

The beginning of a good period

With three river cruise vessels being built and a five-year investment programme recently completed, it's a busy time at **Shipyards De Hoop**. *World Cruise Industry Review* speaks to Patrick Janssens, the yard's chief executive officer, about competition, innovation and staying ahead of the curve.



Shipyards De Hoop has recently invested in all major facilities at its Lobith yard.

brands: Scenic Tours and Evergreen Tours. River cruise ships are notoriously difficult to build, given the spatial constraints, but Janssens welcomes the challenge.

"There were many challenges, but this is just a typical example of the type of ship we like to build," Janssens says. "They're going to be very modern hotels on the water.

Two of the ships are 135m long,

Those who work in shipbuilding and repair know that economic fluctuations are one of the industry's core characteristics. In 2008, the global economic crisis hit the sector hard with a big slowdown in the number of orders placed by the cruise industry.

Competition between shipyards makes things even more challenging. Recent times have seen what's been described as a 'war' break out in the business, with capacity increasing and different yards vying with one another for crucial contracts.

Staying flexible is the key, according to Patrick Janssens, chief executive officer at Shipyards De Hoop in the Netherlands. The company is smaller than other major European shipyards, employing 200 permanent staff and bringing in extra workers when need be.

"If you look at other shipyards around the world, many have become inflexible and bureaucratic because of their size," he says. "The key strength of our shipyard is that we are very flexible. In 2011, we had a very busy year, delivering 11 ships, with a turnover of more than €140 million. In 2012, our turnover was much less – around €40 million – but we're able to fluctuate while keeping quality at a very high level."

A one-stop shop

The yard is a one-stop shop for the shipbuilding industry, offering design and engineering on top of its construction activities. Despite competing for business with low-wage countries, a strong focus on ships with a high added value allows Shipyards De Hoop to stay ahead of the game.

"We typically build ships that are complex and innovative," Janssens says. "We do things in such a way that we not only make it easy to produce for ourselves, but are also able to make improvements and to really customise the vessel according to what the client needs. And that is one of the key things that enables such short production times."

Shipyards De Hoop is currently building three river cruise vessels for an Australian cruise owner that operates under two

one is 110m, and all three are scheduled for completion for March and April of next year. With river vessels, it's always a struggle with the space that you give to the clients and the space that you leave for the required technical installations. The size and dimensions of the ships are also limited by the locks and channels they meet when they go on the river."

Investment and renovation

De Hoop has recently invested in a complete renovation of its yard facilities with the aim of consolidating its position as a leading European shipyard. At its main yard in Lobith, investments have been made in all major facilities. A new head office has been built with new infrastructure for IT and new software for engineering. The yard's steel-cutting facilities have also been transformed, with new lifting equipment added internally and externally.

"It's been a really broad programme that has taken us five years to complete," Janssens says. "On top of these investments, we simultaneously acquired a shipyard in the north of Holland, where we did all kinds of improvements to enable all kinds of shipbuilding."

Janssens hopes these investments will enable the shipyard to be ideally placed in what he describes as "the beginning of a good period".

"We see a lot of very good developments in the world that will contribute to our business," he says. "Global awareness of the environment and safety is leading to all kinds of new rules and innovations in shipbuilding, factors that trigger the request for new ships. When times are good, everybody has a lot of business, but nobody goes through the bother of developing something new or rethinking their product. When times are tough and people have to fight for work, they challenge themselves to come up with better products, and that's important for our industry." ■

Further information
Shipyards De Hoop
www.dehoop.net

