

SHAKING UP THE BOX TRADES, KAYSER-STYLE

There are always those who see an opportunity in a downturn and perfect example of this is the newly established The Containership Company.

TCC is the brainchild of Franck Kayser a former Maersk and CMA CGM senior executive and Jakob Tolstrup – Moller, managing partner of Norwegian ship brokers Boxtor Maritime. The company is incorporated in Norway and operated out of Copenhagen.

Kayser, managing director of the start-up based in Copenhagen, has 28 years experience in shipping. He started out his career at sea and was a Captain for Maersk Line's container fleet. Coming ashore he worked in a variety of senior positions both for Maersk Line and APM Terminals.

For his last four-and-a-half years in the company he was Maersk's senior director of global marine assets. In 2008 he left the Danish giant to join CMA CGM as a senior vice president. Following a year with CMA CGM Kayser struck out on his own establishing start-up box line TCC with Tolstrup – Moller.



Initially the venture was linked to Norwegian shipping magnate John Fredriksen as potential investor, however this would appear not have transpired. TCC has however raised \$25m in capital and is set to start its first services in April.

Industry executives credit Kayser with being very well connected with a huge range of contacts he can call upon to help build up the new business.

TCC has attracted a lot of attention for

its comparison with budget airlines in terms of its business models. Certainly the choice of Taicang as the line's load port in China is similar to the strategy of budget airlines in choosing to operate from secondary hubs.

The company's first service launching on April 17 will serve Taicang to Los

Angeles/Long Beach weekly with no intermediate ports of call reducing transit times. With no other ports of call Kayser notes they will be able to offer shippers the full space commitment on that corridor.

Kayser adds the new company is looking into launching additional transpacific services and Asia – Europe. 'We do expect to have an Asia–Europe service by the end of this year,' he says.

'PETER G' READIES FOR HIS FOURTH IPO

Around New York shipping circles, Peter Georgiopoulos (or 'Peter G') has always been a guy who mattered. The son of a maritime lawyer, he figured out how to combine shipping with broader trends in finance long before others did. Starting with a partner position in one ship, the chemical tanker Trollvann, bought from a struggling Norwegian K/S in the mid 1990s, he successfully navigated the shoals of private equity, investing in tankers at a time that dotcoms were foundering. The private business captured another trend – the emergence of hedge funds – and morphed into General Maritime Corporation, which grew into a giant with nearly 50 vessels after going public in 3Q 2001 (as GMR).

His unique selling point is very simple – investors have made money with him, and continue to do so. Consider that he sold



out near half the GMR fleet (the older units), at the top of the market several years ago. Around that time, in the mid 2000s, he was launching drybulk company, Genco Shipping & Trading (GNK), which was positioned perfectly to ride

that market's spikes higher and higher.

His third company, Aegean Marine Petroleum (ANW), which has built its unique business model of a fuel supplier with floating storage, has recently received attention as a consolidator, having bought a large Rotterdam-based bunker supplier.

As this is being written, Peter G is on the cusp of his fourth listing, making him the only ceo to be heading a quartet of companies on the prestigious New York Stock

Exchange. Baltic Trading (BALT) is set to raise upwards of \$250m as it builds a fleet of bulk carriers expected to trade in the spot market.

Unlike GMR, and GNK, which have pared back, or eliminated, their dividend, BALT anticipates paying out as much as it prudently can, after keeping reserves on hand. In the new financial climate, it expects to be less reliant on bank debt, and says that it's likely to instead source equity, as it sees attractive opportunities to buy vessels. Its first six vessels – two newbuild capesizes and four 2009-built supramaxes – are set for deliveries in 2010.

You can judge an owner by the company he keeps. At his special table, in the garden at Avra, a world-class Greek restaurant near his midtown New York office, he might just as likely be seen with top bankers and investors, as with operations people who can explain the performance of a particular ship on a recent charter. Shipping is a financial business now; Peter G matters because he can see shipping's vast expanse, yet guide his ship through innumerable ripples on that sea.