



THE CHAIRMAN'S INTRODUCTION

Sir David Thomson, Bt., Britannia's Chairman, celebrates the one hundred and fiftieth anniversary of the Association.

'The past is a foreign country: they do things differently there.'

There is a definite resonance to those words. They make you stop and think – probably because they reinforce the feeling that we all have, at times, that the past is inaccessible and difficult to understand. But is it true, do you think? Were things done so differently one hundred, or even one hundred and fifty years ago?

Most successful organisations, like Britannia, have one eye on the present and the other eye on the future: there is actually little time to spend reflecting on our past. But the occasion of our 150th anniversary is surely different. There are very few companies in the world that can boast such a long and successful history. It seems only right, therefore, that we should take a moment or two to reflect on the origins and development of the Association. After all, describing where we have come from is not a bad way of putting into context our achievements: where we see ourselves now and where we think we might be going in the future. So, in this magazine, published specially to mark this unique event, we have decided to take a good look at our past, provide an overview of our present and cast an eye towards our future.

In order to render the last century and a half a little less inaccessible, we have been dusting off some of the oldest files in our archives and calling on those with specialist knowledge, or good memories and a few stories handed down, to create a brief history of the Association in both words and pictures. It has been a fascinating process and, if many of the documents are a bit dry (and so beautifully handwritten that they are often difficult to read), they can still teach us a lot.

Looking back through the Minutes of the early Committee meetings, for example, we see the Committee considering claims that are practically identical to those we consider today – festering cargoes, collisions, strandings, personal injury and death. And the various causes of these claims, along with the inevitable consequences, also appear to be about the same – equipment failure, inadequate maintenance, poor stowage and errors of judgment. Sometimes, one is left wondering whether today's technological advances, sophisticated management systems and endless regulations have actually succeeded in changing anything at all!

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(L P Hartley, *The Go Between* 1953)

A sense of continuity is also to be found in the people and companies that have shaped our business over the years. The article on the history of the Committee demonstrates admirably how certain Members, large and small, have supported this Association over many, many years. Our oldest current Member is ExxonMobil. Anglo-American Oil, a company that changed its name to Esso Petroleum in 1951, and then to ExxonMobil in 1999, entered the Association on 20 February 1901. They have, therefore, been loyal Members for 104 years. You only have to read the section on our exclusive Correspondent in Spain to understand how long and rewarding has been our relationship with the Spanish shipowning community. And this year, too, my own family celebrates a double anniversary: the first Thomson became a Director seventy years ago, in 1935, and I became a Director forty years ago, in 1965.

But the longest association of all rests, of course, with our Managers, Tindall Riley, and in particular with their founding family, the Rileys. It was only with the retirement of John Riley, in 1998, that that extraordinary family link was severed. We are deeply grateful to him for providing the fascinating article about the history of the Association. The article is peppered with personal reminiscences, bringing those early days to life in a way that no professional historian could match.

Perhaps an equally striking theme, referred to in many of the articles, is the world's faith in mutuality. Shipowners and their clubs have fought hard to preserve the mutual system, and so far, at least, they have managed to persuade everyone else that they have been right to do so. In my view, they have achieved this because mutuality and the pooling arrangements of the International Group are in everyone's best interests. Collectively, the clubs

provide levels of cover and a degree of security that would be impossible to replicate in the open market. Many international conventions rely on the existence of very high levels of insurance: the fact that this is provided by the International Group Pool and its reinsurers makes the mutual system as important to claimants as it is to shipowners. It is perhaps ironic, however, that probably one of the greatest challenges that faces P&I clubs over the coming years is the level of cover that they are now being asked to guarantee under a flurry of new conventions being promulgated at the IMO.

The strength of the Association today is a testament to the efforts and achievements of all those who have either belonged to or worked for the Association in the past. It is a pleasure to be able to look at the Association today and say that it is as strong as it has ever been. The Association is well financed, has a dedicated Committee, can boast a first class membership and is highly regarded in the industry. Through the Managers, Britannia provides its membership with the highest levels of service. All in all, it is a very positive story.

There can, however, be no resting on our laurels. As I said at the beginning of this introduction, the Association's eyes must always be focussed on the present and the future. The Committee's role has evolved greatly over the last five years and this will be a continuous process. Increased regulation and the burgeoning demands of running a large mutual insurance company will inevitably require even greater levels of corporate governance. As long as these changes do not stifle our business or change the spirit of the organisation, they are to be welcomed. It is my firm belief that realistic standards of transparency and solvency, commonly applied, are a benefit to us all.

So where does all this take us? What can we learn from the past that might help us to weather all of the challenges and difficulties that we will inevitably face in the future?

The answer, I think, is simply this: that the success of the Association (and indeed of the whole mutual system) rests, where it has always rested, with its Members. It is their support and their belief in its benefits that will ensure its future. As long as the advantages of the club system are appreciated by the world's shipowners, and as long as they are satisfied that the clubs are being efficiently and professionally managed, I am certain that they will be prepared to fight for their development and preservation.

It is difficult, in any sector, to keep everyone on side all of the time, and the prospect of short-term gains can sometimes cause some to waiver. But with strong leadership and a robust International Group pulling together to achieve common objectives, I believe that Britannia can look forward with confidence to its 300th anniversary in 2155!

I send you all my best wishes for a successful and prosperous anniversary year.

