

# NorthLink: Bringing Cruise-ship Hospitality Home to Scotland's Northern Isles



BY PHILIP DAWSON

*In developing a new lifeline service for Orkney and The Shetlands, the close partnership of NorthLink Ferries with Maritime Leisure Group breathes entirely new life into a long-established ferry services, creating a modern hospitality-based product that serves the needs of Island residents within the framework of a subsidised service, as well as boosting the regional economy with innovative world-class travel and tourism options for visitors.*



**T**he mandate of NorthLink Orkney & Shetland Ferries Ltd is to provide a lifeline service covered by the EC maritime cabotage rules. The operation is granted a government subsidy covering the transport of passengers and cars to provide an acceptably priced service on a normal profitable commercial basis. The service is tendered for on a five year period. If the subsidy changes hands, the incumbent operator has to take over the existing tonnage, infrastructure and personnel to maintain consistency and integrity of the service.

Initial concepts and a broad approach for the formation of a new ferry line to serve the Northern Isles were put together in 1997. The Scottish west-coast ferry line Caledonian MacBrayne (CalMac) had wanted to bid for the Northern Isles operations, but under the terms of its own subsidy arrangements to provide essential services on the west coast of Scotland, could not themselves be seen to be engaging in other commercial enterprises. Arrangements were made through Bill Davidson, then a director of the firm of KPMG's corporate finance department, to establish a partnership on which the new venture was founded jointly by CalMac and the Royal Bank of Scotland through their Infrastructure Finance Group.

CalMac brought in the benefit of its 125 years of Scottish shipping experience as well as its well-honed strengths in modern ship management, safety systems and other technical matters. Davidson was first engaged as a consultant to CalMac, and later recruited into NorthLink as Chief Executive designate, assuming the position at the time of the first ship's handover to the Line in August 2002. The new venture was floated in the year 2000, tendering the preferred bid for net-

work services to the Northern Islands. Contracts were finalised with the Scottish Executive in December for NorthLink Ferries to replace P&O on these routes for a five year period beginning in October 2002.

### New ships and services

In early 2001 contracts were signed with Aker Finnyards of Rauma, Finland, for the construction of three ro-pax ferries, including two 12,000 gt, 125-metre ships for the Aberdeen-Orkney-Shetland route and an 8,600, gt, 110-metre vessel of similar design for the Scrabster-Stromness run. The contract for the smaller vessel was originally offered to Clyde-based Ferguson Shipbuilders, who had delivered a number of CalMac's more recent newbuildings, but ultimately declined the NorthLink contract owing to other commitments.

These were purpose-designed for service in the Northern Isles, with their hull dimensions optimised for the ports they would serve. They were built for remarkably high performance for tonnage of their class, with the two larger vessels each having a relatively high speed of 24 knots, reducing the crossing time between Aberdeen and Lerwick from 20 to only 14 hours. All three ferries were also created to offer their passengers an altogether higher standard of service, with modern cruise-ferry style cabin accommodations, a choice of alternative dining options, entertainment facilities, cinema, shopping and other onboard services.

In addition to the three newbuildings, the ro-ro cargo vessel SEA CLIPPER was acquired from the Estonia Shipping Company and converted to handle livestock shipments and hazardous cargoes. NorthLink wanted to get away from the practice of serving the region's livestock slaughter trade aboard passenger-carrying

**“The ro-pax ferries were purpose-designed for service in the Northern Isles.”**

*HJALTLAND, seen here at her northern Shetland Islands terminal in Lerwick.*



ferries. By using a separate purpose-fitted ship for livestock, the new Line was able to avoid having to schedule mainland arrivals to coincide with abattoir operating hours as well as sparing their passengers any odours, noise or other dissatisfaction from the onboard presence of farm animals.

NorthLink's business objectives were to take the service beyond the mandate of providing an acceptably priced lifeline service by also asserting similar standards of shipboard comfort and hospitality on the Northern Isles to other international ferry services throughout Europe and Scandinavia, thereby creating a wider demand for travel and tourism in the region. The idea was to also back up the shipboard product with appropriate supporting infrastructure, including upgraded port facilities with new passenger terminals and covered airport-style boarding bridges, both on the mainland and in the Islands.

Contacts were first made between NorthLink's Bill Davidson and Maritime Leisure Group's Jürgen Scharhosi in London at Cruise + Ferry in 2001, where both men discovered that they shared a like-minded enthusiasm and approach for marine operations and shipboard hospitality. An agreement was reached initially engaging Maritime Leisure as consultants in the areas of hotel management, food and beverage, procurement and provisioning, and for start-up of the operation. NorthLink was impressed with Maritime Leisure's flexibility, innovativeness and diversity of experience. As development continued, the original consultancy agreement was extended to include full operation of NorthLink's shipboard hotel services, deck and engine crewing, development of operations procedures and manuals, as well as commissioning and delivery of the ships.

Maritime Leisure arranged the delivery voyages of the ships, storing and preparation for service and the

additional staffing needed through the start-up phase through a Finnish marine operations counterpart. Jim Evans, a former P&O man, who had been working independently as a consultant to CalMac and NorthLink, was hired by Maritime Leisure as part of its NorthLink team.

Start up of NorthLink involved transfer of the service from its former operators, P&O Ferries. While the new line would introduce its own purpose-built tonnage, arrangements were made to absorb all of P&O's crew who wanted to join the new Line. There were some issues of security and confidentiality concerning the release of personnel records from P&O that had to be resolved with the unions concerned and the management of both lines, with the end result that most (about 80 per cent) of the P&O shipboard and shore-side staff joined NorthLink.

## Creating the product

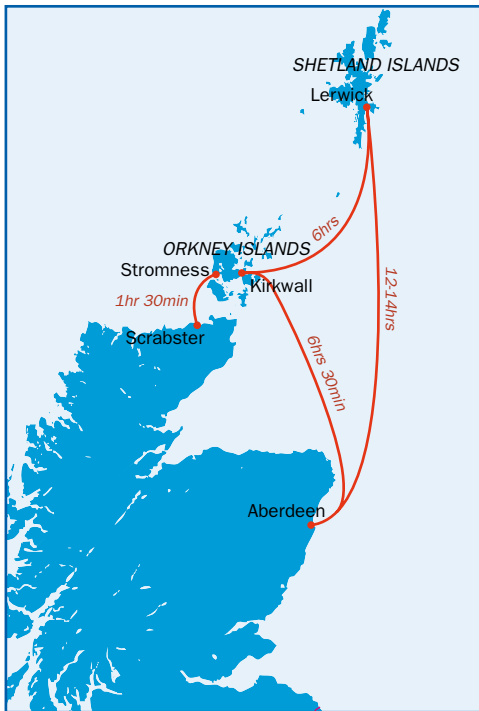
Maritime Leisure worked closely with NorthLink to develop the product beyond the basic ferry service mandated by its subsidy agreement to offer added value of a substantial hospitality element run by an onboard hotel director, as well as new travel and leisure opportunities for those visiting Scotland and the Northern Isles. This was planned to pro-actively bring NorthLink into participation in the region's economy by using local products and services as far as possible. The onboard cuisine features seafood, produce and other specialties from the Islands and from the Scottish mainland, while the shops aboard the ferries carry various goods produced in the region. There are plans to also introduce live entertainment from the Islands onboard at a later stage. Quite apart from merely offering *something of local taste and charm* to visiting tourists, this gives the region's people and their commercial enterprises a stake and an interest in the Line's presence among them, and ultimately a share in the added prosperity brought in through its services.

As a condition of its role to provide lifeline services to the people of Orkney and the Shetland Islands, NorthLink is required to ensure that there is always accommodation available to island residents on their ships, and that the space is never completely preempted for alternative trades such as holiday travellers and tourists during the high season. Islanders can apply for a 30 per cent reduced fare, and can also transfer this privilege to the purchase of tickets to bring family members and friends to the Islands. To some degree this is similar to the Relative Bargains scheme developed by WhiteLink for Isle of Wight residents to host their families and relatives.

At the end of a long (30 years plus) love/hate relationship with P&O Ferries, many of the region's people were at first a little dubious about NorthLink's new services and its large modern Finnish-built ships. The people of Scotland and her islands have a deep-rooted sense of pride in their lands and heritage. Regular steamship service to the Islands started in the late Nineteenth Century with ships operated by the North of Scotland & Orkney & Shetland Steam Navigation Company, better known simply as The North Company, which then traced its history back nearly a further hundred years through various ownerships, mergers and other changes of identity. The steamers ST ROGNVALD and ST SUNNIVA set a standard of service and reliability in the 1880s, on which the Company continued to build its fine reputation, with the services finally being absorbed into the P&O Group in 1971.

While NorthLink carries the tradition of Northern





NorthLink's route map (above) shows the line's comprehensive network of mainland and interisland services.

Isles passenger shipping forward into the Twenty First Century, the new line's objectives of introducing cruising hospitality and tourism, history comes full circle, as the ST ROGNVALD had introduced cruising to Orkney & Shetland in 1886 at the price of GBP10 for a nine day excursion from Bergen, Norway. Until larger purpose-built cruise ships started to emerge in the early Twentieth Century, The North Company played a key role in introducing the travelling public to the pleasures of cruising. Their modest, sturdy and comfortable steamers made extensive seasonal cruises around the British Isles, Norway and Western Europe, occasionally venturing into the Mediterranean and as far afield as the Holy Land and Egypt. P&O's last ST ROGNVALD had her final farewell to Orkney at 11:00 pm on Monday, 30 September 2002, as she was piped away from the pier by P&O's Kirkwall Manager Arnold Calder, a former Pipe Major with the Kirkwall City Pipe Band, as she made

her final cargo voyage to Aberdeen.

As P&O wound down its Scottish Ferries operation, all three ships were sold to new owners for further trading. ST OLA has gone to Estonian Saareman Shipping, with ST CLAIR and ST SUNNIVA being purchased by Saudi and UAE interests respectively.

For many islanders, the new NorthLink ferries took a little getting used to. They were criticised for appearing too high, "with too much windage," compared with the old P&O tonnage that had served the Islands for so long. Some thought these were altogether "too fancy" and "too posh" for the islands. Bill Davidson himself explained to the press that the great height of the new ships the Island population was unaccustomed to seeing was largely a result of new safety regulations requiring the ro-ro cargo deck to be some 1.5 metres above the waterline. He went on to point out that the new ships were designed and built especially for the region's navigating conditions, with the reserve power and manoeuvrability devices and automation to enable them to be handled safely and effectively in the region's harbours, despite the additional 20 to 30 percent of additional windage above P&O's ST SUNNIVA.

The product design of hotel and hospitality services for NorthLink creates, as Maritime Leisure's London-based Managing Director, John Bywater explains, "an atmosphere which makes passengers feel like cruise guests." Guest service is offered around the clock, including the times spent in port for the benefit of those passengers making round voyages or staying aboard as part of cruise and holiday itineraries. The product was developed with a greater emphasis on cuisine, shopping and leisure activities than residents of the region have been used to in the past. Yet the service endeavours to also meet their requirements of basic transport, without making the local traveller feel in any way patronised or coerced into unnecessary onboard spending or participation in shipboard activities. All facilities and services are available to all passengers, yet those wishing to get from one place to another at minimal cost can avail themselves of reclining airline-style seating in lieu of en-suite cabin accommodation if they so wish.

### Promoting the region

Advertising and promotion for NorthLink and the Northern Isles is being directed at stimulating a broader presence for the Northern Isles in the UK travel market, highlighting the value-added hospitality features of the Line's more cruise oriented product, as well as the other travel and tourism opportunities the region has to offer. NorthLink's brochures are now being racked by leading

Local passengers boarding HJALTLAND are greeted by ship's hotel staff as they would be received by the concierge at a hotel ashore (right). Once aboard they discover the elegance of the ship's interiors, including the main reception hall (below left) and the à-la-carte Ladeberry Restaurant (below right).



travel agency chains throughout Britain.

As part of a major joint initiative with the Orkney and Shetland tourist boards to develop tourism in the region, NorthLink is developing various niche market and other specialty travel options under the Viking Island Holidays brand. These include tours that explore the region's Norsk and Viking heritage, cycling expeditions and birdwatching excursions. They are being set up by The Shetland Touring Company and Orkney Tours (Orkney Guiding Service), which were absorbed into the Maritime Leisure Group in 2002.

The programmes offer a great deal of flexibility, ranging from fully escorted tours to travel arrangements where passengers make their own way from place to place on a loosely defined itinerary with overnight accommodation arranged. Some itineraries will include arrangements with Smyril Line aboard its new ferry NORRÖNA, as well as possible links with Superfast's services to Zeebrugge. There is also an existing summer service between Lerwick and Bergen that could offer additional possibilities for future development. These create some fascinating open-itinerary possibilities for travel to Norway, Denmark the Faroe Islands and Iceland, starting from the UK, Norway or Denmark.

After being successfully showcased at a number of UK travel industry trade shows and forums, these offerings are being widely viewed as models for other tourist boards in Scotland to develop similar programmes and links with connecting services to breathe new life into tourism throughout Scotland and other parts of the British Isles.

### Serving the home market

The special needs of the local population are likewise taken care of. Facilities are available for motorcyclists, where padded frames are provided for riders to secure their own bikes on the trailer deck without risk of the damage sometimes done by the more conventional motorcycle securing devices used aboard ferries.

All three NorthLink passenger ships also are fitted with kennels for those passengers travelling with or transporting dogs and other small animals. The inclusion of link-span-accessible morgue compartments is a thoughtful touch in consideration of islanders who receive palliative care on the mainland and after their deaths are returned to their homes for burial. This at least spares grieving family and friends the anguish of seeing the coffins of their deceased loved ones being lashed on deck beneath tarpaulins.

The region's population was kept well informed and involved as far as possible in NorthLink's development. A public competition was organised through the newspapers and regional BBC broadcasting services of the Northern Isles to choose names for the ships. From among the 415 entries received, the Aberdeen-Kirkwall service ferries were given the old Norse names for Shetland and Orkney, HJALT-LAND and HROSSEY, while the smaller Scrabster-Stromness vessel was named HAMNAVOE, meaning safe haven which is the old name for Stromness. The cargo and livestock ship, HASCOSAY is named for one of the small inlands of Shetland.

Sometimes a little humour can go a long way towards creating a good relationship with one's public. Islanders often complain about weather and tourist maps of the UK where Orkney and the Shetlands are shown in a box insert. As a promotional gimmick a map was made for NorthLink showing the Northern Islands in great detail and the rest of the British Isles at reduced scale in a small box at the lower left.

Prior to commencing operation, open days were held at the terminal ports to introduce the Line and its ships to the travelling public, who showed great enthusiasm. When the services were opened in October 2002, the first NorthLink passenger to land at Orkney was a woman who rode ashore from the ship on her bicycle. At Stromness, the oldest lady

**“The birth of NorthLink Ferries is a significant and remarkable undertaking.”**

### Starting Up a Ship in Service

When a vessel is handed over to her owners at the completion of construction or following an extensive refit, she will have been fully stored, bunkered and crewed ready for sea. The regular crew will have been assembled aboard during the final weeks of fitting out, accommodated, togged out with uniforms and familiarised with the ship's operating standards and safety procedures. As Maritime Leisure's Jürgen Scharnosi points out, “creating the standards are only half the solution - the other half is presenting and communicating the information effectively to those who will use it in their daily work.” Yet there still remains a considerable effort to prepare for revenue passenger service. Once the yard's work is finished, their tools and equipment offloaded and personnel gone ashore, the entire accommodation needs to be thoroughly cleaned of the dust and grime that inevitably comes from construction or refitting. With bulk storing of all provisions, supplies and consumables required for

service completed, ready quantities of all items needed for the first voyages need to be distributed to the service points from where they will be dispensed and used throughout the ship. Dining room items must be unpacked and stored in their proper places for use in service, pantries and bars likewise stocked and equipped. Towels, bed linens, toiletries and affinity items need to be distributed to the cabins. Retail and other service points including the beauty salon and spa need to be stocked and inventoried. This effort requires 50 per cent additional crew working aboard the ship for several days, depending on her size and complexity. Reliable start-up crew can be recruited either from the yard's vicinity or from Asia, with the value of their work offsetting the travel expenses of bringing them to and from the ship. This work can usually be done on the delivery voyage from the yard to the vessel's home port, or during a shakedown voyage before going into full service. Very often

short press and travel industry presentation excursions are offered after a new vessel's delivery, allowing the operation and service to be tried in dress rehearsal with guests aboard. Shake-down voyages are sometimes sold to the public at lower fare as such, before going into full revenue service. Once the initial startup work is done during the delivery passage, shakedown excursions or pre-inaugural cruises, an additional 25 per cent staffing level should be retained through the first few revenue voyages to work through the familiarisation stage as people learn their way around the ship and its systems. Ideally the additional start-up personnel can ultimately be retained as part of the relief crew, taking full advantage of their personal involvement through the startup, and the knowledge and interpersonal working skills developed in bringing the new vessel into operation, and so maintaining a consistency of service while other personnel are on shore leave.

living on the island was brought to meet the ship in a vintage 1932 2-litre Lagonda automobile owned by Bill Speers, proprietor of John Jolly, the local stevedoring company. The lady made an agile ascent of the steep temporary gangway to look over the new ship. She was very impressed, saying that she thought she would like to take a trip aboard the new ferry some day.

### Going into service

Apart from the inevitable *teething problems* of any new service, including a 48 hour delay in HASCOSAY's first sailing from Kirkwall, the greatest setback faced by NorthLink was the result of a new pier at Scrabster being incomplete to the point of preventing the new larger ferry HAMNAVOE from going into service at all. The ship was laid up at Leith, while alternative arrangements were made to use the smaller CalMac ferry HEBRIDEAN ISLES as stand-in vessel operating from the old P&O pier to provide interim lifeline services to the Island. Obviously this has been a disappointment to NorthLink, as well as to the Island population anxious to avail themselves of the new ship's greater comfort and luxuries. Completion of the pier has been further set back by winter weather conditions and the damage these have caused to the tubular piles already erected. At the time of writing construction is slated for completion in April 2003, with HAMNAVOE'S service debut foreseen for 21 April.

Although new passenger terminal facilities were also incomplete at other ports, the existing piers and infrastructure were at least able to handle the new ships while construction was being completed. HASCOSAY's late debut was for the most part covered by her non-hazardous cargoes being transferred to HJALTLAND and HROSSEY.

The birth of NorthLink Ferries is a significant and remarkable undertaking, representing an investment of nearly GBP100 (USD156) million in tonnage alone to the new company's account and a further GBP47 million in harbour development costs being largely met by the Scottish Executive. With the exception of the Scrabster harbour difficulties, which were covered by interim measures, the entire venture was launched and implemented on time and within budget, and most significantly, to the general satisfaction of the people who depend of these lifeline services as well as and the general travelling public.

Within their first weeks of service HJALTLAND and HROSSEY were already fully booked for several sailings during the autumn mid-term school holidays in October 2002, despite the heavy seas and high winds that quickly put the new ships to the test of their natural elements.

During the first weeks the new ships were in service, a man came to one of the Island passenger terminals with his sheep dog, enquiring about fares to Aberdeen for unaccompanied dogs, as had apparently been offered by P&O. When asked by the agent why he wanted such a service, he said that his dog was being sent to "service a bitch" on the mainland. Without further discussion a ticket was issued for the sheep dog and a visitor boarding pass for the man to bring his animal aboard the ship and arrange with the crew for feeding and care during the crossing. Indeed service and flexibility are part of NorthLink's operation. It is the handling of special requests and situations such as these that best bespeaks the spirit attention to the customer's needs and of service excellence that are the lifeblood of both NorthLink and Maritime Leisure's way of doing things.



HJALTLAND at Lerwick, showing the new link-span and the airport-style enclosed boarding bridge at the right.

