

ShipMoney eliminates direct and indirect costs to pay crew members

The Covid-19 pandemic has brought the organisations much closed and connected in many ways. In this respect ShipMoney, a smart application to pay crew members wages offers real time transfers from the ShipMoney card reducing considerably the cost of remitting funds.

In the interview that follows Stuart Ostrow, Founder & President of ShipMoney, explains the range of costs that dramatically reduced via ShipMoney Account Management System for crew members to send money to their loved ones using mobile App and ShipMoney card.



Stuart Ostrow, Founder & President of ShipMoney

- What are the effects of the Covid 19 pandemic in your company's activities?

- Covid has dramatically impacted our business in many ways, some good, some not so good. We've been adversely affected by the shut down in the cruise line industry but conversely, the commercial side of the business has picked up dramatically over the course of the pandemic. We've acquired numerous new clients over the last year including V.Ships, Scorpio, and Maersk among others and are very excited by the prospects heading into 2021.

From a business culture standpoint, the pandemic has been incredibly beneficial by bringing the organization much closer and connected in many ways. On zoom calls, we share personal stories. We laugh. We cry. We dream. We complain and commiserate. Dogs bark and doors knock. Beards are growing really long!! Things that were unimaginable in a business setting or call pre-Covid are now completely natural. We've become more real and human and that's a very good thing. It's really a remarkable transformation in terms of being more cohesive and focused as a group. The pandemic has created an environment in which the collective goal of surviving has really strengthened the concept of "Team." In many ways, it has become easier to manage because people are all in the same proverbial boat together rowing the same direction. And most importantly, we have become much more acutely aware of the critical importance of providing the absolute best possible care to the crew members who we serve. As our Company mantra states – It's ALWAYS about the crew.

- What are the advantages for ship owners who decide to use ShipMoney's crew payments system?

- There are numerous advantages to using ShipMoney. First and foremost are cost savings and administrative efficiencies. ShipMoney is significantly less expensive compared to the costs of delivering cash-to-master and wire costs to pay crew members. The ShipMoney Account Management System is incredibly robust but simple to use and manage compared to the systems and methods of how crew are paid today. Companies can pay crew members instantly with a single file upload or from their own crewing/payroll system via an API integration, from one crew member to tens of thousands.

- Can you claim that your company's solution is not an expense but rather a ROI.

- Absolutely. Let's rephrase the question since there isn't per-se an "investment" in the typical ROI sense. ShipMoney provides cost savings to companies so the correct categorization is expense reduction instead of ROI. There are direct and indirect costs to pay crew members. Typically, crew are paid via a combination of cash

onboard along with a wire payment sent to a home bank account. Cash onboard is drawn from cash-to-master which is expensive and can range from 2% to 5% or more. And one should ask the question, if crew cannot leave the ship, what purpose does cash serve anymore? On the other side, there are costs to remit payments to home bank accounts and the range of costs is dramatic, typically costing \$15 or more.

ShipMoney can eliminate the cost of remitting funds to home bank accounts and provide an opportunity to dramatically reduce cash-to-master. In addition, crew can be paid instantaneously with the push of a button at virtually no cost to companies.

Apart from crew being able to manage their wages what other benefits are there for maritime businesses in adopting ShipMoney's corporate payment solutions?

ShipMoney offers clients a corporate payment solution as an alternative to using their bank partners for international payments. Banks are typically expensive and are not technologically sophisticated or at the leading edge of payment networks and emerging solutions. The ShipMoney Corporate Payment solution offers clients a state-of-the-art international payment platform to pay vendors, suppliers and agents using a network of banks at significantly reduced costs to what they are typically paying.

- Has ShipMoney's payment solution been able to help crew that have been stuck onboard due to the lack of crew changeovers caused by COVID-19?

- Yes!! There is a lot of talk about crew welfare benefits but what does that really mean? ShipMoney provides a way for crew members to send money to their loved ones directly from the ship. Using the mobile App, crew can initiate real-time transfers from their ShipMoney card to a family member's companion card, send international wire transfers to virtually any bank account in the world, send money via Western Union, MoneyGram and TransFast and compare fees and costs with the Remittance Marketplace. And they can top-up mobile phone accounts to over 600 carriers throughout the world. And we recently introduced our Universal Scheduler which will enable crew to schedule all of the above services. One of the other benefits of ShipMoney is the ability to expedite the payment of wages. Virtually all crew members worldwide are paid on a monthly basis which evolved this way primarily because of how charters are billed and how crew contracts are structured. With ShipMoney, there are no costs to pay crew so companies can expedite wages on a more regular basis getting money into the hands of crew and their families faster and more frequently.

- Are you involved in CSR (Corporate Social Responsibility) initiatives and What are the future plans/projects of your company?

- Yes. Earlier this year we introduced ShipMoney Cares in partnership with ISWAN to provide direct assistance to families of crew members who are in need. The unique aspect of this initiative is the utilization of Virtual Cards. Recipients have the option to receive their grants via a ShipMoney Virtual card whereby they in turn can access their funds from Western Union, MoneyGram and TransFast. This option was very well received because of how quickly families could access funds. We have big plans for ShipMoney Cares in 2021 that include offering crew members/cardholders the ability to donate directly to the initiative along with some other unique ideas.