

Ship Management FEUPT01-N

Case Study Ever Given – Ship Management

Teaching Notes: Questions and Answers

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Case Study Ever Given – Ship management

How one ship can disrupt the world's economy

Introduction

The case study is about the grounding of the Ever Given in the Suez Canal. The exercise focuses on the ship management perspective. As a student, you are working for the ship management company Bernhard Schulte and you have the role as a duty officer of the firm named Herman Hoff. Your task is to figure out what the first priorities as a ship manager and which actions have to be put in motion after the disruptive event. Initially, you are going to read a short introduction about the ship management company Bernhard Schulte Shipmanagement. Then you are requested to read the narrative and answer the questions to provide the ship management company with information and recommendations.



Bernard Schulte Shipmanagement – Herman Hoff

Bernard Schulte Shipmanagement (BSM) manages a fleet of approximately 600 vessels, 20,000 seafarers and 2,000 shore-based employees. The ship management company is determined to provide maximum vessel availability, reliability, efficiency, and safety. One of the largest vessels in the world – The Ever Given – is part of the 600 vessels under management of BSM. They are in charge of the technical management and crew management of the Ever Given. The grounding of the Ever Given had significant consequences for the ship management company.

Narrative

The air was filled with dust and a strong wind with gusts of more than 40 knots per hour was raging around the ship as Captain John Doe watched out of the window from the bridge. There were a dozen other ships waiting on anchor to pass the Suez Canal, but these ships were barely visible in the hazy yellow air. Sandstorms occur more often in this season and has been the cause for 75 shipping incidents in the past decade according to insurance company Allianz Global. More than a third of those incidents were reported to be container ships with grounding as the most common cause of the incidents.

The Ever Given was scheduled to be travelling through the canal with the next convoy in the morning of March 23, 2021. The ship carried some 12,000 containers with a combined trade value of US\$ 1 billion. It was on a tight schedule to reach Rotterdam (The Netherlands) on 31st of August. The two pilots from Suez Canal Authority stepped on board and were welcomed by the Captain on the bridge.

Eventually the ship made its entrance into the canal. A few miles into transit, the ship began to move from port to starboard and back. It only appeared later – according to the legal documents filed at the Egyptian court - that the pilots had been in disagreement and given ambiguous advices to the captain. The lead pilot gave the order to go ‘full speed ahead’ while the other pilot wanted the ship to slow down. As the ship accelerated speed to 13 knots – where 8 knots is the maximum on this part of the canal – the ship was pulled towards the bank of the canal and came to a dramatic standstill as its bulb crashed into the side of the port side of the canal. Weeks later it would appear that there had been a fierce discussion between the captain and the pilots whether the ship would enter the canal under these conditions. It’s not that the captain had never done the passage before, neither is visibility a point of concern with all the modern navigation equipment on board.

It was early morning 6:20 a.m. in Hamburg when Hermann Hoff’s phone started ringing urgently. He was the duty officer of Bernhard Schulte Shipmanagement, a German company that was in charge of the technical management and provided the crew for the Ever Given. He realized this was a situation he had been trained for so many times. But this was not a training, this was for real. Meanwhile international media had picked up on this incident. Across the world, the grounding of the Ever Given was Breaking News, while on social media facts and fiction were mixing into a dangerous cocktail.

He stood up and started to act to the situation at hand.

Questions

Imagine yourself being the duty officer of this ship management company and ask yourself the following questions.

Question 1: First Priority

- What is the first priority of the ship manager?

Question 2: Emergency Response plan

- What activities would you put in motion? Organise your team. Who do you want to be part of the Emergency Response Team?
- Set up an Emergency Response plan and organize the work within your ship management company to cope with the situation. Who does what?

Question 3: Prevention

- What would you do to prevent such accidents from happening in the future?