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Celebrating over 160 Years of North



Celebrating
one hundred
and sixty years
of North

Foreword

Paul Jennings
Chief Executive

The North of England Protecting & Indemnity Association Ltd, now more widely known as North, is a leading mutual global marine insurer with over 160 years of history in the industry. Our purpose today remains as it was on our inception in 1860; to enable our members and clients to trade with confidence. Over the years, the insurance products we provide, our service offering and our global office network have grown, but our business has remained grounded where it all began; the North East of England. Today, staying true to our local roots with our head office on the Quayside in Newcastle upon Tyne, North also has offices and subsidiaries in Asia, Australasia, Europe and North America.

Although North has always taken 1860 as the date for the Club's foundation, the actual date is uncertain, and its roots go back even further. Following the decision of a group of local North East shipowners to band together to share their insurance risks, North emerged as a pioneer among the many mutual marine insurance clubs which sprang up across the UK during the nineteenth century. By 1914, North was one of the strongest of all the clubs, with members represented from around the UK. Despite encountering some problems in the early 20th century, a gradual revival began in the 1960s, under newly appointed professional managers, who overhauled the Club. North then joined the influential London Group of Protecting and Indemnity (P&I) Clubs and welcomed a growing volume of overseas shipowner members. This paved the way for significant growth from the mid-1980s onwards, built on prudent financial control, continued expansion overseas, diversification, and of course, service, for which North has developed an outstanding reputation.

Today, as one of 13 clubs in the International Group of P&I Clubs, which represents more than 90 per cent of the world's merchant fleet, North, one of the largest clubs in the world, insures over 250 million gross tonnes of shipping. As we reflect on our history, attention inevitably turns to the future. A fundamental foundation of our future strategy is our commitment to promoting and improving sustainability within North and among our members and clients. While 'sustainability' in a maritime context often refers to environmental matters, our definition of the term is broader, comprising ecological, social and performance-related aspects. The inaugural North Group Impact Report, published in December 2021, details our initial progress in these areas and will undoubtedly form an essential part of how North develops over the coming years.

In early 2022, we announced our planned merger with Standard Club, creating one of the largest providers of mutual cover in the maritime industry. This is a huge moment for our industry. NorthStandard will be a major new force in marine insurance, delivering the resilience members need from their P&I partners to meet the challenges and competitive landscape of a changing shipping world. I am delighted that this merger has received such strong backing from the members of both clubs.

After more than 160 years, North's success is a striking testament to the ongoing relevance and value of a stable and sustainable mutual marine insurance system that has served shipowners so well throughout the decades.

This is the story of how that success was achieved.

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This period brought mixed fortunes for North and British shipping. The First World War brought the P&I clubs closer together but depleted the British merchant fleet.

The war years were an interlude in North's gentle decline. As the British merchant fleet continued to shrink after 1945, the Club lacked the energy to broaden its base as it lost members.

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During this period North gradually overhauled its administration, improved the services it offered, widened its membership and adopted a more outward-looking approach. The Club sustained its tonnage during one of the worst shipping recessions since the 1930s as new management laid the foundations for more rapid expansion during the 1980s.

Since the 1980s North has gone from strength to strength. Despite one of the worst of all shipping slumps during that decade, the Club, handing over to a new generation of managers, increased the tonnage it covered by focusing on an international membership.

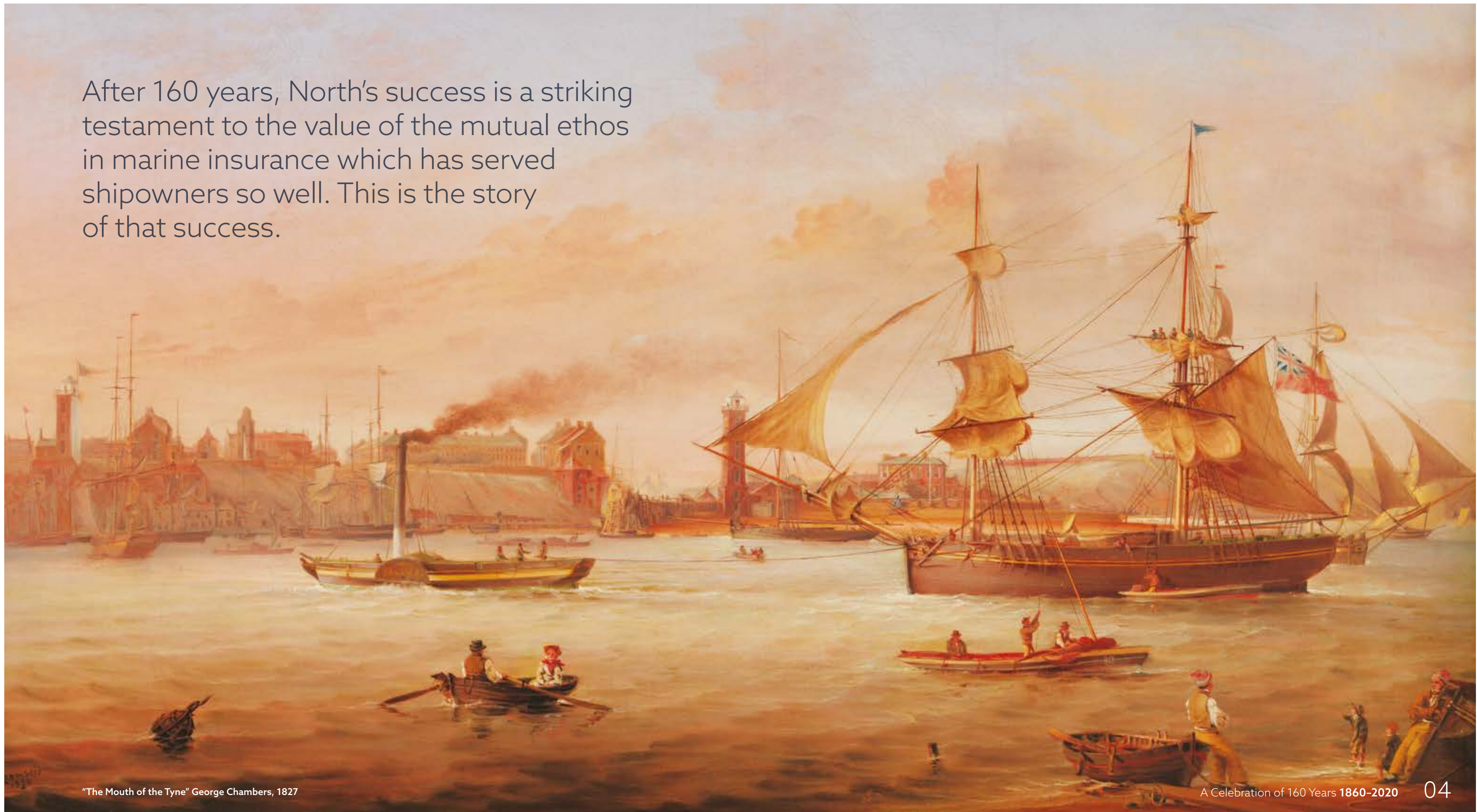
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By the time North celebrated its 150th anniversary in 2010, it had completed the most significant period of growth in its history.

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North has had a long and illustrious history. It has grown more rapidly during the last decade to be one of the most successful P&I clubs.

After 160 years, North's success is a striking testament to the value of the mutual ethos in marine insurance which has served shipowners so well. This is the story of that success.



The First Mutual Clubs

The notion of shipowners clubbing together to share their insurance risks was already well-developed by the time North was founded in the late nineteenth century.

1800-1910

The First Mutual Clubs

Shipowners had become disillusioned with the monopoly over marine insurance exercised since 1720 by the Royal Exchange Assurance and the Royal London Assurance and by the individual underwriters who made up the Lloyd's of London insurance market. For many shipowners these insurers, all based in London, were too remote from their own ports.

It was not so much the two corporations with which they took issue, rather the Lloyd's underwriters, who had by far the largest share of this captive market. The shipowners had little personal contact with the underwriters, having to rely upon brokers, and lacked confidence in the service they were receiving. Instead, through a loophole in the legislation, many of them began forming their own mutual associations and clubs, pooling their resources to insure the hulls of each other's vessels.

There was little discrimination about the vessels they insured and they covered their liabilities by levying members, rather than by accumulating capital. But these clubs worked because they usually consisted of shipowners. Based in one port, most of whom knew each other well enough to make their own assessment of the risks involved.

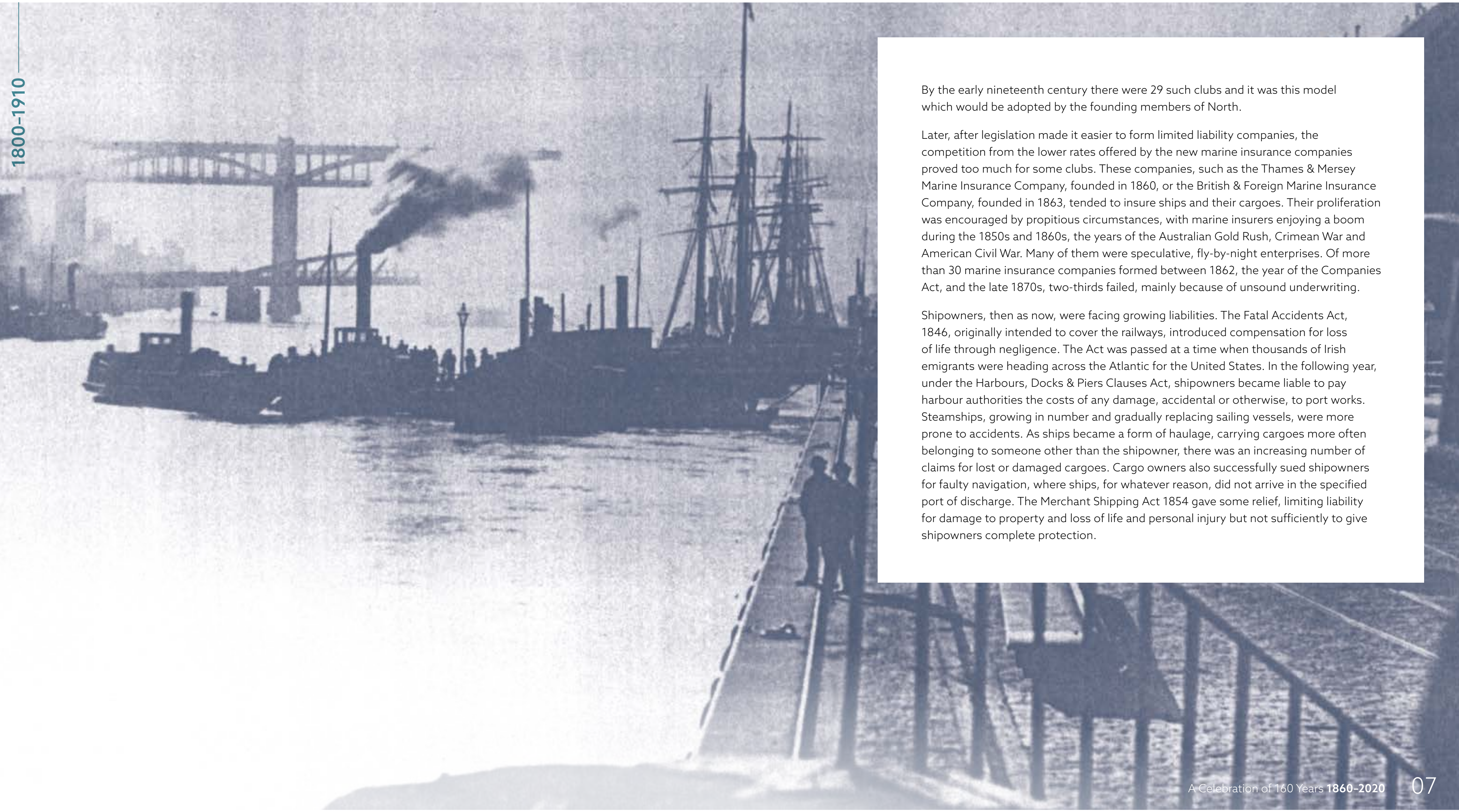
In 1824 the monopoly enjoyed by Lloyd's, the Royal Exchange and the Royal London was abolished. Although some clubs crumbled in the face of difficult economic conditions, which also showed the strength and resilience of the underwriters at Lloyd's, the ethos of mutuality among shipowners survived. By the early 1830s, along the north-east coast alone, there were dozens of clubs, including twelve at North Shields, nine at South Shields, five in Newcastle, and others at small local ports such as Seaton Sluice and Blyth.

Most of them were managed by ex-captains, accountable to generally unpaid committee members. Since insurance was their business, they naturally took a deep interest in safety at sea, often advocating improvements. They fixed the start of the new policy year at 20 February, when traditionally sailing ships on the north-east coast were being prepared for the resumption of trading with the Baltic ports, now free from ice, after being laid up for the winter. This date has remained unchanged ever since. While most clubs were hull clubs, there were a handful of others, including cargo and freight clubs and small damage clubs. They were not confined to Britain; similar clubs, for instance, were formed in Norway, such as the Langesund Ships' Assurance Club in 1837.



Right picture: Devastation after the Great Fire of Newcastle 6 October 1854





By the early nineteenth century there were 29 such clubs and it was this model which would be adopted by the founding members of North.

Later, after legislation made it easier to form limited liability companies, the competition from the lower rates offered by the new marine insurance companies proved too much for some clubs. These companies, such as the Thames & Mersey Marine Insurance Company, founded in 1860, or the British & Foreign Marine Insurance Company, founded in 1863, tended to insure ships and their cargoes. Their proliferation was encouraged by propitious circumstances, with marine insurers enjoying a boom during the 1850s and 1860s, the years of the Australian Gold Rush, Crimean War and American Civil War. Many of them were speculative, fly-by-night enterprises. Of more than 30 marine insurance companies formed between 1862, the year of the Companies Act, and the late 1870s, two-thirds failed, mainly because of unsound underwriting.

Shipowners, then as now, were facing growing liabilities. The Fatal Accidents Act, 1846, originally intended to cover the railways, introduced compensation for loss of life through negligence. The Act was passed at a time when thousands of Irish emigrants were heading across the Atlantic for the United States. In the following year, under the Harbours, Docks & Piers Clauses Act, shipowners became liable to pay harbour authorities the costs of any damage, accidental or otherwise, to port works. Steamships, growing in number and gradually replacing sailing vessels, were more prone to accidents. As ships became a form of haulage, carrying cargoes more often belonging to someone other than the shipowner, there was an increasing number of claims for lost or damaged cargoes. Cargo owners also successfully sued shipowners for faulty navigation, where ships, for whatever reason, did not arrive in the specified port of discharge. The Merchant Shipping Act 1854 gave some relief, limiting liability for damage to property and loss of life and personal injury but not sufficiently to give shipowners complete protection.



North's Origins

The North of England Steam Ship Insurance Association (NESSIA) was founded in Newcastle in January 1856. It appears to have been among the earliest clubs set up to insure steamships. Although they had been in use for almost half a century, steamships were still a minority of the British merchant fleet, which then accounted for half of all the world's tonnage. In 1861, steamships accounted for less than ten per cent of the total tonnage of the UK shipping fleet. There were less than a thousand of them, compared with more than 19,000 sailing ships. Already the trend was for steamships to become larger and larger, although most of those insured by NESSIA were still relatively small vessels. From the outset NESSIA intended to cover vessels from ports beyond the Tyne and Wear, with the secretary, Joseph Carr, visiting Hull to recruit members within a month of the Association's formation. By February 1856, twenty steamships had been entered in the Association's books, several of them at the maximum permitted insured value of £10,000. The claims record of the Association during its first year bore out the widely held view that steamships were more susceptible to loss or damage.



In June of that year the Tyne, insured for £10,000, was a total loss, her wreck disposed of for £1,200. The Whitley Park sailed from the Tyne for Le Havre in August and was never seen again. By November, there were insufficient funds in the bank to cover outstanding liabilities, so members were called upon to make up the difference. The Association had another difficult year in 1860, losing at least nine vessels, and at the start of the new policy year in 1861 members were asked for a 50 per cent increase over the original premium.

Even so, NESSIA was insuring 93 ships – 54 general cargo vessels and 39 colliers – for almost £470,000 during 1864-65.

The Association's members shared the same anxieties as their peers about the increasing scope of their liabilities. In January 1857 the Association asked one of its Directors, Mr Dunston, to join a deputation meeting Lord Palmerston, the prime minister, to discuss 'the liability of Ship Owners for loss of life from collision'. Already new mutual clubs were being formed to cover these new risks. Like many other hull insurance clubs, NESSIA covered just three-quarters of the cost of collisions, expecting members to insure themselves elsewhere for the outstanding liability. These new clubs were known as protecting clubs, growing out of the existing network of clubs.

The Shipowners' Mutual Protection Society was the first, founded in 1855 by Peter Tindall, Riley & Co to provide cover for the liabilities arising from loss of life and injury and the risk of collision with other vessels. As the Shipowners' Mutual covered only sailing ships, the company formed a separate protecting club, the Britannia Steam Ship Insurance Association, for steamships in 1871.

The North of England Iron Steam Ship Protecting Association (North), its name reflecting the growing development of the steamship, emerged out of NESSIA in 1860. NESSIA itself ceased trading and was eventually wound up in 1954. North had the same management, Joseph Carr being the first secretary, and the same offices, on Newcastle's Quayside. After Carr's death in 1865, his position as secretary of both associations was taken by Thomas R Miller, himself a shipowner as a partner in the firm of Chapman & Miller. He stayed until 1885, when he was appointed joint Manager of the London-based United Kingdom Mutual Steamship Association. The Rules of that club, founded in 1869 as a hull and machinery association, were consciously based as closely as possible on those of North.

Left: Newcastle Central Quayside 1820.
Right: Newcastle Quayside 1854.

Thomas Miller's management of North showed why he earned a reputation as 'the King of Clubs. While he was secretary, the insured capital of North rose from £500,000 to £3 million, a considerable achievement. While the protecting club flourished, the original club, NESSIA, seems to have disappeared - many shipowners were finding cheaper rates for hull and machinery insurance from brokers and marine insurance companies.

Local shipowners had a more pressing need. They wanted insurance against the rising tide of claims from cargo owners for loss or damage in transit. For many years shipowners believed they could avoid most of these claims by inserting exclusion clauses in their bills of lading. The risks were considered minimal but during the 1860s the courts began to rule in favour of the cargo owners, raising doubts about the validity of exceptions clauses. As a result, several existing clubs extended their cover to indemnify owners against these risks, but in Newcastle the first entirely separate indemnity association was formed.

While they were debating the need to find cover for such eventualities, J Stanley Mitcalfe, the underwriter of a local marine insurance company, Northern Maritime, based at 41 The Quayside in Newcastle, had been writing letters on the subject to the shipping press. Knowing of his interest, two of the anxious shipowners, Henry Nelson and George Bell, asked him to help them form a new mutual club specifically for the purpose.

A local shipowner became concerned when he was faced with a serious claim from the owners of a cargo of tobacco carried by one of his vessels. This led to a meeting of his fellow shipowners where one of them summed up their feelings - 'we go to bed to sleep with the comfortable feeling that all is right but may wake up to find ourselves ruined by some action or blunder on the part of members of our crews'.

Why did North decide not to provide indemnity cover, when other clubs elsewhere were doing so, and why was it necessary to form a separate indemnity association in Newcastle?

The reason, it has been suggested, was because Newcastle shipowners mainly operated colliers making short coastal voyages. While they incurred significantly less risk, they also made less profit. The argument is that for many of these owners the cost of belonging to a club which offered both protection and indemnity cover could have been too much. Two separate clubs gave them the choice as to whether they joined one or the other or both.

As it was, the membership of the Steamship Owners' Mutual grew rapidly, stemming from the increasing complexity of bills of lading. Shipowners and the underwriters who insured cargo owners engaged in a game of cat and mouse. With underwriters constantly seeking loopholes in the terms of bills of lading, shipowners responded by adding even more clauses, producing unwieldy and often badly drafted documents.

When one bill of lading proved to have two negligence clauses, one weaker than the other, the courts favoured the weaker clause to the detriment of the shipowner.

This conflict between shipowners and cargo shippers led to pressure for an international settlement but the dispute rumbled on in the UK until the Carriage of Goods at Sea Act in 1924, which even then was considered by some to be a less than satisfactory conclusion. With so much uncertainty over which exceptions were or were not legitimate, more and more shipowners regarded indemnity insurance as essential, and eventually every protecting club adopted indemnity cover. The London Steam Ship Owners' Mutual Insurance Association, for example, founded as a protection club in 1869, added indemnity cover in 1889.

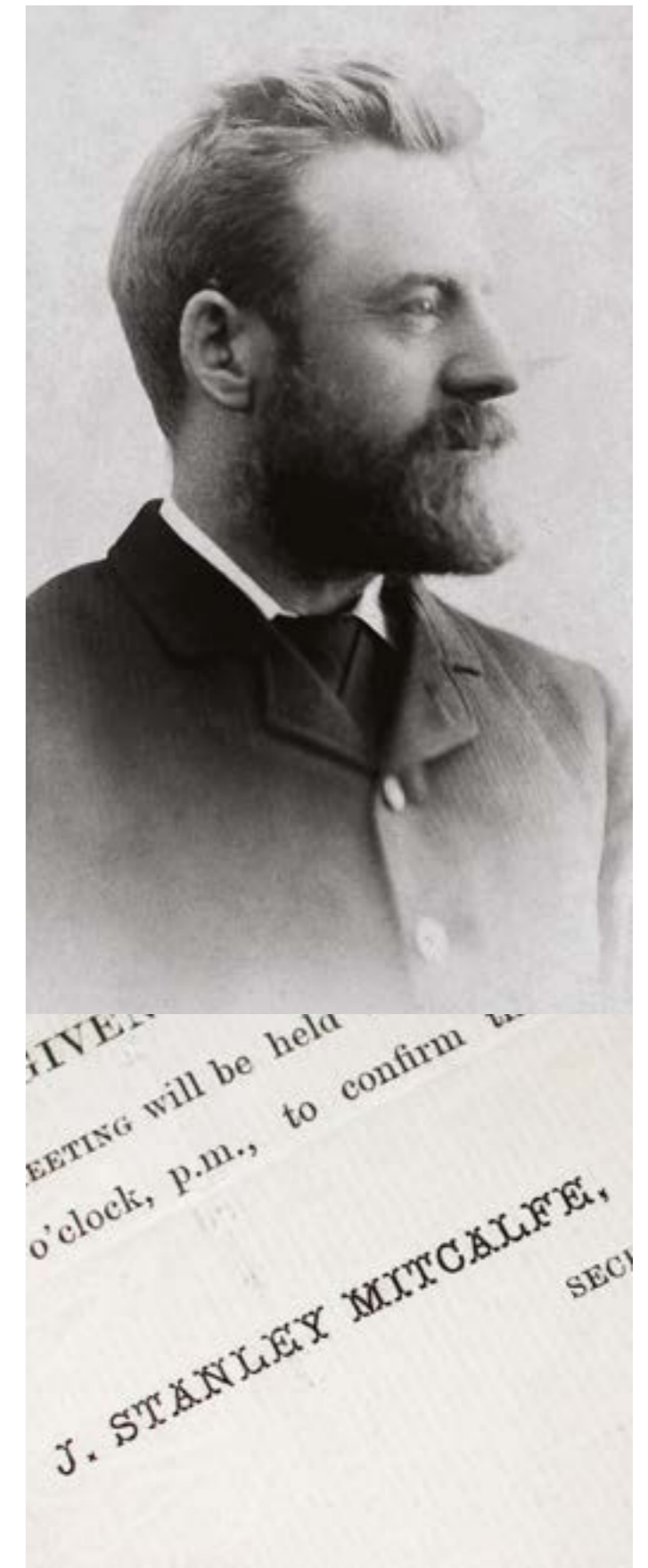
The United Kingdom Mutual, having offered protection cover from 1871, added indemnity protection from 1886.

During its first year the Steam Ship Owners' Mutual covered 219 steamers, the smallest being the 424 gross tonnes Loreley, owned by E J Hough & Co of North Shields, valued at £7,000, the largest, the 3,082 gross tonnes Macgregor, owned by D R Macgregor of Leith, valued at £80,000. By now, it was reckoned that steamships accounted for more than half of the merchant marine.

The members of the Steam Ship Owners' Mutual also formed the Newcastle upon Tyne Home Trade Insurance Association, a hull and machinery club, in 1876, although this appears to have been short-lived, probably because cover was limited to no more than £2,000, well below the value of any of the participating vessels. In the same year the Club, along with 28 others, became a company limited by guarantee. A court case in 1875 had thrown their legal status into doubt, declaring invalid any policy within an unregistered association, as all mutual clubs were, unless each of them was signed by every Member.

By 1883 the number of steamers in the indemnity club had risen to 1,347, ranging from the 160 gross tonnes Liffey from Swansea, worth £2,000, to the 3,431 gross tonnes Oranmore from Liverpool, valued at £40,000. Members were drawn from ports all around the coast, from London, Falmouth, Penzance, Bristol, Cardiff, Swansea, Liverpool, Whitby, Hull and King's Lynn, as well as ports in Scotland and the North-East. Their ships included not just coastal vessels but vessels sailing all over the world.

Claims came from vessels in New York, Baltimore and Galveston, Brisbane, Hobart and Launceston, Manila, Hong Kong and Singapore, Dieppe, Le Havre and Dunkirk. A standing committee of five members met as and when necessary to decide contentious matters, otherwise decisions were delegated to the Secretary.

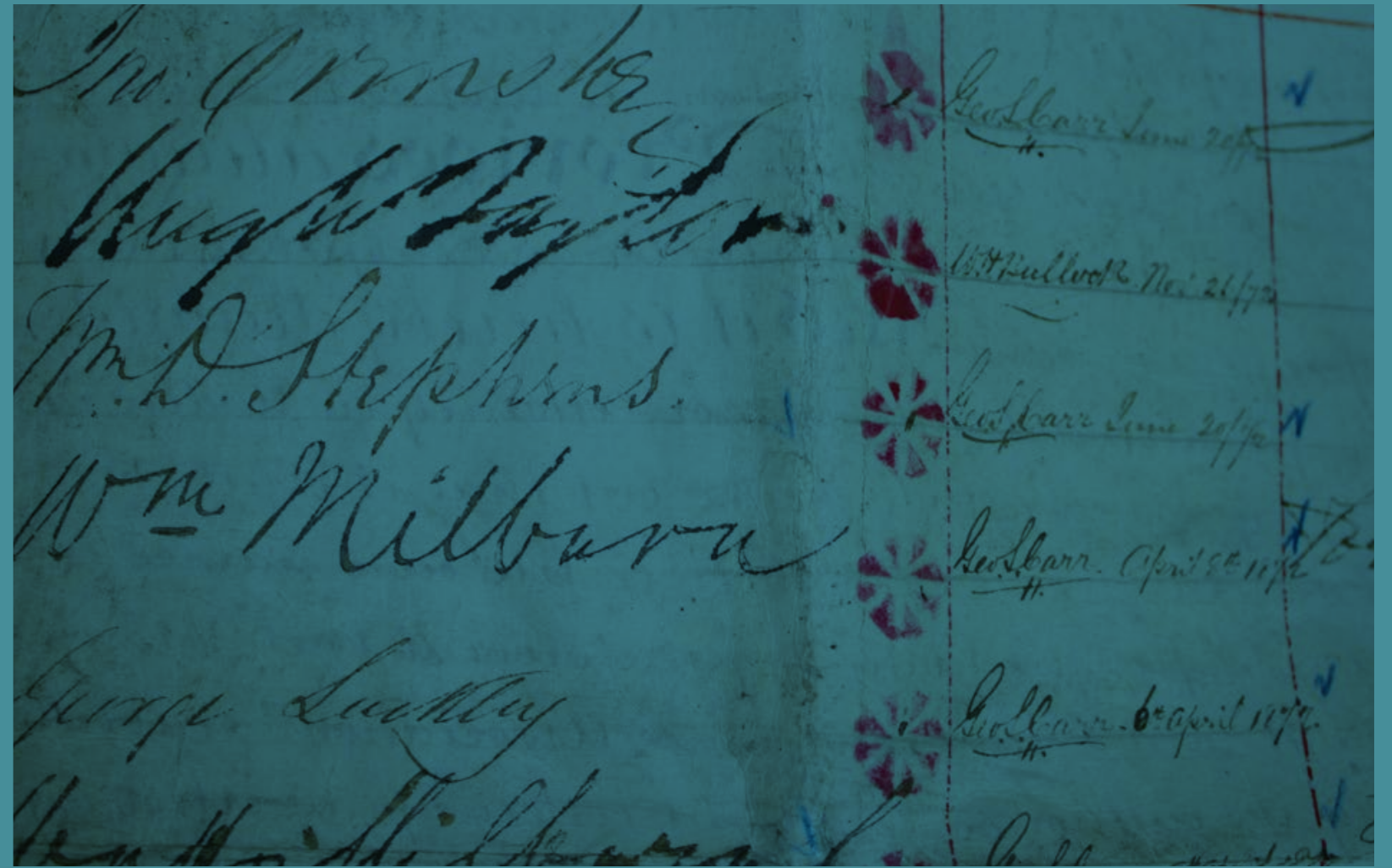




North was probably the leading P&I Club by 1900.

Directors & Managers of the North of England Protecting & Indemnity Association 1900-1902

By the end of 1885 North and the Steam Ship Owners' Mutual had agreed to merge.



A Force to be Reckoned With

During this period, it was calculated that the Club's capital reached a peak of almost £26 million and had gained a reputation for never hesitating in pursuing test cases at home and overseas to clarify the law where it was uncertain. The Club was becoming a force to be reckoned with.

North was probably the leading P&I club by 1900. As their membership widened, and other mutual clubs began to compete, there was little reason for the protecting and indemnity associations to remain separate.

Merger with Steam Ship Owners' Mutual

The catalyst for merger seems to have been the departure of Thomas Miller from North in 1885, when Ralph Carr, Joseph's younger brother, and himself the Manager of several other smaller mutual clubs on Tyneside, took over as Secretary. By the end of that year North and the Steam Ship Owners' Mutual had agreed to merge.

The process of merging both associations began in 1886. The task of settling all outstanding claims would take six years to complete by which time the successor association, North was well-established.

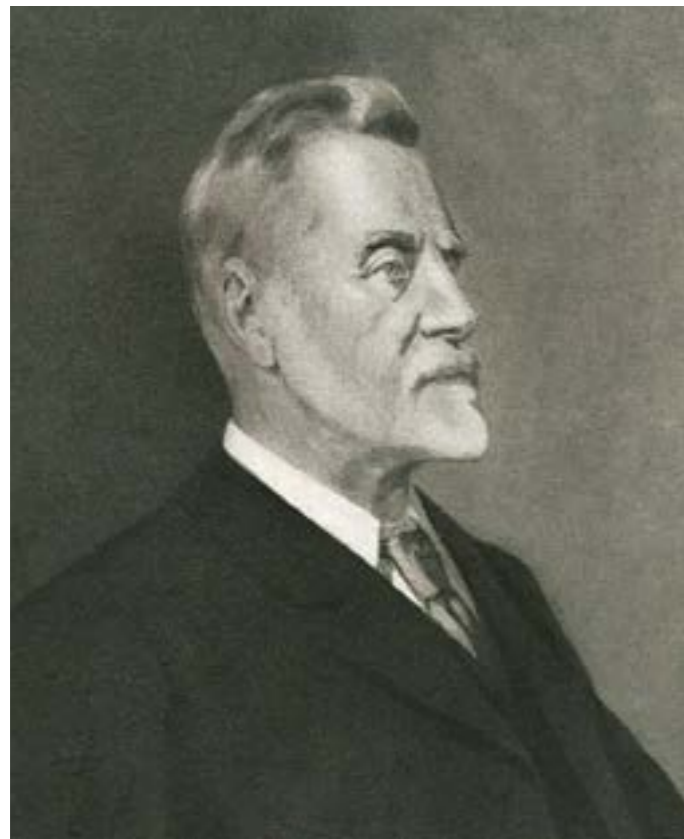
The protecting cover formerly given by the old North became Class I while the indemnity cover given by the Steam Ship Owners' Mutual became Class II. Ralph Carr and Stanley Mitcalfe became joint secretaries, an arrangement repeated nearly a century later, and were directly accountable to the Board of Directors. Unlike a number of other clubs, there was no separate management company. Carr was responsible for Class I and Mitcalfe for Class II. This replicated their previous duties and enshrined a managerial divide within the Club between the two classes which lasted until the 1960s.

Initially, 1200 Steamers were entered in the books of the new club, totalling 973,000 gross tonnes. Within four years, 1259 steamers were entered, totalling 1.63 million gross tonnes, almost all of them entered in both classes.

Among the members were R Ropner & Co, Hartlepool, the Aberdeen, Newcastle & Hull Steam Shipping Co, Liverpool, W Runciman, South Shields, and Christian Salvesen, Leith. To improve the Club's service to its members, an office was taken at 36, Leadenhall Street, in the heart of the City of London's shipping district.

By the end of the Club's first full year, members were enjoying lower premiums, resulting only partly from the benefits of amalgamation. The Club also made savings of some £40,000 a year by insisting members should include a negligence clause in their bills of lading.

All protecting and indemnity (P&I) clubs had made common cause over this issue, having met in London in May 1886. Such co-ordinated action was one way of overcoming the apathy of many members, one of the great problems facing any club in minimising risk. Too often, as the Directors reported in 1888-89, members would happily accept obsolete bills of lading or sign them before shipment had been made or ignore clauses in their hull and machinery cover.



Stanley Mitcalfe

Stanley Mitcalfe was a great supporter of collaboration between the clubs in the interests of their members, remarking in 1888-89 that they should 'continue to attack abuses wherever found, and thus endeavour to place the business of shipowning on a firm and satisfactory basis'. A hundred years later, the leading P&I clubs would regularly come together to attempt to do just that.

Conversely, Mitcalfe was fiercely critical of commercial underwriters. He attacked the fixed premiums they offered, for this usually meant 'perpetuating all the evils that now exist, instead of tracing them to their source, and endeavouring to eradicate them'.

He also highlighted how many commercial underwriters were short-lived, often having disappeared during the several years it took to settle difficult overseas claims, while the mutual P&I clubs would still be around.

He noted how, thanks to the positive action taken by clubs either together or individually to tackle the source of claims, members were not faced with the burden of calls for additional premiums.

Stanley Mitcalfe was described in one article as possessing 'skin about as tough as the beef supplied to Tyneside sailors' but his commitment to the Club led to overwork and his retirement through ill-health in 1889, when he was succeeded by his nephew, J Stanley Todd. Todd eventually became General Manager and, with his sons, would dominate the management of the Club's affairs until the late 1940s. Coming from a family connected with shipping, Todd worked for a local shipping firm after leaving school, joining the Club in 1875 aged 16.

Almost the first initiative in which Todd was involved was the formation of the shipping employers' organisation, the Shipping Federation. This was a time when unions were becoming more effectively organised in their pursuit of better working conditions, prompting in response the creation of employers' organisations. Todd happened to know the lawyer acting for the newly founded seamen's union and, in conversation on the ferry across the Tyne between North and South Shields, heard from him how the union intended to campaign for every ship's captain and every crewman to become union members.

This act of militancy was anathema to the shipping companies. North took the lead in organising other employers, despatching one of its members, George Laws, formerly a Director of the Steam Ship Owners' Mutual, to gather support in other ports. As a consequence, the Shipping Federation was established in 1890 with Laws as its first secretary, acting for many years primarily as a strike-breaking organisation, supplying non-union crewmen to members' ships. Every year North had a full report from the Federation about its activities against the union and it was only after the First World War that this hostility lessened.

THE SYREN & SHIPPING

"SANS PEUR ET SANS REPROCHE."

No. 1928—Vol. CXLVIII [LONDON] London, Aug. 18, 1911 [FIVE SHILLINGS]



J. STANLEY TODD, ESQ.

General Manager of the North of England Stevedoring and Seafaring Association, Newcastle-on-Tyne, who contributed to this issue some reminiscences of his long career.



Protecting Members' Interests

The forthright approach of the Shipping Federation was inherited from North; those directors and management pursued a similar attitude in tackling matters affecting the interests of its members. Although the Club often sent deputations to overseas chambers of commerce in the belief, as the Annual Report noted in 1888, that 'difficulties may frequently be overcome by a friendly interchange of opinion', the Club did not shrink from the courts where necessary. In 1892, when several US states disputed the precedence of the Law of the Flag, under which the law of the country whose flag was flown by the ship governed the contract between shipowner and cargo owner, North pursued a test case all the way to the Supreme Court. In the following year, the Club took the Rotterdam port authorities to task in the Dutch courts for their incorrect interpretation of the law.

The Club campaigned constantly against bribery and corruption, fraud and theft in ports, warning members about the risks they ran in certain parts of the world.

Port authorities in many parts of the world appeared too ready to impose fines for spurious offences, with the Club alerting members to this practice in Spanish ports in 1896 and in Argentine ports a decade later. During the 1890s the Club warned members that arson was suspected as the cause of several fires which had destroyed bales of cotton waiting to be loaded from the quayside in American ports.

In 1893 the Club raised the issue of systematic fraud with the authorities of the Danube ports. Dishonest tally clerks were a constant source of concern. In the 1890s tally clerks in the Black Sea port of Batoum were stealing case oil being shipped to India, China and Japan.

For several years from 1903 onwards, the Club tried hard to persuade the authorities in Calcutta to take action against the theft of jute by boatmen and tally clerks, which was leading to claims for the short delivery of cargo against members. In 1911 the Club even employed a detective to watch jute cargoes being loaded, who confirmed the already suspected collusion between the tally clerks employed by the port and those employed by the shipowner.

In the interests of its members, the Club had managed to establish in the UK courts by 1900 the precedent that where the only proper tally on delivery was taken by the shipowner as the cargo was discharged, and the receiver took delivery of the cargo from the quayside without tallying figures against those taken by the shipowner, then this count took precedence over any others conducted subsequently. This persuaded many merchants, previously only too eager to sue the shipowner, to take action against the port authorities.

In 1904 the Club also took a stand against dishonest merchants who compelled ships' captains to sign bills of lading before the cargo had even been loaded, after the *Glencairn*, belonging to Denholm and sailing from the Baltic, had lost railway sleepers worth £266 from alongside the vessel.

In 1907 the Club criticised cotton merchants with 'very elastic ideas of when a bill of lading should be signed', citing one case where the master of a vessel was put under great pressure at one cotton port to sign for the homeward cargo before the outward cargo had been discharged. The pages of the Club's Annual Reports are full of cases involving deceitful charterers making false and unsubstantiated claims and shippers seeking 'to cast upon the Shipowner an unjustified liability' through bad practices or dubious clauses. It was not just cargo owners and their representatives who were forever seeking to shift a greater proportion of the liability for cargoes carried onto shipowners; so too were governments, as the US demonstrated with the Harter Act passed in 1893. This was all part of the continuing uncertainty over terms of carriage of goods at sea.



Kolkata Port circa 1900-1910.

Shipowners also faced increasing liabilities for personal injury, sickness and loss of life. The sailor's life was harsh, there were few comforts on board ship, he could be paid off at any port, and he risked death through accident, shipwreck and disease. Sick or injured seamen, according to one source, had 'usually been left on the beach, at the responsibility of the nearest British consul, if he ever heard of their plight'. The Merchant Shipping Acts of 1894, 1898 and 1906 changed this, making shipowners responsible for the maintenance and repatriation of ailing crew members. Also in 1906 the provisions of the Workmen's Compensation Act, 1897, were extended to cover seamen, this oversight having been remedied in the meantime through a benefit fund set up by the Shipping Federation. The extension of the Act gave rise to a growing number of claims, with the P&I clubs covering the liability. In the first year following this extension, North settled 262 claims totalling £2,600.

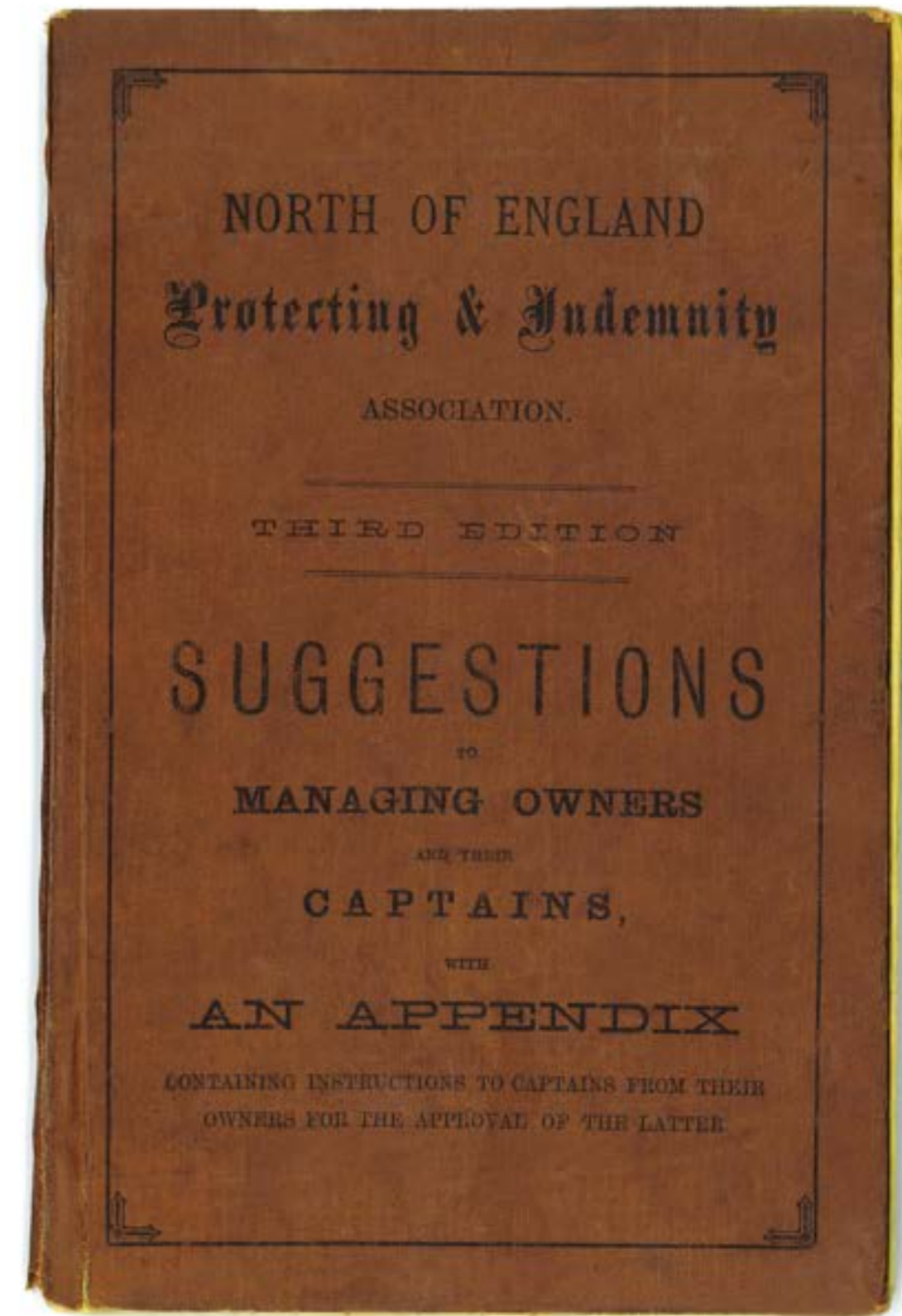
It was clearly in the financial interests of the Club, as well as its members, to encourage shipowners to take a greater interest in the health of their crews and the Club urged them to use the facilities provided by the Shipping Federation for a medical examination of crew members before they were signed on.

Encouraging Best Practice

The Club also did its best to encourage members to adopt best practice in running their ships. The Club published the first edition of *Suggestions to Managing Owners & Their Captains*, full of advice on seamanship and other related matters, in 1875, with successive editions appearing at regular intervals. It was an example copied by at least one other P&I club. This did not eliminate the need to remind members of their responsibilities from time to time. From around this time, as refrigeration allowed cargoes of frozen meat to be carried across the oceans, the Club also instituted regular inspections of refrigeration equipment, bearing in mind the costly consequences should such equipment break down.

The Club fought vigorously for the interests of individual members when it believed they bore no liability for alleged claims. Many of these cases took several years to settle. In 1892 the G R Booth, belonging to the Britannia Steam Ship Company of Sunderland, and under charter to a German firm, was carrying boxes of high explosive, which had neither been marked as such nor listed on the manifest. As a result, after the ship reached New York, the stevedores took no special precautions in handling the cargo, and there was an explosion.

The Directors heard from the Club Secretary that 'the result was the unfortunate men were blown to atoms, a hole was made in the bottom of the ship, one of the officers and other members of the crew were seriously injured'. The ship was found liable only for damage caused by the blast to other cargo on board, for which North paid out £2,500 during 1899-1900. The Club also paid out £686 14s 8d for loss of life and injury and instigated legal proceedings against the charterers and shippers in the German courts.



Suggestions to Managing Owners and their Captains, 1886.



In another case, the Amoor, owned by Glover Brothers, was lost with all hands in November 1893, en route for Dunkirk with a cargo of linseed from Malta.

The Board of Trade alleged the vessel had been overladen, prompting a claim from the charterers in the French courts. The Club fought vigorously for the interests of the individual members and their investigation concluded that the Board of Trade was in error, forcing a further official inquiry which this time shared the Club's opinion, and the charterers' claim was thrown out on in 1895.

The Club even persuaded the Board of Trade to pay part of the costs. In 1900-01 the Club reported the case of the Aldworth, which had been transporting sheep and cattle from the Argentine.

Previously, in response to more stringent regulations imposed for such shipments by the Argentine authorities, the Club had drawn up appropriate clauses which it ensured members inserted in relevant contracts and bills of lading.

The Aldworth complied in all respects but terrible weather on her voyage home resulted in the death of 151 of the 204 cattle and 1056 of the 1276 sheep carried on deck. Following a ban on the vessel carrying any more animals, arbitrarily imposed by the Board of Agriculture, which did not even inspect the ship, the charterers took legal action.

The Club, losing the first case, had the decision overturned on appeal and upheld in the strongest terms by the House of Lords.

The Club often had to be tough, as well as determined, in defending claims against its members, dealing as it was with some dubious characters.

On at least two occasions the Club took on Sicilian fraudsters, probably linked with the mafia, and won. Around 1900, the Coventina was chartered by her owners to an Italian concern which turned out to be fraudulent. The charterers instructed the vessel to put into a Sicilian port far too small for her and when the master protested, had the Coventina arrested, issued a claim for damages through the local court and won an order for the sale of the ship.

This was only stopped thanks to the efforts of North, which enlisted the assistance of the Foreign Office and the British embassy in Rome.

The North Britain was chartered to ship Sicilian fruit to New York, but the fruit was not collected on arrival and ruined by an overnight frost. The consignees, mainly Sicilians, denied any notice to collect the cargo had been received, instituted a claim and had the ship arrested.

North, through its New York agents, discovered that notice had been received but the young Sicilian clerk involved, a key witness in the forthcoming court case, had disappeared. Private detectives hired by the Club discovered the clerk, in terror of the mafia in both Sicily and New York, had been sent to Sicily to keep him out of the way.

He agreed to travel back with his family under protection to New York to give evidence but while they were travelling by train through Italy he shot himself, convinced he was being followed by mafia hitmen. His feisty, vengeful wife resolved to carry his papers to New York where she ultimately gave the evidence which broke the gang and freed the ship.

Those members who neglected their responsibilities received short shrift from the Club. The heaviest claim made on the Club before 1914 arose from damage to a cargo of Argentine beef carried by the Highland Chief, belonging to the Nelson Line, from the River Plate to London in 1908. The cargo owners successfully claimed the vessel was unfit and the owners were guilty of neglect, winning damages of £24,000 in a decision upheld by the House of Lords.

The Nelson Line turned to the Club to pay the claim, but the request was rejected since the Line had failed to obtain the approval of North for either the contract or the condition of the vessel. The decision of the arbitrator was given in favour of the Club.

War Risks Class

In April 1898 a third class of cover was initiated. The war over Cuba between the USA and Spain had just broken out and several members were being asked for huge premiums for insurance against capture and seizure. In response, Stanley Todd created the Hull & Machinery War Risks Class, which came into being on 20 December 1898. As the Annual Report for that year noted, 'The members of this Class, therefore, have had placed at their disposal a wonderful organisation which, for security, cannot be exceeded, and members are thus free from the anxiety of having to annually pay sums, which are unnecessarily large in times of peace, or to consider panic premiums when threats of war or disturbances are in the air'. For shipowners, this cover was invaluable during a period of unsettled international relations – other conflicts before 1914 included the Boer War, the Chinese uprising, the Russo-Japanese War, the Turkish-Italian War and the Balkan War – when their vessels were under threat of being impounded in foreign ports. This was exemplified by the *Barrowmore*, bound from the UK for the Danube during the Balkan dispute in 1913. Entering Salonica harbour, she struck a mine and, although badly damaged, was saved, temporarily repaired, completed her voyage and underwent more lasting repair work. Without war risks insurance, the owner would have been unable to recover his costs of £8,000.

For many years North was the only P&I club which offered war risks insurance, other clubs deterred by the significant cost in stamp tax being that such policies incurred. Stanley Todd was braver than his peers for he disputed this liability with the Inland Revenue, arguing that their interpretation of the legislation was at fault. The dispute between North and the Revenue lasted more than a decade but, even though the Revenue alleged that the Club was liable for £90,000, it refused to bring the Club to court. After Lloyd George became Chancellor of the Exchequer in 1908, Todd persuaded him to review the legislation and the Chancellor agreed with Todd's interpretation. Following a change in law in 1909, the liability of P&I clubs for stamp duty on war risks insurance fell sharply. Even so, it was not until 1913 that several other associations followed North's example in covering war risks. Then, at a time of rising international tension, the Asquith government investigated the risk to shipping should a wider conflict break out.

Having taken evidence from North, among others, the government decided a similar scheme should apply in wartime. The existing associations were asked to administer the proposed scheme but were bound to secrecy until war was imminent.

Leading P&I Club

North was probably the leading P&I club in the UK by 1900. This was certainly the claim put forward by the Club itself in the Annual Report for 1901-02, when it congratulated members 'upon the steady increase in the Capital of this Association – the largest and most powerful'.

It was not until 1913 that several other associations followed North's example in covering war risks. It outlined some of the reasons for the Club's growth – its moderate management costs, its more generous indemnity against claims, its network of offices, its devolved committees for members in Scotland, Wales and the South-West which hastened decision making, and 'its perfect network of competent representatives all over the civilised world ready to render prompt aid to its members'.

As well as the London office, resident in Billiter Street since 1891, the Club had opened offices in Liverpool and Glasgow during 1893-94 and Cardiff in 1901-02. Overseas the Club was represented in ports from Aalborg and Aarhus in Denmark to Yokohama in Japan, with coverage on every continent. Other clubs could make similar claims but North stood out in several respects – the loyalty of management was not divided between the Club and a separate management company, as in several other clubs; it was a pioneer in indemnity and war risks insurance; and above all it went to extraordinary lengths to defend the interests of its members.

The Club was no longer a local club although it still had members who ran two or three colliers up and down the coast. Instead, most of its members ran their ships all over the world, either liners or tramp steamers, sailing wherever they could find a cargo to carry.

Shipping had become very competitive by 1900, with improved speed and efficiency bringing down freight rates, but it also remained highly speculative and prone to wild fluctuations in profitability and rates, so members valued the efforts made by the Club to keep their vessels at sea and save them money. In the words of one shipping historian, the tramp cargo steamer, which accounted for more than 60 per cent of the UK merchant marine, had become 'the cheapest commercial vehicle the world had ever known'.

Diverse Membership

The membership of the Club was diverse, and the range of vessels led the Club to vary its calls on members for the first time from 1910-11, after the discovery that smaller vessels had been incurring more claims than larger vessels in the Club.

Among ships entered with the Club were some of the 52 ships owned and managed by Andrew Weir & Co, the largest number of vessels under one owner in the UK merchant fleet. There were several major UK tramp steamer operators, such as Sir R Ropner & Co and W Runciman. Ropner's, founded in 1874, was a successful shipbuilding as well as ship management business, with more than 50 vessels by 1914, while Runciman's Moor Line, which dated back to 1889, ran about 40. There were leading liner companies, such as the Prince Line, with its 40-strong fleet, founded by James Knott, later a notable North-East benefactor.

Then there were firms like B J Sutherland & Co, which began with three steamers in 1892 and expanded rapidly before the First World War, and the cargo fleet run by Glasgow-based James Gardiner & Co. Many of the men who ran these fleets, including Andrew Weir, Robert Ropner, James Knott and Frederick Gardiner, self-made men, wealthy, influential and powerful, would all sit together as Directors of North, a sign of the Club's standing.

They were also typical in that almost all members were British shipowners, who still dominated international shipping, although the Club did have several overseas members, from the Austro-Hungarian empire, Belgium, France, Romania and Sweden.



The Syren and Shipping (Illustrated)
3 December 1902.

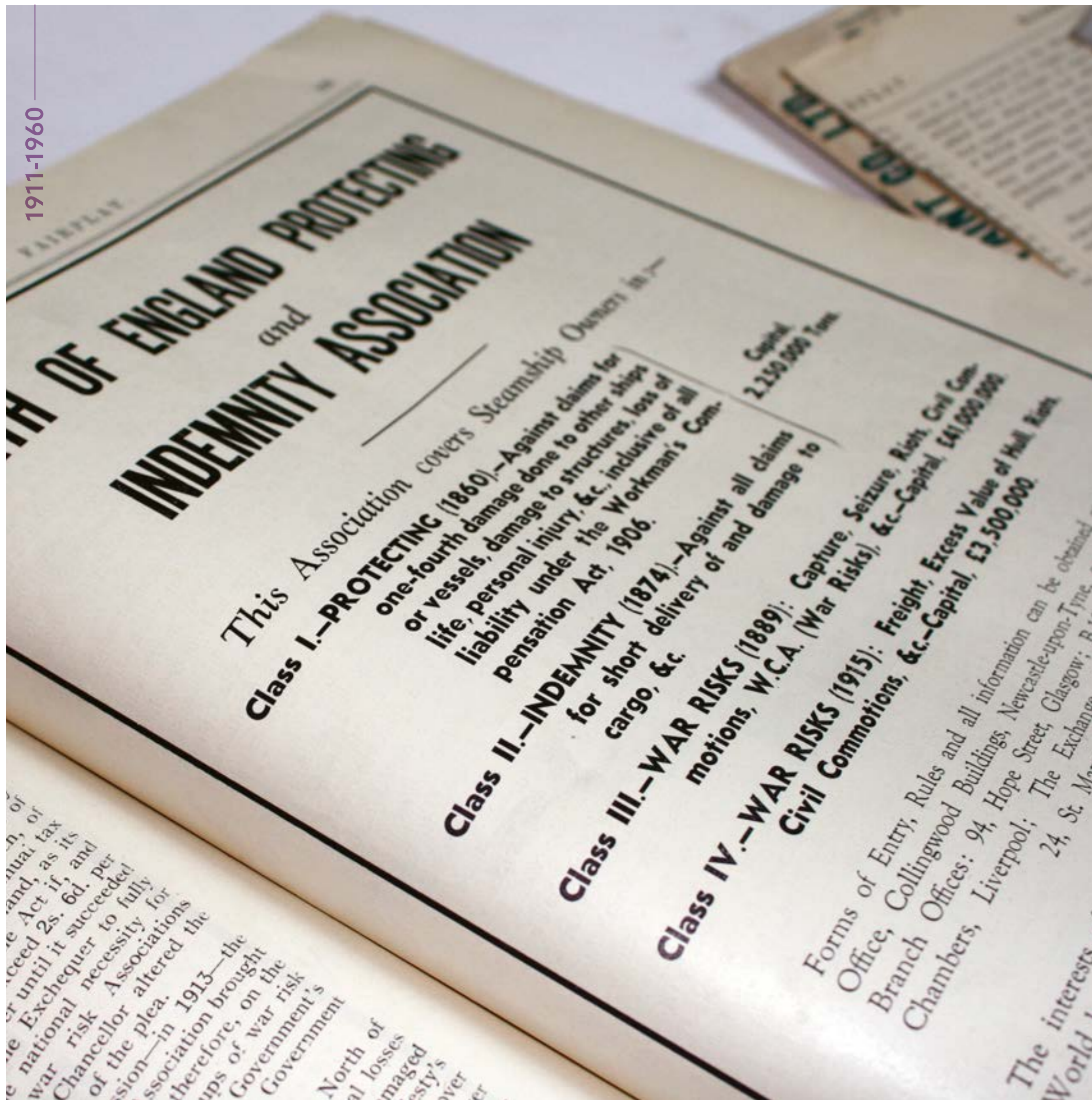
Hard Times

The period stretching from one world war to another brought mixed fortunes for North and British shipping.

1911-1960

LAW
REPORTS
—
1917

The First World War brought the P&I clubs closer together but depleted the British merchant fleet.



During the decade before 1914 North insured around 1400 vessels, totalling almost three million tonnes. Of the UK clubs, only the United Kingdom Mutual, under the management of Thomas Miller and his family, exceeded this by 1914 and then only just. It was perhaps the strength of North, as well as its fiercely independent approach, that kept it aloof from the London Group, formed in 1899 by six P&I clubs, including the Newcastle and Sunderland clubs, to share risks in excess of £10,000. On the other hand, the Club was always willing to join with other clubs over issues of common concern. During the First World War every club would come together in the national interest.

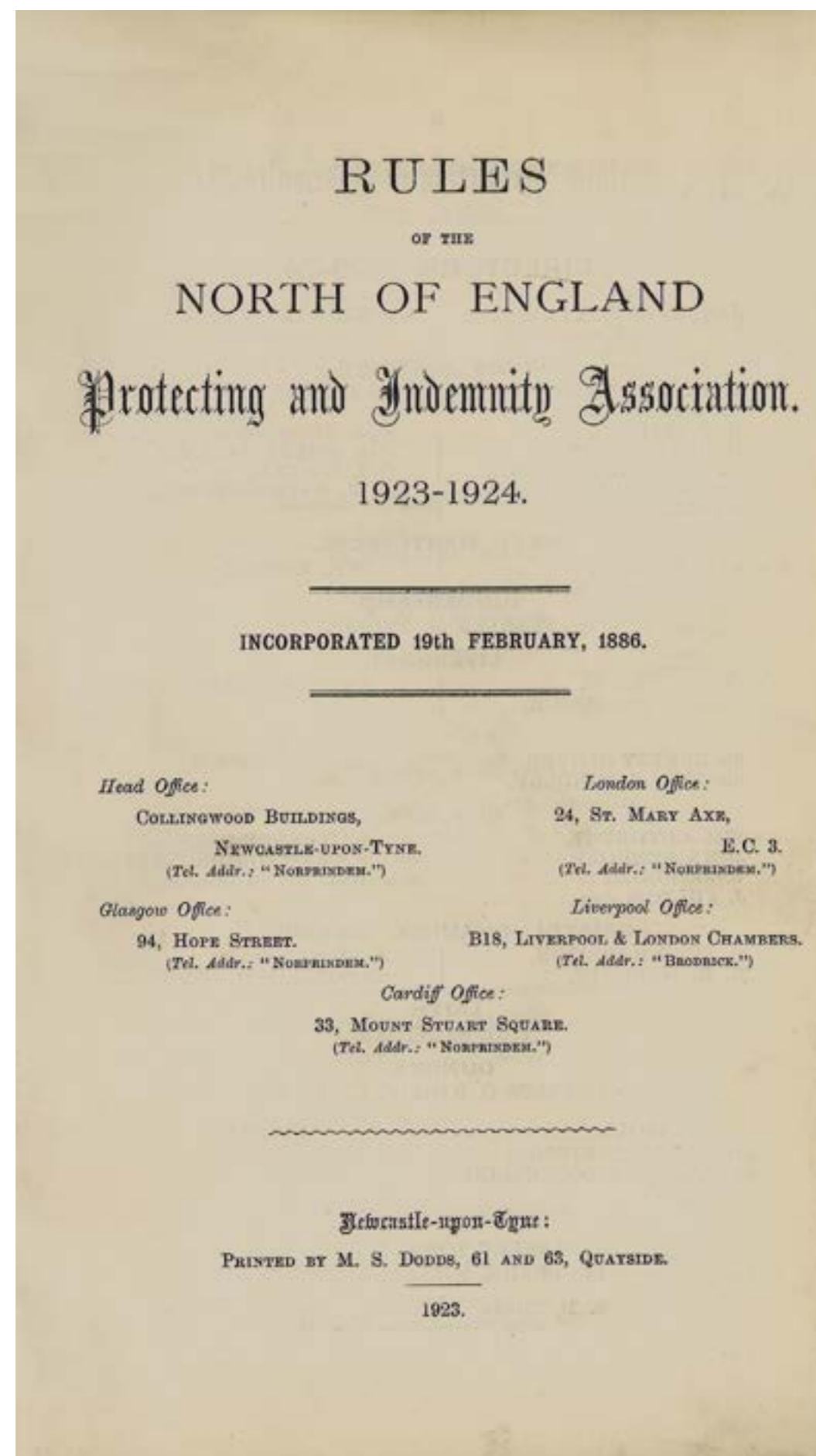
The Club in War Time

The volatile nature of the post-war economy made shipping a precarious occupation and it was the worst affected section of British industry during the depression of the 1930s. The UK's share of world shipping fell from 39 per cent in 1914 to 26 per cent in 1939, yet the difference in aggregate tonnage over that period was just a million tonnes. By contrast, the tonnage insured by North declined over the same period by 40 per cent and it was no longer among the leading P&I clubs.

On 30 July 1914, just four days before Britain declared war on Germany, Stanley Todd received an urgent telegram. It summoned him, as the Club's war risks manager, to an urgent meeting with Government officials in London. Here, with Sir Norman Hill and Harry Miller, representing the war risks associations of the Liverpool & London Club and the London Group of Clubs respectively, he heard plans outlined for the Government's own scheme which the clubs agreed to administer.

After the meeting Todd was impatient to catch the next train north from King's Cross but, on the day that Austria and Russia began mobilising their armies, he was asked to remain in the capital a little longer in case of further news. Eager to inform his directors of what had happened, Todd, who had been kicking his heels in a London club, eventually called Government officials to say he could waste no further time and headed for the station, only to find King's Cross overrun by servicemen and his train more crowded than he had ever known.

The Government scheme extended the limited cover given by the clubs in the event of a war involving the UK.



While war risks insurance was comprehensive for conflicts involving other nations, in the case of a war involving the UK the clubs covered British vessels only until they reached a neutral or British port and for 30 days afterwards; the Government scheme ensured vessels were covered until they had completed their voyage and returned to the UK. Originally the Government agreed to bear 80 per cent of the liabilities but as British shipping losses steadily increased it took on a greater and greater share.

From midnight on 17 August 1917, the Government assumed responsibility for the entire liability, while the clubs continued to manage the scheme. The scheme's flaw was the Government's insistence that ships should be valued at cost, less four per cent for every year of their age. Yet values quickly soared during the war as shipping became scarce, leaving vessels under-insured and owners reluctant to risk them at sea.

It was the clubs who agreed to insure the excess; as North's Annual Report for 1919-20 concluded, 'there was no other course possible to us in the grave national emergency - it was imperative to keep our ships trading'. The result was that the burden shouldered by the clubs exceeded that of the Government, the reverse of what was intended.

North, for instance, paid out for 363 losses under the scheme between 1915 and 1917, totalling £21.6 million, including the cost of excess insurance. The Government's share, because of its insistence at under-valuing shipping, amounted to only £8.3 million. Conversely, when the Government took over complete responsibility for the scheme, the premiums it charged were too high, and it made a profit of more than £16 million by the end of the war.

The Club's first wartime loss was the San Wilfrido, sunk after striking mines near Cuxhaven on 3 August 1914 as it attempted to leave the Elbe on the day war broke out. Thirteen vessels belonging to members were interned in German ports while a further 79 were stranded in various neutral Baltic ports, where it was agreed they should remain until they could return home safely. Several interned ships were written off while a detention allowance was paid to the others, including those in neutral ports, shared between the Club and the Government.

The Club also made ex gratia payments to the families of the crews of these detained vessels, equivalent to their weekly wages, at a cost of more than £14,000.

Much of this tonnage was gradually released between 1914 and 1917, largely thanks to the efforts of one Member, Sir Arthur Sutherland, a long-time director, later lord mayor of Newcastle as well as president of the UK Chamber of Shipping, and, with his son, briefly the owner of the motor manufacturer, Aston Martin. Recovering many of the vessels for which it had paid out, the Club sold most of them immediately after the war for much higher prices than their original insured values.

As for the wrecks of those which had been sunk, the Club received constant enquiries for many years afterwards from salvors interested in reclaiming the brass and bronze from the ships' fittings.

Most claims during the war were met by the two classes of war risks although the Club also introduced a further class, for freight, demurrage and defence (FD&D) in 1915. Although the volume of indemnity claims declined, those under the protecting class rose, mainly because of the increasing number of collisions between ships travelling in convoy without lights and the heavy cost of repairs. The most serious claim settled by the Club was for a collision between a Member's vessel and a naval destroyer in the Channel in 1918, resulting in the loss of the destroyer with all 72 crew. The Club paid out £34,000 in final settlement in 1925.

Before the last of the wartime policy years were closed, members were asked for hefty additional calls. In 1919-20, for instance, members of the protecting class had to pay a 200 per cent final call for the 1917-18 policy year. This led to a change in the rules in 1920-21, permitting the Club to call up sufficient funds during each year without recourse to a heavy final call, but not in time to prevent a final call of 350 per cent for the policy year 1919-20. On the other hand, there was a surplus remaining once settlement of the war risks class relating to war had been finalised – £220,000 was returned to members in 1931 and a further sum in 1934.

Difficult Post-War Years

The post-war years were often difficult both for British shipping and British marine insurers. During the war many insurers had pursued premiums and quick profits at the expense of prudent underwriting. Over-exposed in peacetime, they engaged in a period of vicious competition which badly affected many marine insurers. The premium income of the British & Foreign Marine Insurance Company halved during the 1920s. This was compounded by competition in the shipping industry immediately after the war. Shipping which had survived the war was a scarce commodity commanding very high prices.

This encouraged a number of well-established operators, including Sir Arthur Sutherland, to sell ships, often to speculators entering the market attracted by high values. There was a huge investment in new tonnage while some shipowners ill-advisedly bought sub-standard German tonnage put up for sale by the British Government.

Like every boom, this could not last. Cargo steamers of 7,500 tonnes, valued in 1914 at £45,000, reached a peak of £232,000 in 1919 before sinking to £70,000 in 1922. The new business set up to buy the ships of the Sutherland Line was typical in paying too much at the top of the market with too much borrowed money, most of it a mortgage from Sutherland. Within a year of the purchase, they had gone out of business, allowing Sutherland to repossess most of the ships and revive the company.

For many clubs, a major concern in the remaining years of the 1920s was a rising tide of claims for personal injury, together with a change in the law increasing the amount of compensation payable in fatal accidents.

This forced North to resume final calls and increase initial calls in the late 1920s. By the early 1930s, more than half the settlements paid out under the protecting class arose from personal injury claims. One key case concerned the crew of a cargo ship, the *Sea Rambler*, several of whom were taken ill at sea in August 1936.

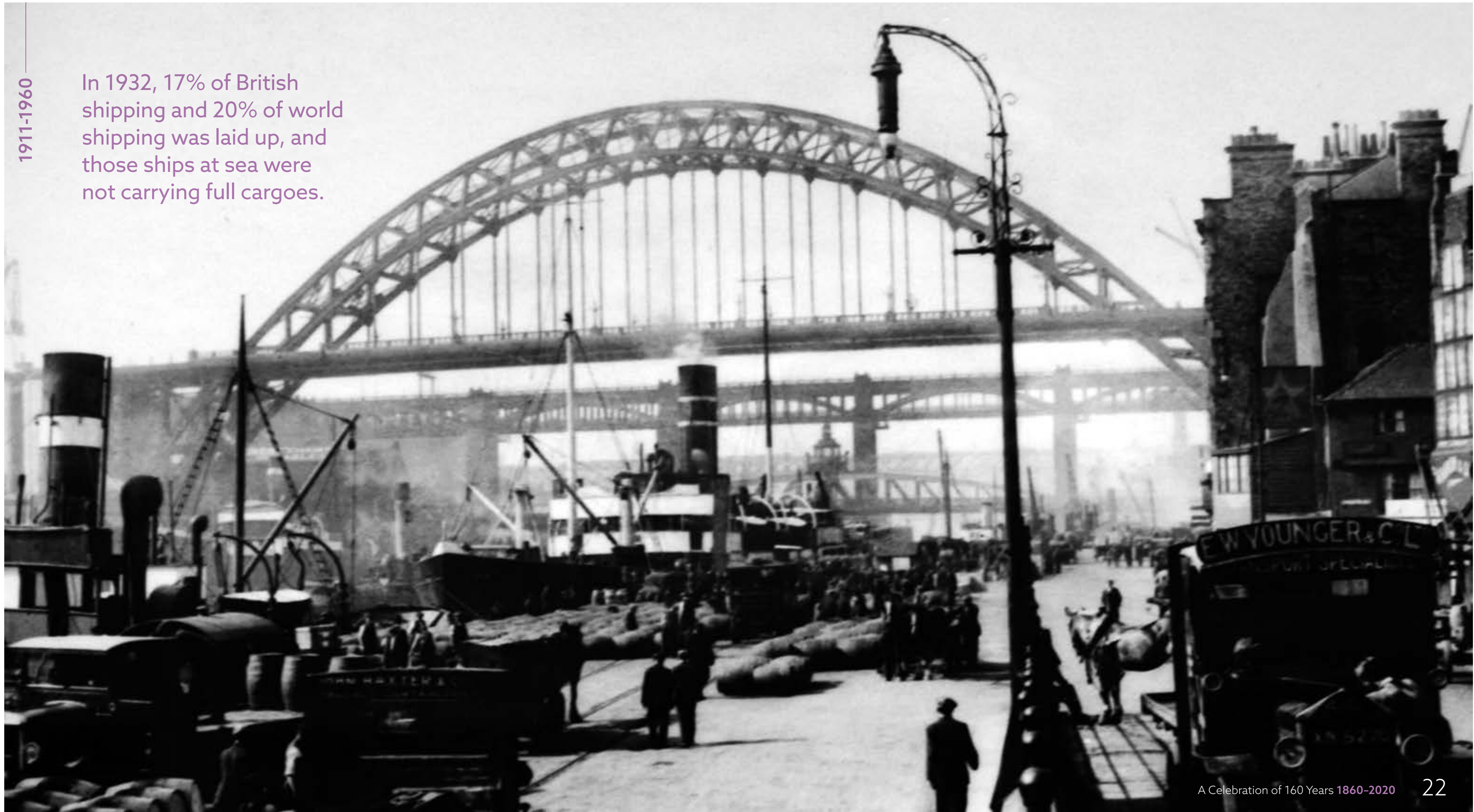


Mr Ralph Carr.



Mr Frederick Miller.

In 1932, 17% of British shipping and 20% of world shipping was laid up, and those ships at sea were not carrying full cargoes.





Top: Sunday Morning Market 1920.

Above: Construction of the Tyne Bridge 1928.

The vessel was put into Funchal on Madeira for medical assistance where food poisoning and botulism were diagnosed. Two men died on board and five more in hospital in Funchal. An examination of the survivors on their return to South Shields showed that they had actually suffered from yellow fever, apparently contracted while the vessel was in Dakar on the West African coast. The mother of one of the crew members pursued a claim through the courts.

A judgement was initially given in favour of the shipowner on the grounds that the crewman's death did not arise from his employment. After this decision was reversed in the Court of Appeal, North took it to the House of Lords since it raised an important point of principle. The Lords reaffirmed the decision of the appeal court, on the grounds that the dead man had come into danger only because his employer had sent him to a dangerous place.

Another anxiety was the growing loss of cargo through pilfering and theft, often by organised gangs, and usually from the quayside, docks and warehouses, either prior to loading or after discharge. In the Port of London this was sufficiently serious for a special committee of investigation to be set up in 1920.

North was particularly critical of the complacency of merchants and manufacturers. A few years later the Club was also critical about another phenomenon of the decade, referring in the report for 1923-24 to 'the insidious attempts beings made - and it is to be feared in some cases successfully - by persons in the United States cooperating with people in this country to engage British tonnage for the purpose of evading, or assisting the citizens of the United States to evade, their own Prohibition Laws'. Certainly, plenty of whisky was shipped in British ships from the UK to the Bahamas and other islands as a legitimate staging post before the drink was finally smuggled into the US.

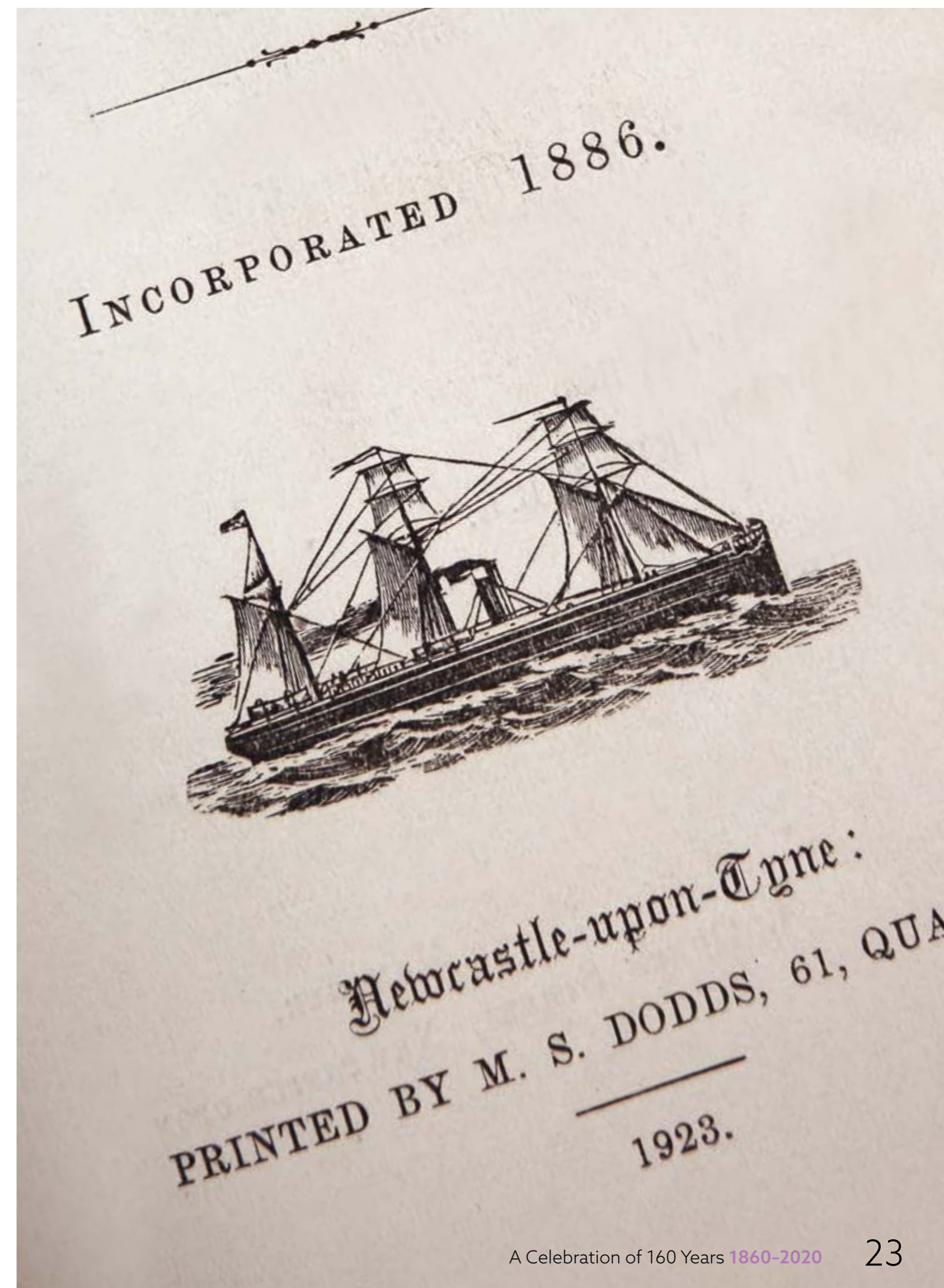
The Club in the Depression

The worldwide depression of the early 1930s crippled the shipping industry. In 1932 17 per cent of British shipping and 20 per cent of world shipping was laid up, and those ships at sea were not carrying full cargoes.

North returned £60,000 during 1932-33 to members whose vessels were laid up.

Savings were made - the numbers of Board committees and meetings were cut back, directors' expenses and allowances and staff salaries reduced, ranging from cuts of 2.5 per cent for those earning more than £200 to 10 per cent for those earning more than £1,000. In 1935, as a proportion of paid-up capital, British shipping companies were the least profitable sector of British industry and state subsidies were offered to tramp ships.

The depression seemed to sap Stanley Todd's energy. In 1932 he had become General Manager of the Club even though he was then 73 years old. Interviewed for a shipping journal in 1933, he remarked that 'some of the younger people of today seem to think this depression is a novelty: the only thing that is novel about it is its intensity and long duration, and that, I believe, is wholly due to the insensate folly of the world flinging away its capital in human life and in money over an apparently, utterly fruitless war'.





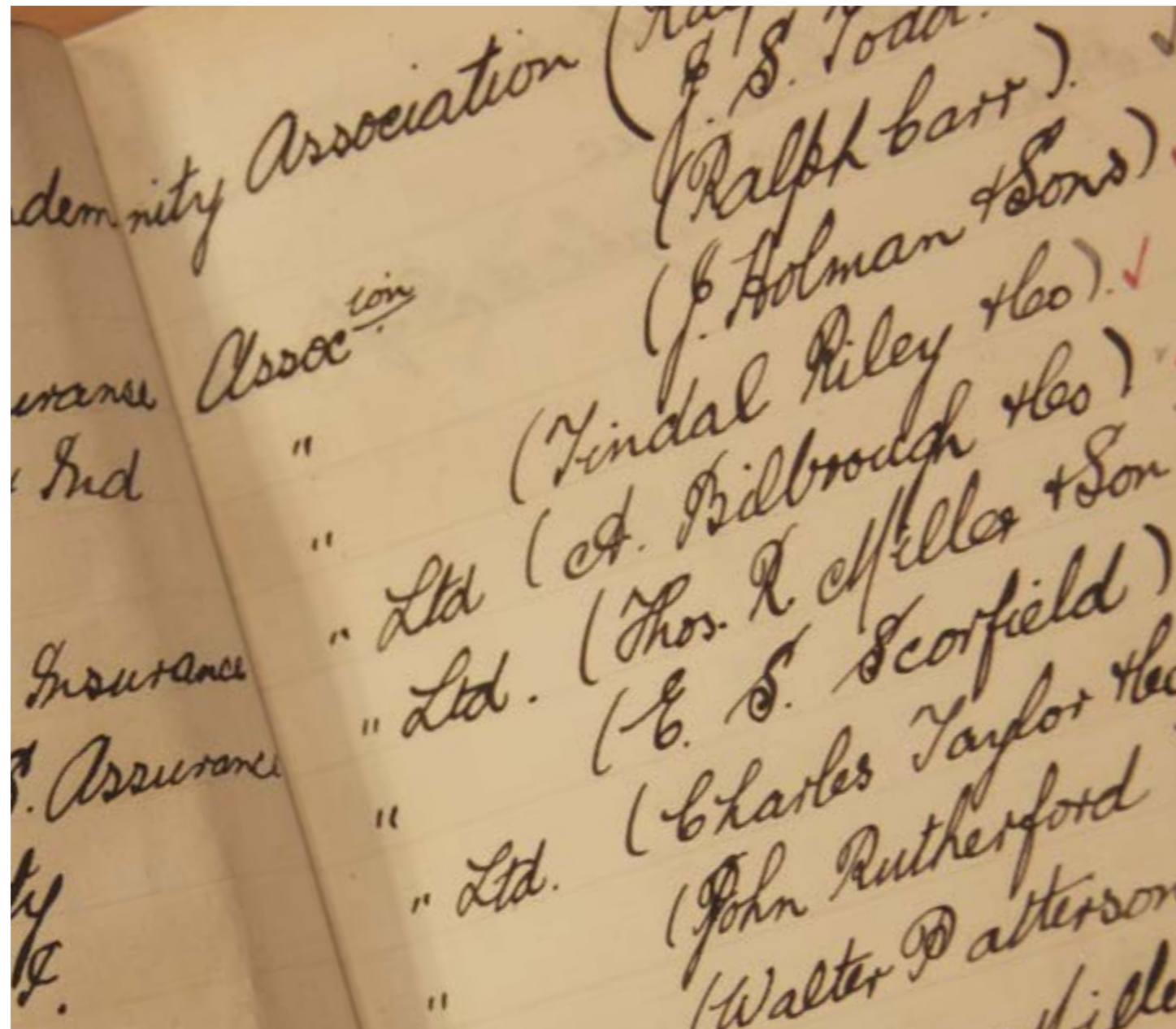
The depression was scarcely over before the Club suffered two major losses.

The first was the loss of the Millpool, managed by Ropner's, carrying 6,000 tonnes of rye in bulk from Danzig in the Baltic to Montreal.

Hit by a ferocious hurricane, she sank without trace 950 miles east of Newfoundland on 2 October 1934, taking all 26 crew members with her. The loss gave rise to rumours, as often happened, about her seaworthiness, which were entirely dispelled by the enquiry which subsequently took place.

The second loss came two months later with the sinking of another cargo vessel, the Usworth, carrying wheat from Montreal to Queenstown in Ireland. She ran into difficulties in heavy seas after leaving Sydney in Nova Scotia. She hove to for repairs only to find her steering gear out of action.

Another vessel came to her assistance, temporary repairs were made, and the Usworth slowly limped towards the Azores. A day later, the weather worsened once more and huge seas slammed into the vessel, rendering her helpless and placing her in a perilous position as her cargo shifted. The two vessels now standing off close by, including the Cunard liner Ascania, sent out lifeboats to take off most of the crew. Sadly, one of the boats capsized in heavy seas, drowning fourteen men. The second boat took off the remaining crew but not before three more lives had been lost when crew members jumped too hastily from the Usworth. The enquiry which took place praised the efforts of the crew but criticised their sufficiency to deal with the circumstances, although it concluded the vessel, owned by the Dalgleish Steam Shipping Company, was operating within the law.



Management Changes

There were changes in management after the war, but these only strengthened Stanley Todd's grip. Ralph Carr, the long-serving Manager of the protecting class, retired in 1919 and was replaced by Frederick Miller. Several new assistant managers were appointed in the late 1920s, including James Colvin Watson and John Todd, Stanley Todd's son. When Miller retired through ill-health in 1932, Stanley Todd took overall responsibility for the Club as General Manager. He showed no signs of wishing to step down and the Board made no moves to replace him. He brought another of his sons, Charles, into the Club, who was promoted to Manager alongside his brother John and James Colvin Watson. The Board was large, ranging between 30 and 40 members, and many Directors were themselves long-serving – Sir John Ropner from 1899 until his death in 1937, Sir Charles Barrie, later Lord Abertay, a distinguished politician as well as businessman, from 1905 until his death in 1940, and Sir William Noble, later Lord Kirkley, Chairman of the Cairn Line, from 1915 until his death in 1935. Sir Arthur Atkinson, a Hull shipowner, served for 50 years after joining the Board in 1897.

The team responsible for the direction taken by the Club after the war, whether on the Board or in management, remained those whose views had been shaped by the pre-First World War heyday of British shipping. Sir Arthur Sutherland, for instance, another director who served half a century, was still saying in 1947 that, as far as the UK was concerned, 'Shipping is part of us ... Strangle it and we perish ... We have GOT to keep our shipping on top', to win back 'international commercial prestige' and 'supremacy'. Yet while the overall tonnage of British shipping fell only from 20 to 18 million tonnes between 1914 and 1939, and the UK merchant fleet remained the single largest in the world, it shrank as a proportion of world shipping from 39 per cent to 26 per cent.

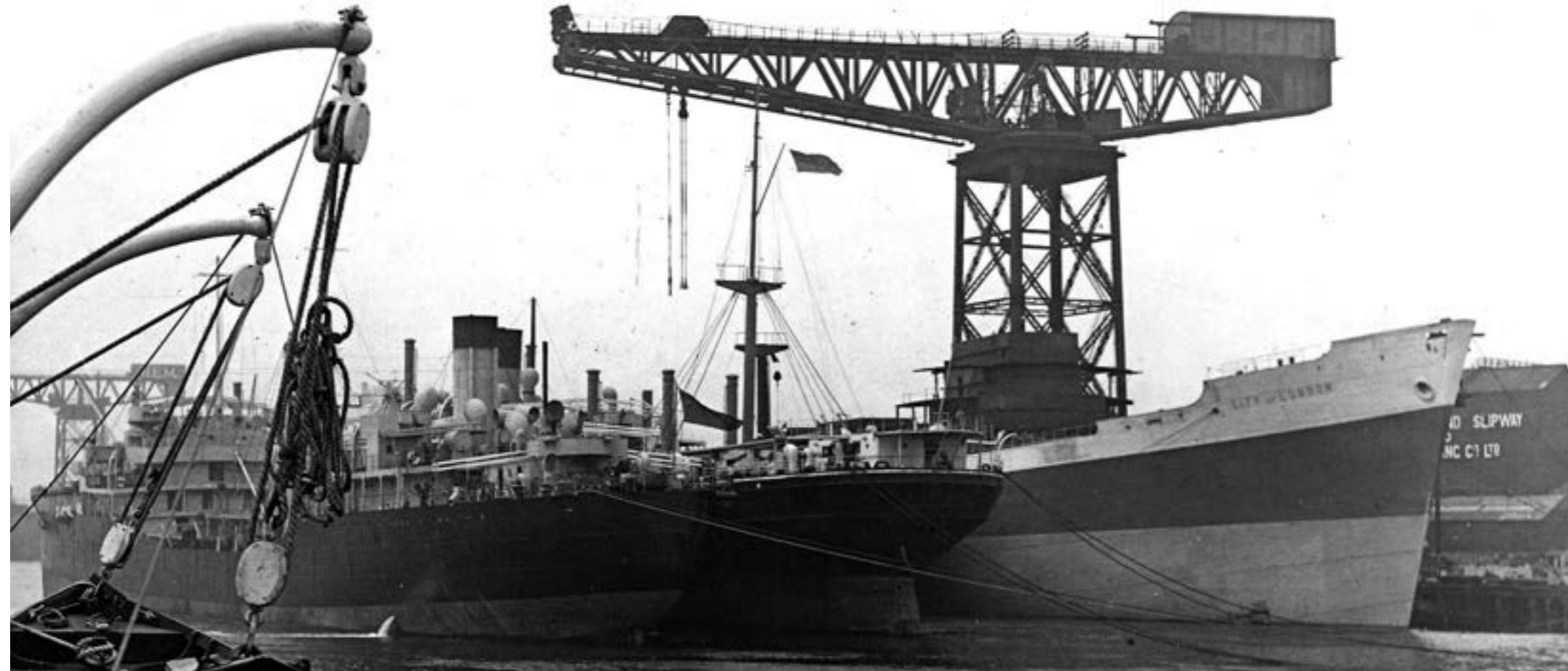
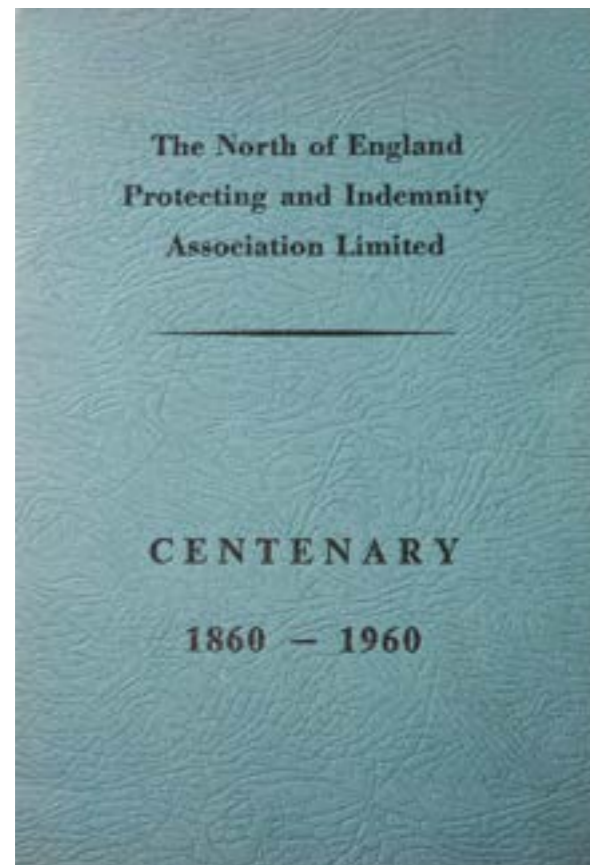
Some clubs did seize the opportunity to admit overseas members. The United Kingdom Mutual admitted its first overseas Member in 1919 and by 1939 45 per cent of its members were from overseas. By then, the United Kingdom Mutual had consolidated its position as the leading UK P&I club, with more than five million tonnes of shipping entered in both protecting and indemnity classes. Another club, the Liverpool & London Steamship P&I Association, which tended to concentrate on the liner trade, had more than four million tonnes of shipping. By contrast, North had less than two million tonnes in either the protecting or the indemnity class.

The Second World War

By 1939 it seemed obvious to most Britons that sooner or later the country would once again go to war with Germany. The international situation had been politically unsettled since the end of the previous war and members of North appreciated the security of the war risks cover provided by the Club. Two vessels were commandeered by the government of the Irish Free State during the troubles of 1922 and armed for use against the rebels.

The Club paid for repairs and nine years later recovered damages for the detention of the vessels. In 1932 more vessels were detained and several others had to deviate from their route when the port for Sao Paulo in Brazil was closed during a rebellion. During the Spanish civil war, the Club declared Spanish ports off limits to all members from 1937 until 1939. By then, an agreement between the UK P&I clubs and the Government for the administration of another national war risks scheme had been in place for three years.

On 22 August 1939, representatives of the clubs were invited to London by the Board of Trade where it was agreed that the Admiralty would pass on information about vessels in dangerous territory to the clubs via the Board of Trade. North, along with the other clubs, began contacting members' vessels to try to ensure that as many of them as possible had returned home safely before war began again.



The P&I clubs which had administered the national war risks scheme in the First World War – the London Group, the Liverpool & London and North – did so again in the Second.

This time they pooled their premiums and losses from the end of 1941 to ensure none of them made a loss from the task.

While the home front was so quiet that the period prior to the Battle of Britain in the summer of 1940 came to be known as the “Phoney War”, the British merchant marine faced enemy action from the first days of the war.

The risks faced by seafarers were magnified during wartime – it was a dangerous occupation and many brave men died while securing vital supplies for the British war effort. Merchant seamen throughout the war suffered a proportionately higher casualty rate than their compatriots in the navy, with

more than 50,000 men, over a quarter of all those in service, losing their lives.

North's members lost 36 vessels between the day war broke out and the middle of January 1940. Most were sunk by mines or submarines.

The five largest losses, all either mined or torpedoed, were those of the Royal Sceptre, belonging to Hall Brothers, the Pukkastan, owned through the Hindustan Steam Ship Company by Common Brothers, the Vancouver of the Reardon Smith Line, and two Cairn Line vessels, the Cairnmona and the Cairnross. Another, the Newton Beech, carrying a cargo of maize, was stopped by the German cruiser Graf Spee, in early October and held as a prison ship with a prize crew.

The number of vessels entered with North lost or damaged through enemy action

grew steadily, reaching 649 by the end of November 1941. Among them were several vessels owned by the General Steam Navigation Company damaged during the evacuation from Dunkirk, including the Royal Daffodil. She ferried 9,500 men back to England from the French beaches, evading machine gun and torpedo attacks.

She almost succumbed when a bomb passed straight through her and blew up beneath her, blasting a hole in the port side which the master kept above water by ordering all on board to move over to starboard, enabling temporary repairs to be carried out. Few vessels lost or damaged were more than six thousand tonnes – one of the largest was the Duquesa of almost 9,000 tonnes, belonging to the Furness-Houlder Argentine Line, captured and scuttled by the pocket battleship Admiral Scheer in December 1940.

Wartime incidents persuaded the Club to alter its rules to ensure members remained fully protected. One case involved the tanker Athelvictor. Carrying motor spirit, she had been escorted by the naval trawler Kelt into the harbour at Lagos in Nigeria in early December 1942. While discharging, several thousand gallons of her highly inflammable cargo escaped into the harbour through the negligence of the crew.

The fuel ignited, causing an enormous explosion, destroying three other nearby naval trawlers, which were carrying ammunition and depth charges.

Casualties on these three vessels were slight, since most of their crews were ashore, but the Kelt was not so lucky, and all except one of the vessel's 26 crew were lost. There were also casualties ashore as well as damage to property. The subsequent Admiralty Court decided that the liability of the owners was

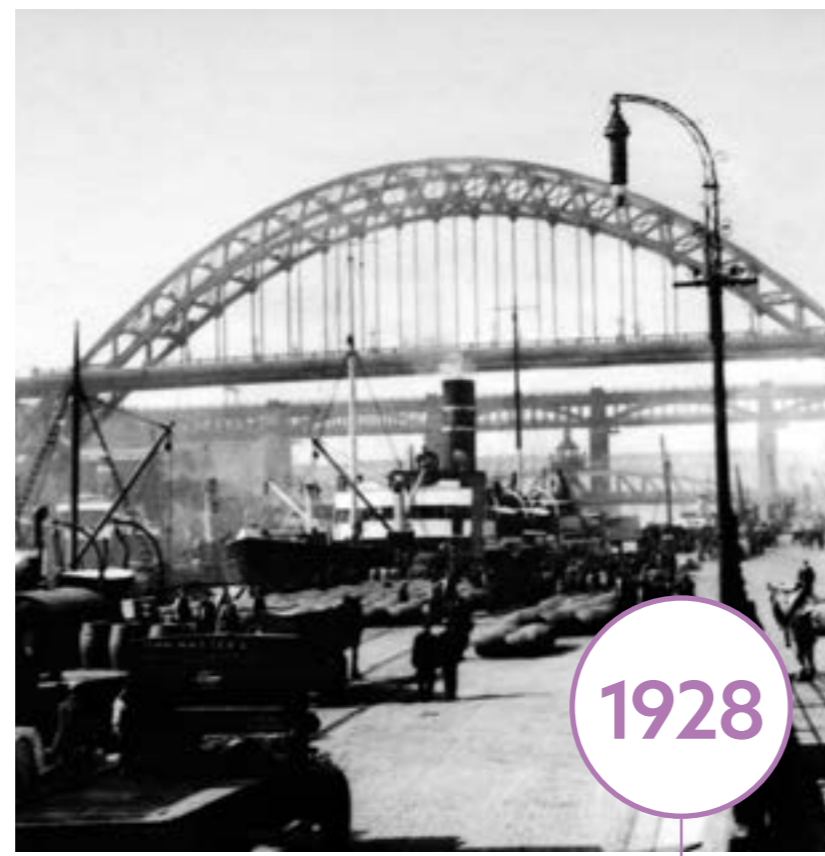
limited only to the damage to property ashore but not to loss of life or personal injury occurring either ashore or on board the vessels. The case, settled only in 1946, prompted the Club to remove the limit on liability of £30 per ton under the indemnity class to ensure every Member enjoyed complete indemnity.

Cases like that of the Athelvictor, which took several years to settle, were not unusual. Another related to the Sea Rambler, the same vessel which had been involved in the deaths of several crewmen through sickness in the late 1930s. The vessel sank at sea while sailing from Halifax in Nova Scotia to Bristol in February 1940. The cargo owners claimed for loss of cargo on the grounds that the vessel was not seaworthy, a claim contested by the Club on the basis that the ship had foundered 'by a distinct peril of the sea'.



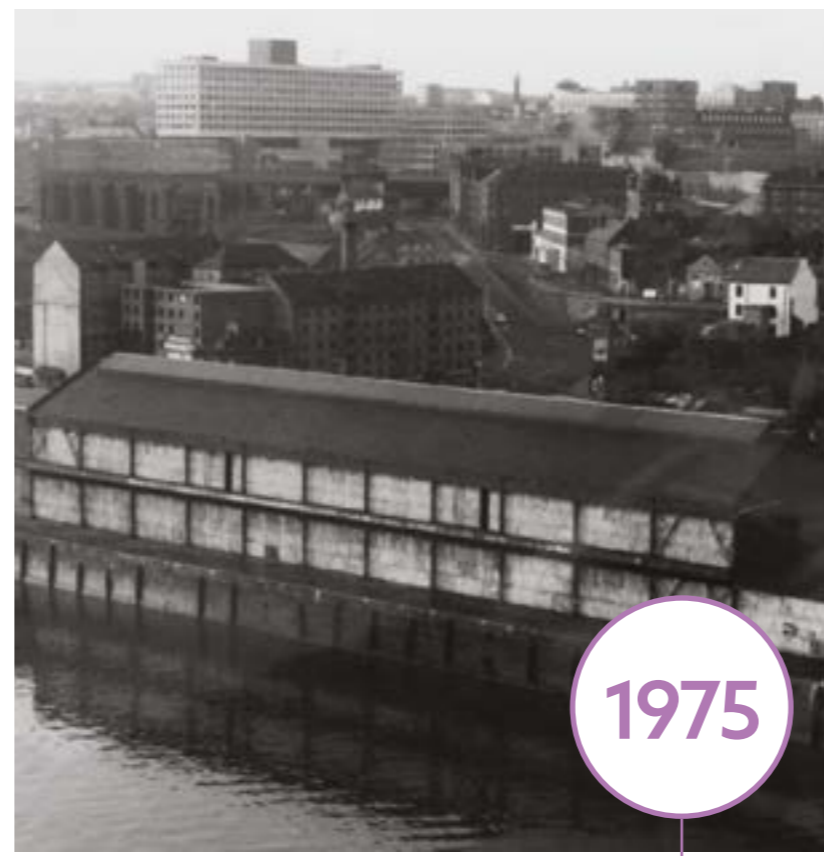
1896

View from Gateshead, 1896.



1928

Recently completed Tyne Bridge 1928.



1975

Cargo sheds on the site of North of England's future office 1975.



1976

Looking Down from Swing Bridge 1976.



1982

Sunday Morning Market, Newcastle Quayside 1982.

The case dragged on, partly because it was initially pursued through the US courts which eventually decided they had no jurisdiction over the matter and partly because of legal disputes in the British courts. Ultimately the Club pressed the plaintiffs in court to prove their case, resulting in the court finding in favour of North nine years after the ship had sunk.

By 1945 the Club had paid out for 370 total losses. The UK had lost more than 11 million tonnes of shipping during the war, 60 per cent of its pre-war total. The net decline was much less, just over 20 per cent, and proportionately greater losses were suffered by other nations. Many shipowners remained confident about the post-war future of British shipping.

Sir Arthur Sutherland was just one who spoke warmly about the industry's prospects. Their hopes were unfulfilled.

For many reasons, ranging from the weakened state of the post-war British economy to the independence movement in British colonies, from the expansion of US interests overseas to state subsidies supporting the fleets of the Communist bloc, the British merchant fleet fell further into decline.

The Decline of British Shipping

World shipping surged ahead after the war, with total tonnage increasing from more than 81 million tonnes in 1948 to over 112 million tonnes in 1957. While US tonnage more than doubled, reaching over 26 million tonnes, UK tonnage grew by just two million tonnes, from 18 to 20 million tonnes. The UK's share of the world shipping fleet fell from 26 to 18 per cent. In fact, the decline was worse than this, for much UK registered tonnage was not UK-owned, and UK owned tonnage fell below the levels of 1914. UK owners proved slow to adapt.

The shipping world was beginning to change as new shipping nations arose and more fleets sailed under flags of convenience. While many of the risks covered by the Club remained the same, new ones appeared as ships became larger and new methods of carrying cargo were devised.

In the early 1960s, the appointment of the first professional managers from outside the Club finally signalled the beginning of moves to reverse the Club's decline. They lacked professional management, neglected growth areas such as oil and, with the memory of the previous post-war boom and slump, proved unwilling to raise capital to reinvigorate their fleets. The disinclination of owners to act was reinforced by the mirage of prosperity they enjoyed from the late 1940s to the late 1950s. With world trade expanding more rapidly than there were ships available, shipping remained profitable for UK owners.

It would be a challenging time for P&I clubs like North, wedded by tradition to the protection and indemnity of mainly British members. Although the tonnage covered by the Club had fallen from its pre-1914 peak, the extent of the Club's operations painted a confident picture. John Quince joined North from school as an office boy in 1946, earning £50 a year, and remained for 45 years, eventually becoming Company Secretary. When he joined, the Club still had members all over the UK, maintaining branches in London, Cardiff and Glasgow, an agency in Liverpool, representatives in eleven other UK ports and in all major overseas ports.

In Newcastle, the Club occupied the second floor in Collingwood Buildings. Administration was divided into two, one covering protection and war risks, the other indemnity and FD&D, each with some two-dozen staff. While the classes were independent of each other, both financially and in terms of membership, this independence was physically reinforced within the Club.

Staff from each division used separate entrances to the building, indemnity staff entering through the main entrance and protecting staff through the secondary entrance, and there were even separate toilets.

The membership was loyal and, with one exception based in Trieste, entirely UK based covering colliers, cargo liners, tramps and some tankers, as well as two whaling ships operated by Salvesen. With many members operating just single vessels, one of the largest members was the Newcastle tramp shipping company, Chapman & Willan, with more than a dozen vessels.

The war years were an interlude in North's gentle decline. As the British merchant fleet continued to shrink after 1945, the club lacked the energy to broaden its base as it lost members.

Club Management

Wilton Apedaile and George King joined as office boys in 1949 aged 16, each serving 44 years with the Club. They recalled how good relationships were forged between the Club and its members at an early stage. Many of the Tyneside shipping companies employed young messenger boys whom the office boys from North would meet regularly. Many of them eventually became senior shipping managers, just as Wilton Apedaile, George King and John Quince all became senior staff for North. In the days when the Club conducted little if any business through brokers, many shipping companies had their own insurance departments, and it was with the staff of these departments that North staff developed strong links. Then, as in the past and today, the most important part of the job was to make sure that the interests of members were well looked after, and strong personal relationships were a key part of this task.

Stanley Todd

The senior managers were those who had been with the Club since the 1920s. Stanley Todd, who seemed very old to John Quince was still General Manager. George King and Wilton Apedaile remembered that the example of their elderly General Manager governed the pace at which business was conducted. Coming up to Newcastle from his Tynemouth home by train, he was collected at the station by his liveried chauffeur in a Daimler, which bore one of the earliest number plates registered in Northumberland, X2. Since he never arrived in the office until ten in the morning, neither did anyone else.

He had left by lunchtime when staff took an hour and a half for lunch, which was not always rigidly adhered to. In 1950, when the Comet airliner was making record-breaking test flights from London to Rome, one wag asked one latecomer back from lunch, 'So have you been to Rome and back for your lunch?' The exemplar of this laid-back attitude was the gentleman who ran the accounts department.

Travelling into town by tram from Low Fell, he arrived at 10.30am, just in time to take morning coffee in Carricks' restaurant, where he met the Manager of Lloyd's Bank to compare crossword puzzles. In the office for an hour, he then took a pint and went home for lunch, getting back around three o'clock – but to the Literary & Philosophical Society, reappearing in Collingwood Buildings only for afternoon tea.

His book-keeping apparently matched his leisurely hours – one entry for salaries in February simply read 'As for January'. As for the other Managers, James Colvin Watson, John, known as Jack, Todd and Charles Todd remained class managers after the war. Even Fred Miller, who had retired from full-time work in 1932, was still acting as a consultant three mornings a week.

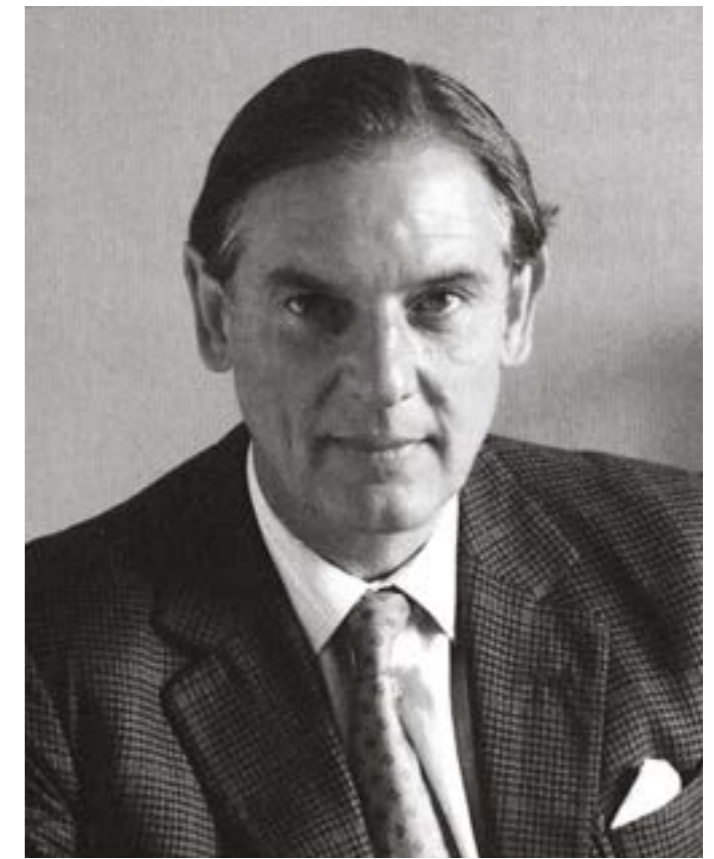
When Stanley Todd retired in 1949, Jack took over as General Manager, but neither he nor his brother, nor their sons, whom they also brought into the business, possessed the aptitude for marine insurance their father had shown in his prime. Many of these older men retired in the early 1950s.

Colvin Watson, who completed what must be a record 62 years' service with the Club, retired in 1952, as did Charles Todd, while Jack Todd stepped down in 1954. In their places came George Whitley and Fred Ward as Managers, Robert Lawson as Secretary and Bill Ferguson as General Manager, all of them long-serving existing members of staff.

George Whitley, for instance, had joined the Club in 1914 and Fred Ward in 1916. Many of the older Directors were also retiring and by the late 1950s there was a consensus on the Board, shared by Bill Ferguson, that it was important for younger men to be appointed as Directors.

Among the newcomers who would serve the Board for many years to come were Iain Harrison, whose father had been a Member, and Jeremy Ropner, who would be the fifth member of his distinguished shipping family to become Chairman.

The conservatively inclined Club had already made a break with tradition by appointing the first female director, Anne Common, of Common Brothers, in 1955, although she stepped down on her marriage five years later.



Jeremy Ropner, a Director for 39 years and Chairman from 1972 to 1974.

In the late 1940s, as Stanley Todd retired, the Board was interested to know how much foreign tonnage was covered by the Club.

Management took a conservative view, reminding the Board in the Annual Report for 1949 that the Directors had always replied to requests for membership from foreign owners that 'the Founders of the Association, in its formation, did not contemplate providing cover for Foreign Tonnage, thus helping such tonnage to compete with our own British Tonnage'. This was not quite true since the Club, as its earlier history had shown, had never been averse to accepting overseas members. The hard line taken in 1949 was softening in the early 1950s, when there were enquiries from several brokers as to whether the Club would admit foreign tonnage. This time the Directors were receptive but scarcely enthusiastic, agreeing merely to review applications for membership from overseas as and when they were received.

North was falling behind the leading P&I clubs of the time, notably the United Kingdom Mutual, which was appointing its first overseas Directors at this time.

It was not alone – the Liverpool & London was in a similar situation – but other clubs, such as the Britannia, which had been stagnating, were realising the importance of widening the scope of their membership. It would take a more concerted effort to shake North out of its lethargy.

Some of the claims dealt with by the Club reflected the situation in shipping immediately after the Second World War. The Club continued to pay out for losses under war risks insurance for some time afterwards, with ships still being lost or damaged through striking uncleared mines. With many experienced masters leaving the sea, their inexperienced successors were often easy prey for unscrupulous shippers, charterers and stevedores around the world and were also sometimes short on seamanship. The dishonesty in so many ports which had traditionally given rise to so many cargo claims was exacerbated after the war by acute shortages and the rampant black market. The Club lamented in 1947 how 'a very large proportion of the men engaged in the shipment, carriage and delivery of general cargoes are not free from taint of dishonesty'.

Directors 1959-60

TOM PIERPOINT
(Chairman)

J. N. BURRELL
(Vice-Chairman)

North East England

ARTHUR G. EVERETT	1933	W. H. LAVERICK	1956
J. R. ROPNER	1934	H. P. TURNER	1957
LESLIE MANN	1936	G. R. BALMER	1958
SIR ROBERT D. ROPNER	1937	H. G. WITHERINGTON	1958
J. N. BURRELL	1950	J. V. ROPNER	1958
L. C. HUNTING	1953	H. D. TURNBULL	1959
JOHN HARBOTTLE	1954	G. A. COMMON	1959

North West England

TOM PIERPOINT	1937	RAMON DE LARRINAGA	1956
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South East England

W. C. WARWICK	1915	R. A. POPE	1955
G. H. BLACKFORD	1950	ALAN S. TUGWOOD	1959
J. C. McNEILL	1950		

Scotland

JAMES SHEARER, O.B.E.	1930	JOHN M. HAY	1956
SIR JOHN DENHOLM, C.B.E.	1934	WM. NICHOLSON	1957
J. R. COWPER, O.B.E.	1941	STANLEY B. BURT	1957
R. F. SCOVELL	1945	IAIN V. R. HARRISON	1957
HUGH HOGARTH	1949	H. W. HOLLYER, M.B.E.	1957
JOHN BRUCE	1950	J. F. DENHOLM	1958
G. SHERIFF	1955		

The lengths to which black marketeers would go were illustrated by the example of three Frenchmen arrested in Le Havre. Swimming underwater to vessels anchored in the harbour, they had taken out waterproof sacks for crew members to stuff full of everything from stockings and cigarettes to jewellery and chewing gum. Economic prosperity, however, seemed to do little to minimise such claims. In 1954 the Club reported that 'it would almost appear as if pilferage has become "old fashioned" and thieves are no longer content with anything less than the complete package and the whole of the contents.

Heightened Risks at Sea

Out of wartime research came the widespread adoption of radar at sea. Making a major improvement in safety, radar was too often regarded by masters and men as a substitute for using their own seamanship.

Time after time in cases of collisions involving members' vessels, courts in the UK and North America were stressing that radar was just an aid to navigation which did not absolve ships' captains from their overall responsibilities for ensuring safe navigation.

One issue which caused concern during the 1950s was the approach of the US authorities to the seaworthiness of ships. In 1957 the US courts had upheld the case brought against the shipowner by one crew member injured by another, on the basis that 'a vessel is unseaworthy when members of the crew are dangerous and untrustworthy'.

Every crew member was expected to be 'equal in disposition and seamanship to the ordinary man in the calling'. The consequence was a rising tide of claims for personal injury, with British shipowners liable even if one sailor was attacked by another while onshore. Claimants in successful cases received significant damages. The Club's Annual Report for 1959 reported one US marine expert who had said that 'sympathy for the claimant and lack of technical knowledge on the part of some of the judges and jurors, combined with the rapacity of certain lawyers, has reduced maritime personal injury claims to a racket in many cases'. This was compounded by a resurgence in claims for personal injury made by US longshoremen, or stevedores, an issue prevalent in the 1920s which legislation had been thought to have cured.

After the war the oil trade grew rapidly. The volume carried at sea increased fourfold between 1937 and 1957 while the world tanker fleet rose from 11 million tonnes in 1939 to nearly 39 million tonnes in 1960. Tankers grew in size – the British Tanker Company's British Sailor was the world's first 33,000 tonne tanker when she was launched in 1953.

Oil spills were becoming increasingly common and the Athelvector incident during the Second World War was an indication of the havoc which could be wreaked by leaking oil.

The International Convention for the Prevention of Pollution at Sea by Oil, drawn up in 1954, was implemented in 1958, under the new Inter-Governmental Maritime Consultative Organization, later the International Maritime Organization.

This was an early sign of the trend towards more stringent regulation of shipping as more and larger ships were introduced to service the expansion of the international economy.

The eyes of shipowners and P&I clubs everywhere were opened to the enormous potential liabilities of modern shipping incidents by the Grandcamp disaster of 1947.

The ship, carrying ammonium nitrate, caught fire and exploded at her berth at Texas City in Alabama. Three hundred people were killed, more than 3,000 were injured, and the explosion ignited a nearby chemical plant, a number of grain elevators and an oil refinery two miles away. Four years later the prospect of such future calamities led the London Group of P&I clubs for the first time to purchase reinsurance through Lloyd's for claims in excess of £250,000.

North continued to only retain risks up to £250,000 reinsuring the excess with the commercial market.

Risks of Life at Sea

The risks of life at sea were all too evident from North's Annual Reports. A major tragedy was the loss of the Hopestar, a cargo steamer owned by the Wallsend Shipping Company. She sailed in ballast for Philadelphia from the Tyne on 2 November 1948. Ten days later, she began to encounter heavy weather, although it was nothing abnormal for the time of year.

Suddenly, sometime around midnight on 17 November, she disappeared without trace. There were 40 crewmen on board. The Court of Enquiry concluded that, while it was impossible to be definite, it was highly likely that the ship had broken in half, foundering because she had been weakened by previous alterations to her structure.

A happier incident was the rare occurrence of the rescue of a man lost overboard. Douglas Wardrop, second officer on board the British Monarch, fell overboard while the vessel was a thousand miles out from Panama in the Pacific in June 1957.

It happened in the early hours of the morning while he was repairing equipment and, despite hanging onto a trailing rope for ten minutes, he was unable to raise the alarm. He had to let go, recording later how he 'saw the wake of the ship and the lights quietly go out of sight. I knew my battle of wits with death had begun'. Visited by a shark, stung by a jellyfish and accompanied by a giant turtle, he was eventually rescued after spending nine hours in the water, recovering after two days of delirium. His absence had been discovered on board the ship at breakfast, when the master immediately turned the ship about and stationed lookouts. After four hours the vessel was within five minutes of giving up the search when Wardrop was sighted. He was a very lucky man. The owners put in a claim to North for £74.

1911-1960



An aerial photograph of Bridges over the River Tyne Newcastle and Gateshead Circa 1960 - 1965.

Revival and Renaissance

By 1960 the trends which would transform international shipping were becoming much clearer.

1961-2010

Unitised cargo, larger and more specialised vessels and the advent of containerisation would bring about the biggest changes in shipping for a century.

Salvage of the 'Cyprian Coast' from the Tyne at Newcastle Quayside 1956. Photograph by Jimmy Forsyth.

During the early 1960s several of the new bulk carriers were entered in North for the first time, encouraged by the change the Club had made from a variable call to a flat rate call, tempered by a complex system of rebates, which was regarded as 'a more equitable distribution of the Club's liabilities over the tonnage entered'.

At the same time, the decline in the Club's traditional membership was also becoming obvious. The Shamrock Shipping Company, for instance, based in Larne, and a Member of the Club since 1897, was not alone in selling all its tonnage in 1962. In the same year, the Glasgow firm of John Bruce & Co followed suit, John Bruce himself having been a Director for 43 years until 1960, including a term as Chairman in 1953-55. By now, the total tonnage entered in the protecting and indemnity classes respectively was 1.9 million and 1.5 million tonnes.

This was almost exactly the same tonnage as the Club had covered at the end of the First World War, the only difference being the increasing size in ships – in 1919 there were 950 and 686 vessels in the protecting and indemnity classes, in 1962 just 397 and 253.

Alec Murray & Len Harrison

All the Club's senior managers were due to retire during the early 1960s and the Directors decided for the first time to look outside the Club for the next generation of professional management.

In 1962 two new Managers were appointed, Alec Murray and, soon afterwards, Len Harrison. Both men had worked in marine insurance, Murray in Manchester, Harrison in London, Hull and Grimsby.

While both men had very different approaches, their relationship, although sometimes difficult, was based on a shared interest in reinvigorating the Club and preparing it to face the changes in shipping already affecting other clubs.

During this period, North gradually overhauled its administration, improved the services it offered, widened its membership and adopted a more outward-looking approach.

1960s Revival

The Club sustained its tonnage during one of the worst shipping recessions since the 1930s as new management laid the foundations for the more rapid expansion during the 1980s.

Shipping was in a state of flux during the 1960s as the carriage of cargo at sea was transformed – bulk carriers were replacing traditional tramp cargo ships, roll-on, roll-off ferries combined with road haulage to revolutionise short-sea cargo routes, while container ships did the same thing for long distance routes.

Fewer ships carried more cargo as ships grew bigger – container vessels which in the 1970s carried an average of around 2,000 units were carrying 8,000 or more by the end of the century; in 1960 the 66,000 tonne Olympic Challenger was the largest tanker ever to have entered the Thames yet just over 30 years later the Elisabeth Maersk, a regular visitor, exceeded 300,000 tonnes; even passenger vessels soared in size, with Cunard's new 151,000 tonne Queen Mary, launched in 2004, being more than twice the size of the famous QE2, launched in 1969.

The tonnage of the UK merchant fleet reached a peak of 34 million tonnes in 1975 but this continued to be a shrinking proportion of world tonnage which reached almost 300 million tonnes.

Although the UK fleet was still one of the world's largest, it was now outstripped by ships flying the Liberian flag of convenience.

The London Group

Until 1969 Alec Murray and Len Harrison worked alongside Bill Ferguson who gave both men his complete support. On Ferguson's retirement in 1969, after more than 50 years' service, Murray took over as General Manager with Harrison as his deputy. One of the first initiatives they had taken after their arrival at the Club was to apply to join the increasingly influential London Group of P&I Clubs, whose members included every major club in the UK excepting North and its smaller Sunderland neighbour, the Neptune.

A deficiency in the coverage offered by North was the Club's inability to purchase reinsurance to cover the rising cost of shipping claims as vessels grew. The members of the London Group, who covered in total more than 86 million tonnes of shipping in UK and foreign ownership, had enjoyed this advantage since the early 1950s. On 20 February 1965 North joined the London Group, becoming a member of the equivalent war risks group the following year.

While membership of a group with the financial strength to purchase extensive reinsurance at competitive rates would prove an attraction to potential new members of the Club, perhaps the other great advantage for North in joining the London Group lay in the understanding among the clubs that none would seek to compete with the other.



Top: Alec Murray
Above: Rodney Eccleston and Len Harrison flanked by past Chairmen Ian Churcher and Norman Burrell.

The case of the Torrey Canyon highlighted the value of reinsurance. When the tanker ran aground off Land's End in 1967, spilling more than 100,000 tonnes of oil, it alerted clubs to the huge liabilities inherent in larger vessels carrying larger cargoes. It also prompted the introduction of a new international convention on oil pollution which took effect in 1969, enabling compensation to be claimed from shipowners and insurers. Reinsurers, understandably alarmed, placed a maximum value on any individual pollution claim, forcing the clubs within the London Group to follow suit. Reinsurance also helped the Club in the same year when it settled the most expensive claim it had yet faced. Sailing in convoy along the Suez Canal on 27 November 1960, the oil tanker Kazimah had been holed after hitting an obstruction. Crude oil escaped and ignited, setting alight a dredger, while two ships following the Kazimah ran aground in attempting to take avoiding action.

The Court of Enquiry found the vessel at fault for having been out of position but the substantial settlement falling on North was, noted the Annual Report, mitigated 'to a considerable degree' by reinsurance. This appears to have been the only instance of the Club making a claim against the excess cover it had arranged in the market.

Overseas Members

The overseas membership recruited by other clubs, as world tonnage grew sharply, made it even more apparent that North must follow suit, especially since its traditional membership was in decline.

The opportunity came in the mid-1960s when an Anglo-Dutch venture was formed to introduce a roll-on, roll-off ferry service from Hull to Holland under the name of North Sea Ferries. The company approached the Club through a broker and was impressed when Alec Murray, alone of all the insurers asked to provide a quote, travelled to Rotterdam to meet company representatives. It clinched the business for North.

This promising start in winning overseas members was augmented in 1967 when North absorbed the smaller Neptune P&I Association. The merger occurred mainly because of the close relationship between Bill Ferguson and George Angus, who ran the Neptune. With the Neptune came a number of Irish and Yugoslav vessels. At first the Yugoslavs placed only their short-sea tonnage with North, entering their ocean tonnage with the United Kingdom Mutual (the UK club). Then the experience of the service the Yugoslavs obtained from North persuaded them to ask the Club to quote for their ocean tonnage as well. This placed North in a difficult position since, as a Member of the London Group, it was not allowed to undercut the UK club's rates.



The Torrey Canyon tanker oil disaster, Land's End 1967.

On the other hand, the ocean tonnage insured by the UK Club was on a fixed premium rather than a call basis, which North would not accept. Since the Club had persuaded the Yugoslavs to accept a call basis for their short-sea tonnage, Alec Murray set out with George Angus for Zagreb in the winter of 1969 with the intention of negotiating a similar agreement. They succeeded, and won the insurance of three major fleets, a significant part of the tonnage. The deal had been secured by Murray's calculated risk in guaranteeing the final call for the year.

The risk paid off as for many years the Yugoslav fleets were the largest overseas entry in the Club and, after Yugoslavia broke up in the 1990s, the Club retained strong links with fleets based in Croatia and Montenegro. Shortly after the Neptune merger took place, the Club also accepted the entry of more than 100,000 tons of new building tonnage from Economou & Co, a long-established shipping operator. The proposal had to be submitted to the Directors, who not only approved it but agreed that in future similar applications could be left to management.

The Club also insured vessels operated by Keller Shipping of Basle in Switzerland, with Charles Keller becoming the Club's first overseas director in 1967. Other recruits from overseas during the late 1960s and early 1970s included National Maritime & Agencies, based in Beirut, and the Sudan Shipping Line, based in Port Sudan.

By 1973 foreign-owned vessels accounted for 30 per cent of the Club's tonnage, with the management team reassuring the Board that 'careful attention is given to all enquiries to ensure that new entries are comparable with the existing membership'. In effect, overseas members accounted for almost the entire growth in the Club's membership since 1965, showing too how important the decision had been to join the London Group with all its advantages.

The admission of overseas members was linked with a debate on the importance of the mutual nature of the Club, which led to a change in the way the Club calculated calls for each Member. In theory, North made the same call on every Member, tempered by a complex system of rebates to reflect good performance as well as a system of penalties to punish poor claims records.

But it was impossible for the rebates, which the Club constantly had to recalculate, to reflect the widening diversity between members' vessels, given the influx of foreign tonnage, without becoming excessively complex. It was time for the Club to join the rest of the UK P&I clubs in adopting the system of rating members' vessels according to their record.

The Board agreed and the new system was introduced in 1968. At the same time, it was also decided to merge the separate protecting and indemnity classes. The growing international nature of the Club, combined with the relative decline of British shipping and improved communications, rendered superfluous the Club's offices and agencies outside Newcastle and London, the heart of the marine insurance market, and they had all gone by 1970. Four years later the London office too was closed and the Club also moved from Collingwood Buildings, its head office since 1904, to the more modern Douglas House.

A more sophisticated approach to financial management was also adopted in 1968, when the Board agreed for the first time that part of the Club's funds could be invested in equities, albeit through investment trusts.

In the same year, the UK Club had led the way by establishing an offshore company in Bermuda in parallel to its UK operations. This stemmed initially from the losses suffered by the Club following the devaluation of sterling in 1967, for the dollar had now become the currency of international shipping. Bermuda was also free from exchange control restrictions. This was an example followed by other clubs, including North.

Devaluation itself was symptomatic of growing economic turbulence. The Club's Annual Report for 1970 reported that during the previous year 'the tide of shipowners' liabilities has continued to flow at a rate which has become increasingly expensive to meet and counteract...it is evident that the facilities provided by Protecting and Indemnity and War Risks clubs are of increasing importance to all who are engaged in the business of ship-owning or ship managing'.

In that year, the Club settled almost 3,500 claims amounting to more than £850,000. The repeated types of injury cases were catalogued in one of the Board's Annual Reports - 'breaking gear, falling cargo, slips on oil, trips over ropes and wires, falls from ladders and gangways, burns and scalds, all produce what appears to be a never-ending succession of incidents which have to be investigated, negotiated and, in appropriate cases, settled.

The Board also heard that 'the incidence of cases of personal injury resulting from over-indulgence in alcohol remains a disquieting feature'. Once again, as another Annual Report recorded, 'the incidence of personal injury claims by longshoremen in the United States was a constant source of wonder'. Habitually they waited for years to lodge a claim, making effective investigation very difficult and often resulting in unsatisfactory negotiated settlements.

It was more lucrative to claim damages from the shipowner since this did not affect the compensation they received from their employers during any period of incapacity. It was also easier since the US courts, where the management team pointed to 'the highly imaginative efforts of the US judges to demonstrate "unseaworthiness" of a ship in favour of longshoremen', had defined the concept so loosely that many claims which proved successful had nothing to do with the ship concerned.

Ultimately, a change in US law in 1972 turned the flood of such claims into a trickle, much to the relief of clubs like North. In relation to cargo, steel was the subject of many claims for rusting or damage as was contamination of cargoes from oil.

Poorly maintained or improperly sealed hatch covers, which let in sea water during heavy weather, were also common causes of claims. Teething troubles arose from the introduction of new methods of carrying cargo.

Breakbulk cargoes produced a torrent of claims, mainly connected with handling and stowage, as did containerisation, largely because of problems related to the conversion of existing vessels. These types of claims tended to disappear as purpose-built container vessels were launched.

Another trend causing concern was the inflexibility and severity with which many customs authorities worldwide were interpreting regulations, fining vessels heavily for any discrepancies between manifests and the actual cargo and even detaining them until the fines had been paid.

War risks cover remained essential in a turbulent world, with conflicts covering India and Pakistan, Vietnam and the Middle East, while the Club also handled a large number of claims arising from the closure of the Suez Canal in 1967.



Suez Canal, Port Suez, Egypt.

Marine Shipping Mutual Insurance

In 1972 the Club returned to its roots with the formation of a company providing insurance for hull and machinery, just as NESSIA had done well over a century before. This arose during the late 1960s out of conversations with members who found themselves at a disadvantage negotiating reasonable rates from Lloyd's brokers compared with larger shipowners.

The idea was strongly supported by Iain Harrison who became Chairman of North in 1970. Despite strong opposition from other Lloyd's brokers, Marine Shipping Mutual Insurance (MSMI), as the new company was called, under the direction of Len Harrison, succeeded in negotiating reinsurance through three principal brokers, Furness Houlder, Bland Payne and Willis Faber, meeting a clear need from North's members.

The shock to the world economy of the sharp rise in oil prices in the early 1970s soon affected the fortunes of the shipping industry. Freight markets collapsed as too many ships chased too little trade. Matters were made worse by the delivery of new ships ordered during the boom whose value plummeted almost as soon as they took to sea. The 1970s were universally dire for shipping. The mirage of recovery in 1979-80 rashly tempted operators to place orders for more vessels, an error of which they were able to repent at leisure with the return of miserable economic conditions in the early 1980s.

The Oil Crisis

For North, as with almost all other P&I clubs, the policy year for 1974-75 was the worst in the Club's history, with two supplementary calls, one for 125%, the second for 150%, being made. The Board decided that in future any initial call would cover the bulk of the estimated final cost of any one policy year. As shipping revenue fell and P&I costs became a greater proportion of every shipowners' budget, there was greater competition among the clubs, with a premium placed on service.

This played to North's traditional strengths and allowed the Club to sustain its tonnage through difficult times. The composition of the Club's membership continued to shift towards overseas members as the 1970s depression ended North's association with several more long-established UK members. In 1975 Chapman & Willan, a member since 1895, left after amalgamation, and the Larrinaga Steam Ship Company of Liverpool, a Member for 55 years, sold all its vessels.

Among the major claims of the 1970s was one dealt with by MSMI for damage to a Member's tanker, the *Aeolus*. The master had been advised by the pilot on board to anchor just off Sandy Hook outside New York harbour. In the process she scraped her bottom along the submerged wreck of a US naval destroyer which had sunk after blowing up in 1944 and for which there was no wreck marker. No oil was spilled, with the cargo discharged over several days onto several smaller tankers. The vessel was towed to a safe berth, temporary repairs executed, and a full recovery made from the US Government for failure to prepare a safe anchorage. The final settlement was made just 16 months after the incident for 90 per cent of the \$7 million originally claimed.

Another claim stemming from the US in the following year involved the collision in fog and under pilotage of a vessel with the Mount Hope Bridge, at Tiverton, Rhode Island, causing several hundred thousand dollars of damage to the bridge and the ship.



Iain Harrison, a Director for 40 years and Chairman from 1970 to 1972; also the first Chairman of Marine Shipping Mutual Insurance.

In 1979 the Kurdistan was leaking oil, after suffering gashes below the waterline to her tanks. The ship broke in two.



The Kurdistan, Lloyd Pretty 1980.

LLOYD PRETTY 1980

The Kurdistan Case

In 1979 came an incident involving another tanker, the Kurdistan, owned by the Nile Steamship Company of Newcastle. One of the Club's managers, Rodney Eccleston, took a call on the evening of 14 March. The vessel, sailing towards the Gulf of St Lawrence, was leaking oil from vertical cracks on both sides of the ship, suggesting it was broken across its entire width.

The tanker, carrying more than 30,000 tonnes of oil, had struck an ice-floe and suffered gashes below the waterline to her tanks. The surveyors authorised by Eccleston had advised the vessel to sail slowly for Sydney, Nova Scotia, the nearest port. Soon afterwards the ship broke in two but miraculously all but one of the crew were taken off the stern section by a Canadian ice-breaker. The remaining crew member was rescued the following day by a Canadian Air Force helicopter. To minimise possible oil spillage, the bow section was towed away and sunk; the stern section was salvaged and ultimately towed to Rotterdam, where a new bow was constructed, and the ship re-launched.

It took an intensive effort over several months to clear up the 7,000 tonnes of oil which had been spilt.

Rodney Eccleston & Peter Crichton

Rodney Eccleston, appointed as Manager in 1979, was part of the younger generation of management. He joined North in 1973, nearly two years after his colleague Peter Crichton, when the total number of staff employed by the Club totalled little more than 25.

Crichton was also appointed Manager in 1979, when John Quince took over as Company Secretary following the retirement of Robert Lawson after 47 years with the Club. Both Alec Murray and Len Harrison recognised the ability shown by Eccleston and Crichton. As a result, they were given increasing responsibility, particularly after Alec Murray became Chairman of the London Group, soon to become the International Group, in 1980. Through their initiative, the Club would take another major step forward.



Since the 1980's North has gone from strength to strength.

Ongoing Growth

Despite one of the worst of all shipping slumps during that decade, the Club, handing over to a new generation of managers, doubled the tonnage it covered by focusing on an international membership recruited mainly through brokers.

The Club's reputation for personal service as well as its prudent financial approach proved attractive for potential new members. All this was an excellent foundation for the Club's considerable growth as the slump gave way to a remarkably long-lived shipping boom, lasting from the mid-1990s until the world economic turmoil which began in the autumn of 2008.

Moving to a prestigious new head office in 1994 and opening overseas offices to serve members more effectively, the Club also benefited from a major merger in the late 1990s as yet another generation of able managers came to prominence. Doubling in size every five years or so, the Club reached more than 110 million tonnes by 2010, with some 300 or so Member groups, by which time North, as the Club has become known, was the fourth largest P&I club in the world.

In the early 1980s, Peter Crichton and Rodney Eccleston, with the encouragement of Alec Murray and Len Harrison, began taking the Club forward again. The 1980s were probably even worse for shipping than the 1970s. What one shipping historian described as 'the great shipping slump of the 1980s' effectively killed off British shipping. As world shipping tonnage fell from 430 million tonnes in 1982 to 403 million tonnes in 1988, the tonnage of the British registered fleet slumped to eight million tonnes although another four million tonnes were British owned but registered overseas.

Striving to cut costs in a fiercely competitive market, shipowners rushed to flags of convenience. Yet the result of declining standards of maintenance, ageing ships and less experienced crews was an increasing number of claims. Even so, as Lloyds List pointed out in 1985, the difference in insurance premiums paid by shipowners with a poor claims record was too little to encourage any improvement.

Such dire times brought about the demise of one Club, the Oceanus, which was not a Member of the International Group, through poor underwriting and the collapse of its reinsurance programme.

There was never any danger of this happening at North. Liabilities and supplementary calls tended to increase when freight markets were depressed but the Club had succeeded in keeping these well below the level of other clubs. Stable membership, cautious and selective growth and firm financial control, with steadily rising reserves, all played a part in this.



Royal Yacht Britannia on the River Tyne, in front of the North of England offices, November 1997.



Left to right: Peter Crichton, Captain Linardatos and Rodney Eccleston.

Expanding Overseas

For Peter Crichton and Rodney Eccleston, the almost terminal decline of British shipping made it obvious that the future of North relied even more than ever on recruiting overseas members. Most of the overseas market was controlled by brokers based in London with whom the Club had historically done little business. In 1982 Crichton and Eccleston spent a week in London, meeting brokers and introducing North to them.

That first visit resulted in a hundred new ships for the Club, an achievement which Alec Murray marked by holding a drinks party for staff on 20 February, the first day of the new policy year, a tradition which still continues.

With the Club winning a steady stream of new members, and brokers gaining a new market, these links have continued to pay huge dividends for both parties.



Port of Piraeus.

The Club also capitalised on the strength of its existing overseas membership, heavily biased towards Yugoslav shipping, to attract more Yugoslav tonnage. In this case the key was the service which the Club gave to members. Stemming in large part from the good humour and friendliness which is characteristic of the north-east of England.

This was based on paying attention to the needs of individual members, doing as much as possible within the rules to reach a settlement, and avoiding being legalistic or dogmatic, all of which helped to establish trust and close working relationships.

So too did the level of communication between the Club and members, through regular visits, training programmes, newsletters and circulars.

Yugoslav shipping remained the largest overseas contingent among the Club's members until the country split apart in the early 1990s. The Club's standard of service proved attractive to shipowners of every flag and the strength of the relationships built up between the Club and its members was a crucial reason why members would prefer to remain with the Club rather than go elsewhere even when it was necessary for premiums to be raised.



At a time when the Club was still relatively small compared with the leading P&I clubs, Crichton and Eccleston shrewdly focused not on the major fleets, already covered by the bigger clubs and disinclined to take much notice of a smaller club like North, but on smaller, financially sound family-owned and managed fleets. This took the Club for the first time into Greek shipping, initially through a small brokerage firm run by Captain Linardatos, looking after some 30 vessels.

Len Harrison retired in 1985 and Alec Murray in 1988, each having played an important part in securing the Club's future during the 1960s and sustaining its membership during the difficult days of the 1970s. On Murray's departure, Crichton and Eccleston unusually became Joint Managing Directors.

They had agreed from the outset that they would have an equal relationship in running the Club, based on mutual trust and respect, each complementing the other. Their close working relationship was an outstanding success, proving instrumental in the growth of the Club.

Growth in Tonnage

From 2.6 million tonnes in 1984, the Club reached more than 5.5 million tonnes in 1988, more than doubling its tonnage during the slump. This was a considerable achievement, transforming the composition of the Club. Two years later, as international shipping began to revive, the tonnage covered by the Club had grown to almost eight million tonnes. British registered tonnage, which had been more than half the Club's tonnage in 1984, had shrunk to 16 per cent of the total in 1990.

More than half of all the vessels were bulk carriers, there was a growing number of tankers, and typical entries covered ships ranging from 4,000 to 50,000 gross tonnes. The extent of the Club's overseas membership was demonstrated by the appointment to the Board in this year of a representative of the Islamic Republic of Iran Shipping Line.

Constant Innovation

The Club was constantly considering how it could improve the service offered to members. Two key developments were pioneered in the late 1980s and early 1990s. The first was a revised loss prevention programme under Captain Phil Anderson who had joined North from the Sunderland club. Previously the loss prevention policy of most clubs had tended to concentrate on technical matters rather than on human error which was responsible for more than 60 per cent of claims.

Under Phil Anderson, education and training were seen as the key to loss prevention, and this message was encapsulated in a distance learning course developed by the Club in association with a local college. In just three years after it was launched in 1989-90, the course had been taken by 343 personnel from members in 43 countries.

The programme was expanded to incorporate a wide range of publications, guides and seminars, as well as the sponsorship of awards. This was all aimed at keeping members' vessels at sea by reducing the losses they suffered, something to which they were receptive as freight rates climbed, while helping the Club to minimise premiums.

Phil Anderson's expertise in this field became so highly regarded that he was asked by Lloyds of London Press to write a definitive Guide to International Safety Management Code introduced in 1998.

Loss prevention became increasingly sophisticated, with the regular inspection of members' vessels and review of claims trends.

In 2003, when the Club paid out \$125 million in settlements, it was decided to form a risk management department, combining the club's loss prevention and survey departments. The second innovation was the development of the club's own FD&D service, previously conducted for years by external law firms. This opportunity was spotted by Stephen Purvis, a marine lawyer who had joined North from the Gard P&I club, and under his direction the Club's Freight Demurrage & Defence (FD&D) operation was extended to cover the costs of a much wider range of legal disputes.

Set up in 1989, North's FD&D department quickly became and remains today one of the P&I world's leading FD&D teams, steadily growing in experience and expertise, supplemented by focused research. Bringing FD&D in-house, providing a better and more cost-effective service, also had the advantage of strengthening the Club's links with members.

Growth also made it imperative to strengthen the club's financial management. This was achieved under Alan Wilson, who joined the Club in 1981 and was appointed a Manager in 1989. The Club followed an investment policy based on high quality, low risk, marketable investments, balanced between fixed income securities, cash and equities, in a mix of currencies reflecting the currencies used to settle claims. Critically important reinsurance arrangements, split between the International Group of P&I Clubs, excess loss programmes and the placement of retention reinsurance, were regularly reviewed. While the cautious investment policy followed by the Club produced significant returns, the Club insisted on striking a balance between relying upon investment income to cover underwriting deficits and charging realistic premiums to members.

Proof of the quality of the Club's financial management came in consistent improvements in the Club's credit rating, which ultimately resulted in a Standard & Poor's 'A' rating in 2007.

A New Head Office

With the Club employing many more staff, Douglas House became unsuitable as the Club's head office. The Club moved to premises in Eagle Star House in Fenkle Street in 1987 but this was always going to be temporary. The Board agreed to commission purpose-built headquarters situated on Newcastle's Quayside, where the Club had first begun. It was a pioneering move. The city was at the start of a revival which would turn it into one of the most exciting and vibrant cities in the UK. That transformation began on the Quayside with the building designed for North. It was not only a vote of confidence in the city and the community which had served the Club so well for so long; it was also a statement of the Club's self-confidence and belief in the future.

Twice the size of the Club's existing premises, the building was completed in 1994, when it was formally opened in November by the longest serving Director and a past Chairman, Iain Harrison. As North continued to grow, an extension was added in 1998, by which time 120 staff were employed, and in 2011, more than a decade later, a second extension was completed to accommodate up to 350 people.

In 1994 the tonnage covered by the Club had reached 11 million tonnes; four years later, it had doubled to 22 million tonnes, covering nearly 1800 vessels. At North, like many other clubs, most new entries now came through brokers. While around 60 per cent of members were drawn from all over Europe, the remainder were spread throughout the world, with particularly strong contingents in the Middle East and Far East. To maintain standards of service to this increasingly diverse membership, an office was opened in Hong Kong in 1995, which would be followed by another in Piraeus in Greece in 2000.

The Club had established a dedicated service department and regularly reviewed the level of service received from its external advisors. North maintained the remarkable rate of growth it had enjoyed since the early 1980s into the new millennium.





Members were able to contact North seven days a week around the clock and in the late 1990s when the technology was in its infancy the Club was already installing electronic mail facilities and launching a website. The Club, one Chairman would write, had 'an unusual ability to identify with members', which stemmed not just from the energy and commitment of the Club's management but also from the more active role taken by a new generation of Directors. As the Club grew, the Board began to hold meetings overseas and the team travelled more frequently to meet members – as Peter Crichton said, 'the importance of face-to-face contact cannot be over-estimated'.

By now, in comparison with North, the largest P&I club, the UK, was insuring 100 million tonnes of shipping. While the clubs competed with each other, their collaboration through the International Group remained as important as ever. The shipping boom produced a steady rise in the cost of claims, with vessels in almost constant operation on crowded seas, often sacrificing or skimping on regular maintenance, with crews working to the limit. Clubs had to balance the short-term interests of members, reluctant to accept the rise in premiums necessary to cover these costs, with the longer term need to maintain reserves, a critical bulwark against potential liabilities, such as catastrophic claims, the failure of reinsurance or poor returns from investments. North, like other clubs, found that a lower and lower number of claims accounted for an ever-larger proportion of costs – this rose from seven per cent of claims by number accounting for 25 per cent of costs in 1999 to just one per cent of claims accounting for nearly half of the cost of all claims in 2007.

The International Group of P&I Clubs

In 1998 the Club handled 3,073 P&I claims with an aggregate value of \$54 million and an average individual value of \$18,000; in 2003 the respective figures were 4,415, \$120 million and \$28,000. One poor year could play havoc with claims – between 2003 and 2004, for instance, the average value of collision claims soared 500% from \$31,000 to \$150,000. The strength of the International Group, in bringing together the world's leading P&I clubs, lay in its cost-effective claim-sharing agreement, by which each club reinsured the other, and in its ability to make the efficient and effective purchase of the reinsurance cover needed to meet the steadily rising value of claims.

IGP&I

This was so critical to the well-being of international shipping, of which the International Group covered more than 90 per cent, that the European Union has twice approved the agreement between the clubs in the Group despite its apparent anti-competitiveness. The Group also had an important role as an influential voice for international shipping, in which senior members of North participated. The cooperation among the clubs in the Group also underpinned the mutual ethos which for so long had proved so effective in protecting the shipping industry.

The Club was benefitting from the long shipping boom which lasted from the late 1980s until the global economic downturn which began in late 2008. The world fleet grew phenomenally from almost 410 million deadweight tonnes in 1988 to 1.1 billion deadweight tonnes in 2008, while world trade increased over the same period from 871 million tonnes to 1.7 billion tonnes. The shipping industry had been transformed, with a decline in traditional smaller companies and the growth of the bigger corporate fleets. The impact of this unprecedented boom, as the scale of shipping increased and with it the risks involved, left smaller P&I clubs exposed. One of North's smaller neighbours, the Sunderland, had merged with the UK club in 1990. By the end of the decade, the Club's other neighbour, the Newcastle club, once larger, now smaller than North, was also under pressure and seeking a partner.

Mergers

The possibility of merger was first discussed between the two sides over lunch in February 1997. The outline concept was sketched on a napkin by Paul Jennings, from the Newcastle club, and proved close to the final agreement. The merger was agreed in December that year and took place with effect from 20 February 1998. For North, it was a major step forward, adding some five million tonnes of shipping, \$125 million of cash to the balance sheet and some 30 able staff.

One of them, Paul Jennings, helped to implement the merger with Alan Wilson from North, and the good working relationship they formed proved the foundation for their eventual promotion as Joint Managing Directors some 12 years later. There was some external scepticism about whether the merger would work – the UK club, which had absorbed the Sunderland, was a much larger club – but the confidence of North was ultimately justified, as proven by the Club's improved credit rating awarded just four years later.

By then, in 2000, another of the smaller clubs, the Liverpool & London, had been dissolved, transferring almost five million tonnes of shipping to North. It was another major boost to the Club. With the addition of so many more talented staff following the merger with the Newcastle club, there was some reconsideration of how the Club was managed. There had always been a good relationship between Managers and Directors, with Peter Crichton and Rodney Eccleston becoming the first Managers to be appointed to the ship-owning Board. The Directors never felt there was any need for a separate management company which might have diluted the accountability of the management team to members.

On the other hand, the Board recognised the need for some structure to foster the career development of staff and reward outstanding service.

North Insurance Management Limited

This led to the formation in 2000 of North Insurance Management Ltd (NIML), a subsidiary wholly owned by the Club, which enabled the appointment of several Senior Managers as Directors of NIML.

The tonnage gained from the Newcastle and the absorption of the Liverpool & London business strengthened the quality of the Club's membership. The Club had to change the way it managed its claims for a changing, complex and diverse membership. Andrew Taylor, who joined the Club in 1983 from the offshore supply boat operator, Seaforth Maritime, took over responsibility for the claims department in 1988. Under his direction, the department developed the specialisation often needed to handle the very large cases dealt with by the Club.

In 2006, for instance, major claims included three incidents where the settlements were in excess of \$5 million – a pollution incident, the sinking of a chemical tanker after collision in the English Channel and the collision of a bulk carrier with another vessel. With new shipping conventions tending to erode the limited liability of shipowners, the role of the Club began to shift from contesting the liability of shipowners to minimising claims. With other clubs, North was also concerned that widely accepted international regulations were being replaced by widely differing local regulations, a situation Stanley Todd would have recognised and regarded as a retrograde step. Shipping was also becoming more closely policed, and there was a tendency for marine accidents to be criminalised.



North Insurance Management Limited Directors. Back: Stephen Mills, Thya Kathiravel, Mike Salthouse, Paul Jennings, Colin Trappe, Stephen Purvis, John Howe, Jeff O'Neill. Front: Katherine Birchall, Alan Wilson, Savraj Mehta, Ian Henderson, Andrew Taylor.



The merger with the Newcastle, the transfer of tonnage from the Liverpool & London, the improved financial standing of the Club which made it possible to attract larger corporate fleets, and the contribution made to winning new tonnage, often by word of mouth, by the outstanding personal service offered by North – all this took the Club from 22 million tonnes in 1998 to 50 million tonnes in 2004. By 2006 the Club covered eight per cent of the world's shipping, compared with 13 and 17 per cent covered by the two largest clubs in the International Group at that time.

Paul Jennings & Alan Wilson

It was an achievement in which Peter Crichton, who retired in that year, had played a central role in partnership with his fellow Joint Managing Director, Rodney Eccleston.

With Eccleston retiring in the autumn of 2009, the decision was taken to appoint Paul Jennings and Alan Wilson as Deputy Managing Directors in January 2006. Having already made an invaluable contribution to the growth of the Club, particularly in attracting corporate members, they too were keen to work in tandem as equals, having seen the success of their predecessors. By the time they took over the helm towards the end of 2009, North was still growing.

With more than 110 million tons of shipping in 2010, North had become one of the largest clubs in the world, covering 10% of the tonnage of the most important global freight transportation system.

Paul Jennings and Alan Wilson.



Resilience and Renewal

By the time North celebrated its 150th anniversary in 2010, it had completed the most significant period of growth in its history.

2011-2020

Over this next decade, as a sharp downturn in the fortunes of the shipping industry threw up serious challenges for owners and operators, North would transform itself into a global marine insurer.

This was accomplished through the need to adapt to the changing requirements of owners and operators and through a deliberate strategy of diversifying into alternative income streams to support North's core mutual business.

Global Financial Challenges

With the deterioration in world trade in the early part of the decade, too many ships were chasing too few cargoes, and freight rates plummeted. There were layups, losses, cancelled orders, charter disputes and bankruptcies. Operators were under pressure to curb costs, protect their assets and maximise income. As a result, the number of disputes increased significantly. When the difference between profit and loss was so fine, every dollar mattered.

For P&I clubs, underwriting trends were unpredictable, and the rapidly rising costs of casualties placed the mutual insurance model under strain.

In a volatile world economy, investment returns, intended to cover underwriting losses, fell. At the time, there was no credible prospect of a turnaround in the near future.

The decade's challenges for P&I clubs were evident from the number of times that the average combined ratio for all clubs – the ratio of incurred claims and expenses to earned premiums – exceeded 100%. For North, that occurred six times during the decade, further justifying the strategy to develop profitable alternative sources of income for the benefit of members.

In such challenging circumstances, financial strength and stability were crucial to securing North's position. The Club was proud of the 'A' rating it held from S&P Global, the internationally recognised rating agency, based on the value of its net assets and free reserves. It was one of the few clubs over the previous 20 years not to have imposed supplementary calls on members. It was confident of its prudent financial approach, based on risk-averse investment, strong financial controls and a cautious approach to reserving claims.





Initially, given the rising cost of claims, variable investment returns, and fluctuating underwriting results, P&I and FD&D premiums continued to increase, but as members sought to reduce operating costs, renewals became increasingly challenging. This was common among most P&I clubs.

North's first response, in 2012-13, was to introduce easy-payment terms and allow members to defer payment of 30% of total premiums. In 2016-17, as conditions failed to improve, North returned 5% of mutual premiums to members. Premiums were frozen for the next three years, even though this created financial pressures for the Club, still faced with rising costs. And when the freeze ended in 2019-20, premiums were raised by 7.5%, and a further 10% in 2020-21.

Yet North had also succeeded in more than doubling total entered tonnage from 110 million GT in 2010 to 230 million GT in 2020. Most of this came from existing members, many of whom had been with the Club for many years, demonstrating their confidence in the Club and their satisfaction with the service they received. Although there had been a shift in gross tonnage from tankers to bulk carriers, the Club had also succeeded in maintaining a balanced portfolio, largely divided in 2020 between tankers (26%), bulk carriers (39%) and containerships (23%).

The Changing Claims Landscape

One of the significant financial pressures faced by P&I clubs was the growing expense of major casualties. Most of the thousands of individual claims made by North's members every year were small, with the average claim hovering around \$30-35,000.

Tankers, containerships and bulk carriers each accounted for approximately a quarter of all claims. But a large part of the total value of annual claims came from a much smaller number of very high-value claims. For instance, in 2011-12 North received 40 claims exceeding \$1 million out of nearly 8,000, but they accounted for 44% of the total claims value. The associated cost of these claims reduced to around 36% of the value of all claims in 2020, down from nearly half in 2017-18. The total number of claims, however, continues to be unpredictable.

In dealing with such high-value claims, membership of the International Group is critically important for all P&I clubs. North has always displayed a determination to protect and defend its members' interests, which encouraged North from its very beginnings to collaborate with other P&I clubs, eventually leading to its membership of the International Group in 1969. The Club's influence within the Group also grew in time, with several senior executives chairing Group committees and Paul Jennings taking over as the International Group's chair in 2018.

In 2009-2010, Members had agreed to increase the value of every claim eligible for the International Group's pooling arrangements to \$8 million, but this was minimal by comparison with the huge costs incurred by major casualties. The capsizing of the Costa Concordia in 2012 set a new record. Before this, the Group's most expensive claim was the Exxon Valdez disaster in 1989 which cost \$500 million. The Costa Concordia catastrophe cost more than twice that sum.

No single club could have borne such a financial burden. The International Group's pooled insurance arrangements and reinsurance agreements were vital for the future of the industry.

Following the sinking of the Costa Concordia, the International Group had set up the Large Claims Working Group to rebuild confidence with its reinsurers, to investigate why such casualties were occurring and why the costs associated with them were soaring. While the working party concluded that the Group itself was sound in expertise and competence, it highlighted state intervention in casualty management as a significant contributor to rising costs. Chance still played its part, from poor weather to difficult working conditions arising from the position or depth of wrecks. Other factors included the costs of the capital equipment used in recovering wrecks, the greater expense involved in the recovery of containerships or car carriers, when thousands of individual cargoes had to be retrieved, and the rising costs associated with higher standards of environmental protection. The Working Group also developed protocols for the proper handling of maritime incidents, which won the support of several national maritime authorities.



These claims were exceeded by two even costlier losses in 2019. On 12 March, the container vessel *Grande America*, carrying a cargo of vehicles and containers, caught fire and sank in deep water in the Bay of Biscay but her crew were safely rescued. Six months later, on 8 September, the car carrier *Golden Ray* developed a list while heading out of the port of Brunswick, Georgia, USA. Her crew, too, were rescued without fatalities. The vessel, carrying 4,200 cars, ran aground on a sandbank in an environmentally sensitive area, making her salvage and removal costly and complex. Indeed, half of the final claim costs would be to meet the stringent environmental obligations under the US Oil Pollution Act, 1990, with the balance to cover removal of the wreck. This was not only the largest claim ever handled by North but the second biggest in the history of the International Group. Once again, the size and value of this single claim highlighted the importance of North's financial strength and its membership of the International Group.

How North handled all these cases was a testament to the expertise and experience of the Club's team members. The cases also demonstrated the value of North's international network of more than 500 correspondents. The majority of these correspondents have been acting for North for many years. For North, developing close personal relationships with its correspondents is as important as close relationships with members. A crucial aspect of the partnership is maintaining an uninterrupted flow of local information, knowledge and insight.



Moving to Proactive Loss Prevention

Human error remained the biggest cause of claims during this period. The reasons were many, from navigational mistakes and sub-standard ship handling to poor management of the team on the bridge and miscommunication between crew and pilots.

An essential part of the Club's proactive Loss Prevention activities was publishing information, giving advice and providing support for members to minimise risks arising from human error. This saw the development of SCORA, the Safety Culture Organisational Risk Assessment, which concentrates on crew behaviours rather than procedures and processes.

Specific assistance for seafarers to improve and maintain their knowledge of the Electronic Chart Display and Information Systems (ECDIS) navigational aid was also introduced. This initiative, combined with planned dedicated digital tools, is intended to reduce the risk of incidents arising out of the misuse of this sophisticated navigational technology. The Club expects that the next generation of seafarers will have enhanced IT skills, with the ability to maintain systems and identify problems, while satellite and remote digital technology will enable increasing onshore oversight of onboard operations. These developments will yield valuable data for North's ongoing and proactive Loss Prevention risk assessments.



Global; Challenges, Regulation and Pressure for Sustainable International Shipping

These and other measures were typical of the investment made by the global shipping industry to make the seas a safer place. Despite the soaring cost of major incidents, the overall number of incidents was falling. Yet serious hazards remained. Although the International Maritime Solid Bulk Cargoes Code, setting out the internationally agreed provisions for the safe stowage and shipment of solid bulk cargoes became mandatory in 2011, ships were still sinking because of the liquefaction of certified bulk cargoes, causing serious loss of life. One of these incidents involved a vessel entered with North. In February 2013, the Harita Bauxite, carrying a cargo of nickel ore, sank off the Philippines with the loss of 15 of her 25 crew.

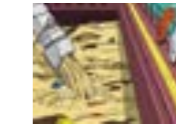


This trade continues to pose particular challenges for shipowners and operators due to the risks associated with liquefaction and the lack of proper cargo testing. As part of the International Group, North worked closely with other clubs to highlight the dangers to members, encourage better working practices and ensure appropriate amendments were made to the Code.

Piracy was another issue of concern tackled by North and other Group members. By 2010, piracy in the Gulf of Aden had 'reached epidemic proportions.' Members were asking for advice on how best to protect their ships. While plenty of firms sprang up offering onboard security, the use of armed security personnel was unregulated and had severe legal consequences for shipowners.



Under a contract of carriage the Master is responsible for ensuring that the bill of lading accurately reflects the apparent order and condition of the cargo loaded. Failure to ensure this can have severe consequences such as delays to the vessel, arrest of the vessel, security demands and long and costly litigation.

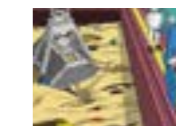


What Can Go Wrong?

Defective or substandard cargo should not be loaded. Depending on the nature of the cargo, dirt, contamination, foreign matter or debris, discoloration and odour can result in problems at discharge.

Taking tough decisions at the time of loading to reject substandard cargo, or clause the bills of lading to accurately reflect the condition of the cargo may prove to be the best and most effective solution.

This example shows a discoloured cargo containing debris.



What Are The Consequences?

Differences in the apparent condition of the cargo as described in the bill of lading and the cargo's condition at discharge can result in severe delays and significant claims.

If the bill is clean, there will be an assumption that the cargo damage occurred on board whilst under the care and responsibility of the Master.

The shipowner then faces the difficult task of proving the damage was pre-shipment, contrary to the documentary evidence.



How to Prevent It: Proper Preparation

When instructions to load a cargo are received, it is vital to understand how it should be loaded and cared for during the voyage.

Ensure full and proper information on the cargo is provided by the shipper or charterer, along with any specific lashing instructions.

Ensure all statutory requirements, such as those contained within the ISBC Code, are fully complied with.

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At the time, North thought that the policy was deeply flawed as it ignored the fact that the beneficiaries of P&I are not themselves the target of the sanctions but rather innocent victims of a marine casualty. As well as running counter to the International Maritime Organization's liability conventions, this also put clubs in the position of policing international sanctions, which they were ill-equipped to do.

Regulations governing shipping continued to multiply and varied considerably from jurisdiction to jurisdiction to the point of confusion. In response to the rapidly growing demand for advice from members, the Club established several specialist working groups.

These specialist groups covering sanctions, tankers, the container industry, admiralty issues and pollution regulations integrated the combined expertise of North's P&I, FD&D and Loss Prevention specialists for the benefit of members. Receiving regular updates on the implications of new regulations helped members decide whether they had appropriate cover for their operations in various jurisdictions.

Although a series of international conventions, protocols and amendments to existing conventions helped reduce confusion within the industry, there were some drawbacks for the shipping industry. The effect of these new measures increased the amount of compensation payable by a shipowner and reduced the circumstances in which they could avoid liability.

The enhanced security provided for claimants was coupled with further erosion of the requirement for a claimant to prove fault on the part of the shipowner. Inevitably this new legislation added to the cost of claims, and thus insurance and reinsurance.

Global shipping policy is now increasingly driven by environmental and regulatory concerns and the impact of new technologies. One of the most significant changes was the global low-sulphur fuel cap which was implemented in January 2020. Some have called this development the most significant change in ships' power since the transition from coal to oil. In the run-up to the change, North's Loss Prevention team advised members on the operational implications surfacing from the use of scrubbers and alternative fuels.

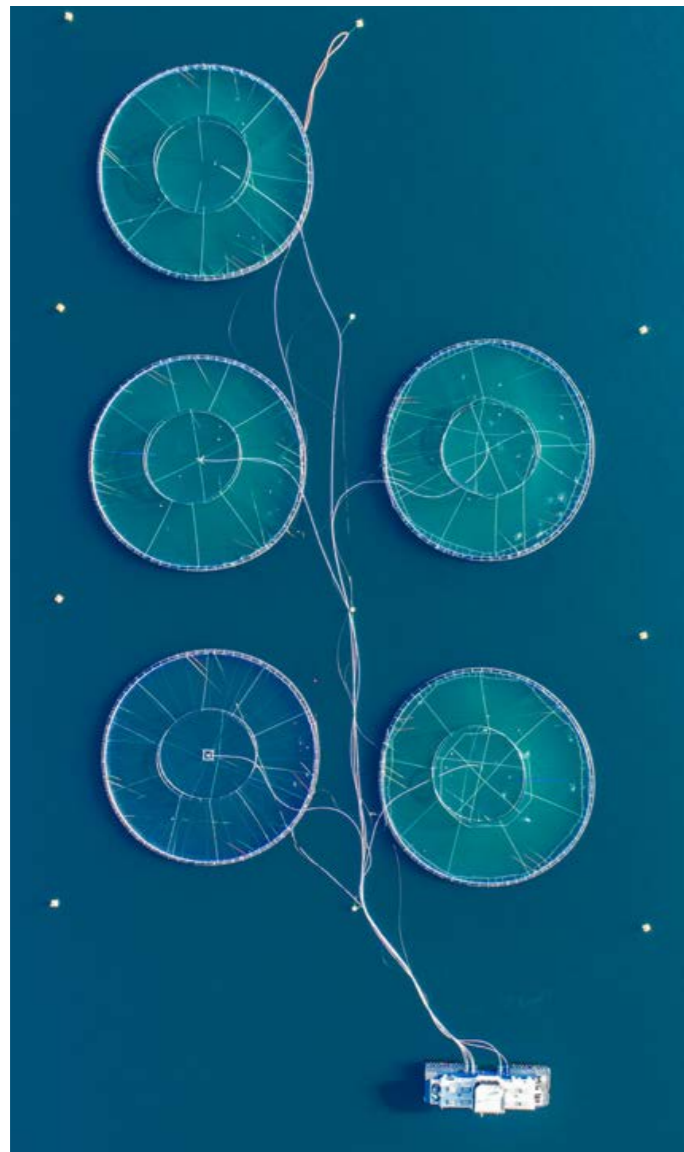
Another concern for North and other clubs was the wellbeing of seafarers and the possible knock-on impact on shipping operations. At this time, the relatively depressed state of international trade could result in crew being abandoned in ports far from home for considerable periods.

When the Maritime Labour Convention was implemented in 2014, North welcomed the decision taken by the International Group to include the cost of repatriating crew and payment of wages in arrears following abandonment liabilities usually not within existing P&I cover.

The prevailing economic conditions, together with an increasingly complex legal environment, saw a rise in the number of fiercely contested contractual disputes, and members came to rely more heavily on the advice they received from North's in-house FD&D team, who handled most claims. Since the early 2000's, the recession-fuelled culture of litigating rather than compromising coincided with a climate of escalating legal costs. The Club strove for the early settlement of claims, using mediation and early intervention. The latter approach, first proposed by North in 2014, was a new and collaborative method of dispute resolution. Supported by the other P&I clubs, estimates suggest that early intervention has saved over \$10 million in aggregate legal fees across the industry. Members were also advised that however tempting risky business was in tough times, the result might be a costly legal dispute, and they were reminded to safeguard their interests by 'Checking before Fixing'.

Members were asking for advice in relation to contractual disputes and the implications of the many other operational challenges facing shipping, from increasing regulations and sanctions to contagious diseases and advancing technology.





Diversification - A New Path for North

While one factor driving the Club's diversification strategy was the impact of the global shipping recession on underwriting results and investment returns, the Club had already decided to seek alternative income streams to underpin its mutual operations. As the Club reached its 150th anniversary, a review had taken place to learn the lessons of the largely opportunistic growth of the previous two decades, which had transformed North into a major player among mutual clubs and apply them to the Club's future development strategy.

One target was aiming for a market share in world tonnage of 10% to 12%. This would help the Club spread risk, reduce the impact of the fluctuations of shipping and the world economy, remove the Club as a target for other clubs and increase its influence within the International Group. The Club also concluded that relying on mono-line P&I business was unsustainable in the long-term, a judgement vindicated by the impact of the emerging international recession. Other clubs had already taken their first steps on this alternative path, notably the Scandinavian clubs Gard and Skuld, both positioning themselves as global marine insurers.



**Sunderland
Marine**
Fixed Premium
Insurance from North

North's 2014 merger with its long-established but smaller neighbour, Sunderland Marine Mutual Insurance, accelerated this strategy. While Sunderland Marine was a market leader in its own sectors, namely commercial fishing, coastal and specialist vessels and aquaculture, it was relatively small in terms of capitalisation, making it vulnerable in a weakening global market governed by increasingly strict solvency regulations. However, it remained committed to the mutual model and sought an equally committed partner with a track record of delivering the personal service Sunderland Marine's own members had long enjoyed.

For North, the critical synergy was that the bulk of Sunderland Marine's revenue came from hull and machinery cover. While North had planned to enter this market with its own fixed premium product, these plans were delayed because of the recession in shipping. Merging with Sunderland Marine, however, brought North a significant diversified fixed premium business without incurring expensive set-up costs. It also brought Sunderland Marine's specialist aquaculture business, in which it was a world leader. For Sunderland Marine, the benefits of the partnership were North's financial strengths, service commitment and enduring North East roots. Talks began in 2012, resulting initially in a liability reinsurance arrangement between the two clubs, eventually leading to a full merger on 28 February 2014. The merger created a diversified marine insurer under the North Group name.

The integration proceeded smoothly, and within three years, North's fixed premium business already represented 30% of its total revenues. The objective was to continue growing that side of the business to provide around 40% of group income. While there was some external comment around the move towards diversification, on the grounds that it was diluting their mutual nature, the strategy operates as the only profit-driven part of the business, used to benefit the mutual, non-profit making operations.

The Club's strategic objectives and supporting plans are continuously reviewed to meet economic challenges and market fluctuations. Consequently, the need to secure the economic benefits from premium diversification will play a significant role in the Club's future plans. In 2020, Sunderland Marine officially transferred its insurance business to North, formally concluding the integration process.

This boost to North's strategy gave it the confidence to expand its interest in fixed premium products. North introduced its Owners' Fixed Premium product in 2019 under the Sunderland Marine brand and, a year later, its blue-water hull and machinery product, North Hull. The expertise of these new teams, allied to North's financial strength and reputation for personal service, quickly helped establish first-class products in the market. Both teams are located in North's London office, which was opened in 2019 to represent their interests in this international maritime hub and support ongoing diversification.

In parallel with these strategic developments, other internal changes were underway. These changes were driven by the implementation of the Solvency and Financial Condition Report (SFCR) requirement, a reporting requirement introduced under Solvency II, which took effect in January 2016. This European Union directive introduced more stringent requirements for insurers and other financial organisations regarding their risk and capital management arrangements. In the wake of several major banking failures during the 2007-08 financial crisis, one specific objective was to enforce better corporate governance and accountability.

At the time, like many P&I clubs, North's board was large, made up of the senior management team, acting as executive directors, and members as non-executive directors, reflecting the Club's mutual status and the close relationship it valued with members. But in the wake of the world recession, large boards were no longer seen as effective in providing proper governance.

North needed to change, and a solution was agreed and implemented in 2013 with the introduction of a main board, including Executive Directors, Member Directors and Independent Directors, with the controlling balance held by Member Directors, emphasising the importance of mutuality. A second body was created, the Members' Board, made up of members to ensure that close links with members were maintained.

North's Global Network

As part of the integration of Sunderland Marine, North retained its offices in Australia and New Zealand. These complemented other offices added around the world as North sought a more balanced global membership. The Tokyo office was opened in 2012, strengthening links with a key shipping nation in Asia Pacific, alongside North's well-established offices in Hong Kong and Singapore. By 2014, 35% of the Club's tonnage came from shipowners based in Asia Pacific. Representation in Asia Pacific was also crucial because many European owners, who made up half of the Club's tonnage, also had bases in the region.

China's growing importance was recognised with the opening of an office in Shanghai in 2017, underlining how service excellence has been the foundation of North's successful development into one of the largest and leading International Group clubs. North's well-established office in Piraeus continued to expand, increasing its staff to 20 and moving to new premises in 2018, reflecting that Greek-owned shipping accounted for 25% of North's owned tonnage. In the same year, a small office was opened in New York, following the appointment of a regional business development manager.

In 2019 North also opened an office in Dublin. This was a direct consequence of the UK's decision to leave the European Union following the referendum in 2016. Since European based shipping made up half of North's tonnage, it was important to retain a base within the European Union to allow the Club to continue exercising financial passporting rights – the ability to offer its own products and services – essential for its European business.

Ireland was chosen for its common language, common travel area, similar legal system and mature insurance market with an established regulator. A completely new insurance company was established, North of England P&I DAC, which assumed responsibility for underwriting North's European insurance business. North's global headquarters in Newcastle had been extended again and refurbished in 2011, providing an inspiring and collaborative working environment for people. The new larger office was emblematic of North's continuing growth, employing 400 people in ten offices in nine countries worldwide by 2020.

All Change - Inside and Out

North's emergence as a successful global marine insurer, and the recruitment of people completely new to the business, presented some challenges. While it was necessary for management to evolve as the organisation became larger and maintain the service standards expected by members, it was also crucial to sustain the core North culture, which played such a role in the Club's enduring success.

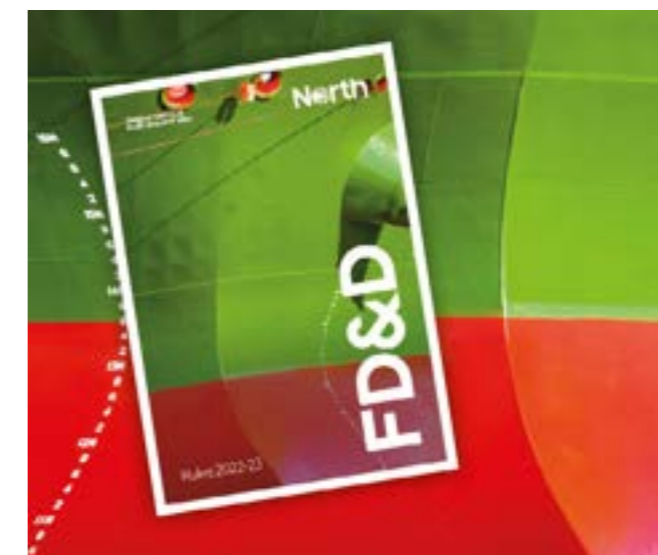
Paul Jennings, who became Chief Executive following the retirement of Alan Wilson as Joint Managing Director in 2018, wanted a simple vision for the Club that everyone could understand and be part of. The newly expanded senior leadership team collaborated to develop the Club's vision, purpose and key strategic goals. North's shared internal vision is to be 'the global marine insurer of choice' in an increasingly competitive environment with the core purpose remaining as it was when North first opened over 160 years ago – 'to enable our members and clients to trade with confidence'.

In encouraging change while retaining the characteristics that made North successful, the Club recognised that the skills of its employees needed to evolve too. A leadership development programme enhanced the talents and expertise of North's management team. This initiative was designed to ensure that the Club offered the same exacting standards of service, quality and performance worldwide, helping to build unity and consistency across the global organisation. At the same time, North recognised the need to modernise the technology it was using to deliver its service to members and clients and began the process of replacing redundant underwriting and claims systems. In addition, reflecting the broader digital transformation that was accelerating across the shipping industry, there was an increased focus on minimising and preventing the risks associated with cybersecurity, and North equipped its employees with the latest technology, training and information.

Externally, North presented a fresh face to the world when it launched its rebrand in September 2019. The updated look and feel encapsulated North's confidence in its core services, its modern, Member and Client-centric approach, and the continuing importance of global trade. The well-received rebrand was accompanied by the rollout of a new digital platform to further improve its service to members. Among its key components were the innovative GlobeView, an interactive 3D globe highlighting potential maritime incidents, sanctions reports, weather conditions and port reports, and MyGlobeView, continuously updated to provide bespoke information and intelligence for voyage risk assessments. This was quickly followed by a rebrand for Sunderland Marine in 2020, emphasising its market leading position and close ties with North.

North

Global service
built around you



Global pandemic

2020 will be remembered as one of those unique moments in North's – and the world's – history. The global Covid-19 pandemic changed how people live and work and created significant commercial challenges for international shipping, disrupting global supply chains, shipping networks and ports, reducing cargo volumes and frustrating growth.

For North, the pandemic quickened the pace of adopting a more flexible approach to working practices. With employees across the globe working from home equipped with the right technology and supporting equipment, teams came together and delivered exceptional service, even in the face of real personal pressures.

North quickly developed and launched an online Covid-19 Tracking Tool in response to the disease, providing live updates on pandemic measures worldwide through data collected from correspondents and other organisations.

North freely distributed the technology behind the tool to allow the International Group to create and share its own digital dashboard with other P&I clubs. The value of this innovative platform was recognised when it won the 2020 Safety4Sea Technology Award.

The spread of Covid-19 around the world confronted North with perhaps the most serious challenge of the decade. One lesson was just how indispensable ships and seafarers were for sustaining world trading patterns. Seafarers play a pivotal role in maintaining supply chains.

They are among the unsung heroes of the pandemic, and without them, access to everyday essentials such as food and medical supplies would have been extremely limited.

It became impossible to ignore the plight of those individual seafarers directly affected by the pandemic. At the height of the pandemic, travel restrictions meant that many seafarers could not leave their ships to be repatriated home or even obtain urgent medical assistance. At its peak, some 400,000 crew required repatriation.

North worked closely with its global network of correspondents to arrange onshore care for sick crew and organise their repatriation. Correspondents also played a vital role in keeping the Club informed of how local regulations were evolving to combat the disease.

The My Mind Matters and Mind Call initiatives launched by the Club recognised that the mental wellbeing of seafarers was equally as important as their physical health at such a critical time.

The Club also contributed to several maritime charities supporting the wellbeing of seafarers and their families during what has been a very troubling time for them. North repeatedly called for seafarers to be recognised as 'Key Workers of the Sea' to ensure that crew do not once again become 'collateral damage' in any future crisis.

In late 2020 North completed its third Global Customer Satisfaction Survey, measuring feedback on a range of product and service-related issues, including how the Club dealt with the impact of the Covid-19 pandemic.

The survey confirmed how successful North had been in maintaining very high levels of Member satisfaction, even during the very difficult times of a global pandemic.

Brought to you by ISWAN and North P&I Club

MIND CALL

For mental health and emotional wellbeing at sea

Mind Call's helpline staff are trained in counselling skills and offer emotional support. To access the confidential* helpline, you have the following options:

- Call**
+44 191 2353917
- Email**
contact@mindcall.org
- Chat**
Chat to an advisor
- WhatsApp**
+44 7464 327451

*Full confidentiality statement is available on our website. For more information please visit: www.mindcall.org

For more information and resources, please visit:
www.mymindmatters.club

ISWAN
North

End of an Era – Pratap Shirke Steps Down as Chair

Overseeing North's development during the decade was Pratap Shirke, who served as chair until February 2021. During his nine years as chair, Pratap was influential across many industry issues, including advocating for mutuality, a strong International Group, early intervention and proactive claims management. Pratap's mantra that marine insurance is always 'people first' is a cornerstone of North's success story. James Tyrrell succeeded Pratap as Chair, supported by two new vice-chairs, Ioanna Prociou and Philipp Reith.



Paul Jennings and Pratap Shirke.

Moving Forward

North has had a long and illustrious history. It has grown rapidly during the last decade and is set to become one of the most successful P&I clubs.

**2021 –
Zonwards**

North still retains the characteristics that made the Club a success so soon after it was founded. The Club's success then and now owes much to its North-East roots and the friendly, caring and helpful North personality in its global offices.

This is not just because most of the Club's members were local shipping operators in its earliest years. In the long run, of more importance have been the personal warmth and friendliness so typical of the region shown by staff who have created and sustained an outstanding level of service to the Club's members and clients, a characteristic mirrored in the Club's offices around the world.

Building relationships was at the heart of the Club's success. So too was strong leadership, a willingness to change, high service standards, a global network and financial prudence. North is characterised by its dependable, trustworthy, experienced, knowledgeable and often long-serving people, who care about the work they do and how they do it.

Over many years, the Club has developed a reputation for nurturing talented employees and fostering their careers. As a result, many of them have stayed with the Club for most of their careers, and successive generations of the Club's senior management have been drawn from their ranks. While this characteristic has been sustained during the Club's recent growth, North has also recognised the value of bringing in talented professionals to strengthen its teams.

North has also shown a willingness to innovate and experiment to find more effective ways of serving members' interests, from the creation of the first indemnity association or the first war risks association to the development of pioneering loss prevention and risk management programmes or the in-house team of dedicated FD&D lawyers.

This adaptability, resilience and commitment to meeting the needs of its members and clients will continue into the future as North progresses with its sustainability agenda.

The Club is adept at adapting to changing circumstances. This trait stretches back into its history, from the positive recruitment of the first overseas members in the 1960s and forging closer links with marine insurance brokers during the 1980s to focusing on the corporate fleet market from the 1990s and developing alternative revenue streams during the last decade.

North has not been static over the years; it has always adapted and developed to be responsive to the needs of members and clients. This focus on the Club's members and clients has proved central to the Club's success throughout its long history and remains equally as powerful today.

North and Standard Club merger... the start of a new era.

North and Standard Club formally announced their proposed merger to create a new global marine insurer and one of the largest providers of mutual cover in the maritime industry.

On 27 May 2022, Members of North overwhelmingly approved the proposed merger with the Standard Club.

NorthStandard, as one of the world's leading P&I clubs, will deliver a compelling service proposition for members and clients, outstanding claims expertise and a broad portfolio of products and services to meet evolving requirements, faster innovation, even stronger financial resilience and incisive guidance to assist in navigating the continuing change affecting the global maritime sector and better anticipate future trends and challenges.

With 300 years of shared P&I heritage, NorthStandard will provide cover for vessels equivalent to 400M GT with an expected annual premium income of over \$750M.

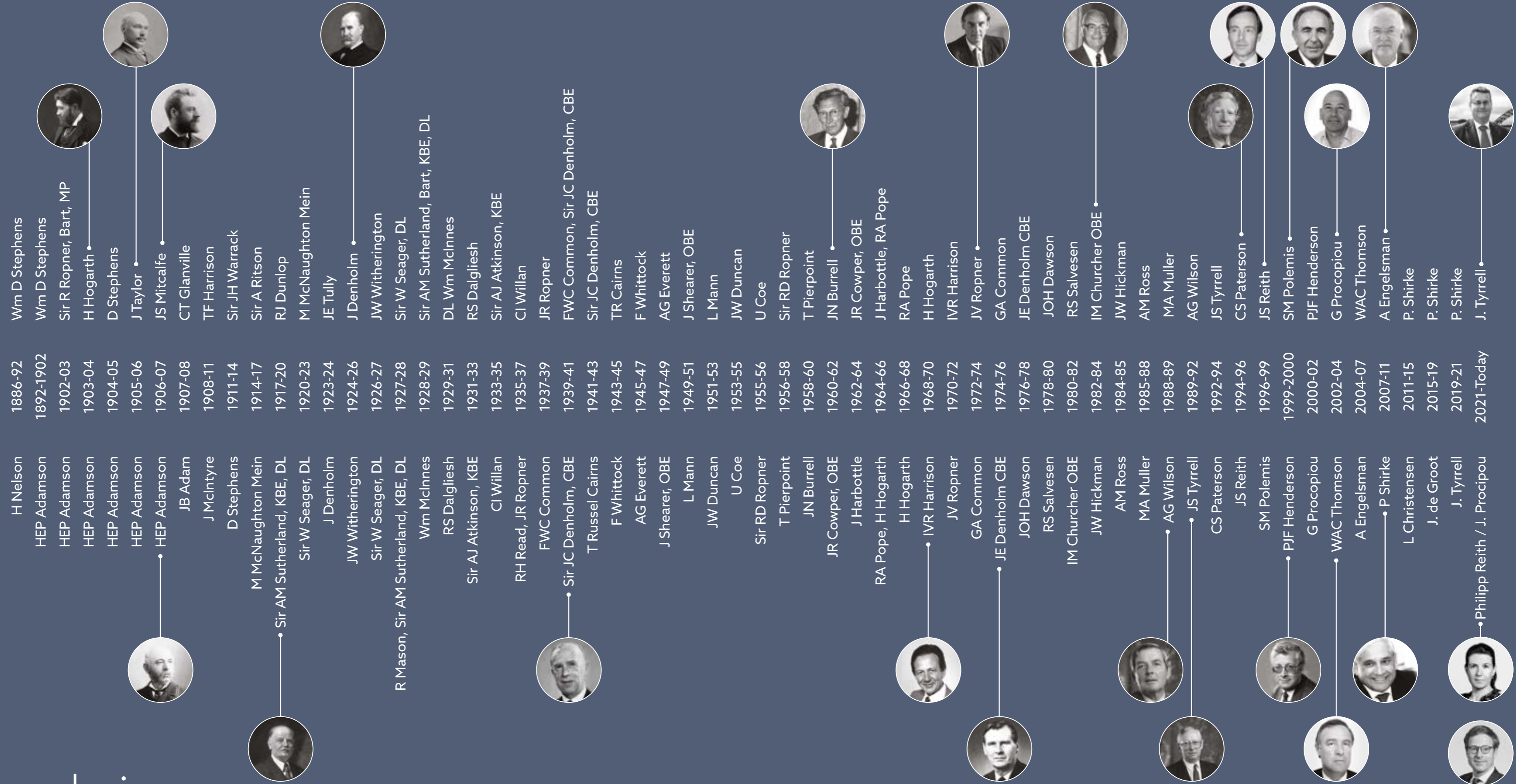
Paul Jennings said, "This is an excellent outcome and a huge moment for our industry. NorthStandard will be a major new force in marine insurance, delivering the resilience members need from their P&I partners to meet the challenges and competitive landscape of a changing shipping world. I am delighted that our merger has received such strong backing from the members of both clubs."



Paul Jennings and Jeremy Grose.

Chair

Vice-chair



Acknowledgements

An acknowledgement to the author

Nigel Watson has been writing corporate histories since 1983 and has covered many sectors of commerce and industry, as well as schools, colleges and universities. He lives in North Yorkshire. For more information please see www.corporatehistories.org.uk

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Kurdistan acknowledgement

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