



Secrets of Korean Register's continued growth

Established in 1960, the Korean Register of Shipping (KR) – IACS member and one of the world's leading classification societies – continues to grow and develop. Its international reputation for quality, technical excellence and customer service is well deserved and demonstrated by the continued growth and internationalisation of its fleet in 2009.

In 2008, KR's fleet grew by 5.4 million gt (132 ships) to reach an all-time record of 34.7 million gt (2373 ships) in total. This amounts to approximately an 18% increase in tonnage from the previous year.

As for newbuilding orders, KR had another successful year and the society concluded a total of 194 newbuilding contracts amounting to 7,600,000 tons in 2008. The current global financial crisis, however, will likely mean we will see a slight decrease in newbuilding contracts in the 2009.

At the end 2008, KR's newbuilding orderbook showed 438 ships of approximately 17.7 million gross tons which will take the KR classed fleet to more than 50 million gross tons in the near future.

Of note, KR's newbuilding contracts are for IACS CSR compliant vessels and this may be due, in part, to the KR CSR software programme, SeaTrust – CSR, which is currently being used by a large number of major shipbuilding yards and ship design companies in Korea, Japan and China. KR has arranged a number of technical seminars and training seminars at the yards and design companies where the KR vessels are scheduled to be constructed.

Driving this impressive international growth is KR's attention to quality, technology and customer service. Chairman and CEO, Mr Oh Kong-Gyun, is determined to eliminate sub-standard ships within KR's fleet and is taking bold steps in order to achieve that. As a result of employing stringent PSC detention prevention schemes, KR managed to achieve an enviable PSC record in 2008. According to its record, there was only one class-related PSC detention in the Tokyo MOU region in 2008 and no class-related detentions in either the USCG or Paris MOU regions.

The measures employed by KR to prevent PSC detentions include:

- Target Matrix Scheme, allowing the shipowners to manage ships in a more systematic fashion
- PSC pre-inspection service
- Timely dissemination of PSC related information
- Periodic PSC seminars and training for surveyors, owners and crew
- 'Flying Squad' of surveyors dedicated to PSC matters

A long-term measure to ensure KR's high standards and customer service levels are maintained is to continue the program of extending the organisation's international presence.

In late 2008, KR formally opened its European Regional Headquarters in the presence of 300 guests including the Korean Ambassador to Greece, chairman of KR's Hellenic Committee and chairman of the Hellenic Shipowners' Association. With the opening, KR will be able to better serve its customers providing excellent services around the clock. The headquarters oversee the activities of nine survey offices in the European region.

KR plans to establish its China Regional Headquarters in Shanghai in the first half of this year and once established it will manage the activities of the 5 KR survey offices in China.

KR has opened new branch offices in Durban in South Africa and Taipei in Taiwan last year. In 2009, KR's Mumbai office will be added to the list along with new offices in New Orleans, USA, Tianjin, China and Jakarta, Indonesia.

KR has undertaken its IACS chairmanship from Det Norske Veritas (DNV) from 1 July 2008 through the nomination and election of Mr. Oh Kong-gyun, Chairman & CEO of KR, as Chairman of IACS. During its chairmanship, KR has been endeavoring to make certain IACS' continuous contribution to maritime safety and environment protection with the themes of Promotion of class image, quality shipbuilding, and clean environment.

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Notes to editors

The Korean Register of Shipping is an IACS member classification society established in 1960 with the purpose of promoting safety of life, property and the protection of the marine environment. KR currently holds the chairmanship of the International Association of Classification Societies (IACS)