

## **Keppel Shipyard (1968 – 1982) Those Early Days ! (Part 3)**

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**Author:** **Tham Yeng Fai**, was from the first batch of graduates in 1961 to graduate with the Diploma in Marine Engineering from the Singapore Polytechnic. He went to sea, clocked the sea time needed for his ticket but decided to come ashore to play his part in the localisation of Keppel Shipyard.

### **Improvement of shipyard equipment & facilities**

During these early years, the annual budget for purchase of new and replacement equipment and facilities was extremely limited. Great care and judgment had to be exercised in the preparation of the annual budget which had to be approved by the Board. Only items critical to maintaining the efficient running of production activities, like Esab Rectifier welding equipment, could be considered, and other equipment like forklifts and prime movers had to be overhauled and serviced to maintain their operational efficiency. Fortunately, our request for 2 x 1,200hp tugboats was approved as these were desperately needed for the ship movements in relatively strong currents at Keppel Harbour and Tanjong Pagar. In those days, the PSA did not have many tugs and we could not depend on them to provide the tugs for movements.

### **Precision Engineering**

In those days, only Watt & Akkerman was able to do precision engineering work like Woodward governors, turbochargers, fuel pumps & injectors, satellite welding, and surface super-finishing. They had been increasing their charges to the extent that we could not sustain our mark-up on these items. It was decided that we would start our own precision engineering section to do the all these items ourselves. Together with Mr. Veerappan, Assistant Works Manager, and our technicians, we proceeded to purchase, set up equipment, experiment and learn how to overhaul each of these items from scratch. We thus broke the hold that Watt & Akkerman had over us.

Accreditation as Service Centre for marine equipment. We were the accredited service centre for Sperry & Anschutz gyroscopic compasses, and Sperry Collision Avoidance Systems. Technicians were sent regularly for training and upgrading of knowledge of new systems and developments. As I recall, Mr. Cheng H.L. used to give free theory lessons to our technicians.

We were also appointed the accredited service centre for Wartsila Deisel. Many technicians and managers were sent over the years to Wartsila in Finland for comprehensive training.

### **Return to Commercial Department**

Sometime in 1977, I swapped jobs with Mr. Khor Teik Lin, who was then the Commercial Manager. The rationale given was that my experience and forte in this area could be better deployed as Commercial Manager. It was a downturn period and it was crucial to go abroad to look for new customers and work. I spent the next 2 to 3 years in this position, doing an extensive amount of travelling to meet up with the customers and potential clients. One notable success was the signing of a fleet drydocking agreement with Iraqi Tankers which had a fleet of 10 tankers within our King's Dock size. Several trips were made to their offices in Basrah for meetings and negotiations before the agreement was concluded.

### **Tuas shipyard**

In the meantime, a brand new shiprepair yard was being built in Tuas in Jurong under a project management team headed by Mr. Lim Soon Heng. Phase 1 would comprise of 1 capesize drydock with all workshop and other facilities and with sufficient space for future expansion for 2 more drydocks, workshops, offices, and other facilities. The first phase was completed in 1978 and the facility was opened by Mr. Hon Sui Sen at a grand ceremony involving all the employees of Keppel Shipyard who were transported by convoys of buses to Tuas shipyard for the ceremony. This first drydock was christened and named by Mr. Hon as "Temasek Dock". I was the Chairman of the organizing committee for the opening ceremony.

Singapore Slipway & Engineering Company Pte Ltd Mr. Lawrence Mah, who had been appointed in 1974 as Managing Director had transformed Singapore Slipway from a sleepy outfit to a thriving operation. Many orders had been won and many vessels were being constructed at the Tanjong Rhu yard. In 1976, Mr. Mah took an order for 12 handy-size container vessels from Gurnar Matheson. This was to be his undoing as the order proved to be a logistics nightmare and with the attendant cash flow problems. Besides, these vessels were too large to be constructed at the Tanjong Rhu yard so a new site at Gul in Jurong had to be leased and the activities moved there. In the end, every vessel incurred a very substantial loss, although the assignment of Mr. Lee Kwang Mong to oversee the project at the Gul yard mitigated the loss somewhat. In the beginning of 1979 Mr Mah was recalled to Keppel and Mr.

Lim Soon Heng was sent to Tanjong Rhu as General Manager. From then on, the management of the Gul and Tanjong Rhu yards were assigned to separate General Managers.

Towards the end of 1979, Keppel's Managing Director, Mr. Chua Chor Teck, sent me to Singapore Slipway as its General Manager. I was also appointed as a director to the Slipway Board. The Yard Manager, Mr. Tay Kim Hock, had been sent there a few months earlier.

Together with me was the Finance & Admin Manager, Ms. Wee Beng Geok (now Assoc. Prof. Dr. Wee). The facilities comprised of 1 Slipway for vessels of up to 50 metres in length and building berth space for 4 – 5 vessels of up to 75 metres in length. There was a handy size steelworks shop and a small mechanical shop. Many key project personnel had left while others had been seconded to the Gul yard for the Gurnar Matheson vessels. Still, I was fortunate to have with me Mr. Tay and Ms. Wee, together with a handful of competent supervisors and project managers.

When I arrived there was only 1 vessel, an offshore maintenance vessel for Ocean Inchcape of UK, under construction. It was only about 2 months from completion and there were no vessels on the order books. We desperately needed new jobs. At a meeting with my 2 key managers, Mr. Tay and Ms. Wee, we agreed to divide and allocate our tasks clearly so that we could each concentrate on what we had to do. So it was decided that Ms. Wee would keep all her area of responsibility in check while Mr. Tay would ensure that all production and operational matters would be kept in check. That left me free to the task of looking and bidding for new work.

Getting a newbuilding contract often required face to face contact and compatible chemistry. After much perseverance we landed contracts for 2 x 2,400hp Schottel tugs for Sembawang Towing. This was followed in 1980 by the Royal Thai Navy tanker, 2 x 4,000hp diesel-electric supply vessels for Seaforth Maritime of Aberdeen and in 1981 by the ADDPOC Heavy-lift SBM maintenance vessel and 2 x 4,000hp AHTS for Ocean Inchcape of UK. This was followed by an award of 5 vessels from ARAMCO comprising of 2 X30m pilot boats, 2 x 5000hp Flanking Rudder Tugs, and 1 x 3000hp Voith Sneider Tugs. 6 months later we received an order for another 2 x 3000hp V.S. Tugs for ARAMCO. The 2 Flanking Rudder Tugs were given to the Gul yard to construct as the Tanjong Rhu yard was now full to the brim.

As the shipyard facilities were rather limited and run down, it was decided to implement a shipyard development plan involving the building of a drydock for vessels of up to 100 metres in length and berth space alongside of 150 metres. Other facilities included new workshops, equipment, work area, and storage facilities. The construction started in 1982 but I was not around to see its completion. As a matter of interest, the new Expressway Bridge across the Kallang river mouth was raised to a height sufficient for the mast of a vessel of 100 metres in length to pass underneath. Mr. Goh Boon Kiat took over from me as General Manager when I left in October 1982.

### **Conclusion**

Keppel's success can be attributed, at least in part, to those who were there during the early years (1968-1974). During this period, we took over the running and management of the company from Swan Hunter and took Keppel to new heights. We were very passionate about our work and we were outspoken in our views, so meetings and discussions were sometimes quite heated and arguments would ensue. However, we did not take this as a personal affront as we understood that we were merely stating what we truly believed to be best for the company. People would be surprised as they would see us arguing with each other heatedly in the morning and later would see us together at lunch or at drinks after work. We recognized that we were a team and that we were all on the same boat. There was a common cause; to take over the management from Swan Hunter and improve on their performance, to localize the management, to grow in other areas as guided by the Board, and to cultivate a healthy and cordial labour-management relationship. The people who were there then are now holding the reins and at the helm of Keppel Corporation. Although those of us who have left for other pursuits may not have had the chance to meet for some years, when we do meet, it is like it was in those early years. So strong was the bond of those early years.

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