The start at the mid 1800s
In 1841, Aker was founded in Christiania (previous name for the Norwegian capital city, Oslo). The new company was established close to the mouth of the Aker River, which runs through the city of Oslo. Aker is also the name of the district surrounding what is today downtown Oslo.

In the first part of the 1800s, young men travelled to England to get an education as engineers. Peter Steenstrup was one of them, and he learned about the new technical marvel of the international industrial revolution: the steam engine. Back in Norway, Steenstrup became the first president of Aker when the company started to build and install steam engines in vessels originally built as sailing ships.

In 1853, Kvaerner was founded in Christiania (now Oslo). The company was established in the valley Lodalen in Oslo. A river for centuries had been used to power a number of mills (which is expressed “kvaerner” in the Norwegian language).

Like Steenstrup, Oluf A. Onsum had been educated as an engineer and learned about the possibilities in the industrial revolution. The young entrepreneur started manufacturing a series of iron products, such as ploughs for agricultural use, and offered them to employees at affordable rates.

Last half of the 1800s
Gradually, Aker expanded the business from delivering steam engines for use as additional power in sailing ships to delivering the whole ship. The location of the mechanical shop at the bank of a small river was not effective for ship building, and the company developed ship building facilities at the waterfront in the harbour of Oslo, still close to the Aker River. As the years went by, the ships and the workforce grew bigger.

Kvaerner expanded the business more and more to be a key supplier of iron and steel-based tools and parts to mechanical equipment to the growing number of industry projects in Norway, especially to sawmills, and later also to the pulp and paper industry.

Kvaerner also recognised the value of corporate responsibility. At the time where many workers struggled to afford a place to live, the company built a number of small apartments close to the manufacturing facilities and offered them to employees at affordable rates.

First part of the 1900s
From 1814, Norway and Sweden had been in a political union. However, from 1884, the two countries had separated politically. However, from 1884, the two countries had separated politically.

In the first part of the 1900s, Kvaerner continued to expand further within mechanical manufacturing of iron and steel products.

Kvaerner became a main supplier of equipment to both the railroad infrastructure, steel bridges and gradually also a supplier to the manufacturing of the trains. The cranes and other machinery in Norway developed further, and Kvaerner supplied structures to buildings and large constructions.

Increasingly, the company also manufactured machinery and systems. The start of the century was also a time when it became possible to carry out shipping in large scale.

World War 2
During World War 2, Norway was occupied by Nazi troops, and the commercial industry which was able to uphold any activity had to follow war economy directions.

The docks at Aker’s yards in Oslo were partially seized by Nazi troops and used for storage loading and unloading of ships used for transport purposes. This made the Oslo harbour one of the key targets for allied plans to bomb and sabotage the facilities. Several sabotage actions against the docks and the ships along the piers were undertaken by the Norwegian resistance movement, also with the support of Kvaerner employees.

During World War 2, Kvaerner was able to uphold a certain activity level, typically through involvement in maintenance and upgrades of existing Norwegian power plant facilities.

The first decades after WW2
After World War 2, ship owners around the globe needed new ships. A major part of the world’s commercial ships were lost during the war.

The shipbuilding activity at Aker Mekaniske Verksted accelerated, with a number of ships under construction at almost all times. One commodity stood out in the world trade: the demand for transport of oil to consumer markets increased at an exponential rate.

Aker recognised the market opportunity for a ship that was able to deliver ships which could carry large crude oil than any tanker previously seen on the seven seas. A site for a yard for larger ships than the facilities in Oslo could handle was needed.

Aker found the place for a new, huge shipyard at the island of Stord at the West coast of Norway. The course to build super tankers was set.

In the 1950s and through the 1960s, Kvaerner entered in to the business of building and installing steam turbine engines in commercial ships built at shipyards in the Oslo area. Gradually, this business expanded with manufacturing gears for ship engines and refrigeration systems for ships carrying various foods.

When Aker went from building ship engines to building entire ships, Kvaerner did the same. The company bought the shipyard in the city of Moss in Norway and became a ship builder in addition to Kvaerner’s already large range of divisions.

This was the start of fierce competition between two powerful organisations with a culture for overcoming any challenges and win. It was the start of decades of competition between Kvaerner and Aker.

The boom years in the 1960s
Through the 1960’s Aker built and delivered increasingly larger and technically more advanced ships, both from the yards in Oslo and Stord. Aker had a strong advantage in having Fred Olsen, one of the world’s leading ship owners, as principal shareholder and dedicated investor in expansion plans.

With larger and more complex ships being built at several locations, Aker’s engineering unit in Oslo started to stand out as a separate, specialised department. This was the start of what later became the separate subsidiary Aker Engineering.

Kvaerner recognised the market for liquefied natural gases (LNG). Kvaerner developed and patented a design which gradually became the world leading design for LNG carriers. The concept with cargo compartments for the gas shaped as spheres, typically with the upper part of the dome visible above the deck level is easily recognisable on ships still in use.

The LNG design became an international success, and was built both by Kvaerner’s own yard and on licence by yards around the world.

At a later stage, Kvaerner brought the company’s involvement through the value chain one step further by also being involved at the ship owner side.

The success of the LNG ships made Kvaerner decide to further leverage the opportunities for selling engineering design for such solutions in the international markets. In 1966, 8 engineers moved to a villa in Lysaker outside Oslo. This little team were the first employees of Kvaerner Engineering.

Gradually, the shipyard in Moss got too small to handle the expanding business. In 1970, Kvaerner acquired the Rosenberg shipyard in the city of Stavanger on the Norwegian West coast.

From prosper to gloom: The global oil crisis
At the start of the 1970s, the world looked bright to the shipbuilding industry.

Aker’s order backlog for many new vessels also included 7 super tankers, work for many years ahead. Then came the global oil crisis in 1973.

With little oil available, the tankers were out of work, and the ship owners cancelled their contracts. Over a timeframe of only weeks, Aker’s backlog for 7 super tankers was reduced to zero tankers. The future looked bleaker.

The oil crisis also struck Kvaerner. Primarily, the negative impact was on the company’s shipping related activities, but the global crisis also led to reduced trade for most of its other industries. However, Kvaerner’s business within turbines maintained a relatively stable level through the crisis years in the middle of the 1970s.

From oil crisis to oil adventure
In the 1950’s and early 1960’s, oil was discovered in the Southern part of the North Sea, offshore Holland and Great Britain. Several oil companies then wanted to explore possibilities for finding oil and gas in the Norwegian part of the North Sea.

In 1966, Aker’s yard in Oslo performed an order a bit outside its ordinary business. The yard was contracted to build the semisubmersible drilling rig Ocean Viking based on a design provided by the client. At the time, the order was first and foremost exotic. Few in Norway believed that oil and gas would be found on the country’s continental shelf.

Through the last years of the 1960’s, several rigs drilled at different blocks offshore Norway, without making any discovery of interest. Then, just before Christmas 1969, Ocean Viking discovered the Ekofisk field for Phillips Petroleum. It would turn out to be one of the world’s largest offshore oil fields.

A new industry was born. Soon after, more discoveries were made. With the oil crisis leading to several cancelled shipbuilding contracts, Aker turned around quickly and focused on the oil and gas market.

After the first oil discoveries on the Norwegian continental shelf, Norwegian politicians urged Norwegian...
companies to qualify as contractors to the oil companies. As Aker, Kvaerner decided to enter into the new industry with full strength. Gradually, the company won contracts as a subcontractor to international main contractors, both for engineering and fabrication projects as well as for manufacturing of special components made at various Kvaerner facilities. As before in the shipbuilding industry, Aker and Kvaerner were among the competitors as contractors to the oil and gas industry. It may be argued that in the first 10 - 15 years, Aker, Kvaerner and other Norwegian companies to a large degree had the same core competencies, learned from international oil and gas engineering companies, fabricators, manufacturers of special products, and from the oil companies themselves. The experience from how to successfully develop the expertise and capabilities necessary for a successful domestic industry is today one of Kvaerner’s and Aker’s competitive advantages. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

From apprentices to masters
In the late 1970’s and the 1980’s, Aker’s first approach to the new industry was to get involved in engineering and fabrication subcontracts for oil and gas platforms, loading buoys, etc., with contract terms and details of the scope of work being different, there were also many special products. In provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the late 1970s and the 1980s, Aker’s first approach to the new industry was to get involved in engineering and fabrication subcontracts for oil and gas platforms, loading buoys, etc., with contract terms and details of the scope of work being different. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

The experience from how to successfully develop the expertise and capabilities necessary for a successful domestic industry is today one of Kvaerner’s and Aker’s competitive advantages. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the late 1970s and the 1980s, Aker’s first approach to the new industry was to get involved in engineering and fabrication subcontracts for oil and gas platforms, loading buoys, etc., with contract terms and details of the scope of work being different. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the late 1970s and the 1980s, Aker’s first approach to the new industry was to get involved in engineering and fabrication subcontracts for oil and gas platforms, loading buoys, etc., with contract terms and details of the scope of work being different. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the early 1980’s, Aker was the first to offer engineering and fabrication services on a larger scale than competitors to international main contractors, both for engineering and fabrication projects as well as for manufacturing of special components made at various Kvaerner facilities.

The experience from how to successfully develop the expertise and capabilities necessary for a successful domestic industry is today one of Kvaerner’s and Aker’s competitive advantages. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the 1980s and 1990s, Aker started to establish hubs in the climate between employees from various Kvaerner facilities were added later, including the yard in Egersund at the South Coast of Norway.

As neither the oil companies nor the supply industry were quite mature yet, EPC contracts including responsibilities for engineering, procurement and construction were not common at this time. Sometimes, Aker Engineering would win the contract for detailed engineering, while a Kvaerner yard would win the fabrication contract for the same project. The next time, it may be the other way around. A look at the major developments on the Norwegian continental shelf confirms that this incredible industrial development was the result of joint efforts. While Kvaerner’s non-offshore industries were still a major part of the company’s business, the oil and gas activities grew to steadily become more dominant. With increasing experience came also larger projects and more responsibility. Through the 1980s, Kvaerner Engineering, the Kvaerner yards and Kvaerner’s manufacturing facilities won contracts with larger and more complex scopes.

World records create basis for further expansion
Compared to many other oil provinces, the Norwegian continental shelf not only had several unusually large fields, but the reservoirs were also very productive. The combination of very large fields and each well being very productive has made the typical Norwegian platform from this period big even in an international perspective.

In the 1980s and 1990’s, it seems like almost every new project was a world “first” or “world’s largest”. Veslefrikk was one of the world’s first floating production platform. When Troll A was towed to the field, it was the largest object ever moved by man.

While Aker initially focused on engineering and fabrication, the company later expanded the business also into offering specialised equipment and services. The H-4 designs were born. With a total of 37 units built, this became the most common floating drilling rig worldwide.

The history shows that Aker and Kvaerner have succeeded because the employees and management have always responded to shifts in the market. Today, the customers ask for more specialised EPC contractors. On 6 May 2011, the Norwegian government approved that the EPC business for offshore platforms and onshore facilities is placed in a separate, listed company under the name Kvaerner.

Kvaerner is today the world’s largest provider of engineering and project management services. Aker won contracts with larger and more complex scopes. The yards in Moss and at Rosenberg played important roles for fabricating modules for topsides, and Rosenberg later grew to take on entire topsides. Other facilities were added later, including the yard in Egersund at the South Coast of Norway.

In the early 1980’s, Aker was the first to offer engineering and fabrication services on a larger scale than competitors to international main contractors, both for engineering and fabrication projects as well as for manufacturing of special components made at various Kvaerner facilities.

The experience from how to successfully develop the expertise and capabilities necessary for a successful domestic industry is today one of Kvaerner’s and Aker’s competitive advantages. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the early 1980’s, Aker was the first to offer engineering and fabrication services on a larger scale than competitors to international main contractors, both for engineering and fabrication projects as well as for manufacturing of special components made at various Kvaerner facilities.

The experience from how to successfully develop the expertise and capabilities necessary for a successful domestic industry is today one of Kvaerner’s and Aker’s competitive advantages. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the early 1980’s, Aker was the first to offer engineering and fabrication services on a larger scale than competitors to international main contractors, both for engineering and fabrication projects as well as for manufacturing of special components made at various Kvaerner facilities.

The experience from how to successfully develop the expertise and capabilities necessary for a successful domestic industry is today one of Kvaerner’s and Aker’s competitive advantages. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.

In the early 1980’s, Aker was the first to offer engineering and fabrication services on a larger scale than competitors to international main contractors, both for engineering and fabrication projects as well as for manufacturing of special components made at various Kvaerner facilities.

The experience from how to successfully develop the expertise and capabilities necessary for a successful domestic industry is today one of Kvaerner’s and Aker’s competitive advantages. In many emerging oil and gas provinces, there is a strong national interest in developing the national supply industry. Kvaerner and Aker have actively contributed to developing the industries in provinces such as Canada, Russia, Brazil, the Caspian region, Vietnam, Nigeria, etc.