Hello from the other side! Editors! (Adele’s song lyrics are copyrighted and we don’t take legal risks here 😂)

“Long Time No See!” This trademark greeting from Marine Personnel Department’s Captain Harold Zhang fits best as opening line for this edition. But he’d never let us spread a full-size photo of his face across the cover page, so we instead settled for filling the upper two thirds with 2 photos he captured on Kota Lihat.

Long time indeed since you last heard from us in 2018 Q1. For nearly a year, Pacific Post has snoozed in surgery, but now re-launches from dry dock spruced up with fresh looks and ideas. We’re experimenting with drawing out more candid conversation from our seafarers, because we know informality feels more like family and laughter is the best medicine for seasickness, homesickness and other aches of the heart, mind and body. How fitting therefore that Pacific Post returns starting with an exclusive top-level conversation about our high-tonnage shipping family in the global business spotlight – CNBC’s recent interview with our Founder Chairman Emeritus Mr Y C Chang and Executive Chairman Mr S S Teo.

We strive to keep you well-informed and well-entertained. If you wish to contribute articles or photos, report discrepancies, inquire further or request special types of news, we readily receive your feedback via channels at the bottom of this page.

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**CNBC Interviews our Chairmen**


**Christine Tan:** How does it feel to be taking over (from your father as Executive Chairman) at a time when there's so much volatility on the global trade front?

**SS Teo:** First of all, I am very happy and honoured that he handed over the chairmanship to me. He still remains as chairman emeritus, he still is on the board, and he will always be my chairman. There's never a good time, best time or worst time to take over, but he believes I am prepared to take over the shipping group amongst all this volatility. And he's always there to guide me, and I can take comfort that he has actually put the company on a very solid foundation for me to take over.

**Christine Tan:** PIL was an early mover into Africa. That continent was always very challenging. Why stick with Africa after all these years?

**SS Teo:** China needed to export goods to Africa, both East and West. They couldn't find a shipping line to carry their goods because many of them were barter trade project cargo. So, PIL became the natural choice.

**Christine Tan:** PIL was founded 51 years ago in 1967, how much has PIL changed since then?

**SS Teo:** The trade war at the moment doesn't affect the cargo flow. If anything, the trans-Pacific volume is very strong. That could also be what we call “upfront loading”: people bringing goods in ahead of tariff increase. PIL should be doing better, much better than first half. PIL is the only remaining Singapore container liner company that spans the seven seas.

The little red dot still needs a little red shipping line.

**Christine Tan:** “One Belt One Road”: You're focusing on projects linking Western China and Southeast Asia. What are your plans there?

**SS Teo:** The wise leaders of China and Singapore came up with this idea called the Southern Transport Corridor. That means to link the whole western part of China to Guangxi, as well as to the sea and the sea outlet. Guangxi is very unique because it is the only province with a district that has a sea outlet and also it's bordering Vietnam. Definitely Guangxi is the place to be. We know that it is a very important jie dian” [陆海贸易新通道 “Lu hai mao yi xin tong dao”]. "Lu" is the train. "hai" is the sea. This is going to be the new “logistics channel” to develop the western part. We are benefiting from it already - two sailings a week from Guangxi to Southeast Asia and a third very soon.

**Christine Tan:** PIL was founded 51 years ago in 1967, how much has technology changed this industry? What changes have you seen?

**SS Teo:** The changes we see at the moment are mainly for the vessels. We can track our vessels' consumption 24/7 using mass flow meters and satellites. Now we're using electronic BLs, we can have immediate transfers of information. But the way we do the business is still the same. I believe that blockchain will be a revolution in the way that we process our information and the way the customer interacts with us. It is something we need to embrace. The most important part is to make sure that everybody buys into it, not only the stakeholders, but more importantly, our staff.

**Christine Tan:** I understand you just completed your blockchain trial that tracks and traces the cargo movements from Chongqing, to Guangzhou, to Southeast Asia. Are you happy with the results?

**SS Teo:** We’re happy because it shows how blockchain can work to track and trace cargo movement, and also how documentation can be simplified. Besides that, we have also just finished a trial with MPA Singapore, IMDA on the electronic bill of lading. So really I think this is all going towards a paperless, safer way to transmit the information.

**Christine Tan:** Mr. Chang, earlier this year, you put your son, Mr. Teo here, in-charge of the company. You still come to work every day?

**YC Chang:** Because I'm getting old already, but coming to work is my habit. I cannot stay at home. Very, very boring.

**Christine Tan:** Mr. Teo, what is the most valuable lesson you’ve picked up from your father about doing business?

**SS Teo:** He's taught me to stay calm, and I'm still learning from him. My father taught me 以德服人 "yi de fu ren" - people obey you not because of your authority, not because of your power, or because you are fierce, but more because of your integrity, your quality, that people actually respect you and listen to you.

**Christine Tan:** What advice are you giving your son, now that he's taking over the family business?

**YC Chang:** I never lose my temper. When you lose your temper, you just cannot control yourself. Be hardworking and humble.

**Christine Tan:** Mr. Teo, you know you've got big shoes to fill. How does it feel like to carry on your father’s legacy?

**SS Teo:** He has been reminding for 39 years that every next year will be very tough. We listed the other shipping companies around when he started PIL. All 15 of them are no longer around. That is both warning and encouragement. The warning is, “You could be one of them.” The encouragement is that we’re still around despite all the ups and downs, including that major consolidation we saw two years back, and to make sure that the legacy carries on. Last year we celebrated 50 years. My commitment to him and to my family, and to my colleagues is that we will celebrate 100 years.

---

The quote “Old ginger is hottest” is translated as "姜是老的辣" in Chinese.
SRS Forum 2018 & Our Manpower Excellence

Since our PIL fleet is dominantly Singapore-registered, any SRS (Singapore Registry of Ships) news is naturally PIL news.

The annual SRS Forum is a platform for exchange of ideas and best practices focused on the optimal balance between social, environmental and economic priorities in shipping. **SRS Forum 2018 “Riding the Next Wave”** was hosted at ParkRoyal on Beach Road on 30 November 2018. Discussion converged on some high-priority issues, such as **disruptive technologies** (particularly the internet of things; digitalization of data-logging, credentials, transactions; blockchain ledger strengthening and streamlining; artificial intelligence; autonomous systems) and the looming **IMO 2020 Fuel Sulphur Limit**. MPA Chief Executive Mr Andrew Tan outlined some interesting and encouraging developments:

MPA and SSA (Singapore Shipping Association) have collaboratively published detailed guidance to Singapore-flagged and Singapore-calling vessels on compliance with IMO 2020. Maritime operators can be assured of adequate compliant fuel supply well before 2020.

Although open-loop exhaust-scrubber washwater discharge will be prohibited in Singapore Port Waters, Singapore, as a MARPOL Annex VI signatory, will provide residue receptacle facilities

MARINET has expanded and improved to now accept online applications for the Singapore Seaman Discharge Book and Maritime Labour Convention financial security certificates.

MPA, PIL, Lloyd's, Microsoft and other stakeholders have collaboratively established Proof-of-Concepts: i) Blockchain for ship registration and ii) Robotic Process Automation (RPA) for crew and ship certificate issuance.

Since October 2018, remote drone inspection techniques (unmanned robotic arm, remote operated vehicles and unmanned aircraft systems) are valid for surveys of Singapore-registered Ships.

(Left) PIL was a SRS Forum 2018 steering committee member.

Capt Peng represented PIL to receive a token of appreciation from MPA Director of Marine, Capt Daknash, for contribution to organising the forum.

(Right) Capt Minhas received for PIL the **Manpower Recognition Excellence Award** from MPA Chief Executive Mr. Andrew Tan. The Manpower Recognition Awards affirm and encourage private-sector support for training and grooming Singaporeans, and building up the Singapore Core in maritime manpower. PIL was specially honoured with the “Excellence Award” as the company distinctly steadfast and consistent in support of Singaporean seafarers.
More Brand-New P-Class Vessels

After the earlier-announced first 4 P-class deliveries (Singapore-flagged Kota Pahlawan, Panjang, Pekarang and Pelangi), 7 more new-built Hong Kong-flagged sister ships have reinforced our fleet in the past year plying routes spanning half the globe. They are Kota Pemimpin, Perabu, Perdana, Perkasa, Perwira, Petani and Puri. Just like Singapore’s National Anthem, our ship names are in Malay. Our trademark “Kota” ship-name prefix is Malay for “City”.

<table>
<thead>
<tr>
<th>Vessel</th>
<th>What does her “P” name mean?</th>
<th>Delivery Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Kota Pemimpin</td>
<td>Leader (Fun pun for Leader <em>Ship</em>)</td>
<td>27 March 2018</td>
</tr>
<tr>
<td>2. Kota Perabu</td>
<td>Prince, Sovereign</td>
<td>3 April 2018</td>
</tr>
<tr>
<td>3. Kota Perdana</td>
<td>Prime, Principal</td>
<td>10 April 2018</td>
</tr>
<tr>
<td>4. Kota Perkasa</td>
<td>Courageous</td>
<td>17 April 2018</td>
</tr>
<tr>
<td>5. Kota Perwira</td>
<td>Hero</td>
<td>16 October 2018</td>
</tr>
<tr>
<td>6. Kota Petani</td>
<td>Farmer</td>
<td>5 November 2018</td>
</tr>
<tr>
<td>7. Kota Puri</td>
<td>Palace</td>
<td>9 January 2019</td>
</tr>
</tbody>
</table>

Each P-class vessel has a cargo capacity of 11800 TEUs (twenty-foot equivalent units). In slightly more familiar terms, that is freight volume equaling 1819 Olympic swimming pools’ total capacity.

\[
\frac{11800 \times 20\text{ft container volume}}{\text{Volume per olympic swimming pool}} = \frac{11800(20 \times 8 \times 8.5)\text{ft}^3}{(50 \times 25 \times 2)\text{m}^3} \times \left(\frac{\text{m}}{3.28\text{ft}}\right)^3 = 182 \text{ pools}
\]

*(Yes, the only familiar part of that is “pool”. The 182 before that just blows your mind.)*

Within each P-class giant beats a mighty, efficient heart – the state-of-the-art, electronically-controlled Doosan Wartsila W8X92 main engine, generating up to 42.35 MW of shaft power at 76 RPM and 22 knots of cruise speed for 160 tons/day of fuel. Adding non-propulsion power generation by the 4 auxiliary engines brings net fuel consumption to 184.5 tons/day, still a massive bargain for 37,713 tons lightship mass and 132,646 tons summer deadweight. In contrast, the most efficient hybrid car (2 tons with max load, 25km/L fuel mileage), if maintaining 22 knots and simplistically linearly up-scaled to P-class mass, would consume:

\[
1.852 \frac{\text{km}}{\text{nm}} \times 22 \frac{\text{nm}}{\text{h}} \times 24\text{h/day} \times 25 \frac{\text{km}}{\text{L}} \times 0.77 \frac{\text{kg}}{\text{L}} \times \frac{1000 \text{kg}}{\text{ton}} \times \frac{(37713 + 132646) \text{ton}}{2 \text{ton}} \times \frac{184.5 \text{ tons fuel day}}{184.5 \text{ tons fuel day}} = 2565 \text{ tons fuel day}
\]

Of course, this is only a very crude comparison not accounting for different fuels. P-class burns Heavy Fuel Oil while cars burn Petrol.
### Dimensions

<table>
<thead>
<tr>
<th>Measurement</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>LBP (Length Between Perpendiculars)</td>
<td>316.40m</td>
</tr>
<tr>
<td>LOA (Length OverAll)</td>
<td>330.00m</td>
</tr>
<tr>
<td>Breadth Moulded</td>
<td>48.20m</td>
</tr>
<tr>
<td>Depth Moulded</td>
<td>27.20m</td>
</tr>
<tr>
<td>Design Draft</td>
<td>13.00m</td>
</tr>
<tr>
<td>Air Draft</td>
<td>62.00m</td>
</tr>
</tbody>
</table>

Other than its sheer prime massiveness, the **P-class** sports another prominent trait unique in our fleet - separation of superstructure into (fore)navigation/accomodation and (aft) boiler/funnel towers. This offers mainly:
1. superior bridge visibility over cargo and bow,
2. elimination of engine flue from accommodation air intake/circulation, and
3. stronger resistance against spread of flames and fumes from engine room fires into command, control and living facilities i.e. greater disaster-coping capacity.

This also means the engine room has its own dedicated sewage treatement unit.

Compared with the world’s largest airplane – the strategic heavy-cargo airlifter Antonov An-225 *Mriya* (not the Airbus 380) – our **P-class** is approximately 4 times taller, 4 times longer and hundreds of times more fuel/cost efficient on a cargo mass-transport range basis i.e. consumes far less fuel and fewer $ per cargo ton-mile.
Our very first 2 P-Class babies Kota Pahlawan and Kota Panjang face to face. P2P Shipping has a whole new meaning.

Kota Panjang in her final week of delivery (October 2017) from YangZiJiang Taicang Shipyard before fully operational launch.
Chairman SS Teo with delivery crew of Kota Pahlawan at Taicang Shipyards, 26 October 2017. From left: Chief Officer Luo FuQiang, 2nd Engineer Chen GuoLiang, Captain Kan Liang, Chief Engineer Pathania, 2nd Officer Shi Shuai

Chairman SS Teo with delivery crew of Kota Pahlawan at her naming ceremony in Taicang Shipyards, 26 October 2017. From left: AB Abdur, Bosun Bambang, Steward Johari, AB Yusuf, Chief Cook Rifai, AB Anthony, Greasers Kumara and Janistan
Sea Officers’ Seminar 2018 in Singapore

True to expectation, Sea Seminar 2018 on 19-20 July in our home port was nothing short of power-packed, assembling a host of experts from various branches of maritime industry at PIL building to share synergistic insights in their respective specialties.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Presenter</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance, Risk and Benchmarking</td>
<td>Capt. Margrete A. Nordahl</td>
<td>Claims Director, Skuld Maritime Agency</td>
</tr>
<tr>
<td>People and Performance</td>
<td>Port State Control Flag State Control</td>
<td>Maritime and Port Authority of Singapore</td>
</tr>
<tr>
<td>Incidents at Anchorages</td>
<td>Senior Marine Surveyors</td>
<td>PSAM Academy</td>
</tr>
<tr>
<td>Auxiliary Engine Damages</td>
<td></td>
<td></td>
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<tr>
<td>Port State Control Deficiencies</td>
<td>Capt. Zheng Yi Mr Rayson Wong</td>
<td>PSAM Academy</td>
</tr>
<tr>
<td>Ballast Water Management</td>
<td>Port State Control Flag State Control</td>
<td>PSAM Academy</td>
</tr>
<tr>
<td>PSAM Preventative Matrix</td>
<td>Capt. Y K Foong Capt. Xu Jieer</td>
<td>PSAM Academy</td>
</tr>
<tr>
<td>Ship-handling Technique from Pilots’ Perspective</td>
<td></td>
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<tr>
<td>Approaches to Singapore</td>
<td>Senior Marine Surveyors</td>
<td>PSAM Academy</td>
</tr>
<tr>
<td>Managing Marine Casualties</td>
<td>Ms Nicole Lien Mr Yves Vandenborn</td>
<td>Charles Taylor Mutual Management and The Standard Club</td>
</tr>
<tr>
<td>The Human Element – Why People Make Errors</td>
<td></td>
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<tr>
<td>Fuel and Lubricant Technicalities</td>
<td>Mr. Kon Wai Seng Mr. Damien De Souza</td>
<td>ExxonMobil Marine Fuels and Lubes</td>
</tr>
<tr>
<td>Job Pride</td>
<td>Capt. Maulik Hathi</td>
<td>Pacific Manning Agency, India</td>
</tr>
<tr>
<td>Communication – Aspects and Repercussions</td>
<td></td>
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<tr>
<td>Safety Starts with Me</td>
<td>Capt. Peng Chuxing</td>
<td>Pacific International Lines</td>
</tr>
<tr>
<td>Best Practices in Machinery Maintenance and Operation</td>
<td>Mr. Tan Yew Kwang</td>
<td>Pacific International Lines</td>
</tr>
</tbody>
</table>

Attending officers enjoyed an engaging 2 days of knowledge-building and mind-stretching, expanding their vision from the familiar shipboard and seafaring repertoire to shore-based strategic managerial issues in enterprise and regulation.

Each day’s grand mouthwatering finale was a sophisticated dinner – the first at Lighthouse Bistro hosted by Singapore Maritime Officers’ Union, the second at Seacare Hotel by Singapore Organisation of Seamen where our sea officers, shore staff and industry partners reaffirmed our great shipping fraternity tradition of artfully blending pleasure with business.
Sea seminar 2018 in Wuhan was a successful 2½ days of bonding and learning for 82 of our officers (50 senior and 32 junior). They received rich content through a rounded range of effective presentations by speakers from P&I (Protection and Indemnity) insurer The Standard Club, marine consultancy PSAM, fuel and lubricant supplier ExxonMobil, China’s Maritime Safety Administration; as well as our very own Technical Manager Mr Tan Yew Kwang, QSD Manager Capt. Peng Chuxing, Training Manager Capt. Maulik Hathi and MPD Manager Ms Tracy Gao.

Recent accidents, incidents and injuries were shared and examined with attendees. Group discussions around case studies drew officers’ active participation, stimulating their learning from each other and promoting prevention of incident recurrence. A spirit of high morale, teamwork, progressive openness and sincerity, and aspiration to be industry-best, distinctly prevailed.

Adding special depth was a visit with PILSM (PIL Ship Management in Shanghai) to New Alliance Training Center housing our new custom-built P-class training model and Chittagong-Port simulator, where the latter was tested firsthand and appraised by 3 of our Chittagong-experienced masters.

Sea seminar 2018 in Wuhan concluded with insightful, practical feedback from officers, giving excellent guidance to respective departments for follow-up and refinement.
Sea Officers’ Seminar 2018 in Chennai

Running from 26 to 28 September, Sea Seminar 2018 in Chennai was themed “Mind the Gaps and Lead by Example”, a timelessly fitting motto for any enterprise, especially our shipping family ranked 9th worldwide by freight volume. Shrewdness, prudence, and mettle are some vital gems in leadership to spot and outflank obscure gap-traps from afar. Practical specifics were expanded on with engaging flourish by Capt. Minhas and Mr. Ashok, General Managers from Singapore and India respectively.

Mr. Ashok drew particular attention towards operational gaps in Safety, Attitude and Behaviour, emphasising collective crew responsibility to maintain perpetual watertight Mindfulness and seniors’ rudder-role to Lead by Example, for a pervasive and progressive pan-fleet Safety Culture.

Capt. Minhas freshly broadened perspectives beyond physical risk and safety, hinting at how our top leaders also “mind other strategic gaps” in the greater shipping scheme, such as competition for business and talent, necessity and challenge of fleet scale, fiscal discipline etc. He reflected on our >6% fleet growth in the last 5 years to 143 vessels, and imminent delivery of 4 more of our newest and largest P-class, highlighting our deft maneuvering through the tricky strait connecting scale and competitiveness. (At this later time of writing, 3 of those 4 P-class newbuilds are already in service, while the final 1 will follow by March 2019.)

Other speakers further enriched the knowledge buffet with additional specific high-interest topics, such as hull and machinery claims reduction, maintenance and survey planning, incident investigation, port-specific navigational challenges and rest-hour management.

Showcasing PIL culture and quality standards as always, we provided excellent maintenance and nourishment for both mind and body, matching the knowledge buffet with sumptuous meal buffets and lively dancing.
Heartiest congratulations and an admiring salute to our “Top Fours” and higher who attained their current senior ranks in 2018. Listed under their names are their exact promotion dates and diverse nationalities colourfully showcasing our international presence and inclusiveness. (PC), short for “PIL Cadet”, identifies those who have built their entire sailing careers with us, loyally serving on only our ships since cadetship – akin to living and growing up in a warmly familiar home since childhood days. We are proud to see all officers mature professionally and prosper with us in this cosmopolitan PIL family.

Climbing Our Ranks

Superintendent

19 Masters

28 Chief Engineers
# Climbing Our Ranks Last Year

## 35 Chief Officers

<table>
<thead>
<tr>
<th>Name</th>
<th>Date</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zheng Dewu</td>
<td>19 Jan</td>
<td>China</td>
</tr>
<tr>
<td>Wu Wensheng</td>
<td>31 Jan</td>
<td>China</td>
</tr>
<tr>
<td>Li Bao</td>
<td>06 Feb</td>
<td>China</td>
</tr>
<tr>
<td>Lu Haiyang</td>
<td>23 Feb</td>
<td>China</td>
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<tr>
<td>Sharma Himanshu (PC)</td>
<td>27 Feb</td>
<td>China</td>
</tr>
<tr>
<td>Zhang Yi (PC)</td>
<td>02 Mar</td>
<td>China</td>
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<tr>
<td>Hossain Md Rabiul (PC)</td>
<td>14 Mar</td>
<td>Bangladesh</td>
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<tr>
<td>Luo Dehua (PC)</td>
<td>02 May</td>
<td>China</td>
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<tr>
<td>Wang Xiaolin</td>
<td>04 May</td>
<td>China</td>
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<tr>
<td>Sarvanadhasan Karthikdasan</td>
<td>04 Jun</td>
<td>India</td>
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<tr>
<td>Kyaw Swar Win</td>
<td>06 Jun</td>
<td>Myanmar</td>
</tr>
<tr>
<td>Chen Peilin (PC)</td>
<td>06 Jun</td>
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<tr>
<td>Yang Bin (PC)</td>
<td>11 Jun</td>
<td>China</td>
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<tr>
<td>Anurag Nitin (PC)</td>
<td>16 Jul</td>
<td>India</td>
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<tr>
<td>Senthivel Jeyakanth</td>
<td>06 Aug</td>
<td>Sri Lanka</td>
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<td>Amblimath Sagar (PC)</td>
<td>16 Aug</td>
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<td>Chen Huanyao</td>
<td>16 Aug</td>
<td>China</td>
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<tr>
<td>Singh Aman Deep (PC)</td>
<td>01 Sep</td>
<td>India</td>
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<tr>
<td>Benerjee Abhishek (PC)</td>
<td>08 Sep</td>
<td>India</td>
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<tr>
<td>Xia Wanxiang</td>
<td>10 Oct</td>
<td>China</td>
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<tr>
<td>Ahmad Waqar</td>
<td>15 Oct</td>
<td>Pakistan</td>
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<tr>
<td>Imran Muhammad</td>
<td>18 Oct</td>
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<tr>
<td>Arun Kumar</td>
<td>30 Oct</td>
<td>India</td>
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<tr>
<td>Rasheed Rizwan</td>
<td>14 Nov</td>
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<td>Twenger Syed Muhammad Zeeshan</td>
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<td>Ma Gang (PC)</td>
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<td>Liu Xiaolong</td>
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<tr>
<td>Gao Yang (PC)</td>
<td>16 Nov</td>
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</table>

## 23 Second Engineers

<table>
<thead>
<tr>
<th>Name</th>
<th>Date</th>
<th>Country</th>
</tr>
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<tbody>
<tr>
<td>Xiang Shenghua (PC)</td>
<td>29 Nov</td>
<td>China</td>
</tr>
<tr>
<td>Kyaw Ko Ko Khine (PC)</td>
<td>07 Dec</td>
<td>Myanmar</td>
</tr>
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<td>Ruan Hang (PC)</td>
<td>13 Dec</td>
<td>China</td>
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<tr>
<td>Sundaramoort Hy Suvendran (PC)</td>
<td>27 Dec</td>
<td>Sri Lanka</td>
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<tr>
<td>Singh Ashish Pratap (PC)</td>
<td>27 Dec</td>
<td>India</td>
</tr>
<tr>
<td>Muhammad Syaharuddin Bin Mohd Noor</td>
<td>09 Feb</td>
<td>Malaysia</td>
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<tr>
<td>Uddin Md Jamal</td>
<td>16 Feb</td>
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<td>Aung Tet Htun</td>
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<td>Ayar Win</td>
<td>30 Jul</td>
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Pokemons Joining our Ranks

Our 6 newest TNTA15 (Tripartite Nautical Training Award cohort 15) deck cadets have officially earned their pre-sea theory and other basic sailing-essential certification after half a year of intensive training at Wavelink Maritime Institute. All that stand between them and their vessels now are just some idle time and packing for sailing. If you happen to catch them (like Pokemons) on your vessels within the next month or so, please welcome them warmly into the seafaring branch of the PIL family, make them feel right at home away from home, and ease their steady evolution into smart, safe and efficient amphibious marine mammals. They really have chosen Pokemons callsigns for themselves as instructed by some prankster at Marine Personnel Department. Pokemons-class. Kota Pokemons. Pokemon International Lines. I could get a warning letter for this 😊

Chua Wei Hao
Dai Jiahong
Jay Chua Rong Jie
Mohamad Fauzi Bin Jaafar Onyx
Sharlene Tan Poh Hua Charmander
Wong He Feng Porygon

Swift on the stern of TNTA15 is TNTA16, from which we have chosen 2 newer Pokemons – Deck Cadets Chong Ming Xuan (top) and Mohammad Ruhul Amri (middle). They are photographed with Mr Chee Hong Tat on their starboard (readers’ left) and Capt R.S. Minhas on port (readers’ right). Mr Chee is our Senior Minister of State, Ministry of Trade and Industry & Ministry of Education and Member of Parliament for Bishan-Toa Payoh. Capt Minhas is our Fleet Division General Manager.

The TNTA 16 induction ceremony was graced by numerous (Pokémon-loving?) dignitaries from government, union and industry, reaffirming our steady tripartite synergy. From left to right: SMOU President Mr Rahim Jaffar, SMOU General Secretary and NTUC President Ms Mary Liew, Marine Manager at Apex Ship Management Capt Thangavel Rajakanthan, Minister Mr Chee Hong Tat, and our very own Capt R.S. Minhas and Ms Tracy Gao.
WaterSide Chat : Sea-Shore Conversations

A few decades ago, this section might have been titled “Letters from Sea” or “Letters to the Editor”, but that would not fully represent today’s rapid remote 2-way (even multiplex) text communications. Real-time (or at least same-week) “type-talking” by e-mail, SMS or other mobile apps is now a mainstream basic function of the global infotech infrastructure, extending even to the furthest ship and seaman. Last era’s physical mail delay would have limited us to one incoming letter and one response per writer at sea every edition, but today entire correspondence spanning numerous to-and-fro messages can fit into hours or minutes and be fully reproduced immediately after.

These conversations are selected for their intimate subject-matter relevance to every seafarer, traveler and worker, as well as to our greater maritime industry. They show an encouraging depth, clarity and maturity of thought even among the most junior of sea-staff. Career progression, income investment, retirement planning, environmental sustainability, strategic business and technological frontiers etc. are not arcane faraway exotics, but regular mental exercises for spare time. Apparently, extended periods at sea in relative isolation from land (plus Facebook, Instagram, Snapchat and what not 😊) can quite effectively maintain a keen and fluent mind.

Contributed by Deck Cadet Ben Yip from Kota Pelangi

AUGUST 9, 2018

Any comment on biofuels? 5:20 PM

Essential anchor of a green renewable future. Renewability is the basic advantage, but biofuel synthesis has the added benefit of actively recycling present atmospheric CO2 previously emitted by non-renewable fossil fuel combustion.

If the photosynthesis rate is high enough, net reduction of atmospheric CO2 and its greenhouse effect becomes a real possibility. Basically that would mean exploiting abundant (but now still wantonly wasted) solar energy to molecularly trap plenty of CO2 in a huge surplus-stockpile of solid/liquid organic fuel. A hydrogen economy alone cannot do that, being by definition totally separate from the carbon cycle. 8:05 PM

AUGUST 10, 2018

Will ships ever run on biofuel? 10:16 AM

They must and they will. They might be terribly overdue for it. Maybe some already do. But however sensible it may be in terms of socio-environmental and energy sustainability, it is bound to wait for supply and price to fall in place first. Even regulators cannot unilaterally jack up supply and crash the price of biofuels and slap heavy tariffs on traditional non-renewable fossil fuels overnight. 10:35 AM
Is it possible for a couple of strangers to pool money and buy property, then collect and share rent through and with a hired agent? Sit on a passive income stream?

I’m not talking about REITS LoL.
REITS are smaller-scale (in cost), but directly owned property is closer to your fingers.

 Depends on many factors – what property type, who the strangers are, how much money they have, supply and demand, and of course regulatory red tape.

You know how many (or all) traffic lights in some places blindly display a fixed signal sequence instead of intelligently adapting to, and optimising traffic? But some people are more obsessed with imposing licensing, fines and tolls, instead of shaking up sloppy traffic fundamentals by installing smart sensor-equipped traffic lights, or enforcing at least a rudimentary Pedestrian Traffic Separation Scheme at the most critical and congested nodes? Timing and policy constraints apply.

Some people have tried to beat the system with sham marriages to qualify for public-housing ownership and subsidies, only to be heavily legally and financially beaten with fines and confiscations. Red tape, red lights, red balance sheets. Safety first, then watch compliance costs. Strangers better be by default wary of investment pooling possibilities.

Dan is it worth buying a HDB flat (conditionally subsidised high-rise public housing) when I’m single at 35?

That would be algebra of known and unknown numbers - projected real estate prices, rental rates, loan interest rates, real estate appreciation rates, opportunity cost of not directly going private, etc. Forecasting figures to within ±10% accuracy might as well be lottery speculation.

You gotta think like a shipowner.
Dan why is the exchange rate 1.37 USD to SGD? (How did it rise steadily over the past year and get this high?)

5:18 AM

Economic supply-demand logic treats any one currency like a good or commodity priced in another currency, within the money-changing machinery of global commerce.

A currency's strength, quantified by its exchange rate for other (foreign) currencies, rises and falls with the global "appetite" for that currency, which in turn is affected by tourism, speculation, geo-political risk/safety perceptions, trans-national business-to-business, business-to-government or government-to-government trade, government domestic monetary policy etc.

Shipping companies are intimately acquainted with the relation between trade conditions and currency rates. If PIL must pay US port dues and agent fees in US dollars (USD), PIL may first exchange Singapore dollars (SGD) or other foreign reserve currency for the required USD amount. Conversely, an American or other foreign company paying Singaporean government agencies, businesses or staff may convert from USD or other currencies to SGD. If the global net bid for SGD-to-USD conversion is positive, USD/SGD exchange rate rises i.e. USD strengthens against SGD.

Another specific prime driver of USD demand and strength is the US interest rate, a core parameter of domestic monetary policy set by the Fed (US Federal Reserve), their equivalent of a central bank or our MAS (Monetary Authority of Singapore). Higher interest rates attract more exchange of foreign currencies for USD, from investors expecting more profitable USD bank accounts, thereby strengthening USD. In fact, to answer the question more directly, this is probably the bulk of 2018's USD/SGD plotline - the Fed has implemented at least 3 "rate hikes" and is generally expected to add more.
Seafaring Sightseeing

Few other professionals can so readily mingle visions of business and pleasure at work. “Sun, sea and sky” sounds like a vacation catchphrase, but that’s just another day at the office and business as usual for the seafarer. You have tricks of the trade, and then you have treats of the trade.

16th Dec 2018: Kota Hadiah gets her own “Hometown Hadiah (gift) in the form of a rainbow welcome in Singapore.

One of Capt. Harold Zhang’s imposters (remote-control android inspectors?) takes a selfie on Kota Pahlawan’s accommodation block, featuring P-class’ distinctive separate aft funnel in the backdrop.

Deck Cadet Thomas Lau is a great PIL flag-bearer on Kota Perwira. He’s a part-time model on land between ships. His surname is the German Lau, not Andy Lau’s.

Deck Cadet Ben Yip grows some muscle working out on Kota Pelangi’s mooring gear.

Sun, sea and sky from starboard-side of Kota Pelangi – easily rivaling the view from luxury waterfront condo clusters like Sentosa Cove. Because seafarers technically are a special class of roaming expatriates.

Port of Hong Kong: panoramic night shot from Kota Pahlawan
CNBC Interviews our Chairmen

Credit to CNBC and Christine Tan, who published this transcript of their interview with our Founder/Chairman Emeritus Mr YC Chang and Executive Chairman Mr SS Teo, on Fri 30 Nov 2018 at https://www.cnbc.com/2018/11/30/cnbc-transcript-ss-teo-executive-chairman-and-yc-chang-founder-pil.html

Christine Tan: So Mr. Teo your father founded PIL in 1967. Earlier this year you finally succeeded your father in heading up the family's shipping business. How does it feel like to be talking over at a time when there's so much volatility on the global trade front?

SS Teo: First of all, I am very happy and honored that he handed over the chairmanship to me. He still remains as chairman emeritus, he still is on the board, and he will always be my chairman. There's never a thing as good time, best time or worst time to take over, but he believes I am prepared to take over the shipping group amongst all this volatility. And he's always there to guide me, and I can take comfort that he has actually put the company on a very solid foundation for me to take over.

Christine Tan: PIL was also an early mover into Africa. But you know doing business in a war-torn conflict-stricken continent was always very challenging. Even one of your vessels was hijacked off the coast of East Africa. Why stick with Africa after all these years?

SS Teo: Well, when my father first started PIL in 1967, we were a small private capital (firm), not much... You know, we don't really have the means to compete with the big boys in the Europe or the U.S. trade. So, we picked places like Africa and the Middle East and, in particular, the Red Sea. At the time, China needed to export goods to Africa, both East and West. They couldn't find a shipping line to carry their goods because many of them were barter trade project cargo. So, PIL became the natural choice.

SS Teo: How much has changed since he started doing business in China? What were some of the changes you saw and felt?

SS Teo: Since then, the country had gone through tremendous changes. Now people are very commercial, competition is very fierce. 40 years ago they learn from us, I think now we learn from them.
Christine Tan: So you are getting the cargo, you are getting the money that rewards you for the risk you're taking?

SS Teo: Risk and also the determination, and persistency.

Christine Tan: Do you remember the time your vessel was hijacked off the coast of East Africa?

SS Teo: Yes, I'd never forget it. It was in 2009, in the middle of October.

Christine Tan: Just how traumatic was it?

SS Teo: When it happened, I got a phone call and before that, you always thought it would never happen to you, right? My ops manager called me and said pirates had boarded one of our ships, they were now escorting the ship back to Somalia. So my first reaction was: Life goes on, don't let this hijack affect the operation of the company. So the instruction was that, "Life goes on, let's form a disaster action team to actually try to get the ship back." So, the first thing that came to my mind was actually the safety of the men on board. So, we had to make sure that the family was informed, made sure that no media would go and disturb them, and we negotiated with the pirates. We told them that the safety of our men was number one. If you do any harm to them, then forget about the....

Christine Tan: So how long was the whole negotiation process?

SS Teo: 75 Days.

Christine Tan: So how did you manage in the end to free the vessels and your crew?

SS Teo: In the end, we had to pay an amount we cannot disclose. Then when they were freed, the ship sailed to a nearby port. In fact, I wanted to go to receive the ship but my father said no. He said "Your deputy better go". So he went, but the next thing we did was to make sure that all the crew had a psychiatrist to actually give them a check and we made sure that they were sent back to their home. We made sure that when they arrive at their home port, we have actually our manager in the local office to accompany the family to receive them. So I think that the post release, how to give them the treatment and all that, is very important.

Christine Tan: So, what important lessons have you learnt as a result? What precautions are you now taking?

SS Teo: We now try to avoid those, what we call, "high-risk areas". But if we have to go through (these areas), then we carry armed guards.

Christine Tan: Last year, the shipping industry bounced back from a deep downturn we saw in the industry itself. Both PIL and your Hong Kong-listed container manufacturer Singamas returned to profitability. How do you expect to do this year?

SS Teo: The trade war at the moment doesn't affect the cargo flow. If anything, the trans-Pacific volume is very strong. That could also be, what we call, "upfront loading": people bringing goods in, in advance of tariff increase. But we think in the medium-term, as long as America continues to consume, the supply chain will be altered. So we are seeing now, in fact, increasing amount of enquiries of factories relocating from China to nearby Vietnam, Cambodia, even Malaysia, Indonesia and Bangladesh. So, we think there will be disruption if a sudden tariff is imposed, but...
overall, as long as consumption is there, Americans continue to have their hand phones, shoes and clothes, in fact, the whole supply chain will be dragged longer and there will be new locations of production. Their logistics are not as efficient as China so in fact, the turnaround of ships will be longer. So in the medium and long term, as long as trade volume remains on growth, the ship utilization will go up. For this year, in the first half, most of us did badly. One of the reasons was that during Chinese New Year, the cargo rate did not go down. So I think all of us, most of us, got carried away. We thought that the cargo would come back off at the end of March this year. Some lines chartered more ships in preparation for the pickup, but the pickup did not happen at the end of March. It only came around in May. So, rates went down in the second quarter which should have gone up. But more importantly, the fuel price went up, bunker price went up. So, it was a double whammy. So by May, many lines were already calling for emergency bunkers surcharge. Lines came out to make statements to say that they would not have any sailing if they were not making money. So coming to the second half, I think the result will be much better. One is that rates have continued to recover to partly offset the fuel price increase. More importantly, shipping lines realize the importance of maintaining a stable service is to have a reasonable return. So rates are still firming up, as we speak, this month.

Christine Tan: Are you still fighting for market share?

SS Teo: I don't think so. We don't see anybody aggressively grabbing market share because we understand among the many lines is that they want to see in lay man words, "money on the table". We have to, because of the trading results in the last few years, plus many lines have gone through M&A. A lot of money has been spent, and money is getting more expensive. So, I think common sense is returning. And most lines are now more conscious about the bottom line. In fact, because of the higher fuel price, we see now many shipping lines, once the schedule slips because of typhoons and bad weather, we don't speed up the ship (any more) because when you speed up, you consume more fuel. So in a way, the vessel utilization actually has gone up.

Christine Tan: So, this recovery we’re seeing in the shipping industry, it’s still on track in your view?

SS Teo: Yes, yes. And I think after we see the painful lesson in the first half, and the positive result last year, I think most shipping lines will want to make sure that they run a more sensible operation.

Christine Tan: So in terms of earning, how do you see PIL doing?

SS Teo: PIL should be doing better, much better than first half. Yes.
Christine Tan: The massive consolidation in the shipping industry, has seen the bankruptcy of South Korea's Hanjin Shipping, not to mention the sale of Hong Kong's OOCL to China's Cosco Shipping as well, there is talk that PIL is the next to be taken over. What are your thoughts on that? Are you fighting to stay independent?

SS Teo: First of all, the rumor about it started as far back as 2016. One, I think it's because we are a very prized shipping line. Because today after all the M&A you mentioned, we are number nine. We are very well spread in many of the emerging markets in Southeast Asia, South Asia, even the Western Pacific. We are also very well established in the Middle East and Africa. These are markets that can only grow. They have a very low base, they have large population and young population. In fact, I think the Sino-U.S. trade tension will result in more factories being relocated to this area that I mentioned already, Vietnam, Cambodia, Bangladesh, and Sri Lanka. So in a way, PIL is a very prized shipping line. Some lines have actually approached us to say "Would you like to be part of a big family?"

Christine Tan: And what did you say?

SS Teo: No.

Christine Tan: Why "no"?

SS Teo: Yes because one, my father founded this 51 years ago. Two, more importantly, I owe it to my staff. You know, we went through a very difficult time in 2017. We are not the strongest of the lines around, but I think that people matter a lot. And many customers tell us, "Please, you have to stay around because after being used to dealing with maybe five carriers, now we're down to three". Two are very big, and one is someone like us who is medium-sized but we have a very personal service and we are very flexible and nimble. We are very proud to say that, in all modesty, we are the flag bearers of Singapore across the seven seas. So after our national line was sold, PIL is the only remaining Singapore container liner company that spans the seven seas. So I think you can say this little red dot still needs a little red shipping line.

Christine Tan: Let's talk about your relationship with China's Cosco shipping line. It has been very close and it has grown even closer over the years. You've been chartering ships; you've been operating joint services. How much have you benefitted from doing business with China's state owned shipping and logistics giant over the years?

SS Teo: Well first of all, as you say, we have known each other for a long time, as far back as my father's time. Number two, they have grown tremendously but more importantly, China has become the most important market for liner shipping companies. Most of what we call the ocean-going carrier, 40 to 50 percent of cargo actually comes from Greater China. So, having a good relationship with the state-owned line is important.
Christine Tan: How did you and Cosco managed to hit it off so well all these years?

SS Teo: Well, it takes time. To me it has always been give and take. I think some people look at China Costco as a giant but even a giant have a spirit. How do you understand them? How do you get along with them on all levels, not only the top level, but the working level and the management level? I think so far, we have all spent a lot of effort get to know each other better. And I think so far that relationship and cooperation has been mutually beneficial. In fact, someone told me that China's Cosco has more joint services with PIL than their own consortium member.

Christine Tan: Your relationship has been so close that there were rumour swirling in the market last year that they were studying the possibility of acquiring PIL. Did they approach you? Did they talk about it with you? Are you opened to the idea?

SS Teo: You know Christine, I must emphasize this point that there is a difference between the West and the East. They can have lunch with you, in the afternoon the banker can call you, "Are you for sale?" Then, they say "I can give you X dollars, how much do you want?" That is the way I think the West does. The Eastern way is to get to know each other, to be comfortable and then they will say, "If you want to sell, why not consider us?" You know, they're not saying "I will buy you". So again, this is not impossible, in fact if you look from a third party viewpoint, we match very well because we work with them in Africa and we are going to have more cooperation.

Christine Tan: And you are actually sitting on the board of Cosco as well.

SS Teo: Yes, and we are going to have more cooperation which we will announce soon. But so far, I think the relationship and cooperation is better when we are separate. Sometimes, when you're friends, you worked together better, sometimes, when you are family, you may not work together so well.

Christine Tan: So the understanding is, you told them on the phone that it's okay to be friends for now, that you don't need to come together?

SS Teo: On the phone, over drinks.

Christine Tan: What do you tell them? What do you say?

SS Teo: We tell them we still treasure our independence and I think we can go back to being separate.

Christine Tan: What did they say?

SS Teo: Yes it's a fact. They respect you. So that's why I say, it's a very different way of doing things. Of course there are other ways they can grow. You know they can grow organically. They bought OOCL. They are looking at acquiring new things and even
with some of the new things they've acquired, we can work together. Why not right?

Christine Tan: Let's talk about this great opportunity arising from China's "One Belt One Road". You're focusing on projects linking Western China and Southeast Asia. What are your plans there?

SS Teo: Well, the Belt and Road Initiative proposed by President Xi Jinping five years ago is a grand vision. In fact, when he was first proposed it, it really hit a note with us because my father came on a boat. He sailed on a boat from Xiamen to Singapore in 1937. So, the proposed new Maritime Silk Road really struck a chord with us because this is just a repeat of what my father did, almost exactly the route that we sailed from China to Southeast Asia, to South Asia to Africa. I think half of the countries on the Belt and Road sit on our trading lane. So, we think it's a great vision. But later on we got involved in Chongqing for the third Singapore government-to-government project, the Chongqing Connectivity Initiative. So, we look at how to develop more cargo from Chongqing, whether you go by the Yangtze, or you go by the rail to Europe, or you go by the traditional trucks and rail to Guangdong. So when we actually bring it down to Guangxi, Guangxi's port is called Qinzhou, the travel distance down from Guangxi down from Chongqing is 1200 km less than from Chongqing back by the Yangtze. So the wise leaders of the two countries, China and Singapore, came up with this idea called the Southern Transport Corridor. That means to link the whole western part of China to Guangxi, as well as to the sea and the sea outlet. Guangxi is very unique because it is the only province with a district that has a sea outlet and also it's bordering Vietnam. Definitely Guangxi is the place to be. We know that it is a very important

Appendix: Full Transcript

SS Teo: Ideally, it's daily sailing. Because one of the disadvantages of Guangxi at the moment is that it doesn't have as much sailing frequency as compared to Shanghai. Definitely for cargo from the western part to Southeast Asia it makes sense to come down. But the other way is imports, for example, now we are carrying durian and longan from Bangkok to Guangxi. From there, we go by train to Szechuan. It's only seven days. Compared if you go by the Shanghai side, it takes 20 fewer days. We are carrying coffee beans, from Vietnam to Guangxi in two days, by train to Chengdu in five days. One week and your goods are there. Previously, it would take you three weeks. But it would take time because people are so used to running that route. We are not saying that we would take away anything from Shanghai or Guangdong. I am looking at new growth and I think this new growth will bring prosperity to the western part of China which has partly been affected because of high logistics costs. So I think it's a great initiative, and PIL is very happy to be one of the first movers in the Southern Transport Corridor.

Christine Tan: PIL was founded 51 years ago in 1967, how much has technology changed this industry? What changes have you seen?

SS Teo: Well, the changes we see at the moment are mainly for the vessels. We can track our vessels' consumption 24/7 using mass flow meters and satellites. Electronic data has actually changed. Now we're using electronic BLs, we can have immediate transfers of information. But the way
we do the business is still the same. But I believe that blockchain will be a revolution in the way that we process our information and the way the customer interacts with us. So I think blockchain is something that we need to embrace. But the most important is to make sure that everybody buys into it, not only the stakeholders, but more importantly, our staff.

Christine Tan: I understand you just completed your blockchain trial that tracks and traces the cargo movements from Chongqing, to Guangzhou, to Southeast Asia. Are you happy with the results?

SS Teo: We're happy because it shows how blockchain can work - to track and trace this cargo movement and also how documentation can be simplified. Besides that, we have also just finished a trial with MPA Singapore, IMDA on the electronic bill of ladings. So really I think this is all going towards a paperless, safer way to transmit the information.

Christine Tan: There's just so much paperwork and documents involved in shipping, how much cost savings and time are we talking about?

SS Teo: For cost savings, we can't really tell, of course we'll be saving on man power, but that has to be balanced with the investment in the hardware and the software. So definitely I think we'll be saving on the overhead costs, but more important is that it'll be the safest transmission of information. People will take ownership of the information that they upload, whether to the shipper, the banks and all that. But most important is that you can literally book cargo anytime you want, 24/7. So it'll be more efficient way of doing things, but of course it will mean that there will be some loss of jobs, and we have to see how we can redefine a job for them.

Christine Tan: So, that's a big concern of yours? To what extent are you looking to deploy blockchain throughout the entire operations of PIL?

SS Teo: We will look at deploying it in areas where infrastructure is poorer, so it could be in certain parts of Southeast Asia, it could be South Asia, and we are looking actually at Africa. Africa doesn't have the infrastructure, but there's a lot of paperwork involved and there has been possible fraud. So, having this blockchain technology will ensure that we leapfrog in the documentation process, and even in improving the logistic efficiency.

Christine Tan: Mr. Chang, earlier this year, you put your son, Mr. Teo here, in-charge of the company.

YC Chang: Because I'm getting old already

Christine Tan: You're getting old, but you still come to work every day. Why?

YC Chang: It's my habit. I cannot stay at home.

Christine Tan: You cannot stay at home?

YC Chang: Very, very bored.

Christine Tan: What do you do when you come to work every day?

YC Chang: Every day, I write down all my activities in my diary, everything. Every department comes to see me.

Christine Tan: They still come to see you every day?

YC Chang: Yeah.

SS Teo: Yeah, all the division heads, department heads, will see him before they travel. He will have
everybody's travel schedules. So, all the seniors before they leave they will see him, and they will see him again after they come back. So in a way he will brief them, also they will report back to him the outcome of the trip. So in a way, he still gets updated.

Christine Tan: So Mr. Chang it sounds like you're still in-charge. Yes?

YC Chang: No. Not really. I'm getting old, so I should step down. He is the successor.

SS Teo: No, he's still in charge, ultimate in-charge.

Christine Tan: So, ultimately now that he's passed on the reigns to you, how often do you consult your father on a day-to-day basis? How often do you talk to your father about business matters?

SS Teo: Maybe twice a day. I will see him every morning after my daily meeting. I just update him on whether there are any visitors in town, whether I am travelling or if I just came back. For example, now we have a big logistics project in Guangxi, so I update my father almost every day about Guangxi. He will ask about Guangxi, he will ask about our new ships being deployed, where they are going and all that. So I would consult him, I would say, twice a day, once in the morning after my morning meeting, and once will be after lunch before he goes home.

Christine Tan: Mr. Chang, do you like talking to your son every day about the company?

YC Chang: Yes, of course. Yeah. He likes to talk to me every day.

Christine Tan: The other way around?

SS Teo: I call him once a day when I'm overseas.

Christine Tan: Mr. Teo, what is the most valuable lesson you've picked up from your father about doing business?

SS Teo: I think, staying calm, that's very important. Because in any business, especially shipping, there's a lot of unknown. There can be political issues, there can be technical issues, there can be accidents. Like the hijack of ships by pirates, ships get into trouble. So I think what he's taught me is to stay calm. It doesn't help losing your temper and getting all worked up. So staying calm is something that I learnt from him and I'm still learning from him.

YC Chang: I never lose my temper. Christine Tan: You never lose your temper, not once?

Christine Tan: What advice are you giving your son, now that he's taking over the family business?


Christine Tan: To be hardworking and humble?

YC Chang: Yeah.

SS Teo: Well, that's the ship that you were on board, the P-class. So, we built 12 of them, it's the biggest investment we have, but he's worried about these big investments, but I would explain that without these 12 ships, we would not be in a competitive position, but at the same time, we need to watch our cash flow and our finances carefully.

Christine Tan: Mr. Chang, all these years growing PIL, the company has stayed private. Why?

YC Chang: It's easy to control.

Christine Tan: You don't want the company to go public?

YC Chang: Shipping very competitive, if you go public, you have to list out information about all your activities to the outside. But being private, we get to keep it in our company.

Christine Tan: So you've heard what your father wants, will that change under your leadership in the future?

SS Teo: That will be a major consideration, to bear in mind the pros and cons of staying private, or rather, the pros and cons of going public. So, that will be a major consideration when we consider going forward.

Christine Tan: In terms of leadership style, Mr. Teo, how different are you from your father? You say your father is very calm, something you're trying to learn from him, but how different are you in terms of leadership style? What are you like as the boss?

SS Teo: When I was younger, I was more bad-tempered, so I was more of a hard leader. But my father taught me one thing, in Chinese, it's "yi de fu ren", that means you want people to obey you, not because of your authority, not because of your power, or because you are fierce, but more because of your integrity, your quality, that people actually respect you and listen to you. So, "yi de fu ren" is a very difficult thing to do, but I think I'm slowly learning it. So, these are the things that I have to learn; how to really be able to command respect, not because of my authority or
Christine Tan: Mr Chang, you're 100 years old. You are the world's oldest billionaire. Are you happy about what you've built so far at PIL?

YC Chang: Yes, I am. Last time, Singapore had 15 (shipping companies). Now, only one, PIL can survive. Shipping is a very tough business. Very, very tough.

Christine Tan: And finally, Mr. Teo, you know you've got big shoes to fill. How does it feel like to carry on your father's legacy?

SS Teo: They are big shoes, and he had always reminded me at the year-end that next year is going to be very tough. I've been hearing it for 39 years already. But recently, we did a survey. We actually listed the shipping companies that were around when he started PIL. So we actually counted 15 of them but the 15 of them are no longer around. So that is actually, both a warning and an encouragement. The warning to say that look, you also can be one of them on the list. Encouragement is that we're still around despite all the ups and downs including that major consolidation we saw two years back. So, I think it's really to make sure that the legacy carries on. So, last year we celebrated 50 years, so my commitment to him and to my family, and to my colleagues is that we will celebrate 100 years.

Christine Tan: Your son has made a promise that the company will be around for the next 50 years.

YC Chang: He's getting old already. I stepped down because I'm getting old. Let the young man take over.

SS Teo: So to him, 60 years is considered a young man.

Mr Chairman, +++Surplus+++Fuel to You