

## Celebrating Fernance Perry

The recent passing of one of the founding fathers of BCL, Fernance Perry, was a sad day for the company and Bermuda. There is however much to celebrate about Fernance's life and his significant contributions. Fernance was a founding member and major investor of Bermuda Container Line's Board of Directors, serving on the Board for over 30 years. "The Beginnings of Bermuda Container Line Ltd" written by former manager Frans Rowaan, as a BCL historical document in 2004, included the following observations.

"Homage must be paid to three men who have stood out over the course of the past decades, creating and growing Bermuda Container Line into an outstanding company for its customers and shareholders. They are Gilbert O. Darrell, Fernance B. Perry and William J. Brewer. Fernance Perry made Bermuda Container Line possible, not only by his early leadership in the founding of the company, but also by his substantial and fearless contribution to the company's capital when it appeared that not enough could be raised. He is a classic example of someone who is not afraid to put his money where his mouth is."

Fernance Perry was listed as one of three names in the 'Notices' of the September 22nd 1978 edition of the Royal Gazette to incorporate a company called Bermuda Container Line. The early founders passionately believed that Bermuda should control the critical shipping connections that the island depended upon. Prior to BCL these shipping connections were owned and operated by European and North American companies. The forming of BCL was a huge financial risk that eventually succeeded because of the broad support of the local importing community. Directors knew that Fernance wasn't shy in expressing his views. His focus was always on what was best for the company, the shareholders, importers and the success of Bermuda. Fernance gave to BCL as he did to the community, with passion and integrity. Today, Fernance's son Chris continues his legacy by serving on BCL's board.

On behalf of the Directors of BCL, the Management, Staff, Shareholders and Importers, we send our deepest sympathy and offer our sincere condolences to his wife and family.

He will always be remembered for being an integral member in the creation of a cost effective and reliable Bermuda-owned ship, the Oleander, linking Bermuda to the world.



## Upgrading BCL's refrigerated container fleet

Bermuda fresh produce importers rely on the Oleander's first, fastest and most reliable weekly shipping service to Bermuda. Through the summer season, the Oleander is discharged each Sunday evening. Refrigerated customers have the option of delivery of their cargo on Sunday or an early delivery on Monday. This month, 77 brand new state of the art "reefers" have come on line, along with an extensive asset preservation program to fully protect BCL's expensive investments. In addition, BCL has upgraded its genset fleet. BCL's new refrigerated containers, provide lower running and maintenance costs and damage prevention features.

## Neptune LIVE BCL's new documentation system

BCL's new documentation system, Neptune LIVE, has now been in operation for several weeks. The company would like to thank our customers for their patience while the new system was built from scratch. The totally customized system is enabling NGML staff to release customer documentation earlier in the week, which enables customers the maximum amount of time to pre-clear their goods.

## Winter Schedule

The winter sailing schedule came into effect as of October 31st with Voyage 1780. The Oleander now departs New Jersey on Friday evenings, extending the receiving hours to 4:00 PM. Through the winter, the Oleander is scheduled to arrive in Hamilton on Monday mornings at 8:30 and begin offloading shortly thereafter. It is BCL's highest priority to maintain the most reliable service schedule throughout the ever challenging winter season.

## Snow Contingency Plan

After the historic 2014 East Coast US winter weather that inconvenienced customers while adding expense, the company has developed a viable contingency facility should winter snow issues arise again this year. As long as the roads are clear, BCL has a convenient drop off location option for truckers whenever needed.

## Night navigation to enhance service schedule and lower BCL fuel costs

BCL continues to pursue the installation of channel navigation lights to enable on demand arrivals and departures. Without night navigation, ships are forced to burn extra fuel, which results in additional cost. Extra fuel is burned to speed back to the US when prevented from departing Bermuda because of darkness. The amount of additional annual cost to BCL is significant. Having the ability to arrive and depart Hamilton as needed will also enhance BCL's service schedule for perishable and urgent cargo customers.



## Lowering BCL's operating costs

Since the beginning of the year, BCL's operating costs have been aggressively targeted.

### Equipment savings

BCL's equipment costs which includes purchasing, leasing, maintaining and repairing BCL's fleet of equipment required major changes. BCL's fleet of refrigerated containers required an entirely new maintenance protocol and service supplier. A move to Integrated Industries, a quality operator located next to Maher terminal, was completed in the summer. Meanwhile, all leasing agreements were re-considered and renegotiated. The important annual savings to the company commencing in 2015 will be significant.

### Administration

The cost to staff BCL's administration has been reviewed. Significant savings have been achieved in both Bermuda and Newark operations by automating, restructuring and outsourcing as needed.

## Trucking costs

The cost of inland trucking and rail moves in North America has been steadily increasing over the past few years. NGML has been working to develop options to better manage these costs for our customers and BCL.

## New York Stevedoring labor increase

In early 2014 Bermuda Container Line was successful in securing a favorable rate to remain at Maher terminal in New York. However labor base rates increased in October of this year. Bermuda stevedoring overtime charges will also increase, commencing January 1, 2015.

## Vessel fuel costs increasing

The United States and Europe have changed their policy regarding the type of fuel that can be burned while in their international waters. Commencing January 1<sup>st</sup> 2015, all vessels entering US international waters (200 miles) must switch over to cleaner burning diesel fuel. This will be a substantial increase in cost for all ship operators into the US and Europe. It is therefore imperative that BCL do everything possible to mitigate these costs. Implementing night navigation is one change that will help to some degree.

## Transshipment rates to increase

There has not been an increase in the cost to carry transshipment containers to Bermuda in at least 8 years. In fact, some rates are below where they were 25 years ago while costs have increased annually. As a result, transshipment on-carriage rates will increase on January 1<sup>st</sup> 2015. All transshipment partners have been advised accordingly.

## Why are Bermuda containers searched in the US?

The US Border Protection Control and US Customs randomly search outbound containers from the US and in-transit transshipments. They also search containers when specifically requested by Bermuda authorities. After 9/11, inspection activity has increased. They are mostly looking for contraband, weapons and potentially hazardous cargo. The cost and inconvenience to innocent importers and exporters is significant as there are charges to truck the container to a warehouse to be stripped, inspected, reloaded and trucked back to the pier. The customer is liable for these charges which can often cost thousands of dollars.

## 2015 SAILING SCHEDULE

Please find below the 2015 BCL sailing schedule with holidays highlighted



Week #	Oleander Voyage	Departs U.S.	Arrives Bermuda	Departs Bermuda	Arrives U.S.
1	1788	2-Jan	Mon Jan 05	6-Jan	8-Jan
2	1789	9-Jan	Mon Jan 12	13-Jan	15-Jan
3	1790	16-Jan	Mon Jan 19	20-Jan	22-Jan
4	1791	23-Jan	Mon Jan 26	27-Jan	29-Jan
5	1792	30-Jan	Mon Feb 02	3-Feb	5-Feb
6	1793	6-Feb	Mon Feb 9	10-Feb	12-Feb
7	1794	13-Feb	Mon Feb 16	17-Feb	19-Feb
8	1795	20-Feb	Mon Feb 23	24-Feb	26-Feb
9	1796	27-Feb	Mon Mar 02	3-Mar	5-Mar
10	1797	6-Mar	Mon Mar 9	10-Mar	12-Mar
11	1798	13-Mar	Mon Mar 16	17-Mar	19-Mar
12	1799	20-Mar	Sun Mar 22	24-Mar	26-Mar
13	1800	27-Mar	Sun Mar 29	31-Mar	2-Apr
14	1801	3-Apr	Sun Apr 05	7-Apr	9-Apr
15	1802	10-Apr	Sun Apr 12	14-Apr	16-Apr
16	1803	17-Apr	Sun Apr 19	21-Apr	23-Apr
17	1804	24-Apr	Sun Apr 26	28-Apr	30-Apr
18	1805	1-May	Sun May 03	5-May	7-May
19	1806	8-May	Sun May 10	12-May	14-May
20	1807	15-May	Sun May 17	19-May	21-May
21	1808	22-May	Sun May 24	26-May	28-May
22	1809	29-May	Sun May 31	2-Jun	4-Jun
23	1810	5-Jun	Sun Jun 07	9-Jun	11-Jun
24	1811	12-Jun	Sun Jun 14	16-Jun	18-Jun
25	1812	19-Jun	Sun Jun 21	23-Jun	25-Jun
26	1813	26-Jun	Sun Jun 28	30-Jun	2-Jul
27	1814	3-Jul	Sun Jul 05	7-Jul	9-Jul
28	1815	10-Jul	Sun Jul 12	14-Jul	16-Jul
29	1816	17-Jul	Sun Jul 19	21-Jul	23-Jul
30	1817	24-Jul	Sun Jul 26	28-Jul	30-Jul
31	1818	31-Jul	Sun Aug 02	4-Aug	6-Aug
32	1819	7-Aug	Sun Aug 9	11-Aug	13-Aug
33	1820	14-Aug	Sun Aug 16	18-Aug	20-Aug
34	1821	21-Aug	Sun Aug 23	25-Aug	27-Aug
35	1822	28-Aug	Sun Aug 30	1-Sep	3-Sep
36	1823	4-Sep	Sun Sep 06	8-Sep	10-Sep

■ US Holiday     
 ■ Bermuda Holiday     
 ■ US & Bermuda Holiday     
 ■ Winter Schedule

\* All Dates Subject to Change and Weather Permitting

## 2015 SAILING SCHEDULE CONTINUED

Week #	Oleander Voyage	Departs U.S.	Arrives Bermuda	Departs Bermuda	Arrives U.S.
37	1824	11-Sep	Sun Sep 13	15-Sep	17-Sep
38	1825	18-Sep	Sun Sep 20	22-Sep	24-Sep
39	1826	25-Sep	Sun Sep 27	29-Sep	1-Oct
40	1827	2-Oct	Sun Oct 04	6-Oct	8-Oct
41	1828	9-Oct	Sun Oct 11	13-Oct	15-Oct
42	1829	16-Oct	Sun Oct 18	20-Oct	22-Oct
43	1830	23-Oct	Sun Oct 25	27-Oct	29-Oct
44	1831	30-Oct	Mon Nov 02	3-Nov	5-Nov
45	1832	6-Nov	Mon Nov 9	10-Nov	12-Nov
46	1833	13-Nov	Mon Nov 16	17-Nov	19-Nov
47	1834	20-Nov	Mon Nov 23	24-Nov	26-Nov
48	1835	27-Nov	Mon Nov 30	1-Dec	3-Dec
49	1836	4-Dec	Mon Dec 07	8-Dec	10-Dec
50	1837	11-Dec	Mon Dec 14	15-Dec	17-Dec
51	1838	18-Dec	Mon Dec 21	22-Dec	24-Dec

■ US Holiday    
 ■ Bermuda Holiday    
 ■ US & Bermuda Holiday    
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### HOLIDAY SCHEDULE 2015

OFFICE	DATE	HOLIDAY
U.S.	Monday, Jan 19th	Martin Luther King Day
U.S.	Monday, Feb 16th	Presidents Day
Bermuda	Friday, April 3rd	Good Friday
Bermuda	Monday, May 25th	Bermuda Day
U.S.	Monday, May 25th	Memorial Day
Bermuda	Monday, June 15th	National Heroes' Day
U.S.	Saturday, July 4th	Independence Day
Bermuda	Thursday, July 30th	Cup Match Day
Bermuda	Friday, July 31st	Somers Day
Bermuda/ U.S.	Tuesday, Sep 1st	Labor Day
U.S.	Monday, Oct 14th	Columbus Day
Bermuda	Wednesday, Nov 11	Remembrance Day
U.S.	Thursday, Nov 26th	Thanksgiving
Bermuda/ U.S.	Friday, Dec 25th	Christmas Day
Bermuda	Saturday, Dec 26th	Boxing Day

### KEY CONTACTS:

#### Bermuda Agents

**Neptune Group Management Limited**  
 Par-La-Ville Place  
 14 Par-La-Ville Road  
 Hamilton, HM 08, Bermuda

**Tel: (441) 400-7447**  
**Fax: (441) 295-7447**  
**Email: customerservice@ngl.bm**

#### Customer Service

Gerald Swan     gerald.swan@ngl.bm  
 Bruce Tucker     bruce.tucker@ngl.bm  
 Karolyn Swan     karolyn.swan@ngl.bm

#### Pricing/Administration

Barry Brewer     barry.brewer@ngl.bm

#### Operations

Richard Todd     richard.todd@ngl.bm

#### North American Agents

**Bermuda Agencies Limited**  
 One Gateway Centre  
 Suite 2408, Newark, New Jersey USA  
 07102

**Tel: (973) 242-6890**  
**Fax: (973) 242-6286**  
**Email: customerservice@balnj.com**

#### Customer Service

Zina Mecca     zmecca@balnj.com  
 Marylu Kelly     mkelly@balnj.com  
 Lorraine Santiago     lsantiago@balnj.com

#### Operations

Chris Dubina     cdubina@balnj.com

#### Port Captian

Kevin Grady     kgrady@balnj.com