THE WORLD OF OILTANKING VOL. 22/2 AUGUST 2010

## oiltanking Connections



## in our daily life



# On the daily menu

A restaurant's menu normally has standard dishes and a carte du jour. It might sound a bit far fetched to compare a menu with the tasks we have to manage at Oiltanking, but as on a menu there are always both tempting and less appetizing things, which sometimes are easy and sometimes hard to swallow — no matter if they are recurring or new and unfamiliar. And since "oil" is on Oiltanking's "daily menu", it is also present each and every day for all human beings: in order to produce all the products for our daily needs, approximately 300 basic chemicals are required; 90 percent of them originate from crude oil.

For almost 14 years Oiltanking was also on my "daily menu" and I enjoyed every bite, dish and meal on the Oiltanking menu. However, for private reasons I have decided to leave "the best company I will ever work for".

I am more than happy that we have found a new "chef" that has already been very active in our kitchen; a great professional who not only knows the oil and chemical business inside out, but has also been familiar with the Oiltanking structure for ten years now.

As of August 1, 2010, Rutger van Thiel, Managing Director of Oiltanking Asia-Pacific, will be taking over my responsibilities. I am confident that although this function is new ground for him, the Oiltanking menu presented to our clients will stay as fresh and flavoursome as it has always been.

If you would like to know more about what is cooking at Oiltanking and are hungry for more information about "oil", you will find a lot in this piping hot new issue.

I hope you enjoy reading it,

Startin.

Gust Spaepen Managing Director Oiltanking GmbH

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it's Mumma Duck!

the Park



| No phony business

## Meet Oiltanking's new Managing Director

As of August 1 Oiltanking GmbH may well have a new Managing Director, but Rutger van Thiel is no stranger to Oiltanking; he has already been with the company for 10 years holding various positions in a number of different countries.

#### connections: Can you briefly speak about your educational background and career path?

Rutger van Thiel: I graduated from the University of Groningen in the Netherlands and earned my MBA degree in 1990. From that point on I started working in the tank storage business in the Netherlands, Switzerland and Peru, before joining Oiltanking in 2000. Back then I was based in Hamburg and worked in business development and had various supporting roles for the profit centers. In 2004 my family and I moved to Singapore to look after Oiltanking's interest in Asia-Pacific. Now, after six years in Asia, we're looking forward to returning to Hamburg and taking up a great new challenge.

#### What do you think will be the most demanding task in assuming your new position in Hamburg?

My predecessors developed Oiltanking into a very successful company over the years. The challenge will be to jointly keep the company on its steady path to profitable growth, live up to our customer's expectations around the clock and continue to deliver what the Oiltanking brand stands for: doing the usual unusually well.

#### How would you describe your work attitude?

Safety first, no matter what! I also believe strongly in a decentralized organization in which each and everyone feels responsible, thinks for him or herself and enjoys the freedom to act. I also value very much the camaraderie throughout our organization and look forward to meeting the many Oiltankers and our partners around the world. I know it sounds a bit like a cliché but

"saying what you do and doing what you say in a responsible manner" sums it up pretty well. Other than that ... it's business as usual.

#### What personal traits do you appreciate in colleagues?

No matter whether you are discharging a vessel, managing a department or taking care of maintenance, I really appreciate each Oiltanker taking responsibility for what he or she does. Of course, we should treat one another with mutual respect and fairness. I value good humor, especially in tough times, and consider it my job to make sure that all Oiltankers feel at home and have fun in doing what they are good at.

#### What inspires you?

Passionate people.

#### What do you like to do in your spare time?

I like to be outdoors, preferably on my sailing boat curious about what I will discover downwind.

#### What three things would you take to a desert island?

My wife Mylene and my two kids: that makes three!

#### ... and if you could add three more things?

Well, Daniel Defoe's Robinson Crusoe, a bottle of good red wine and ... my reading glasses!

## It's time to grow ... again!

Only a year after the last tanks were added, Oiltanking Terminais announced its latest expansion of the Vitoria Terminal in Brazil at the beginning of April 2010.

**Brazil is currently** one of the world's largest producers fuels and their biofuel components onto tank trucks. of ethanol fuel and its largest exporter. Therefore, when Moreover, a new stainless steel pipeline linking the Oiltanking Terminais commissioned its first terminal in terminal to the pier will open up the possibility of handling Brazil at the end of 2008, the main purpose was to provide especially liquids. But that's not all: according to Holger a new export gate for the growing ethanol market in the Donath, Managing Director of Oiltanking Terminais, the country. Located in the Port of Vitoria, State of Espirito company is actively looking to locate new terminals in the Santo, the second most important port of the country, the major ports of the Brazilian coast, expecting to further facility was ideally positioned geographically to do so. improve the logistic infrastructure for the ever growing Brazilian economy. Watch this space!

Just after a few months of operation, it became clear that the terminal's strategic location and the changing global market presented new opportunities for the business to diversify and grow; already in April 2009 the total nominal tankage capacity was increased from 24,600 cbm to 35,200 cbm. Since then, the facilities have been developed further to furnish services for various products and modalities, including imports, exports, and servicing of the domestic market. Existing facilities up to now include

a railcar loading and unloading platform for 20 railcars to be serviced simultaneously and a 4-position truck loading and unloading platform.

Due to the increasing demand, both in quantities and new services, a new expansion phase for the Vitoria terminal was launched on April 1, 2010. A further 32,000 cbm of tank capacity is being constructed, which shall become operational in stages, already starting in the forth quarter of this year. The terminal will incorporate the service of fuel distribution to meet the growing demand in Espirito Santo. The new facilities are to include a new fully automated loading platform to efficiently load all grades of

guarter of 2010.





#### "We are also pursuing new terminal locations in the major ports along the Brazilian coast."

Holger Donath, Managing Director of Oiltanking Terminais

## Oiltanking's new global organization

#### "Keyword: Decentralization"

Due to its enlarged terminal network and continuing internationalization, Oiltanking decided to adapt its organizational structure in the first half of 2010.

**Flashback** — When Oiltanking GmbH started its business in 1972 it catered for petroleum products, offering its clients a total storage capacity of just over 1 million cbm at five terminals in Germany, Belgium and Denmark. Oiltanking gradually branched out into new countries and continents, and the terminal network has really grown in the last 5–10 years, increasingly internationalizing the company. With a current total capacity of more than 17.2 million cbm and 69 terminals in 21 countries worldwide, today Oiltanking is the world's 2nd largest independent tank storage provider for petroleum products, chemicals and gases. It became obvious that Oiltanking had outgrown its organizational structure.



**Back to the future** – Consequently, Oiltanking's management took steps to prepare the company for further sustainable growth. In line with Oiltanking's decentralized organizational approach, mindset and business focus, eight new regions were established in the first half of 2010. Oiltanking believes in a decentralized organizational structure in which each company is able to better focus on its business by staying close to the market and its customers. A detailed introduction of the new regions, their people and business will follow in the next issue of connections.

Each region will be supervised by a regional executive who will report to the corporate centre in Hamburg.

#### INTERNAL REORGANIZATION

Oiltanking's new decentralized structure has introduced eight different geographical areas of responsibility.



## Consolidated position

On February 26, 2010 Oiltanking Daya Bay in the People's Republic of China kicked off its Phase II by signing two major contracts: one with China National Nanhai Engineering Co., Ltd., the other with Jointop (Shanghai) Chemical Trading Co., Ltd.

**Were we to say** it with flowers, we would probably use the lotus flower to describe the development at the Oiltanking terminal in Daya Bay; just like a lotus bringing beauty and light from the murky darkness at the bottom of the pond, the terminal gradually flowered amid the various difficulties.

Following the commercial operation in June 2006 as the exclusive terminal operator in the Dayawan Petrochemical Industry Park, Oiltanking took another step forward on February 26, 2010: it awarded China National Nanhai Engineering Company Limited with the engineering, procurement and construction

(EPC) contract for Phase II. While Phase I comprised 5.6 hectares with five tanks and a capacity of 20,550 cbm, Phase II will see an additional 18 tanks built on 6.0 hectares of new land next to the public jetty, thus increasing the total terminal capacity to 80,150 cbm. Nanhai Engineering accepted the challenge to hand over the new facility in October 2010.

The historic signing of the EPC contract was followed by another momentous occasion on March 1, 2010: Oiltanking Daya Bay signed a three year storage contract with Jointop (Shanghai) Chemical Trading Co., Ltd. for the rental of two 2,800 cbm stainless steel tanks for the distribution of nitric acid in South China.

J1仓储项目(一期)募基 2018年4月15日 Hat April 2010 **DONE DEAL** Yang Quan Fu, Nanhai Engineering (third from left) and Yeong Kwek Leong, Oiltanking Daya Bay (third from right).

This latest progress underlines Oiltanking Daya Bay's determination to broaden its storage service for its customers, and constitute an additional step toward consolidating the company's position on the Chinese market.

#### About nitric acid

文德油错(大亚湾)有限责任公司

Nitric acid is mainly used for the production of fertilizers, but is also important in the production process for explosives, etching and the dissolution of metals, especially as a component of aqua regia for the purification and extraction of gold; it is also used as a laboratory reagent.





STEP BY STEP Many different constructions works have to be done before the new facility will be ready for handover in October 2010.

The first use of oil dates back thousands of years, either as a medicine, a source of illumination or a boat resin to keep ships seaworthy. Today, we're surrounded by products made from petrochemicals — sometimes without even realizing it. Let's have a look at some examples of what they are used for ...

# Not a day without petrochemicals

#### What did you have before breakfast?

Crude oil! Or haven't you used your shaver, toothpaste, dental floss or deodorant yet? And what about the gadgets you probably used in the kitchen, like the kettle, coffee machine or toaster?

Plastic-Fantastic

There are countless uses for plastic: from artificial turf, plastic water bottles and compact discs to yarn ... you name it.

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#### OIL FACTS

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when hot and ld, manmade more flexible. for synthetic fore four times or its natural Just think of er soles, car bys etc.

#### Question of perspective No matter what you prefer to wear, your spectacle frames, the synthetic lens material and contact lenses all have one basic material

Jot down

ade from ochemicals, id so are inks. nts | Dice | Di g rods | Food nsect repel' Shaving c

Not pulling your leg Warm feet and beautiful legs thanks to the gauzy nylons tights.

#### Sud it up

Shampoo and shower gel bottles, washing powder as well as the soapy or the soap less detergent – in a way they are made of/or contain petrochemical products.

Best before ochemicals

used as food (preservatives) ed goods, thus ging the shelf life.

#### The green, green grass of home areen, green gr

The green, green grass of your lawn will grow even thicker if you use plant fertilizers and pesticides (based on petrochemicals, of course).petrochemical products.

for decoration A home can be so much cozier with nice wall paint, curtains and carpets – don't you think?

Just

rt valves | Insect epellant | Linoleum | Lip stick g alcohol | Shaving cream | Shoes | Toothpaste tamin capsules | VCR tapes | Water pipes | Yarn alloons | Boats | Cameras | Car battery cases

t | Linoleum | Lip stick | Shoes | Toothpaste 3 | Water pipes | Yarn | Car battery cases | Dosable diapers | Dolls Dreservatives | Garden t | Linoleum | Lip stick n | Shoes | Toothpaste es | Water pipes | Yarn s | Car battery cases



Given the fact that petroleum is expensive and fossil fuels are in limited supply; and considering that approximately two liters of petroleum are consumed per person every day worldwide, the search for alternative energy sources is clearly on top of the agenda. Sweden even plans to be the world's first oil-free economy by 2020. Here are some energetic ideas ...

#### Something in the air **>**

The Babylonians and the Chinese were already using wind power to pump water for crop irrigation 4,000 years ago. And in the Middle Ages in Europe, windmills were a common sight and used for grinding corn. Nowadays, wind power is one of the most popular renewable energy sources. Norway is working on building the world's biggest floating wind turbine. Standing 162 meters tall and with rotor diameters of 145 meters, it will also be the most powerful one, generating 10 megawatts of electricity three times more powerful than the current ones.

© Jan Oelker / R

There is also a huge drive for wind parks at sea in the United Kingdom; starting in 2013,

#### 

Another way to obtain energy is by harnessing the radiant light and heat from the sun. Solar energy is broadly characterized as either passive or active solar depending on the way it is captured, converted and distributed. Until





- t light and heat from the sun. Solar energy is broadly the way it is captured, converted and distributed. Until now, only a fraction of the available energy from the sun is used.
  - "The passive house" (left): The entry by students from Darmstadt University of Technology was the winner of the Solar Decathlon in 2009 — a competition in which 20 teams of college and university students compete to design, build, and operate the most attractive, effective and energy-efficient solarpowered house.



#### Going "green"

Bio-fuels comprise a variety of fuels which are in one way or another derived from biomass. With its sugar cane ethanol, Brazil has been the most successful alternative fuel producer up to now. It is also considered the leader for the bio-fuel industry and has the world's first sustainable bio-fuel economy.

#### Making massive waves >

With hydropower, a modern art of technology uses the energy of moving water to turn turbines and create electricity. Today, China is the largest producer of hydroelectricity, followed by Canada, Brazil and the United States (Source: Energy Information Administration). To promote the development of hydropower, the US Department of Energy, the Department of the Interior, and the Army Corps of Engineers recently signed a memorandum of understanding in March 2010.





#### Reaching the bottom of it

Geothermal energy is generated in the Earth's core, where temperatures hotter than the sun's surface are continuously produced. The largest complex of geothermal power plants in the world is The Geysers, located in the Mayacamas Mountains 72 miles north of San Francisco/ California/USA, consists of 30 square miles along the Sonoma and Lake County border. Unfortunately, there is one chilling factor for geothermal energy: only a few sites around the globe provide the special conditions needed to generate energy.

THE GEYSERS satisfies nearly 60 percent of the average electricity demand in the North Coast region from the Golden Gate Bridge to the Oregon border.

## Introducing ...

... Zaher Abu Igran, Commercial Manager at Star Energy Oiltanking in Dubai, United Arab Emirates — another colleague whose face can be seen in Oiltanking's international advertising campaign, "We Can, We Care."

WHAT DID YOU WANT TO BE WHEN YOU GREW UP? A mechanic; I liked to tinker around with my bike. However, I gave up on that idea rather quickly the day my front wheel flew off, while I was riding it! HOW DID YOU FIND OUT ABOUT OILTANKING? I knew Oiltanking from my time in Hamburg, Germany, but I was already working in Dubai. Reza Adami, who I was at uni with and who was working for Oiltanking GmbH, gave me the tip. WHAT ATTRACTED YOU? HOW LONG HAVE YOU BEEN WORKING FOR **OILTANKING?** I liked the people I met during the interviews and the spirit which came across. Also the business petroleum, international orientation, ships, sea, ports. I've been working for Star Energy Oiltanking in Dubai for three and a half years now. WHAT IS YOUR PROFESSION? I'm the commercial manager at the terminal. WHAT DO YOU LIKE ABOUT YOUR JOB? My job definition is quite broad so I have different things on my desk everyday: commercial, business development & projects as well as logistics & customer service. HOW WOULD YOU DESCRIBE



YOURSELF IN ONE SHORT SENTENCE? I'm just the spicy ones!). THREE THINGS YOU DISLIKE? Being outside friendly guy from the neighborhood. WHAT INSPIRES in 45°C and 100 percent humidity, people talking a lot, YOU? My daughter. HOW DO YOU RECHARGE YOUR but saying nothing, intolerance and ignorance. WHAT BATTERY? If I manage to find the right balance, there is MAKES YOU LAUGH AND WHAT MAKES YOU ANGRY? Tell no need to recharge it. Otherwise, I unwind with my me a joke — it doesn't even have to be a good one and I'll laugh. Really stupid people who just don't get it family and friends, and I also like swimming. WHAT DO YOU DO IN YOUR SPARE TIME? After attending to my - they should just leave me alone! WHAT COULD YOU family, work, sport, friends, house and shopping ... there NOT LIVE WITHOUT? Family and chips! WHAT WOULD YOU DO IF YOU HAD THREE MONTHS VACATION? Relax, is no spare time. THREE THINGS YOU LIKE? A good movie, a BBQ day at the beach and chips (Lay's, the travel, relax, travel, relax, travel ...

14 CONNECTIONS

# Helsinki to Hamburg

during the eruption of Eyjafjallajökull

1215

When Alexander Alexandrov, General Manager Business Development, and Sebastian Sira, Senior Manager Business Development, both from Oiltanking GmbH, set off from Hamburg/Germany in the wee hours on Thursday morning, April 15, 2010, for a meeting with their colleagues in Helsinki/Finland, they had no inkling of the adventure that lay ahead. Their original plan was to take an early flight back to Hamburg the next day; little did they know that a volcano in the North Atlantic had something else in store for them. This is Sebastian Sira's account of the events that followed:

■ Although we'd heard something about the eruption in Iceland on the radio on Thursday morning, we paid little attention to it in the beginning. Firstly, the name of the volcano is so unpronounceable that we'd already forgotten it as soon as it had been mentioned on the news; secondly, we didn't expect an event so far away (about 2,200 km) to seriously interfere with our travel plans.

We were having dinner in Helsinki on Thursday evening when we heard that the airports in Copenhagen/Denmark and Helsinki/Finland had been or were about to be closed. At that point, we still thought that the disruption to the airline traffic would only be minor and we'd still be able to take a flight later the next day — after all, this had been the "usual drill" during this year's rather harsh winter in Northern Europe between January and March. For all that, it only began to dawn on us the next morning that this had nothing in common with a snow storm or any other prevailing weather conditions. The main difference was that nobody was able to say when it would all be over and when things could get back to normality again.

So, together with our colleagues from Finland and Estonia, Alexander and I weighed up our options. We immediately checked the ferries from Finland to Sweden and from Finland to Germany but "surprisingly" thousands of other people were in the same boat as us; the westbound ferries from Helsinki were all fully booked. However, as the airport

Tallinn had not in officially been closed yet, we pinned all our hopes on getting a flight from there to Munich; seats were still available and the status of the flight was only marked as "delayed" SO we decided to join our Estonian colleagues on the ferry to their homeland; that way we would at least reach mainland Europe again and would not have the entire Baltic Sea between us and our final destination. While on



board the ship to Tallinn, we continued to ponder our was glaringly obvious that our short trip might take a bit options. We had learned our lesson from the fact that longer than initially planned, so we let our families know ferries had been booked out in Finland and started to work that we probably wouldn't be arriving until Sunday; on top on a contingency plan; we reserved places on the ferry of this, we had only intended to be on the road for one from Tallinn to Stockholm and looked into the possibilities night, so we were also in dire need of some clean clothes of hiring a car in Tallinn to take us back to Germany; and other essentials. After we'd done a spot of shopping, unfortunately, it didn't look good. we eventually boarded the ferry to Stockholm. Even though we were both rather put out due to the inconvenience of the trip, we tried to make the best of it and checked out the offers on board before turning in for an early night.

#### We had learned our lesson and started to work on a contingency plan.

By the time we turned up in Tallinn, that airport had been closed as well. There was only one thing for it: head to Stockholm. In order to stay ahead of the game, we

#### CULTURAL EXPERIENCE

#### LOOK ON THE BRIGHT SIDE Stranded in Stockholm, Alexander Alexandrov (left) and Sebastian Sira seized the opportunity to do a bit of sightseeing.

immediately made a reservation for a train taking us from Stockholm on to Copenhagen the next day. Nevertheless, as Swedish Railways were also having a field day selling tickets we were only able to get on a train leaving Stockholm in the afternoon, even though our ferry was already due to arrive there in the morning.

By the time Alexander and I had opted to travel via Sweden, it

When we made it to Stockholm on Saturday morning, we managed to get on an underground train that took us to the central station where we joined hundreds of other travelers in queuing for tickets. As we had been wise enough to make our reservation well ahead of time, however, everything was fine. We then set about organizing the next leg of our odyssey: Copenhagen to Germany. Due to our late arrival in Copenhagen, nonetheless, there

#### CULTURAL EXPERIENCE

wasn't a train to Hamburg until Sunday morning. Having made reservations for a hotel in Copenhagen and the train to Germany, we had a look round Stockholm's beautiful city centre.

#### The trip was a challenge to say the least; but it was also an extremely memorable and intense experience.

In the afternoon we embarked on our train journey through the heartland of Sweden. After five hours we arrived in Malmö, where we had to change trains to cross the Øresund between Sweden and Denmark. We arrived in Copenhagen at 10.30 pm. However, as we were both more than eager to get home, we decided to try and negotiate with a taxi driver to take us on to Hamburg. After half an hour of

negotiations and canceling our hotel reservation and train ticket, we hit the road bound for Hamburg. Finally, almost two days later than planned at the outset, we made it back to Hamburg in the one bit at 4.00 am. We were both thankful and had a well-deserved rest.

Looking back, the trip was a challenge to say the least; but it was also an extremely memorable and intense experience. Working together as a team and taking decisions in an unfamiliar situation reminded us both a bit of our daily lives at work. Still and all, spending practically every waking minute of the day together was an entirely different kettle of fish. Our conclusion is that if you really want to get to know somebody, you should really try traveling from Helsinki to Hamburg the way our grandfathers did! And if you attempt to do so at the same time as thousands of other people while a volcano is erupting, you're in for a very special treat.



The volcanic eruption underneath the Eviafiallajokull glacier in Iceland on April 14, 2010, spewed out such a large plume of ash that most of Europe's IFR (instrument flight rules) airspace was closed from April 15 to April 20, 2010. The air travel disruption affected almost everybody in one way or another - including over 80 Oiltankers bound for Pallanza in Italy to participate in the annual spring meeting, which was scheduled to kick off on April 20. Given the unpredictable situation, however, the management

While some of the colleagues were lucky enough to be able to cancel their flights just in the nick of time and stay at home, some people - especially those with international connecting flights and longer journeys – got stranded. Despite the travel obstacles, most of them looked on the bright side: flexible as they are, they changed their original travel routes and means of travel or, instead of just sitting around and fiddling their thumbs, used the "additional" time to do a spot of sightseeing. And as one person rightly put it, "An experience like this is another stark reminder of just how helpless we are when confronted with the almighty forces of nature."

18 CONNECTIONS

#### NATURE EXPERIENCE



eventually cancelled the meeting at the last minute after weighing up the pros and cons, and so the gettogether - quite literally - went up in smoke.



The tank terminal in Hamburg, Germany, had a total throughput of 172,000 tons of crude oil in 2009 — part of which is obtained almost right on its doorstep!

**The free and hanseatic city** of Hamburg is a city in management since 2009. The crude oil accumulated in the 20,000 cbm collection tank is then loaded onto block Northern Germany which people tend to associate with the impressive harbor, the famous fish market, the trains (circa three per week) and transported to the notorious Reeperbahn ... but crude oil? Odd but true! Oiltanking terminal in Hamburg.

Already in the Middle-Ages oil spills and tar pits were known and used in Northern Germany. Back then, farmers sold crude oil as a lubricant and medicine. On behalf of the Hanoverian government, the first "oil well" was drilled from the tar pit at Wietze in 1859 — the same year that the first U.S. oil discovery was made in Clarion County, Pennsylvania, by Colonel Edwin L. Drake. And just as with the successful establishment of the oil well in Oil Creek, the find in Wietze ignited the industrial exploration.

Today the wells in Northern Germany are still active. In 2009 the Oiltanking tank terminal in Hamburg received approximately 172,000 tons of crude oil from them. Most of it



**PRESENT PERFORMANCE** The tank terminal in Hamburg has a throughput of 172,000 tons of crude oil originating from wells in Northern Germany.

originates from the oil fields to the east of Hanover, On arrival at the terminal in Hamburg, all the crude oil is including Wietze. But some crude oil is produced stored in a 50,000 cbm tank. Once or twice a month, admittedly in a smaller quantity - in Hamburg at the Oiltanking pumps around 20,000 tons of crude oil to a Reitbrook oil field (while the Reitbrook production refinery where it is blended in its normal production in doses. amounted to 375,000 tons in 1940, it gradually declined The reason why it can only be mixed into the refining process to a mere 2,000 tons in 2009). While the crude oil is in small proportions is that although the North German crude transported via tank trucks to the Oiltanking terminal in oil is already drained, desalted and extensively desulfurized Hamburg, the crude oil from other northern fields is at its source, it still contains a lot of metal and sulfur. Overall, collected at the source and stored in tanks or directly the North German production is steadily falling, but with the pumped to the Misburg tank terminal. The latter terminal help of modern field techniques a quantity of 200,000 tons belongs to DEURAG NERAG, a former oil refinery, where p.a. can be maintained. It is estimated that the quantity will Oiltanking has been responsible for the operational be halved within the next ten years.

## **Oiltanking's Operations Excellence** Group



knowledge-sharing, which is all-important for an international service provider like Oiltanking.



Tanks for product storage are Oiltanking's main business; however, the company also has an excellent "think tank" at its disposal: the Operations

**Too many cooks** spoil the broth, as the old saying goes. But what if each cook knows something special that the other one does not? Then knowledge-sharing and getting together might even refine the broth ... With this in mind, Oiltanking initiated the so-called Operations Excellence Group — an international group of 18 Oiltankers who are respectively experienced in their own field and have been working for the company for years. In total, the group represents close to three centuries of terminal know-how. Its objective is to continuously strive to improve the services for clients all around the world. The Operations Excellence Group is a "think tank" which takes

Excellence Group.

initiatives aligned to more academic and scientific approaches in terms of engineering and operational issues. They make use of regional, internal and external knowledge pools.

#### Paving the way to the terminal of the future

The entire environment, including all its stakeholders, of independent terminals is constantly in flux. Therefore, the terminal of the future can be seen as a moving target. As a professional service provider, Oiltanking never fails



to keep an eye on all these changes. The Operations Excellence Group works on the best available solutions to

colleagues in the Operational Excellence Group meet in person at least twice a year in addition to their continual updates via the Operational Excellence Group forum. One



"A PENNY FOR THEIR THOUGHTS" Oiltankers exchanging their ideas to improve the service for their clients all around the world.

**KNOWLEDGE EXCHANGE** Pinning down all kinds of ideas

feel the energy in the air during such Operations Excellence Group meetings as seasoned international colleagues strive to find the best practice for defined operational issues. Different cultures, backgrounds, experiences and responsibilities in their daily jobs make the Operational Excellence Group a very valuable group within Oiltanking. Consequently, apart from Oiltanking's clients, all colleagues benefit from the existence of the Operational Excellence Group.

## Question of classification

Minas, Amna, Ninian, Murban? What for some might sound like interesting holiday destinations are actually just four of the more than one hundred different brand names for crude oil being supplied worldwide.

**CRUDE OIL is the** 

world's most actively

traded commodity.

■ In fact, the Energy Intelligence Group has identified 187 varying blends in total. Because of the many divergent sorts and qualities of crude oil, the petroleum industry generally classifies it according to the geographic location it is produced in, its API gravity (a measure of density) and its sulfur content. So crude oil can be called light (low density) or heavy; and it might be considered as sweet (if it contains relatively little sulfur) or sour.

Oils that have been classified are used as pricing references throughout the world. Using those benchmarks make it much easier for buyers and sellers to deal with. Some of the most common ones are:

#### West Texas Intermediate (WTI) for North American Oil

- Brent-Blend comprising 15 oils from the North Sea
  Dubai-Oman for the oil resources of the Middle East
  - **OPEC** reference basket for oil blends from the OPEC member countries
    - Tapis for oil from Malaysia, traded in Singapore
      - Minas for oil from Indonesia
      - Bonny Light is used in Nigeria
        Isthmus represents Mexican crude oil
      - When it comes to the price, as a rule of thumb the lighter and sweeter the crude oil, the higher the quality and thus the more expensive it is.

## Where crude oil pops up

■ According to the CIA World Factbook (Central Intelligence Agency, USA, 2008 results), Saudia Arabia is currently leading on the world's top ten crude-oil producing nations. It is followed by Russia, the United States, Iran, China, Canada, Mexico, the United Arab Emirates, Kuwait and Venezuela.

By the way, when you process crude oil you end up with more than six times the volume — much like what happens to popcorn when it pops.

## What kind of "oil" do you mean?

■ Because of its chemical composition, crude oil may be split into many different products using fractional distillation. In doing so, gasoline, jet fuel and diesel fuel are produced in large quantities, not to mention fuel gas, liquefied gas, residual fuel oils, lubricating oil, asphalts, carbon black, chemicals and solvents. Although Oiltankers usually think of mineral oil, we encounter many more oils in everyday life. Don't forget the synthesized, organic, and essential oils!

## Contange Backwardation

ALWAYS ON THE MOVE Oiltanking's international advertisement in the mid-90s still hold through for today.

**The market conditions** contango and its antonym levels; or the supply is at a comfortable level now, but is backwardation both refer to the pattern of prices of expected to fall short of demand in the future. In both commodities over time. Future markets allow buyers cases, the market for crude is expected to be way tighter and sellers to negotiate prices for the future delivery in the future than it is at present. of commodities. For example, crude oil future contracts trade on the NYMEX\* exchange, and each contract In the opposite situation, backwardation, today's price is represents the obligation to buy or sell 1,000 barrels higher than the future price. This occurs when present of oil. supply concerns outweigh the worries about future supply levels.

In a contango situation, the future spot price is expected to be significantly higher than the present one, a scenario that indicates two things: either the supply is temporarily exceeding the demand and expected to return to normal

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\* NYMEX: the New York Mercantile Exchange, one of the world's largest physical commodity futures exchange in New York City/USA. **EAGLE EYES** The alertness of the Oiltankers responsible for maintenance insure that the equipment at the terminal in Hamburg runs like a Swiss watch.

## We Can, We Care in Maintenance

Oiltanking

The Oiltanking terminals consist of various departments, each and every one of them is crucial for a smooth and satisfactory work process. Here, we take a closer look at what goes on in "Maintenance" at the Oiltanking terminal in Hamburg, Germany.

in Hamburg; some colleagues have just finished their night shift and others are ready to take over; the tasty aroma of coffee wafts through the air. And indeed, enjoying a cup of freshly brewed coffee together has become the morning ritual for our people there. Nonetheless there's no time for frivolous chitchat; it's all work in progress. While sitting together, they outline what - if any malfunctions the terminal's own software reported during the night. In addition, they discuss what the plans are for the day ahead. "When we talk about maintenance, we have to set two things apart: predictable and unpredictable events", explains Oliver Knecht, terminal manager. The key task of the maintenance department is "to keep the terminal running". In order to preserve, protect and prolong the lifespan of the terminal and its equipment, Oiltanking established its own maintenance standards. Recurring maintenance, some of it required by law, is monitored by Oiltanking's software; these maintenance jobs are

Watch for the warning signs!" -

It's the morning time at the terminal

#### Generally speaking all kind of tasks at the terminal harbor potential hazards.

therefore to be expected.

While most of the maintenance undertakings at the terminal in

As if these requirements were not challenging enough, the ten-strong team responsible for maintenance has to watch out and be prepared for "outof-the-blue" maintenance work every single day. In order to spot the early warning signs, a "terminal runner" walks the terminal area daily, equipped with a checklist to detect and document damages. At other terminals, this is carried out by the operators, although in Hamburg they also help to keep a close eye on possible defects.

Hamburg are performed by the technical department with the support of the terminal operators, some of the equipment has to be serviced by contractors. "In the last ten to fifteen years, not only have our internal requirements significantly increased, but also the external demands due to legal restraints", says Oliver Knecht, describing the current situation for maintenance as regards keeping up with all the newly introduced standards. As all kinds of assignments at the terminal harbor potential hazards - some take place at vertiginous heights, above water or in very narrow spaces - so-called "hazard evaluations" are defined. This allows the terminal management to calculate the potential risks more effectively and take every precaution.

### Prevention is better than cure.

Unforeseen damages caused by malfunctioning equipment, for instance, or a force majeure such as adverse weather conditions set additional difficult charges for the maintenance team. The recent, for German standards, extreme weather situation with a very long winter period and stormy weather is a prime example: whilst the team stepped up their surveillance, it still occasioned some unanticipated repair work. "It's in such circumstances that you really realize just how much the maintenance team doing their "daily homework during the good times" pays off", comments Oliver Knecht. But it also shows that the colleagues can rely on each other 100 percent. Since the maintenance team at the Hamburg terminal is recruited from the technical department, the colleagues not only have a sound technical understanding, but also a professional background as an engineer, an electronics technician or a fitter, for example. The determination of the team to keep "their" terminal in excellent condition is a matter of course for them. Therefore, they can pride themselves on that fact that their terminal has rarely ground to a standstill in the past; they intend to keep it that way!

### "Bedtime" story of three bullets

During the first weekend of May 2010, three bullets were delivered to the Oiltanking Stolthaven terminal in Antwerp, Belgium - a crucial step in the construction phase of its Isobutene storage project.

What has the distance between football goal posts The delivery of the bullets is a crucial step in the got to do with the length of two cars and the weight of an elephant? Actually, not much ... but it helps to give you an impression of the dimensions of the bullets that arrived at the Oiltanking Stolthaven terminal in Antwerp at the beginning of May: each of the three bullets were as long as ten soccer goals set next to each other, had a diameter of the length of two cars and weighed as much as 122 elephants; in other words, they were 73 metres long, measured eight metres in diameter and weighed 365 tons\*.

The bullets were shipped from the tank constructor Ellimetal in Genk/Belgium to Oiltanking Stolthaven Antwerp by barge via the inland waterways. A floating crane of the Antwerp port "BRABO" positioned at the guay of Oiltanking Stolthaven's neighbour and business partner EVONIK lifted the bullets and put them ashore. So-called SPMTs (self propelled modular transporters, used to transport abnormal and oversized loads) then transported the bullets – one by one – from the EVONIK site close to their final position at Oiltanking Stolthaven. Eventually, two giant cranes lifted the bullets safely onto their sand beds. It goes without saying that manoeuvring these bullets required great skill and pinpoint precision from all parties involved. Luckily the whole operation, which started on a Friday evening and lasted until Sunday afternoon, went smoothly. The weather conditions also helped, as very strong winds or rain might have caused interruptions.

> METICULOUS MANEUVER Each of the mighty bullets weighed 365 tons.

construction phase of the Isobutene storage project in which Oiltanking Stolthaven will be servicing its neighbouring customer EVONIK/OXENO in Antwerp. EVONIK/OXENO is investing in and building a new plant in addition to their existing 1-butene/MTBE (Methyl Tertiary-Butyl Ether) plant. The bullets will serve this production plant by receiving isobutene directly from production, after which it will mainly be loaded onto rail tank cars. For this purpose, Oiltanking Stolthaven is investing in new infrastructure for rail tank cars as well. The final completion date for the project is foreseen for January 2011.

- qoal posts, measured from inside to inside, need to be 7.32 metres apart
- an average car's length is given as 4 metres
- the average weight of an elephant is 3 tons









**BALANCING ACT** Two crawler cranes lifting the bullets into their final positions.





## On historic ground

One of Oiltanking's terminals is located at a site that is steeped in history for the oil industry: Beaumont, Texas/USA, home to the legendary Spindletop.

**Cows grazing peacefully** on lush grass surrounded by a landscape that stretches as far as the eye can see — in short the idyllic place called Beaumont, founded in 1835. In the early years at least, it was indeed a small center for cattle ranchers and farmers. However, with its strategic location on the Neches River and active river port it soon became a successful regional shipping center and an important lumber and rice-milling town in the late 19th century. The fate of the city changed dramatically on January 10, 1901, when Anthony Lucas and his drilling team struck oil on a salt dome formation south of Beaumont known as the Spindletop. The Lucas Gusher spouted a six-inch stream of oil over 100 feet into the air

until it was capped nine days later, producing around 100,000 barrels a day. Beaumont's population exploded from 9,000 in January 1901 to 30,000 in just two months, attracting curious sightseers, investors and job-seekers. Over the next few years, dozens of oil companies were founded, including Gulf Oil, Amoco Oil, and Humble Oil Company (later to become Exxon). By 1903, four hundred wells had been erected on Spindletop Hill.

The strike on the Spindletop also represented a turning point for Texas and, indeed, the nation. The frenzy of the oil exploration and the economic development it generated in the state became known as the Texas Oil Boom. Spindletop was the first major oil field and the largest in The town of Beaumont has also grown over the years. American history, ushering in the Petroleum Age. In the With 113,866 inhabitants (census 2000), the lively town first year Spindletop produced 3.59 million barrels; in the embraces a modern life style while holding on to its second 17.4 million. By 1903, however, the field had historical roots. Nature has provided the city with many begun to decline due to overproduction and by 1911 ups and downs - and not only in terms of oil; in 2005 and Spindletop Hill was deserted, only to see a revival in 1925 2008, for instance, Beaumont and the surrounding areas due to improved drilling technologies. In 1927 the suffered extensive damage from Hurricane Rita and Spindletop production reached its all-time annual high of Hurricane Ike and a mandatory evacuation was imposed

21,000,000 barrels. This was also the time when the Oiltanking Beaumont terminal was constructed to cater for this output and the spiraling importance of the oil industry.

#### The terminal that belongs to Oiltanking today was founded in 1926 to handle the second Spindletop boom.

Today, the glory days of Spindletop are a thing of history. But while the site looks like a wasteland and only operates a few oil wells very slowly, oil is and always has been a major export product of the city and a crucial contributor to the national GDP (Gross Domestic Product).

As for the terminal in Beaumont, the facility that started with a large number of historic tanks was bought by Oiltanking in 2001 and underwent a "facelift"; many of the almost century-old

tanks have been replaced, while the company also upon its residents for about two weeks. Although the invested substantially in the waterfront and state-of-the-Oiltanking terminal was also hit, with the help of its art technology. Today, the terminal's capacity totals dedicated team the terminal managed to dodge a bullet 6,000,000 barrels. Surrounded by major refineries and and was already providing services to its customers days petrochemical plants, the terminal offers its service for after the disaster. So the spirit of Anthony Lucas of not crude oil, fuel oil, VGO, clean petroleum products and giving up and pursuing his goal is still very much alive in bulk chemicals. Oiltanking Beaumont's combination of the city of Beaumont and at Oiltanking Beaumont: he marine facilities and pipeline connections offers customers stayed confident and eventually, at his fifth attempt at unique redelivery options. In 2009/2010, 13 tanks became striking oil in eight years, he finally succeeded. operational including an additional 65,000 cbm of VGO capacity, 100,000 cbm of MTBE/methanol storage and another 80,000 cbm for petroleum products.



30 CONNECTIONS

#### NORTH AMERICA

**HISTORIC SHOT** The Beaumont terminal around 1930 and the actual Oiltaning terminal in 2010 (left side).

## Fuel for thought

The expression "black gold" usually stands for petroleum or less commonly, coal. But it may also refer to pepper, Guinness or even ... coffee. This stimulating drink is not only related to the fossil liquid by name and color.

> Just as many of us greatly depend on petroleum, some are "addicted" to the aromatic fuel — which, by the way, gains its characteristic flavor during the roasting process when the beans specifically release — you guessed it — oil! However, if it were not for a goat, as the legend has it, who knows how coffee would have developed. As the story goes, an Ethiopian goat herder noticed his flock was frolicsome after eating a certain shrub; having tried some of the shrub's berries himself, he too felt the "kick", and the future of coffee began to brew.

Coffee was first made into a hot drink on the Arabian Peninsula sometime around 1000 AD. The coffee plants and fertile seeds were closely guarded and, until the 1600s, they could only be found in Arabia or Africa. European traders brought news back about the black beverage and the Dutch founded the first European coffee estate on the Island of Java in 1616. It was not until around 1727 that coffee finally made it across the Atlantic. Today, after crude oil, coffee is the most traded commodity worldwide. People all around the globe drink a total of 7.4 billion cups of coffee every year.

"BEAN" ME UP! For some, drinking coffee with its stimulant effect means an indispensable morning routine and an elixir of life.

> SPILLING THE BEANS Coffee cherries grow best in the band around the middle of equator between the Tropics of Capricorn and Cancer, known as the Bean Belt.



## **Rare delicacies**

■ Sometimes called "Dutch donuts", Dutch "oil balls" (oliebollen) are quite different from the classic American donut. First of all, these spherical fritters are served immediately after frying, are commonly dusted with powered sugar, and contain dried fruits. And secondly, as delicious as they taste, they are a special treat only to be eaten on New Years' Eve or New Year's Day. The end of the year is not on our doorstep just yet, but if you want to practice here is how to make a batch of oliebollen.

#### **Preparation:**

In a small bowl, mix the teaspoon of sugar into 1/2 cup (120 ml) of hand-hot water. Sprinkle the yeast on top and leave to stand for 10 minutes (the yeast has to bubble). Stir to combine.

Mix the flour and sugar in a large bowl and make a well in the middle. Add the eggs and the yeast mixture. Heat up the milk (it should be lukewarm), add half of it to the well in the flour and mix until all the ingredients are combined. Add the rest of the milk and whisk until smooth. Cover the bowl with a damp dish towel and leave to rise in a warm area for about an hour. Once the dough has doubled in size, stir in the salt (and fruit if used).

Heat the oil in a deep pan or in a deep fryer. To check whether the oil is at the right temperature, stand the handle of a wooden spoon in the oil. If little bubbles form around it, the oil is hot enough. You will need two tablespoons to form and handle the dough, as well as a slotted spoon to remove the oliebollen from the hot oil. Quickly dip the two tablespoons into the oil and form small balls out of the dough with the oiled tablespoons, carefully scraping and dropping the dough into the hot oil. The oliebollen will sink to the bottom of the pan and then pop right back up. You should be able to fry at least six oliebollen at a time. Fry until golden brown on both sides, carefully flipping when required. Drain on a tray lined with paper towels. Sieve powdered sugar over the oliebollen and optionally a dusting of ground cinnamon, and serve warm.

#### **SWEET TEMPTATIONS** Oliebollen, the Dutch counterpart of American donuts.



Ingredients: 1 tsp sugar 2 small packets of (instant) dry yeast 4 cups of flour (512g) 1/4 cup of sugar (50g) 2 eggs 2 cups of milk (480ml) 1 tsp salt 8 cups of vegetable/ sunflower oil (21) powdered sugar dried fruits (optional) ground cinnamon, optional

# **Coffee** just my cup of tea

"A cup of coffee shared with a friend is happiness tasted and time well spent". (Anonymous)

What more could we add to such a true saying than to invite you for a cup of coffee at some of our Oiltanking locations around the world?

#### **The Netherlands**

Zullen we een bakkie doen? ("Time for coffee?") For the Dutch the day probably starts with a cup of coffee and by about 10 a.m. at the latest it is high time for another one; maybe a koffie verkeerd, as the Dutch call a cup of the brown stuff that contains more milk than coffee. And the day ends just as it began: coffee is always welcome after dinner, too!

#### Germany

Kaffee und Kuchen (coffee and cake). In the past coffee and (preferably homemade) cake was a tradition enjoyed in the weekend afternoons. While today some may skip the cake,

coffee is still on the daily menu — but strong, please; not the kind where you can see through to the bottom of the cup!

#### USA

"A small, black roasted decaf with fat-free milk, no sugar, hazelnut flavoring added and no whipped cream on top to go please." The barista — most probably in one of the popular coffee chains — might need some time to figure out exactly how someone wants their coffee. But one thing is for sure, coffee is practically a lifestyle element and often seen in take-away cups on the streets.

#### **United Arab Emirates**

A coffee date? Actually, it is more like coffee with dates, as coffee is often served accompanied by the delicious fruit! It usually takes two to three finjal (a small coffee cup) for someone to shake his/hers to the left and right, indicating that you do not want any more coffee; otherwise your host will keep pouring you coffee until the cows come home! But the traditional Arabian coffee is special and tasty. The qahwa arabiyah is a weak coffee that gets its own particular blend by adding local spices to it, e.g. saffron, cloves or cinnamon — but, please, no milk or sugar! Coffee is drunk throughout the day and is an important part of socializing. Making a fresh pot of coffee whenever guests arrive is a great gesture of welcome.

#### In traditional style The

primary guest will be served first by a waiter called Gahwaji holding a stack of cups in his right hand and the coffee pot in his left hand.

#### China

Traditionally, China is a tea-drinking country; but coffee — ideally instant — is becoming increasingly common and

popular, especially in booming cities and among the young generations. China is also promoting the expansion of its domestic coffee production tremendously.

"Chinese coffee" is not only practically synonymous with instant coffee in China; it is also the name of a film produced in 2000 and starring Al Pacino.

#### Singapore

"Let us meet at the kopi shop!" What might sound like copyshop to the novice is actually where you can savor a kopi — "coffee" in Malay. Here, apart from the widespread westernized coffee chains, a "sock" is used for making coffee. Kopi comes with sweetened condensed milk, which in the tropics is a remnant from the days when it was the only type of milk that could stand the heat and humidity. If

you just want black coffee, you have to order kopi-o, but do not mix it up with kopi-c; that is coffee with evaporated milk. You would do well to copy the meanings of kopi before you order ...

> COMMON PRACTICE Instead of a mug or plastic cup, takeaway kopi is stored in a plastic bag with two plastic bands for handles and a straw attached.



BLACK GOLD



#### **Belgium**

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Een pootse kàffee? ("A cup of coffee?" in Ghent dialect) If you are in the Flemish part of Belgium, like the cities of Ghent and Antwerp where Oiltanking is located for instance, you are sure to come across the so-called Hasseltse of Balegemse koffie, meaning coffee with jevener (Dutch for

gin), maybe even served with whipped cream. Easier to digest — especially if you have to drive later on, but also price-wise — is coffee made of chicory. It used to be a substitute for or added to coffee during the Second World War as real coffee was too expensive. However, it is still sold today.

#### Indispensable invention

A Belgian, George Constant Louis Washington, living in Guatemala invented the first instant coffee in 1906 and later emigrated to the USA.

Coffee — "Black as hell, strong as death, sweet as love."

Turkish proverb

#### Do you kopi?

• Kopi-O: Coffee without milk and only sugar • Kopi-C: Coffee with evaporated milk • Kopi-gau: Coffee (strong brew — "gau" is "厚" in Hokkien) • Kopi-po: Coffee (weak brew — "po" is "薄" in Hokkien) • Kopi-C-kosong: Coffee with evaporated milk and no sugar ('kosong" means empty in Malay) • Kopi-O-kosong: Coffee without sugar or milk • Kopi-O-kosong-gau: A strong brew of coffee without sugar or milk • Kopi-bing or Kopi-ice or Kopi-Peng: Coffee with milk, sugar and ice • Kopi-xiu-dai: Coffee with little sugar • Kopi-gah-dai: Coffee with extra sweetened milk • Kopi-Di-Lo: All coffee, no water





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#### Malta

In Malta there is always time for a good cup of coffee — or KAFE as it is called in Maltese. It is mainly based on Arabica coffee beans, which are bought in a Xkora (typical Maltese bag), and is made with an ordinary coffee machine. The Maltese favorite is the Italian "cappuccino", which is prepared "professionally" in the Oiltanking Malta office by

the "baristas" Kitty and Christine at any time

time.

**KAFE!** In Malta there is always time for a good cup of coffee — preferably cappuccino.

#### Peru

Coffee is the main agricultural export product of Peru after asparagus. The country has become one of the best 100% Arabica coffee suppliers in the world. Just recently, coffee from the Puno region was awarded the highest prize for quality during the 22nd Annual Specialty Coffee Association of America (SCAA) Exposition in Anaheim, California/USA. Another secret to their perfect dark essence? Many Peruvians try to maintain the traditional way to get a good cup of coffee by using the typical crockery coffee pot. There is no need for coffee paper as the beans are not ground all that much. You just wait until the boiled waters drains drop by drop ... ready!

Un cafecito, por favor! Peruvians like to use diminutives for things they like — so it is only natural that they call "café" cafecito. Some even like a dash of pisco (the national liquor) in it.

#### Finland

When you look at the per capita coffee consumption, the Scandinavian countries are nearly all at

the top of the coffee drinking list. Out in front stand the Finns with an average consumption of 11.8 kg of coffee per person, per year (2009) — an average of 4–6 cups of coffee a day. Most Finns drink it strong and black, or with sugar and milk. However, the traditional coffee is a lightly roasted type that tastes different to the dark roasted variety which is more common in Europe. One reason why coffee is more than just a morning pick-me-up and why it became an important social event among all kinds of people may date back to the early days when alcohol was forbidden; coffee stepped in and was not replaced after the legalization of alcohol.

**Coffee ceremony** A palatable cup of coffee being served with delicate pastries and bakeries is something of a ritual in Finland.



#### Egypt

Drinking coffee — developed and popularized in the Middle East — is still a

national tradition in Egypt. Nowadays, you can sip your ahwa (as coffee is called) in modern coffee-shop chains or in traditional local coffee houses. However, the latter only cater to men, who most probably discuss politics, play tawla (backgammon), listen to Egyptian music and smoke the shiisha (water pipe). A favorite is the Turkish type of coffee, made from finely powdered beans brewed in a small pot; just as the water begins to boil, it is poured over the granules; while the heavier grounds sink to the bottom of the cup, the lighter ones form dark foam. The coffee is then poured into a demitasse. Enjoy the thick, strong brew, but be sure to sip it carefully to avoid stirring up the grounds at the bottom!

#### Brazil

Brazilians usually like their coffee very strong; because of this, it's served in small cups — which is where the expression "cafezinho" (little coffee) might have originated. However, leaving aside how small the cups might be the role coffee plays for the Brazilian economy is huge: the country is the world's largest coffee bean producer, particularly in the Espirito Santo State. There, at the Port of Vitoria — also the location of Oiltanking's terminal — vast coffee volumes are handled for export.

#### Poland

Legend has it that the Poles, who used to drink tea (preferably with honey and lemon), discovered coffee when they besieged the Ottomans in the 17th century; fleeing in panic, the latter left bags filled with "strange beans" behind. Nowadays, coffee is widespread and cherished all over the country. In fact, the "Turkish" style of coffee is still a favorite. It is also commonplace to add cinnamon along with a slice of lemon skin to the coffee.



### 1990 1991 1991

# Bringing back memories

#### **First Even Keel Award**

■ In 1991 the Oiltanking Group Management instituted the "Even Keel Award" to honor the terminal with the highest monthly performance of a year. 54 cm high, 30 cm wide and encased in a wooden box, the brass trophy itself was modeled on a clinometer pendulum, a nautical instrument that indicates the list of a ship.

It was the Oiltanking terminal in Copenhagen, Denmark, that became the first proud winner of the shiny award. In July 1991 the terminal achieved an amazing return of 54.6 percent on investments (at the time, the highest rate ever obtained in Oiltanking's history). Copenhagen won again in October 1992 with an 89 percent return on investment. And in Copenhagen the trophy would stay! The glorious award ended up gathering dust in a dark storage room until Managing Director Karl Henrik Dahl eventually stumbled across it last November when he took up his new position in Denmark's capital. Just why the award ended up among the rubbish and why it has never been awarded to any other terminal, nobody can tell! And what did Karl Henrik Dahl do with it then? He decided to dust off the Even Keel Award, give it a good polish and hang it on the wall in his office. A good performance, Karl Henrik!





#### THE "EVEN KEEL AWARD"

was awarded for the first time in 1991 and the winner was ... the terminal in Copenhagen!



### The right chemistry

At the end of March 2010 Oiltankers from all over the world gathered in Houston, USA, to discuss the latest happenings and trends on the chemical market.

**The chemical part** of the Oiltanking storage portfolio has been developing rapidly in recent years and has become an important part of Oiltanking's business all over the world. Interesting market developments in the Middle East and Asia Pacific are set to change the whole picture of the world chemical market and create new powerful trade flows - and thus immense opportunities for the storage business. In order to keep abreast of these trends and share their own experience and knowledge with other colleagues, Oiltankers regularly get together for the chemical meeting in Texas.

This year's meeting focused on the glycols market. A significant expansion in the amount of Monoethylene Glycol being traded across the world is pushing the limits of existing delivery systems, causing new supply-chain challenges for global companies; this also opens up new openings for logistics and storage companies like Oiltanking.

Two guest speakers from leading chemical consulting companies informed participants about the major movements and challenges on the global chemical market, and shared their views on future changes and forecasts. After that, an extensive internal discussion took place. During this productive two-day meeting, Oiltankers identified a number of significant action points and shaped Oiltanking's chemical strategy, aimed at the further sustainable growth of this promising segment of Oiltanking activities.

#### Monoethylene Glycol (MEG)

MEG is a key raw material for industrial applications and mainly used for the manufacture of polyester (PET) resins, films and fibers. In addition, MEG is central in the production of antifreezes, coolants, aircraft anti-icer and deicers, and solvents. In its pure form, MEG it is an odorless, colorless, syrupy liquid with a sweet taste.

### East of Suez meeting



On June 18, 2010 Oiltankers from the Middle East, India and Asia Pacific gathered in Dubai, United Arab Emirates, for two days for the third annual East of Suez meeting to discuss the current market situation and trends.

**Eos:** in Greek mythology, the goddess of dawn who the previous meetings had taken place in the Far East "with rosy fingers opened the gates of heaven so that (Singapore) and India (Goa), it was the Middle East's turn Apollo could ride his chariot across the sky every day." to hold the event this year. While the days were filled with (Nonnus) For Oiltankers, however, the letters EoS have useful presentations and lively discussions about taken on a very different meaning: they are used internally Oiltanking's business in the region, the nights offered a as an abbreviation for an annual get-together called the fascinating insight into Dubai as a city. The vigorous "East of Suez meeting". But just as Eos opened the gate, discussions continued over ice-cold drinks until late into the Oiltanking meeting is intended to broaden the the night under a starlit sky with stunning views of one knowledge and perspectives of all those present, as well the most captivating places in the world. Next year EoS is as share happenings with regard to recent market trends off to the Lion City; in other words, the participants of the and developments. East of Suez meeting are already looking forward to touching base with each other again next year in Furthermore, the EoS also offers the host an opportunity Singapore.

to highlight the specific features of their own location. As







**AT A HIGH LEVEL Be it** the discussions, the team spirit or the buildings' conference room in Dubai.

## Myths and facts

Oil makes the world go round — literally — so it's only natural that there are a lot of myths and guesswork that surround it, and not just hard facts. And don't forget the role it plays in food, art and entertainment, either ...

#### Oil change, anybody?

It seems to be ingrained in many heads that a vehicle's engine needs an oil change every 3000 miles. Although this belief has scientific background, the strict 3000-mile threshold is no longer absolutely necessary. While in the past engines used non-multi-weight, nondetergent oil, the quality of motor oils today is much more superior and therefore lasts much longer.

Yet there are still vehicles that need the 3000-mile oil changes, but not because the oil goes bad after that period; vehicles with a timing chain system are very sensitive to clean oil because the oil pressure is used as a hydraulic fluid to ratchet up the timing chain tensioner. However, the word on the street is that there are even "recreational oil changers": people who change the oil far more than needed just because they enjoy doing it — seeing the dirty old oil pouring out and filling the gasket on the new filter. When did you last check your oil?

#### **Oil baron**

It was also in 1978 that one of America's best known soap operas started to run: Dallas. It revolves around the Ewings — a wealthy Texas family who made their fortune in the oil business and cattle-ranching. The ruthless business methods and blunt humor of the show's central character, John Ross "J.R. Ewing Jr." (played by Larry Hagman), are still well remembered to this day. In 2007, Dallas was listed as one of Time magazine's "100 Best TV Shows of all time".

#### Grease is the word

Remember 1978? Then most probably "Grease" is more than a just word for you. Yes, it was "the time; the place; the motion" - in other words the title track for the musical motion picture "Grease" based on the stage play of the same name. Performed by Frankie Valli, the song was written by Barry Gibb of the Bee Gees and became a number one hit single in the United States that year.



**DULLING THE PAIN Snake oil can** 

still be purchased in traditional Chinese pharmacies.

#### Petroleum spa, anyone?

Being pampered, scrubbed and peeled in a bath of ... pure wooden crutches left by visitors cured by the oil is kept. crude oil? This would be no problem in Azerbaijan -aOr why not try out the soothing, beneficial effects for country awash with oil and natural gas resources. But yourself? we're not talking about the brand "Azeri Light Crude", the crude oil from Azerbaijan's plenteous offshore deposits in WELLNESS CONCEPTS Bathing in oil would the Caspian Sea, which is sold internationally; instead it's be much different than the usual luxury spa Naftalan crude oil, which originates from the town of but equally beneficial. Nathalan, situated approximately 320 km from Azerbaijan's capital city of Baku. While Naftalan is too heavy for normal export use, it serves various medical purposes: in its raw form it's utilized for therapeutic baths known as balneotreatments; in its purified form (tar or resin removed), Naftalan contains a high concentration of naphthalene (about 55 percent), a hydrocarbon widely used to treat skin, joint and bone diseases such as psoriasis, arthritis and rheumatism.

You don't believe in the therapeutic benefits? At the peak of the Soviet oil spa boom in the 1970s and 1980s (before war broke out between Azerbaijan and ethnic Armenians in 1988) — the Naftalan spas had 75,000 visitors a year. Maybe a visit to the unique "Museum of Crutches" in the town would change your mind? Here, a collection of

#### Rub or rubbish?

If you have an inflammation or painful arthritis, bursitis or suffer from other similar conditions, have you ever tried snake oil? This medicine originated in China, where it is used to relieve joint pain. It is made from the Chinese water snake, whose fat and oil is high in eicosapentaenoic acid (EPA). Snake fat was also believed to cause bald men to grow hair in ancient Egyptian medicine, where it was mixed into a paste together with the fat of lions, hippopotamuses, crocodiles, tomcats, and Nubian ibexes. However, snake oil is also used as a derogatory term for remedies that are ineffective or just downright deceitful. The metaphor describes any product that is marketed in an exaggerated way but with dubious or non-existent benefits or qualities.



INTELIC

## Mama mia, it's Mumma Duck!

Since August 2008 the Mumma Duck Sailing Team has been committed to international waters under the watchful eye of the Oiltanking flag. As the climax of its campaign draws closer — the Tour de France à la Voile 2010 — it's high time we asked Ties van Bruinessen, one of the team members and responsible persons for the team's PR, what it's all about.

#### connections: "Mumma Duck" is an interesting name. What does it mean?

Ties: If you've had one drink too many and your friend brings you safely home or gives you his/her jacket even though it's minus 12 degrees Celsius, he/she would be an awesome Mumma Duck! It means a lot of passion and caring. The Mumma Duck Sailing Team is a young and ambitious team of students and young professionals with a passion for sailing. After training in a wide variety of classes, ranging from both small dinghies to larger, heavier yachts, the individual members converged on the Farr 30 "Mumma Duck".

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#### Who is in the sailing team?

The team consists of twelve sailors, topped up by two

professionals: Laurent Pages and Bouwe Bekking. Both sailors have significant experience of major events like the Volvo Ocean Race and professional teams during the Tour de France à la Voile. In the course of the preparation proceedings and the tour, both skippers will be helping out the young and eager crew with their vast knowledge.

#### How would you describe the sailing boat?

The Farr 30 is a very demanding, high powered yacht capable of reaching extremely high speeds. The boat is usually manned by seven crew members, each performing their own task; but to bring the full potential of this vessel into play all individuals have to work together to create one efficient crew. The boat only weighs two tons, but boasts a large spinnaker of approximately 100 m<sup>2</sup>!

#### When did Mumma Duck Farr 30 set sail for the first time?

The team started out in August 2008 with the intention of sailing races in and around The Netherlands. Fuelled by the know-how of several crew members, the aim of the team switched from racing on the smaller Dutch scene to the large, one-design races in France, especially the Tour de France à la Voile 2010. This was when Oiltanking came aboard as our main sponsor and Jan Lokhorst stepped down as the owner of the team. And the campaign evolved into what it is now: a foundation which provides the crew with the conditions to develop, learn and perform in the best possible way.

#### What is the goal of the Mumma Duck Sailing Team?

Since 1995 the Farr 30 has been used by the Tour de France à la Voile organization as their preferred boat. During the event, circa 30 different teams from around the globe compete for the top spot in three classes: students, amateurs and the general classification. The event lasts for 30 days, combining longer offshore races of 10–50 hours with the short inshore races which take 1 or 2 hours. The



happening gets underway on June 25 in Dunkirk on the French Atlantic coast and ends in La Seyne-sur-Mer in the Mediterranean on July 25. Our ultimate goal is to win the Tour de France à la Voile in the amateur class.

#### What are you doing to accomplish your aim?

We started a 2-year training and preparation course: sailing is a sport which is not only won on the water, but also during the preparatory measures for your boat, team and organization. Now we are fit and ready to pick up the towel against the professional French teams. We realize that we have a unique opportunity to pursue our objectives during the Tour de France; this wouldn't be feasible without the backing of our sponsors, including Oiltanking.

#### Follow the team! You can follow them in

all of the events online:

- http://www.mummaduck.com
- http://www.twitter.com/mummaduckcom
- http://www.facebook.com

## (No) Walk in the Park

At the end of May 2010 four sporty Oiltankers from Oiltanking Singapore and the brave fiancée of one of them dared to climb the prominent Mount Kinabalu, which towers some 4,095 meters above Borneo, Malaysia. It was a four-day trip packed with memorable experiences.

■ "The mountain looks really very high" — that was the awestruck and unanimous opinion of all five when they reached the Kinabalu Park Headquarters, the starting point of the Mount Kinabalu Trail. But Stanley Teo, Patrick Tan and his fiancée Stephanie Chay, Bay Chin Hao and Rob Eijkholt were determined to conquer this impressive mountain on the island of Borneo. Towering to a height of 4,095 meters, Mount Kinabalu is the highest mountain in South East Asia and, together with its surroundings, is regarded as one of the most important sites in the world, being home to about 1,200 species of orchids, 326 species of birds, 100 species of mammals — the list is endless. For its outstanding universal values, Mount Kinabalu was declared a World Heritage site by UNESCO.

In order to master the steep climb, which is interspersed with dramatic rock fragments, some of the team had already been training for weeks; others, however, decided to take their chances without any physical advance training. Mentally ready and laden with all the necessary

equipment such as hiking sticks, warm clothing (the weather conditions can change rapidly with temperatures sometimes falling to minus degrees) and torches, the five companions started at a height of 1,564 meters; for the remaining 2,531 they had two tough days of climbing ahead of them. Reward for their exertions was the awe-inspiring view from the top.

#### "I kept asking myself, 'What was I thinking when I said yes?' But no regrets at all and the guys are such a fun bunch!" stefanie Chay

While the first day of climbing was already demanding enough, waking up at 1.30 am on day two and continuing the hike in complete darkness guided by ropes was a





notable experience to say the least. It seemed as if the trail was just getting more and more precipitous, and around each corner lurked yet another arduous path. In order to allow their bodies to adjust to the altitude, they moved up slowly but steadily. turned out to be almost as physically challenging as the way up! So the climbing in Kinabalu Park was definitely no walk in the park, as the team admitted afterwards; but it was (literally) a breathtaking adventure that they wouldn't have missed for the world.

Finally, at 6.30 am they reached the summit and waited in the cold for the sun to rise above Borneo. Luckily the weather Gods were smiling on them and they witnessed the new day dawning, illuminating the darkness as the sky gradually turned from a soft orange hue to blood red. Faced with the stunning view, they soon forgot the hard work they had put in to make it there. Nevertheless not for long: they still had to descend to the point where they had set off two days earlier that very same day. The route down

#### "And I thought going up was tough!"

Rob Eijkholt on the strenuous descent



**IN HIGH SPIRITS** to conquer the peak: Rob Eijkholt, Stanley Teo, Stefanie Chay, Patrick Tan and Bay Chin Hao (from left). "A backbreaking, awe-inspiring and ultimately fulfilling experience!" according to Bay Chin Hao.

**MAJESTIC MOUNTAIN** 

Mount Kinabalu, 4,095 m, is a botanical paradise blessed with an astonishing variety of flora and fauna spread over four climate zones.

"It is a humbling experience to stand on the Low's peak and take in the magnificent view." Patrick Tan

"NOTHING LIKE BEING AT THE TOP with such a breathtaking view; it literally takes your breath away at that altitude ...", says Stanley Teo (middle).

LEISURE & FUN

includes names from "A" for Ammonia to "X" for Xylene. With the help of the product database of the HSSE Department at the Oiltanking | Cheads Aloffice | Olin Hamburg, Germany, colleagues can localize within seconds (actually, just a mouse click) which terminal currently has or recently stored what kind of

stored

On April 22, 2010 — the day picked as internal reference day,

Oiltanking's 69 international terminals y any a21 different

countries. The product range

commercially

760 different products

stored A 4where GA 4The important feature of the database is the provision of socalled PiloProduct lot Information Cards, with all the key facts of a database up-dated is a task that demands a lot of discipline and

products. It is also possible to find out quickly which product is most product on just one page and in up to twelve languages. It goes without saying that keeping this meticulousness.

## ... and action!

Try to solve our riddle and don't miss the chance to win! Please send your entries to: connections@oiltanking.com, or contact us by post: Oiltanking GmbH, connections Team, Admiralitaetstrasse 55, 20459 Hamburg, Germany or by fax: +49(0)40 370 99 499.

#### CONGRATULATIONS Quiz solution

"And the winner is" ... actually, we should write "winners" because this time round we received so many entries that it was too hard to pick just one. Not only were they the right answers, but some were also rather witty and creative. Therefore, we drew one winner out of a hat: congratulations to Anne-Katrin Brillinger, Mabanaft GmbH & Co KG yes, the fish lives in the green house with the German, who drives the Audi and likes to drink coffee.

### The winner takes it all ...

In the last weeks we were all ears to learn which soccer don't have to listen but just can read that Arnoldo Moreno, team is going to win this year's soccer world championship Oiltanking Houston, guessed rightly that the team of Spain and asked for your guess in our last issue. After all the will lift the trophy and that he was drawn by lot from the deafening noise of the vuvuzelas, almost a symbol of the many correct guesses. That the iPod shuffle is on its way is South African soccer games, it is a little break that you probably music to his ears!

#### **NEW OUIZ** Lock, stock and barrel



As a lot of themes in this issue refer to oil, so does our new quiz: imagine you have a barrel\* of oil and you need to measure out just one gallon; how do you do it if you only have a three-gallon and a five-gallon container? We're sure you'll measure up to the task - maybe the chance to win our Oiltanking wellness set will help you to speed up? Good luck and please remember our closing date for entries: October 15 2010.

\* (1 barrel (bbl) of oil = 158,987 liters: 1 gallon (US) = 3.78541 liters)

46 CONNECTIONS

NUMBER

were

at

We will would like to especially thank three others for their ingenuity (and, of course, for getting the correct answer): Franz-Josef Barth, Oiltanking Bendorf/Germany, said very dryly: "the fish lives in the water!" Wayne Holman's, Motiva Enterprises LLC, Texas/USA, answer came floating in together with an artistic fish pictogram; and Pascal van Laeke, Oiltanking

Ghent/Belgium, had a fishy tale to tell.



LAST BUT NOT LEAST

## No phony business

Everyone knows what a telephone is; but what about a geophone? In the process of exploring possible oil fields, different kinds of surveys might be carried out; you might use aerial photographs and satellite pictures, or magnetism to establish the force of gravity, for instance; and last but not least, there is the seismic survey, which uses sound to analyze the underlying rocks. Shock waves are sent into the ground with the help of vibrator trucks and the time taken for the sound to be reflected is then calculated by special devices: geophones. The geophone data collected is converted into seismic lines by modern computers. Later on, this will allow geologists to create a 3D computer model of the dynamics and geometries of the rocks below the Earth, while geophysicists help interpret the seismic data. Together, they are then able to establish the precise location of the oil site to drill the holes. Our picture shows the distribution of geophones ready for a 3D seismic survey.