

# LEADING GEAR MAKER FORTIFIES POSITION

*A trail of acquisitions turns Vónin, an internationally acclaimed developer and manufacturer of fishing gear, into the preferred supplier of a fast-growing fleet of trawlers and purse seiners across the Atlantic Ocean.*

**D**EDICATED as the Faroe Islands has long been to the ocean and the fishing and maritime industries, developers and manufacturers of fishing gear in no wise remain spared from today's toughening marketing challenges in the international arena. While the country's leading gear maker Vónin for many years has ranked among the North Atlantic's major suppliers of trawl and purse seine nets, the company has nonetheless lately undergone rapid expansion as well as changes in ownership and management.

Founded more than three decades ago, Vónin has continued to expand organically, reporting a steady increase in the regional as well as the domestic demand for its products; however, since the turn of the year 2005/2006, the company has leapfrogged much of its competition by a series of business events that included several acquisitions and a substantial capital increase with the entry of the Faroese investment firm Tjaldur as new majority shareholder.



*The use of power blocks makes it convenient to load a purse seine net from Vónin's Fuglafjörður net loft aboard the Christian í Grótinum KG 690 (center); hauling a new shrimp trawl from the Tórshavn net loft for client delivery (left).*

In a bid to fortify its position in the North Atlantic, Vónin took over the seafood giant Royal Greenland's fishing gear business unit simultaneously to buying a 40-percent share of bottom trawl specialist Bergið and all the shares of aquaculture service provider Garnavirkid. Whereas the value of the three separate deals was not disclosed—but may amount to between DKK 50 and 75M [EUR 10M / GBP 7M / USD 12M]—another, still unpublicized, acquisition was underway in the spring of 2006.

The market for Vónin's internationally renowned shrimp trawls is seen to be greatly strengthened through the purchase of Royal Greenland's fishing gear unit. Vónin, through its subsidiary Qalut Vónin, has built up a strong presence in Greenland over the last decade, offering gear, supplies, repairs and a comprehensive service to shrimp and groundfish trawlers as well as other fishing vessels.

"Our new, highly fuel-saving trawl designs are likely to add significant value to the extended business," said Vónin managing director Hjalmar Petersen. Mr Petersen also noted that a new turbot trawl, developed with the participation of Vónin Canada, has been welcomed by trawlers burdened by high fuel costs, in Newfoundland and elsewhere.

With design, development and manufacturing facilities and repair workshops in the Faroe Islands, Greenland and Newfoundland, Vónin offers products and services for trawlers and



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purse seiners of almost every type as well as for the fish farming industry.

Eystein Elttör, Vónin's marketing manager, added: "In brief, we make fishing more profitable by focusing very strongly on product and service quality. Providing the fishing industry with the best in trawls, nets and accessories has been Vónin's mission since the beginning."

Back in 1969, the company started off as an internal trawl development and repair division for a trawler named Vónin. In a short time, however, the land based division found itself helping a host of other trawlers. As founding board member Olaf Olsen, who used to captain the Vónin, once remarked: "It turned out to

be something many trawlers needed so it grew fast, and that's roughly how Vónin started. The trawl business became the main business..."

Behind the strong position Vónin occupies in the marketplace there is of course more than immediately meets the eye. Continuous customer feedback is key, and in addition to the good reputation the company enjoys across the North Atlantic, there is the essential ability to attract young people who learn early about the business and often become enthusiastic about trawling and purse seining.

"Interaction and networking is crucial," Mr Petersen said. "For instance, many young lads will be coming to the

workshops to make some extra money in their spare time, while at the same time learning a lot about fishing gear and beyond because they'll meet both retired skippers who work for us and clients who are mostly skippers and they'll develop working relationships and exchange thoughts and ideas. Then they'll go and get their training, often as sea captains and then again they'll become part of the development of this company as clients and sometimes later as employees again."

A highly important aspect of product quality in fishing gear is the robust-

*Catch of blue whiting in the North Atlantic, using a Vónin pelagic trawl.*

## VÓNIN

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Design, development, manufacturing, import/export, marketing of:

Bottom trawls

Shrimp trawls

Pelagic trawls

Semi-pelagic trawls

Purse seine nets

Nets for fish farming, sorting grids, trawl

doors, ropes, nets, twines, accessories.

ness of the component parts to withstand, to the highest degree possible, the various forces applied by rough seas, rocky seabeds, and hopefully the weight of the codend, all of which will more or less fight the forces of the vessel's engines and winches. As there are certain points that will break more easily than others, the gear needs very robust structures.

As to customer service, Vónin likewise places emphasis on guiding and helping clients with the optimum use of new gear, according to Mr Elttör. "Whereas we're always there for assistance with repairs and supplies, helping fishing vessels avoid expensive repairs is an equally important part of our job," Mr Elttör remarked. "In this business, customer satisfaction implies constant development and a service that is available around the clock every day of the week."

