

# "IF I WERE BORN AGAIN.."

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*Anele Trading International Company, which operates in the Aegean Free Trade Zone, is engaged in the marketing of all types of food products. Ship chandlery business, the family business of Şimşekler, dates back to the time when they started providing ship chandlery services at the Aliağa, Nemrut Bay 35 years ago.*

Albatros Ltd. Şti, with the headquarters located in Al sancak, near the Port of Izmir, manages and Controls all the branches located at Aliağa, Kusadasi, Guttuk, Çanakkale, Iskenderun> Istanbul and Karadeniz E regl IsL AVS Maritime Services, VHT Logistics and Supply Ltd., Vatan Canned Food and M ES Line are among other companies of the holding, We discussed ship chandlery in Turkey and the place of their companies within the sector with Abdulvahit Simsek, Chairman of AVA Holding, who stressed the importance of ship chandlery for himself saying, "I would do the same thing if I were born again; I have immensely enjoyed everything I have done!"



First of all, let us begin with your story about moving from Izmir to Istanbul. What was the driving force behind this move?

Istanbul is the heart of Turkey, and one of the few places in the maritime industry in the world. The city also has a very important position in terms of logistics activities. Therefore, Istanbul is the point where the idealist firms who have set targets in the sector will ultimately arrive at Istanbul has been the target we have known and trusted since the time we stepped into this industry. Nevertheless; you will certainly need a specific amount of know-how and instruments, and customer portfolio and strength in order to be productive here, so that you will not melt away in Istanbul. We have already provided services in the fields of ship supply, repair and maintenance, as well as agency services in the maritime industry for 30 years. And here we have a shipping company carrying out activities for a period of 7 years. That is, we actually came to Istanbul 7 years ago, yet we relocated our holding last year.

## **What is your view about the ship chandlery activities in Turkey?**

We have engaged in ship chandlery for 30 years. Ship chandlery business gradually grows in Turkey. We wished to turn the business into something so that the existing ship chandlery firms or those who will step into the sector recently would not have to go through the problems we did. We established an infrastructure in order to become a wholesaler for our colleagues engaged in this activity in Turkey. We have expanded our investments in Izmir and launched an investment of 8,500 m<sup>2</sup> in the Izmir Free Zone. We supply any and all of the supplies that may be used on a ship whether at home or abroad, and send them to our colleagues at times and quantities they require in wholesale. An environment has now been established for our colleagues within the sector through which they





can supply their Products from a single point. We have always questioned ourselves, asking "Are we in a position to serve to this sector as the sector develops?" We had to be in that position. So we have Improved our infrastructure and equipment. We can assist our colleagues and supply ali kinds of products so that they do not need to search them abroad. Thus they can, in turn; provide services to their own customers more quickly. This further enables obtaining a greater share from a market which was lost in the past, and helps the customer going abroad to stay here more, Formerly ships came to Turkey after having purchased the necessary supplies, however now it is possible to render the necessary services from any port in Turkey with great convenience. Especially during the past 10 years our country has started to become a base of supply due to the Investments by our colleagues and their meticulousness with service quality. At this point the contributions of our ship chandler colleagues, who have recently joined in the sector, are also undeniable. Our target is to ensure taking the market in Turkey under control and to establish the environments whereby 70% of the market can be served jointly with our colleagues.



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#### **Where do you purchase the products you supply?**

Vessels coming to Turkey are those flying Turkish and foreign flags. There are people from different countries. You need to have a great variety of products. Each nation has a unique taste for food/ and there are also



more common products. Therefore, we supply these products from home and also from different places abroad. We purchase goods from everywhere, inciuding the Phiiippines, Russia/ the USA and Europe, and store them in the Aegean Free Zone depending on customer requirements. in terms of production, we certainly wondered/ thinking nHow can we manufacture these products under our own brand?/f For examplef Vatan Canned Food has been active since 1950s. We acquired the company in 2004 and we at least provide the canned food also to our International customers under the brand Vatan. However we generally purchase 95% of the products from abroad.

#### **If we also take a look at your brothers, we see that generally ship chandlery has been chosen. Is this a business inherited from your father?**

It is not indeed a business inherited from our father. We entered into the ship chandlery business by a trick of fate, and not consciously. Everything started with a greengrocery founded by my brother 30 years ago. it came up to this point thanks to the entrepreneurial spirit of my elder brother\ Osman Simsek. The coasters calling at Aliaga made us become aware of the existence of such a market When my brothers took the business a Uttle more seriously, they met the needs of the ships sailing to that place and so we started getting recognized. The Şimşekler Ship Chandlery, which carries on its activities in Aliaga presently, was bom this way. Subsequently we said, "Let us expand this business ali över TurkeyWhen this also proved to be efficient, ship chandlery business passed from hand to hand in a way similar to a flag race with this thought "Why don't we carry this business to the international platform?"



### **If we look at the world market and the market in Turkey, could you please compare the competitive environment in ship chandlery business?**

The ship chandlery business was truly difficult in Turkey at the beginning. Especially foreign vessels could not find what they looked for and we experienced great difficulties. Some of our colleagues in the sector had found certain solutions. They had opened bonded warehouses and started to bring goods for vessels from abroad and ship in them in transit yet this was not enough. Naturally we had lost customers since we were unable to meet the needs of vessels in this sense. Therefore, since vessels were already aware that they were unable to meet their needs here, they came here after purchasing the necessary supplies at the previous port. At those times, the Turkish market could not even be compared to the world market. Subsequently the number of those who believed that this business could be carried out in Turkey with a focus on investment has increased. We have also invested everything we had in this business for a period of 30 years and also supported the newcomers. We believed that Turkey could be a supply country, and, when we look at it today there is no difference between the Port of Rotterdam and the ports in Istanbul, Izmir, Mersin as regards to services rendered and quality. I can say that we are also more attractive in terms of price. We can reach every port at great ease. Now the target is to meet the needs of 50-60% of the ships sailing to Turkey. When compared with the past, the number of ship chandlers has increased. When only a few ship chandlers were serving to arriving ships in the past, now we have a large number of competitors in the sector who have strengthened their investments, infrastructure and staff and who offer a high quality of service. Both the market rises and the number of those providing this service increases. Ships arriving here go back after having obtained services. We should mention our own ship chandling firms AVS, Albatros, Şimşekler, as well as our competitors such as Haşimoğlu, Mobydik, Gimas, Atlas, Alfa, Cihan, Tuna, F&D, Istanbul Ship Chandlery, Artemis Marine, Altunayar, Adler, which seriously carry out this business and have given their support to the promotion of the quality in the sector. We should benefit from the increase in supply and demand, so that one will not let the foreign currency escape abroad. This is our own market and we, as the people of this country, should protect this market. To achieve this, a good infrastructure and enthusiastic people are needed. This sector is new and will be flourishing.

### **How much of the needs of ships do we supply currently?**

I am talking for all ship chandlers: I think we hardly serve to 15% of ships coming to Turkey.

### **What do you do other than ship chandlery?**

We own a ferry named "Kaptan Zaman" operating between Italy and Cesme. Passenger and vehicle transportation services are provided during the summer months. We also have Vatan Canned Food as a different business.

### **How many people are employed within the holding?**

150 people are employed and they are involved only in the maritime business. There are 300 people working at Ava Holding. This number is for the winter season. It changes during summer; we have some seasonal operations.