

# Sing Fuels powers ahead

Bunker trader has set its sights on becoming a global energy company, forging key links between maritime and petroleum industries

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**I**N industries where the principal product is identical, companies shine by excelling in other areas.

Home-grown bunker trading company Sing Fuels has achieved this to great effect, receiving the prestigious Enterprise 50 award in 2018 in recognition of its exceptional performance in the field.

From its humble beginning in bunkering in 2011, Sing Fuels has expanded its scope of operations as well as its global reach. Its initial foray as a broker, connecting bunker fuel buyers and sellers, allowed it to build a solid customer base and operational experience, paving the way for its transition to the more challenging role in bunker trading.

Today, Sing Fuels has a strong overseas presence, with traders and regional offices in 13 countries.

This wide-reaching global network brings the company closer to suppliers and customers in their key markets, allowing it to provide tailor-made services to better cater to differing needs at various ports of call.

Sing Fuels' success in eight years is the result of a strategy that is grounded in carving its niche in strong risk management and relationship building.

"The most important thing in our business is to manage our internal credit risk," said managing director Sonnich Thomsen.

The maritime industry operates on credit terms, and consequently bunker traders like Sing Fuels face the prospect of significant credit risk if customers delay or default on pay-



Sing Fuels, with managing director Sonnich Thomsen, at the 2018 Enterprise 50 Awards ceremony. "We want to be an energy company rather than a bunkering company," says Mr Thomsen. PHOTO: SING FUELS

ments. To mitigate this risk, Sing Fuels' professional credit team carefully scrutinises potential business partners before trading with them.

The company's ambition is also tempered by prudence, as the company maintains sufficient liquidity to fulfil its contractual obligations in the event of unforeseen circumstances.

In bunker trading where reputation is king, Sing Fuels is able to maintain its reputation by placing strong emphasis on trust.

Its track record of zero late pay-

ments and consistently positive reviews in Maritime Credit Analysis reports from Ocean Intelligence, InfoSpectrum and Lloyd's List Intelligence makes it extremely attractive to trading partners.

With the guarantee of prompt payment, suppliers are willing to provide more favourable trading terms to Sing Fuels, savings which benefit its customers indirectly.

Beyond the monetary benefits, Sing Fuels also helps its customers to optimise their voyages through ex-

pert selection of sea routes and ports of call.

In the shipping industry, the adage "time is money" is especially pertinent since delays in shipment incur additional costs.

Sing Fuels' experience and know-how has created multiple layers of value for its customers beyond the initial reduction in costs.

As a solid business plan means nothing without the human capital to execute it, strong human resource management is the final piece in its

strategy. It has hired a network of international traders with local expertise at various ports of call, allowing them to tailor their services to customer needs.

These traders are empowered by a support team of talented credit managers as well as highly qualified human resource, finance and marketing teams to provide value to clients.

## Giving back and going forward

The company is also active in its commitment to corporate social responsibility (CSR) by being involved in the local community through collaboration with food kitchens and homes for the elderly.

Beyond its desire to give back to the community at large, these CSR events are good opportunities for staff to bond as a team and create positive memories.

Sustainability has become the buzzword in an increasingly eco-conscious world, and the maritime industry has caught on accordingly.

The International Maritime Organization has rolled out a series of new regulations aimed at controlling the maritime industry's emissions by mandating the use of cleaner fuels.

The transition towards cleaner fuels represents a significant challenge for bunker traders who have to rework their trade networks from the bottom up.

Sing Fuels has prepared for these changes and incorporated these considerations into its future growth strategy.

"We want to be an energy company rather than a bunkering company," said Mr Thomsen.

A step towards achieving this goal

is to expand the company's business model to include cargo trading.

This requires it to overcome new challenges such as managing the shipping and logistics.

In trading, Sing Fuels aims to expand its presence in the industry by supplying to new and more lucrative consumer segments, such as super yachts and offshore rigs, as well as supplying other lighter fuels.

Since its formation, Sing Fuels has enjoyed phenomenal growth, but is set to grow even faster.

The company is on constant lookout for new opportunities to take it to the next level. It could be new markets, new products, new clients or even technologies.

Given the company's sound track record, it is well placed to achieve its targets in this fast-paced and ever-changing industry.



This series is part of the Enterprise 50 Educational Project between the E50 partners and the NUS Business School. Sing Fuels was among the winners in 2018. The annual E50 ranking is co-organised by The Business Times and KPMG, sponsored by OCBC Bank, and supported by Enterprise Singapore, Singapore Exchange and Singapore Business Federation.

