also attracted the attention of New Zealand’s wealthiest businessman, and ultimately led to a contract with him for the offshore-influenced Explorer-class superyacht Ulysses, delivered in 2015. Another, similar yacht is on order at Kleven from the same customer.

“We have worked systematically to expand our portfolio, and the combination of local expertise and an international focus has paid off.” Rasmussen also believes the high-end market for private luxury vessels is on the rise. “They are impressive at quayside in Monaco, but even more so sailing among icebergs in the Arctic.”

The same might be said of the four new Explorer-class small cruise vessels on order from the Norwegian cruise and ferry icon Hurtigruten. “These are not icebreakers, but ice class, meaning that they can sail in ice-infested waters, and that means they can go places conventional cruise ships cannot.” And that is precisely what increasingly sophisticated cruise passengers are hungry for. The Hurtigruten orders will make up Kleven’s largest order in their history, at a time when other shipbuilders are struggling, not just in Norway, but around the world.

**From supplier to buyer**

Kleven and ABB Marine also have a good relationship going back many years, with ABB as a trusted supplier of propulsion and automation solutions. Now ABB has ordered its own vessel, a cable layer that will be loaded to the gills with the very best equipment ABB Marine has to offer, from propulsion and electrical, to automation and advisory systems. “We built the Dina Star OSV with the first Onboard DC Grid system from ABB Marine, and this cable layer will have the same system. I think our success with Dina Star is part of the reason we won this new contract,” Rasmussen maintains.

He sees further potential in the cable layer segment as well, as society
transitions into ever more electrification. Connecting offshore installations to power from shore, island societies to cleaner power sources, and not least, offshore wind farms to shore, will all be drivers in the demand for cable laying vessels, Rasmussen believes.

**High tech, hands-on**

While Kleven has been among the most creative users of automation and robotic technology in their production processes, Ståle Rasmussen is adamant about maintaining a physical relationship to their very physical job of putting ships together. “The technology is becoming cheaper and more accessible, but we still have to have a good understanding of steel and how to work with it. Robots and automation make it possible for us to compete from our remote location, but we will always be a hands-on industrial company.”

As with nearly every industry, information technology has also changed the way business is conducted in shipbuilding – but for Kleven, the attitude remains unchanged. “Connectivity allows us to work directly with clients and partners globally, and to deliver safer, more efficient ships, but it doesn’t shift the responsibility. We have to maintain our core competence, and the ultimate responsibility lies with us. It’s an illusion to think that everyone can be a consultant.”

That rock-solid approach to a business built on water definitely has its appeal. The proud owner of the Ulysses has another, even more ambitious craft on order at Kleven, to be delivered in 2016. “Before we got the contract for Ulysses, he visited Kleven Verft at Ulsteinvik. I think we won him over on our competence from both offshore and yacht building, but we also had a good chemistry, and I think he liked the atmosphere.” Again, it comes down to personal relationships. “We will always be highly involved, with our partners and with our customers. We may be on Facebook, but the way we really work is face-to-face.”