

Alexander **Alexandrov**:

We Are Creating a Name and Traditions in the **MARITIME BUSINESS**

INTERVIEW 20

Alexander Alexandrov is the founder and Managing Director of NBS Maritime Ltd. Since 2008 he has also successfully managed the Purchasing & ITC Management Department at Navigation Maritime Bulgare AD - a ship company with over a century of experience in the ship industry. Since 2009 he has also served as President of PFC Ludogorets 1945 and the achievements over the last several years are an excellent example of how a small club can become a big one which can play as an equal to the biggest names in football.

Alexander Alexandrov is Chairperson of the Bulgarian Ship Suppliers Association and has a decisive influence on the development direction of the maritime business in Bulgaria, as well as on the opportunities for establishing themselves on new markets that open up for the ship suppliers. He has a master's degree in shipping from the Varna Technical University. Has an ILM Certificate in First Line Management and an ILM Certificate in Implementation of Strategic Plan within Business from the London Academy of Leadership & Management.

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Mr. Alexandrov, your life and career are tied to the sea. What is the sea for you, what business opportunities does it give?

'To me the sea is a symbol of manliness, strong spirit and will, but also romanticism. From a business point of view, the sea is economically the cheapest method of transporting goods and raw materials and this determines the importance of the shipping industry and all related activities.'

'There are fast changes in all industries. Tell us about some of the most important changes in the shipping industry.'

'The shipping industry is traditionally conservative but over the last few years one can see constant changes and implementation of regulatory requirements related to increasing shipping safety, environment protection, as well as electrification and digitalisation of navigation. But ever since the end of 2008, we have been seeing an unparalleled crisis in the shipping industry, a collapsed market that has resulted in the bankruptcies of ship owning companies, as well as of shipyards and other parts of the supply chain. When the global economy started slowing down, the global shipping industry was in a situation when there were more orders for new vessels, while at the same time the retiring of old ships was being postponed. This led to overcapacity. The road to recovery is hard and long and the expert analyses still show a lack of balance between supply and demand in the industry. For instance, big shipping companies like the South Korean company Hanjin Shipping had serious financial difficulties. Other chose to rely on forming alliances in order to strengthen their positions. Examples of that are the three alliances - 2M, THE Alliance и Ocean alliance. This is expected to lead to even more fierce competition in the industry. In this industry, like in other areas, the companies which successfully restructure and optimise themselves are those which survive. Navigation Maritime Bulgare, however, also strives to take maximum advantage from the opportunities that such a crisis creates.'

'NBS Maritime is specialised in ship supply and mobile satellite communications. Which of your services are the most in-demand?'

'NBS Maritime was established to help and services the shipping industry in two directions: ship supply and mobile satellite communication solutions. Both segments are of fundamental importance to ship owners and ship operators because it involves optimising major costs. In

the field of ship supply we offer comprehensive catering solutions, as well as loading ships with consumables and spare parts and in the offshore segment - the same service for platforms. And satellite communication solutions, combined with a good ship management software are at the heart of the new understanding of ships as remote office centres with all the necessities that this involves.

Maritime consumers are drawn more and more towards broadband mobile satellite communication solutions allowing higher speed and exchange of higher volumes of data between the ships and the coast. In order to attract young motivated employees the leading ship owners strive to provide them comfortable conditions on the ships. All this is possible thanks to the spread of the IT and IoT technologies to the maritime sector and the services that NBS Maritime are in accordance with this trend.'

'You offer ship supply and logistics. How do you achieve competitive prices?'

'Ship supply is something that covers a lot of things. A ship needs not only foodstuffs that are suitable for the nationality of the crew but also all kinds of consumables and equipment. The portfolio of products which we offer is diverse - from foodstuffs for the crews to technological products like engine oils, ship paint for deck maintenance, various office consumables, spare parts and radio-navigation equipment. We have know-how, good resource policy and management, optimisation of the network of inventories in stock and this combined with the network of partnership relations that we have established with leading manufacturers, we manage to provide quality products at competitive prices.'

'Through its network of offices NBS Maritime is providing services to vessels in all ports in Turkey, Romania and Bulgaria. How did the company manage to grow like that?'

'At first, the company provided services only to ships in Bulgarian ports but we became established on the market and won a substantial share of it. In order to achieve additional growth in 2013 we established an affiliate company at Contanta for the purpose of providing services at all Romanian ports. In 2015 we started operations in Istanbul too.

Our regional expansion is the result of our desire to

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EMPLOYEES SHIP OWNERS STRIVE TO PROVIDE THEM
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offer our customers complex services in a wider network of ports. For them this is a substantial advantage since they rely on a high quality service with standardised conditions in all locations that we cover.'

'What are the biggest challenges facing you as a maritime business company?'

'Lately, the situation in the shipping industry has been tough. We are all in one boat - ship owners, shipbuilders, and ship suppliers of goods and services. The crisis affects everyone. We are trying to always use an individual approach, to show flexibility and understanding. Human resources are another challenge. There is a shortage of skilled workers in all the levels of our industry. Which is why we rely a lot on training courses and investing in our employees.'

'What are your business expansion ambitions?'

'To keep moving forward and upward, to spread the best business practices in the industry and to be a byword for quality. Yes, we are producing quality products in Bulgaria, Romania and Turkey and in doing so we won the customers trust. They want to enjoy our services in other major ports around the world which is why we will establish a presence on even bigger markets. This year we are planning to open an office in Rotterdam, the largest port in Europe. We are planning to open one in Shanghai too. Our long term strategy is to increase the number of locations where we have a presence.'

'How are innovations born in your companies?'

'They are the result of teamwork - we strive to find the right balance between the options that the new technologies open for us and the actual benefits for the consumers. We participate in a number of pilot projects and experiments.'

'In April 2016 Navibulgar Services rebranded itself as NBS Maritime. What forced this change?'

'Initially, the idea was to develop ourselves on the local market but we are now working hard on our establishing ourselves internationally. And in order to avoid being associated with Bulgaria only, we decided to rebrand Navibulgar Services. We took that important step with the desire to present a brand with a fresh design which unites that company's activities and matches our plan for establishing a presence on new markets.'

The acronym NBS is derived from our old name and that way the global brand NBS Maritime is a combination of traditions, responsibility and high development goals in the maritime sector.'

'Can you explain the importance of the brand and what needs to be taken into consideration when creating a brand?'

'The successful brand creates loyal customers and strengthening of the market positions. Which is why good brand and good corporate policy are integral parts in establishing and maintaining a good corporate reputation.'

'You are the Chairperson of the Bulgarian Ship Suppliers Association. What problems have you had to solve lately?'

At the association we are working on improving the business conditions of the ship supplying companies. We solve operational issues but also problems related to initiating changes in the regulations, so that Bulgarian suppliers will be more protected from unfair competition and fraudulent ship owners. We have initiatives which we discuss at the meeting of the International Shippers & Services Association, of which we are full members. Our efforts are aimed at making Bulgaria attractive and competitive in the businesses that support the shipping business.'

'Actually, why should we choose Bulgarian goods and services in the field of maritime business?'

'Bulgaria has extensive shipping traditions. The Bulgarian crews are among the most adaptable ones and are sought by all international companies. Our country has the unique combination of competitive prices and high European quality of products and services related to the shipping industry. This makes the Bulgarian products and services sought after and preferred.'

'What made you say to yourself "Well done!" recently?'

'Work and the successes it involves recharge my batteries and give me strength for new projects and conquering new heights. Successful business is done with suitable people who need to be loyal, dedicated and share the company's commitment to its causes. I feel that I have done well when the goals are being achieved, the team is pleased and looking towards new horizons. This is because when we all dream together then we are able create the beginning of a new reality.'

'Tell us about the most difficult decisions that you have to make?'

'Every day we have to make decisions, some of which are very important and difficult. But for me some of the most difficult ones have to do with the employees - especially if we must part ways with a member of the

team.'

'Was it an easy decision to return to Bulgaria after having a successful career in London?'

'No, it was not an easy decision. I had a good life, both personal and professional, but I was missing Bulgaria. London is one of the global shipping centres and the industries standards are born there as most of the biggest companies in this industry are London based. I returned because of a cause. The main reason for that is Kiril Domuschiev with whom I had few talks in London. He managed to win me over to support him in the development of Bulgarian shipping - with ambitions to follow the best management standards and practices in the industry to boot. This was right after the privatisation of Navigation Maritime Bulgare. I embraced the idea, even though a little before that both the Ukrainian and the Romanian fleet had gone bankrupt following their privatisation, even though this was a good period for the shipping industry. We had the bad luck to experience in the very start of our managing of the company the big cataclysms in the shipping industry caused by the crisis, combined with the need of massive restructuring of the company and all the processes in it. I do not regret my choice because we managed to cope with that.'

'You are the President of PFC Ludogorets 1945. How did it happen that this team made Bulgarian even more interested and excited by football?'

'Football is passion, it is also a hobby that makes people experience wins and losses as if they are their own. To me, football is also a cause. Cause which in this case was embraced by Kiril Domuschiev and Georgi Domuschiev thanks to whom we managed to develop and establish high standards in Bulgaria. And when something is done in the right way, with the right team of people with dedication, it cannot fail. Everything Ludogorets related started as a joke when in 2009, soon after my return to Bulgaria, Mr. Kiril Domuschiev entered my office in Varna and saw a football statuette on my desk. While we were talking about ships, my phone rang and I had a conversation on a football matter related to Ludogorets. Back then the team was in third division of the football league and the goal was promotion to the professional division. After attending several football matches and sensing that the people

from the Ludogorie region love football and support the team, the Domuschiev brothers soon agreed to help develop this project for the people and for the region - but in the right way, with the highest standards and the most ambitious goals. It was not easy but in six years we won five championships in a row after being promoted to the second division and then to the first division right after that. Immediately after being promoted, Ludogorets won the championship, the Bulgarian Cup and the Super Cup. We have strong performances in the Champions League and the Europa League. The feeling is incredible.'

'Football is a global business. But how does one learn football management?'

'Football is a big industry which is also growing swiftly. For it is also a business which is why we apply the good business practices established in the rest of the companies which we manage and take into consideration football's specifics. All processes and policies that a well developed company needs have been implemented in the football team too. It is also the first club in Bulgaria and among not so many in Europe which is certified under and applies the ISO 9001 quality management standards. We strive to learn from the experience of the best in the world, to also have a high level of the end product.'

'Business is becoming ever more high-paced. How do you recharge your batteries?'

'Yes, indeed, my daily schedule is rather stressful and busy and the yearly calendar is filled, with almost no periods where I am away from my business. But this has thought me to value time and take maximum advantage of every free minute by spending it with my friends and family.'

'What makes you optimistic about Bulgaria?'

'I genuinely believe that Bulgaria will continue to develop as an attractive destination for business and will become known as a pleasant place to live. We, Bulgarians, manage to survive in tough times. But it is good to remember that even in the midst of the most powerful storm, we should not wait for the wind to change direction but instead we should move the sails in such a way so we can reach our destination.'

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 ⋮ **A HOBBY THAT MAKES PEOPLE**
 ⋮ **EXPERIENCE WINS AND LOSSES**
 ⋮ **AS IF THEY ARE THEIR OWN**

