

30 YEARS OF COOPERATION BETWEEN GEMS, DAMEN AND THERMO ELECTRIC

# A Fruitful Relationship

ALTHOUGH VESSELS CAN VARY IN VIRTUALLY EVERY WAY, THERE IS ONE THING THAT EVERY SHIP HAS on board: level sensors. Every tank has level sensors; every engine; every cooling water system. They are as common as nuts and bolts.

evel sensors also happen to be the foundation on which a fruitful cooperation has been built up between three companies. Damen Shipyards Group, Thermo Electric Instrumentation and Gems Sensors & Controls handle approximately 1,000 level sensors between them annually, all of which end up on the 150 or so vessels Damen makes per year. Gems provides the sensors, Thermo Electric Instrumentation stores them and supplies them to Damen whenever needed. The three businesses form a complete supply chain which has been operationally sound for over 30 years.

Needless to say, this type of cooperation is quite common. Most shipbuilders work with regular suppliers, and vice versa. But when a cooperation between three companies is still going strong after 30 years, it means something: it means it works.
ShipBuilding Industry met up with Dipl. Ing. Marko Kania, Territory Manager at Gems Sensors & Controls, Marco van den Berg, Sales Engineer at Thermo Electric Instrumentation, and Siem Ketting, Supply Chain Manager at Damen Shipyards, at Damen Shipyards Gorinchem to discuss the ingredients a healthy supply chain needs to stand the test of time.

#### Q: Let us go back 30 years. Where did your cooperation start?

Marko Kania (Gems Sensors & Controls): Gems Sensors is a US company that has become more active on the European and



We can only achieve the high level that customers expect if we work together. We need each other to grow.

Asian markets in recent years. Damen was already a customer long before Gems took interest in the European market. Damen has been active worldwide for decades, and has a strong international reputation.

Siem Ketting (Damen Shipyards): When I think of level switches, I think Gems. I remember that when I first started at Damen, 30 years ago, there was a switch in a tank, and it was a Gems switch. To me, it is a given that Damen uses Gems.

#### Q:What do you think makes this cooperation so successful?

**SK:** Damen has some very strong organisational qualities. We build innovative vessels that are right for the market, and we have a very good sales organisation. But in order to be successful, there is a third precondition: a fast delivery time. In order to achieve a fast delivery time, you need professional, reliable suppliers, who provide the right product at the right time. Without that added value, Damen would not be this successful.

#### Q: How do you guarantee these short delivery times?

**MK:** In the Netherlands, Gems works solely with Thermo Electric as their distributor. Some 80% of our business in the Netherlands is handled by TE.

Marco van den Berg (Thermo Electric Instrumentation): Thermo Electric keeps Gems sensors in permanent stock for Damen, to facilitate their standardised shipbuilding. Damen also keeps a small stock of Gems products at their own site.

### Q: Has the way that Gems manufactures sensors changed much in the last 30 years?

**MK:** A level sensor is a simple product that does not often need to be revised or innovated with the latest technology. It works and it has worked for many years. When customers are looking for a product

that will work for the next 30 years, Gems can deliver.

**SK:** It is simple. What matters is reliability. The product must work and it must be available at the time Damen needs it, at a realistic market price. If those boxes are ticked, it is the right product. I think the most important thing is that the product is suitable for the maritime market. Take Gems' LS280 bilge level switch, for example. In the old days, a mechanical engineer had to go into the tank, every week, or month, to see if the level switch was functioning properly. Now, with just a small alteration, you can do a remote test with a test actuator from walking level. It is a small change, but it makes a big difference in user-friendliness.

**MK:** These might be simple products, but the details are essential. The test actuator, the materials we use, the certificates and so on.

Q: You mentioned that the product is reliable, that it has worked for 30 years. Can you tell us something about the service contract Gems works with?

**MvdB:** Mr Ketting, how many returns do we get from Damen on Gems products?

**SK:** Let me see. Zero, approximately. [Laughs.] Any questions?

**MK:** We don't need to provide service for level sensors. We can, but we don't have to. The products work.

**MvdB:** With level sensors, testing is like a light switch. It either works, or it doesn't. When you are testing pressure, on the other hand, there could be a return every now and then, because those products are used in huge quantities – maybe ten thousand pieces.

**MK:** And it is far more detailed material. The flow needs to be exactly correct; there is the



Gems' LS280. Level sensors are the foundation on which the fruitful cooperation between Damen Shipyards Group, Thermo Electric Instrumentation and Gems Sensors & Controls has been built up.



Photo courtesy of Gems Levels & Sensors

#### Gems Sensors & Controls

For 60 years, Gems Sensors & Controls has designed and manufactured a broad range of liquid level, flow and pressure sensors, switches, miniature solenoid valves, and preassembled fluidic systems. Gems is a division of Fortive Corporation, a Fortune 500 company with a global presence.

To ensure rapid customer response, the company manufactures its products via three, fully equipped ISO-certified facilities located in North America, Europe, and Asia, shipping over 4 million sensors annually. These facilities are further supported by a number of local sales, engineering and service offices.





The first iconic Damen Pushy Cat 42, built in the early 1970's, already had Gems level sensors on board

possibility of overpressure. It is a more complicated product.

## Q:What differences do you see between the US shipbuilding market and the European market?

MK: For us, the difference is in certification. All necessary certification for Gems' products in the US was already available. If you want to grow on the European and Asian markets, you have to comply with local certification requirements, in order to guarantee that the products meet all possible demands worldwide. At the moment, additional certification is being sought on several Gems products to support the needs of both the European and Asian markets.

**SK**: Last year, Gems produced a new level switch, the LS280. It is very similar to the previous product, but it was produced at a different Gems factory. Therefore, certificates were not immediately available. Damen could not use this updated switch until the certificates became available. Once they did, Damen started using the LS280. Certification is essential in the European shipbuilding market.

#### Q:Will this cooperation still stand 30 years from now?

**SK:** In the coming years, our local yards will order more and more products directly from

our suppliers. We discuss what we need and where and when we need it with Thermo Electric, and they meet our requirements.

**MvdB:** We have one warehouse, and that is in Waddinxveen. That's it, and that's how we want to keep it. But when Damen needs us to ship to Singapore, for example, we ship to Singapore. We maintain good local contacts as well.

Thermo Electric has a framework agreement with Damen, and we take it from there. When things change, we change the agreement. We keep it flexible.

**SK:** The connection you have with a supplier is important. When you discuss purchasing, people tend to say: be objective. Of course you must be objective, but only to a certain extent.

When things change within a company, it is important to be able to discuss it with your supplier. Just like in personal relationships, there must be a good connection. We can only achieve the high level that customers expect if we work together. We need each other to grow.

- i. www.gemssensors.com
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