

# A TRADITION OF **GOOD LEADERSHIP**

Vopak's history goes back 400 years



Vopak is a young company that came into existence in 1999 following the merger between two firms: Van Ommeren and Pakhoed. Via these two companies, Vopak has gained a very long and fascinating previous history that started in 1616. The connecting thread throughout this almost four hundred year history: during the many changes, good leadership has resulted in constantly new success!

The oldest part of Vopak goes back to the start of the seventeenth century. At that time ships in the Port of Amsterdam were loaded and unloaded by weigh-house porters that had united in cooperatives that were known as Vemen (warehousing companies). Members of a warehousing company were recognizable by their caps. For example, there was a Roodmutsenveem (red hat) and a Blaauwmutsenveem (blue hat), and many more. The first reported Blaauwmutsenveem was on 26 March 1616, which is considered to be the official year of establishment. Around 1680 the caps (mutsen) became hats (hoeden), after which they became known as the Blaauwhoedenveem for example. At that time there were around 22 Vemen that also provided support for old age and medical expenses: good leadership *avant la lettre!*

### The VOC

The most important customer by far was the Dutch East Indies Company (VOC) that was founded in 1602. The staff and the work in the VOC warehouses were managed by the 'Heeren van 't Pakhuijs' (book-keepers, clerks and suchlike), who became known in around 1750 as the 'Pakhuismeesteren' (Warehouse Masters). In 1790 there were just two left in Amsterdam who together established the 'Pakhuismeesteren van deThee' (Tea Warehouse Masters), the first storage company concentrated on a single product. The French oppression between 1795 and 1813 meant an end to the VOC (in 1798). The 'Pakhuismeesteren van deThee' fared slightly better: there was a re-launch in 1818, both in Amsterdam and in Rotterdam. Both organizations started out with a common prospectus but operated independently of each other, and quickly managed to gain a monopoly position.



and coffee disappeared quickly again from Amsterdam where coffee ended up under the control of three combined Vemen under the leadership of the Blaauwhoedenveem. Products other than tea flourished in Rotterdam, which had also diversified further and had started to eclipse Amsterdam. That was intensified further when in 1873 the Nieuwe Waterweg (New Waterway) was completed, as a result of which Rotterdam became very attractive as a transit port to the rapidly ascending Germany. Because of the constantly increased size of ships, the emphasis in Rotterdam was placed more and more on bulk goods as a result of which there was no longer a place for the Vemen. The first oil arrived in Rotterdam as early as 1862, still packed in barrels, but by 1888 the first tanker was already being unloaded. The unloaded oil was stored in oil storage tanks that had been built a year earlier. The majority of Vemen ultimately merged after many years of



### After the tea

After tea, both firms went into coffee and rice, and over time became known simply as 'Pakhuismeesteren' (the 'tea' was dropped). Rice

negotiations. In 1929 one of these merger companies, Blaauwhoedenvem/Vriesseveem, started negotiating with Pakhuismeesteren who had outdated warehouses but who also had very interesting tank storage. Initially the negotiations did not come to fruition and then the depression of the 1930s happened, as a result of which the collaboration foundered. The Second World War that followed was also not the time to start working on new structures.

### Expansion after 1945

In Rotterdam, after the war, Pakhuismeesteren had lost virtually everything but recovery and expansion followed rapidly thanks to petroleum as well as the important edible oils. Pakhuismeesteren grew, also as a stevedore company, in

the remaining Vemen such as the Groenhoedenvem (1964), the Purperhoedenvem (1966) and the Nederlandsche Veem (1967) were absorbed.

### The unexpected merger

And then something happened that few thought possible. The Katoenvem in Rotterdam was partly owned by Blaauwhoedenvem and Pakhuismeesteren. When the companies started talking together about splitting up this warehousing company the discussions went so smooth that it was decided, after exchanging a number of activities,

is very special indeed. VO stands for Van Ommeren and that indicates where the family that gave the name to the firm originated: from Ommeren which is near Opheusden and from where the family moved to Rotterdam. The founder of the firm was Filippus van Ommeren (1807-1888), who started in 1839 with a packet service to London. It was a time of major expansion, with the Netherlands, and Rotterdam in particular, strategically located between the world power Britain and the upcoming German industry. The family firm, which at the beginning acted as an agent,

bought its first ship in 1855. In addition to the shipping, the agencies remained very important. Van Ommeren was an agent for Shell since 1896 and for Nippon Yusen Kaisha NYK since 1898. The first Japanese ship arrived that same year in the Port of Rotterdam. The agency for Shell demonstrated the growing importance of oil, which Van Ommeren quickly capitalized on. At the beginning the firm mainly

focused on transport from Rotterdam to Germany but in 1907 Van Ommeren bought its first ocean-going tanker. When Philippus III van Ommeren, grandson of the founder, also wanted to become involved in oil storage, the rest of the Board was against it. Consequently, he joined with A.J. van Woerkom and set up his own oil storage company: Matex. It was not an immediate success but did eventually succeed by storing whale oil for the margarine produced by Van den Bergh & Jurgens rather than storing petroleum. Apart from



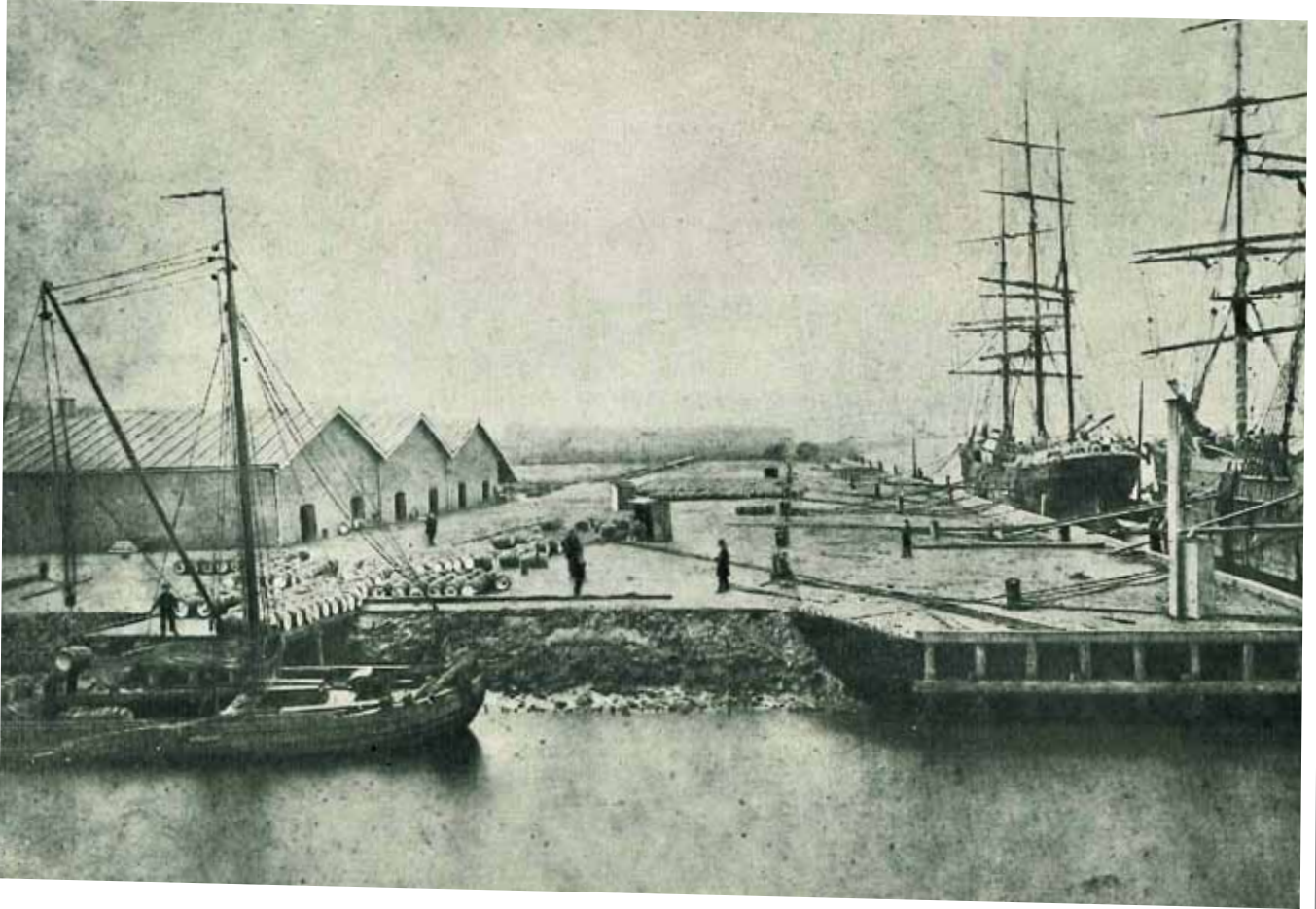
to proceed with a complete merger. The fact that both companies were public limited companies allowed that to happen

very easily. On 31 August 1967 the formation of Pakhoed was announced. It was the tentative pinnacle of 350 years of enlightened management.

### Van Ommeren

The history of the VO element of Vopak does not go back as far but

international forwarding, through acquisitions and agencies. The ambitions of this Rotterdam-based company were such that in 1959 it acquired the 'Pakhuismeesteren van deThee' in Amsterdam with the aim of converting it into a stevedore company. In Amsterdam the Blaauwhoedenvem was also active and



that, Van Ommeren paid close attention to ensuring that the firm did not compete with its storage and transport clients.

#### Successful collaboration

In August of 1914 the First World War broke out. Neutral ships suddenly became worth a great deal of money but there was virtually no work for the agencies. Van Ommeren managed to save money as a result of its shrewd policy during the First World War (its own ships were

utilized to the maximum). After the war, the firm used its funds to order new ships from Dutch shipyards. Remarkable: in 1920 Van Ommeren had already set up its own pension fund! At that time the role of oil was also becoming more and more important. Van Ommeren had a tradition of collaborating with other companies, which allowed investments and risks to be spread well. One of the joint ventures was NV Verenigde Tankreederij (VT) which was a joint venture with,

amongst others, Pakhuismeesteren, which combined all of the bulk transport for edible oils. Later, VT – which ultimately became owned 50:50 by Van Ommeren and Pakhuismeesteren – also started transporting mineral oils and chemicals.

In 1935 the economy slowly started to climb out of the depression. With its offices abroad, Van Ommeren was ready for this, and also because the company had laid up its tankers rather than dispose of them. However, the outbreak of the Second World War meant that the recovery period did not last long.

#### After the war

At the start of WWII the Van Ommeren ships were at sea and initially that was relatively safe but later

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sea-going vessels were torpedoed and inland vessels were bombed. When the Second World War ended Van Ommeren was left with four tankers of the eight that it had in 1940 (and at that time there was also one under construction). The inland shipping fleet had also suffered badly: ships were destroyed and some were in Eastern Germany and were therefore lost. It was virtually impossible to find new ships. The office in Rotterdam still had four employees and although the buildings at Merwedehaven did become available quickly they were in a very poor condition. A number of storage tanks were rebuilt quickly. It was only at the end of 1954 that the Port of Rotterdam was more or less

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operational again. As usual, Van Ommeren rapidly adapted to new developments. In 1947 the company became the agent for KLM, a year later general IATA agent, with an international network of offices. Van Ommeren continued its international expansion. In 1947 new offices were opened in New York and Bremen. Soon after that there were new tugs, freighters and inland gas tankers. The pipeline that came into service from Rotterdam to the Ruhr in the 1960s was not good news for Van Ommeren but the enormous growth of the chemical industry

still ensured that the demand for storing oil and chemical products continued to grow and grow. the Netherlands was involved to a limited extent in the Korean War (1950-1953). That war did result in a major increase in international freight and Van Ommeren was in an excellent position to capitalize on that. Once again the management showed how alert it was and how it was able to respond. Even without the Korean War, world trade was growing and the answer was larger and larger ships.

#### More international

In 1958 the Pernis terminal was transferred to good partner Shell but Van Ommeren continued expanding its tank storage capacity. 450,000 cubic meters was added at the Botlek terminal and Hansamatex was set up in Hamburg. Around 1960 Van Ommeren acquired offices in Liverpool and Genoa, and a few years prior to that even in Belgian Congo and Angola. New terminals were built in Antwerp.



For such projects – entirely in the Van Ommeren tradition – collaboration was often sought with foreign partners. Consequently, new terminals were built in the USA and in the Far East. An important moment was the official opening of Europoort, which was connected with the Botlek area via pipelines. In the meantime the trading arm of the company became more and more important. In 1987 that business unit merged with Ceteco. The merged company, Van Ommeren Ceteco, was floated

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on the Amsterdam Stock Exchange in 1987 under the name VOC...! In 1988 Matex, the storage arm of Van Ommeren, was one of the largest independent storage companies in the world, with a storage capacity of ten million cubic meters. The majority of this, 28%, was localized in the USA, with the Netherlands at 27% not far behind.

#### VO and PAK become VOPAK

Van Ommeren and Pakhoed, two large companies, were active in the tank storage, shipping and distribution sectors and were very close to each other. After years of reorganization, both companies had retreated to just a few core activities: Pakhoed focused on chemical distribution, logistics and tank storage and Van Ommeren focused on tank storage and sea-going transport. The merged company was provisionally given the name Vopak. And Vopak it stayed. ■

