

By Craig Jallal, Senior Data Editor VesselsValue 18th May 2016 Title: VV Offshore Press Release 650 words

When the original VesselsValue service was launched in May 2011, the shipping industry was still coming to terms with its rapid and painful descent into the trough phase of the shipping cycle. Traditional valuations from ship brokers had relied on "last done sale" as a reference point, and with no ship sales taking place in that low point in the cycle, the market was declared illiquid. However, shipping banks still were required to update their portfolios, and mark their commitments to market. The arrival of VesselsValue solved this dilemma through its regression-based ship valuation model. Jump forward five years, and the offshore sector, and the banks, are under the same stress. The collapse of the oil price has decimated the value of offshore vessel, but by how much? The banks and equity funds financing and investing in offshore vessels need to know, and therefore the launch of VV Offshore is both apt and timely. Furthermore, as explained below, it is believed to be the only service available that combines offshore vessel search, tracking, valuation with oil and gas structure location.

What is VesselsValue?

It is said that necessity is the mother of invention, and that is certainly the case with VV, which was the brain-child of shipbroker Richard Rivlin. As ship sales dried up during the financial crisis in 2008, the major shipbrokers withdrew from providing valuations. Mr. Rivlin felt that an automatic online system using the factors shipbrokers use to value ships built into an Artificial Intelligence (AI) system would fill the gap. Led by his brother Dr Chris Rivlin (a Professor of Mathematics), a team of mathematicians created the algorithms to handle the multiple variables analysed to produce a value. These are not simple regressions run in Excel, but complex multi-dimensional models, requiring custom-coded computer software running simultaneous computations.

A key component is VesselsValue own databases of vessel specification and transactions. These are structured to allow the computation engine in the valuation model ultra-high-speed access to the data. As can be imagined, to research each individual ship (VV does not rely on third-party data) requires considerable resources, and today, VV has a team of 40 analysts and researchers, based on the Isle of Wight and in London.

Having "cracked" the shipping market, VV is applying the methodology to the offshore vessel market. The company has assembled a team of highly experienced offshore professionals, with brokerage, oil and gas, spatial mapping and research expertise, to develop the only instantly available global valuation service available to the offshore industry. This is supported by a highly powerful mapping system that overlays oil and gas terminal spatial geographical information systems (GIS) data with AIS data.

How did VV Develop the Offshore Vessel Valuation System?



Aarket Value ' Demo Value ' 17.55 0.00		DCF Value *	Book Value ⁶	Replacement Value ⁴	
Values in USD millions.	Values subject to Disclaimer	. This is not a valuation cert	ficate.		
Five Values Market D	Demolition DCF Book Repl	acement Vessel Details New	buildings Notes 0 Captain's Reports	a Cousins	VV Documents 0
P&I Club	Unknown		Speed / Cons	17/28	
IMO	9236963				
MMSI	311000155		Geared	Yes - 1x15CR,1x10CR	
Flag	📧 Bahamas		Bollard Pull	193 MT	
Status	Live		Deck Area	570 m ² Actual	
			Helideck	No	
DWT	2,900 MT		DP Class	2	
GT	3,154		Deck Strength	5	
BHP	16,590				
LDT	0 MT		Class	DNV GL	
Built	Mar 2001 Vard Langsten	Norway	Ice Class	FS Ice Class 1C	
Design	UT 722 L				
LOA / Beam / Draft	80.0m / 18.0m / 6.6m				
Main Engine	Bergen BRM8				
Generators					

The starting point was capturing the data. The offshore vessel database was created by a team led by Lead Offshore Data Researcher Emma Svensson, who spent 12 months prior to launch of VV Offshore researching the offshore fleet. According to Emma, the difficult part of the job is to find and input each ship individually with its own set of specifications. Every asset specification is validated by the team, using owner websites and through comparing to other readily available sources. This includes identifying the ship types, and the particular individual specifications that are important for each type.

The next stage of development was to value the offshore vessels on the database, by scoring the features of the vessels. This team is led by former Offshore Broker Charlie Hockless. The values are checked against known sales and independent broker valuations, and constantly updated.

As well as giving instant valuations and the modules listed above, VV Offshore contains a GIS database of offshore structures, compiled by Zac Ward. The multi-level GIS mapping displays the position of oil and gas installations relative to the AIS position of any vessel in VV offshore. The infrastructure data includes oil and gas fields, platforms, wells, pipelines and terminals. and licenses.





Bringing the whole project together is Project Manager Miles Cole, who has fifteen-years in the offshore industry, and is very familiar with the pressures of completing unique projects on time. According to Miles, the values being produced by VV Offshore have been tested against those produced by the traditional methods employed by shipbrokers, and are proving to be as accurate. In the shipping finance sector, VV is used by the majority of ship finance providers, and now, for the first time offshore vessel bankers, vessel owners and operators can access instant, accurate and always available values on offshore vessel valuations and positions, at the click of a mouse.

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0	Transaction Date	Comments	Price	Sold Name	Sold Type	Size	Built	Age		Builder	-	Buyer	-	Seller
	06 Apr 2016	Undisc Price		Odyssea Dynamic	PSV	600 DWT	2006	10	-	Master Boat Builders		Unknown	-	Odyssea Marine Inc
	04 Apr 2016	Undisc Price		PB Pearl	AHTS / AHT	3,200 BHP	2007	9		Unknown Yard Malays		Vernicos Tugs		PB Towage
	31 Mar 2016	Undisc Price		Prosper	AHTS / AHT	8,000 BHP	1983	33	50	Haugesund MV		Unknown	88	Simon Mokster Shippii
	16 Mar 2016	Undisc Price		Grampian Surveyor	PSV	2,100 DWT	2003	13	-	Ast Balenciaga		Unknown		Craig Group
8	03 Mar 2016	Undisc Price		Far Sea	AHTS / AHT	13,219 BHP	1991	25	88	Simek		Unknown	112	Farstad Shipping
	29 Feb 2016		7.50	Lady Grete	PSV	3,300 DWT	2002	14	-	Vard Brattvaag	=	Ocean Sparkle	-	Farstad Shipping
	25 Feb 2016	Undisc Price		Siem Carrier	PSV	4,700 DWT	1996	20	-	Ferguson Marine		Unknown	12	Siem Offshore
0	25 Feb 2016		1.50	Sea Lynx	AHTS / AHT	15,000 BHP	1999	17	88	Loland Verft	=	Smit International	82	Deep Sea Supply
	24 Feb 2016	Undisc Price		Grampian Pioneer	STANDBY / ERRV	300 DWT	1981	35	88	Voldnes Skipsverft		Unknown		Craig Group
	19 Feb 2016		1.50	Sea Bear	AHTS / AHT	15,000 BHP	1999	17	88	Kleven Verft	=	Smit International	-	Ship Finance Internatio

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