



MARIA OLSEN

FOUR YEARS OF SUCCESS AND COUNTING

As 2012 sales hit a record 275 million DKK (37m EUR), the Norðborg continues to prove her worth after four years of operation—with the owners considering to take fish oil for salmon feed to the next level: health food for humans.

THE PEOPLE at Hvalnes—also known as Christian í Grótinum, the Klaksvík-based owner and operator of ‘Norðborg’—made a bold move a few years ago when they decided to build the world’s most advanced fishing vessel of its kind.

A highly versatile pelagic trawler designed for maximum resource utilization, the wonder first arrived in Klaksvík in May 2009, steaming all the way from the shipyard in Chile where she had been built at the price of a whopping 250 million DKK (33.5 m EUR).

Four years on, the wisdom of this business idea is becoming clear to anyone who may have questioned its viability at the outset. With sales reaching a record 275 m DKK (37 m EUR) in 2012, the vessel is bringing in—on a yearly basis—gross revenues at a value roughly on par with the size of the investment.

Profits of recent years have enabled the family business to keep a fleet of two pelagic fishing vessels. To replace its older predecessor of the same name, the ‘Christian í Grótinum’ was bought in early 2013 at the price of 150 m DKK

(20.1 m EUR). Previously known as the ‘Kvannøy’, this is a modern Norwegian factory vessel, now expected to further expand the business model associated with the Norðborg.

Don’t be fooled by the unassuming style of managing director Eyðun Rasmussen, one of the brains behind the design of the Norðborg. When asked about the development and future of the business, he says they are looking into the possibility of upgrading the Norðborg’s fishmeal and fish oil production.

The Rasmussen brothers with their father, all of whom are partners in business—left to right, Jón, Bogi, Kristian Martin, Eyðun; Christian í Grótinum (right); Working in the Norðborg’s hold (bottom).

“Business development happens continuously and incrementally,” Mr. Rasmussen noted. “Staying ahead of the curve in itself requires a constant effort to develop, to improve and to innovate; and it’s a very big job. You have to do everything to keep your people motivated to continue and continue...”

He added: “We are considering a few products in the context of identifying new markets. For example, fish oil—we understand that the freshness and quality of the oil that we offer is superior to most of what is available on the market today. So the question is really, what is the right market for such high-quality fish oil? Considering this, we are going to investigate, as a first step, what the implications would be of having certification for processing fish oil for human consumption. Second, we want to look into what it would mean for us to get further involved in the manufacture of fish oil products, whether that would be the right way to go for us, at which time, and so on.”

‘WE REMAIN OPTIMISTIC:’ While the Norðborg’s fish offal processing plant is currently certified for delivering ingredients for salmon feed, acquiring the certification needed for producing food for humans may not necessarily require additional investments on board the vessel, according to Mr. Rasmussen.

Some bureaucracy, on the other hand, will be unavoidable.

“From what I understand,” he said, “an upgrade of this sort, as far as con-



cerns the Norðborg, will mostly relate to documentation—registration processes, procedures, reporting, and so on. The existing equipment as such is not an issue in this regard, as far as we know at this point.”

At present the Norðborg’s fishmeal factory—which processed as much as 3,713 tonnes of fishmeal and 2,580 tonnes of fish oil in 2012—is managed by a single person. The factory is highly automated and computerized, in line with every department of the ship and its operation, which again is interconnected with a management system run from the offices on shore.

“When it comes to adding new routines for reporting and such, we hope our IT system will help make things run smoothly. Fortunately, the system that we have in place already allows for a great deal of customizing and adjustment and there is an awful lot of data passing through it. The system was designed



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Fishing vessel owner and operator,

exporter of seafood and fish meal.

Species: herring, mackerel, horse

mackerel, capelin, blue whiting.

Combined purse seiner/pelagic trawlers:

Norðborg KG 689 (2,351 GT)

Christian í Grótinum KG 690 (1,920 GT)

with the ability to add functions with relative ease; so hopefully, the need for added paperwork will not be too overwhelming.”

Meanwhile with economic crises hitting markets around the world, prospects are generally less bright for business, Mr. Rasmussen warned. “People in Western Europe have lower purchasing power now compared to earlier and the same trend is seen elsewhere, which means our sales may decrease in the months ahead. Yet we remain optimistic.”