

When saying Procurement AVS all over the World

AVS Global Ship Supply and Management, founded in 1985 is one of the Turkish companies that has succeeded in enriching its experiences over the years with the global vision. The company serves 700 domestic and foreign vessels in the global and catering sense with more than 1,500 supply points spreading all over the world. AVS has a wide range of services from catering to satellite communications and ship management systems with its extensive supplier network and technological investments.



Abdulvahit Şimşek
AVS Chairman of the Executive Board

Although AVS Global Ship Supply and Management were formally established in 2001, its experience in shipbuilding dates back to old times. The adventure that started with the family companies founded by Osman Şimşek, the older brother of Abdulvahit Şimşek, in İzmir Aliğa, has become a service range spreading all over the world as a result of the global vision created by AVS Chairman of the Executive Board Abdulvahit Şimşek. The company continues its adventure with its catering service by adding technology-intensive services. AVS, having successfully managed a network of over one thousand 500 supply points in more than 100 countries today, has a holistic and integrated

approach to vessel needs with its investments in satellite communications, information and communication fields. Abdulvahit Şimşek, Chairman of the Board of Directors of the Company, explained the establishment, development and objectives of AVS to Net Sea.

Let's start with the story of AVS. How was the company founded and what has it come to these days?

The story of AVS dates back to 1985. We mention of a pool of experience and knowledge accumulated over a period of more than 30 years. In fact since 1978 we come from a family that is interested in maritime. Our family has been dealing with procurement,

Today, we have reached close to 1500 supply points in more than 100 countries. There are 700 ships in our pool that we serve in sense of global and catering. ■

ship dismantling and ship-owner jobs in İzmir Aliğa, starting from those days. We, as AVS, engage in the fields of ship supply, catering, technical catering, marine technologies and ship management in

Istanbul. We have established many companies that serve different areas of maritime industry and we have been active in the sector. We have realized the most recent institutionalization under the roof of AVS Global Ship Supply and Management S.A. At the moment, AVS Informatics, AVS Global Supply and Rammi named food companies are working as locomotives within the body of AVS. There are other companies that are large and small, but these are main companies.

You have already continued your activities with the family companies in İzmir. What were the factors being the reasons for both

in the foundation of AVS and transition to Istanbul?

The AVS was officially established during the 2001 crisis. But as I mentioned, our know-how goes far beyond. After a certain point during the crisis, it was the customers we serve would not come to Turkey. We realized we could not handle it like this. If our customers did not come to us, we had to go to them. Therefore, we had to establish a more global vision. Both our vision and our products had to be more global. We have also shaped the AVS Global Ship Supply and Management S.A.

Let's open up the global vision that you are talking about. What was your starting point while taking the road?

The first necessity that comes to mind when we say how we put this business into practice was to develop the world scale supply network. We had a great deal of enthusiasm from the Turkish ship owners, while putting this into practice. We have exchanged ideas with our customers. We sought ways to take our services further. We realized the vessel catering project. We represent a first in Turkey in this field. I can say right now that we serve 70 percent of Turkey's commercial maritime fleet.

Of course, in order to be able to offer this service on a global scale, a serious supply chain has to be established. What is the size you reach at the point you arrive today?

Initially we had a supply network of 100-150 points in 20 countries. Today, we have reached close to 1500 supply points in more than 100 countries. There are 700 ships in our pool that we serve in sense of global and catering.

A very serious figure ... Do you routinely serve these vessels in the direction of a specific contract, or do you have instant, individual requests?

There are also shipowners who we work with both



types. These ships require routinely procurement every month. Therefore, as the number increases, the better we can plan or get more affordable prices. As the number increases, we are also increasing our bargaining power with procurement points around the world. Our most important demand from our procurement points is to provide the best service and deliver the best product on time. We are doing business beyond being a storekeeper, our business is bringing the storekeepers together on the earth in a network and producing services. We provide the standard that the customer expects. For example, if the shipowner who wants to receive catering service has set a daily budget of \$ 9, we provide service to all vessels in accordance with this standard

I think your customer portfolio is not limited to Turkish shipowners...

Since we work internationally with the maritime sector, we can also offer the same logic to our foreign customers without encountering problems. There are also foreign vessels in the serious rate within 700 parts ship which we serve in the sense of global and catering. So this allows us to create a common synergy. The world itself is now a market for us and all the suppliers there are our potential depot. All vessels sailing on the seas of the world are also our potential customers.

In the international arena, you serve an international customer portfolio. So there are too many variables. I think it must be difficult to control these variables ...

We are trying to read the national and international sector well. We need to be able to read what we will do a few years in advance. Otherwise, these are not realizing with the decisions to be taken in the last minute. You have to build your vision according to it. As a matter of



course, you need to constantly improve your service quality one the one hand and you need to renew yourself with new products in line with customer needs on the other hand.

While mentioning about the new products, AVS's service range is not limited to ship

catering only Let's talk about your other products and services. What other services do you provide your customers?

We are a company that brings the service area from local to regional, from regional to national, from national to

international. Therefore, we have the obligation to shape our products considering international needs. One of the products we developed in this way is Sim4Crew. There are 1.5 million seaman in the world shipping industry. The first thing these people

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Madde 4

Dernek'in mevzuu ve gayesi: Dernek'e üye olan tersane sahipleri lüzumlu tesanüdü temin etmek, lokal tesis etmek, Milli gemi inşa sanayini inkişaf ettirmek, gerek mevcut tersanelere gerekse Devletin göstereceği mahalde acilen kurulacak tersanelere Devlet himaye, teşvik ve yardımını temin etmek üzere ilgili bütün Bakanlıklarla, özel ve kamu kuruluşları nezdinde çalışmalar yapmaktır.



■ We will launch AVS Greece together with our Greek partner in the Posidonia fair. Our goal is to assess the potential of 5 thousand ships there. ■

do when they arrive in any port is to communicate with their loved ones and be able to yearn for them. We put Sim4Crew into practice in the direction of this need. Seamen purchasing such sim card are able to communicate with their loved ones with a price under the local fee of the country, always with the same phone number, in 172 countries of the world. It's just a sim card made for the seaman. We have about 16,000 users now. Our

objective is to make it even more widespread.

This is one of your products particularly reaching the last customer ... Allright, what are your other services that you offer to the shipowners?

We think it is very important to reach Big data. However, this is not enough for the point reached, you have to be able to interpret and use it correctly beyond reaching the data so you can make a difference. In line with this understanding, we incorporated Edmar, the first information company to serve in the maritime industry recently. Our main objective was to evaluate the company's know-how. At present, we continue to operate under the name of AVS Informatics under the AVS roof.

What kind of services does AVS Informatics provide?

AVS Informatics is the company writing Turkey's first fleet management program in the period that

it has served with the name of Edmar. Many shipowners and management companies are still using this program on their vessels. After we incorporated this company, we have developed both the existing program and the new software for the maritime sector. Currently, the number of vessels using the program is around 200.

The shipowner can regularly monitor all movements on any vessel thanks to this program. All the transactions on the vessel are processed by this software and business follow up is done through this program. Our current goal is to be able to manage this program through a specific cloud and make it accessible via an application even from mobile phones. We plan to release this version at the end of 2018.

In addition to traditional procurement, we are talking about technology-based service procurement



methods. This is an important approach for Turkey ...

AVS Bilisim is the only company that has AR-GE certification in the maritime industry. This is important in how we look at the maritime industry and how we are trying to identify and complement the shortcomings in the maritime industry.

In this sense, satellite communication is another field that we have entered at the beginning of 2018. At present we are servicing about 50 ships. We can make the ships online 24 hours a day, we can offer internet for the use of staff. Our goal is to integrate it to the fleet management program.

So what are your plans for the future in the context of technological and ship supply?

We are thinking of making especially the points that our customers visited most, the main supply center, some points on the earth, in the coming period. Such points will function as a supply hub for us. We are currently setting up our organization in 4 locations, but we plan to increase this number to 10, and we will increase it to 20 by the next stage.

What is the function of these hubs?

We already provide the

services through the network we have established with nearly 1500 supplier companies all over the world. The points we call hub will be our own stores. In this context, we incorporated 55 percent stake of a firm engaged in food trade in Turkey. By using this advantage, we will send local products suitable for our customers' taste and food cultures from here. Thus, we also will contribute to the export.

We thank you Mr. Abdulvahit. Finally, is there something you want to add?

We have an investment in Greece that we made it actual and I would like to talk about it. We have a serious potential nearby us, we have been thinking about how we will evaluate this potential in the last two years. We will launch AVS Greece together with our Greek partner in the Posidonia fair. Our goal is to assess the potential of 5 thousand ships there. We will serve the same services we provide here, and we will spread this model over other geographical areas that we see fit in time.

Our other goal is to complete all of our infrastructure works by 2020 and present a part of our company to our customers and then make it a permanent global value by offering it to the public.



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