

new ships' deliveries +++ terminal news +++ service updates +++ casualties

The
Containershipping -Newsletter



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Bratsk Joins Fesco Fleet

Aker's German shipyard in Wismar on the Baltic Sea lately delivered the containership Fesco Bratsk. The vessel has been named after a Siberian city in the Irkutsk Region. Fesco already operated a vessel of this name: The former Bratsk was one of the well-known Finnish-build type CA-15 icebreaking freighters. The vessel was later managed by Andrew Weir who operated her as Aurunbank. Recently, her name was changed to Tikeibank. The present-day Fesco Bratsk has a capacity of 2,741 TEU. She can travel at a speed of 22 knots and comes equipped with three shipboard cranes with a lifting capacity of 45 tons each.

Pucon on Her First European Voyage

Chilean CSAV's largest container vessel, the brand new Pucon has made her European debut with calls at Le Havre, Hamburg, Rotterdam, Antwerp and Felixstowe. The Hyundai-build ship with the distinctive blue hull and red funnel is 300m long and 40m wide. It has a container capacity of 6,539 TEU. CSAV-Norasia employ the vessel in their successful AME (Asia – Middle East – Europe) loop where it will soon be joined by Pucon's sister Puelo. More ships of this type will follow this year and in 2007.



**Pucon at Hamburg's Athabaskakai.
Photo: Jan Tiedemann**

Pipervav: From Breaking Ships to Building Ships

The northwest Indian State of Gujarat is known as the world centre of ship breaking. Every week, a constant stream of tired vessels of all types and sizes arrives at the beaches of Alang, a small town in Gujarat's Bhavnagar province. The ships come here to be broken up directly on the beaches along the Gulf of Khambhat. Every spring tide sees a whole flotilla of oldtimers steaming towards the town's sandy beaches. At low tide, the ships are high and dry and a workforce of thousands of men

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with cutting torches starts to dismantle the ghost fleet. This ship breaking practise has caused a great deal of concern: Working conditions at Alang are poor and standards for the protection of the environment - although recently improved - still remain unsatisfactory. About a decade ago, a much more modern ship breaking facility has been constructed in the nearby city of Pipervav. This breaking yard was founded by Indian industrialist Nikhil Gandhi and his Sea King Infrastructure Group (SKIG). Opposed to the breaking lots on Alang's beaches, the yard is equipped with two very large drydocks and even featured rather sophisticated equipment like an oil separation plant. Originally it was planned to use the facility to dismantle large tankers and bulk ships in an environmentally safe way but the venture failed and never attracted any significant business. More than USD 185 million were spent for the idle dismantling facility. Now it seems that the yard's owners want to try their luck at ship building rather than ship breaking. Reportedly, a German and a Cypriot shipping company have ordered ten 3,400 TEU and eight 1,800 TEU container vessels at what is now Pipervav shipyard. Presently, SKIG is negotiating the sale of 50% of the shipyard to foreign investors. Norwegian Aker Yards, the Dutch Damen Group and Mitsubishi HI of Japan are said to be among the candidates. Originally, the scrap yard project had been set up with financial and technical support from Japan: Most of the equipment has been supplied by the Sumitomo Group, who also designed the shipyard's general layout. Pipavav's graving docks measure 700m x 65m. By means of two central lock gates they can be separated into four docks of 350m length. The dry docks are equipped with gantry cranes large enough to straddle VLCCs or LNG carriers, which Pipavav shipyard intends to repair in the future, too. The shipyard committed itself to invest another USD 200 million into the facility until mid 2008. Once completed, it will be possible to simultaneously build 12 large ships. The abovementioned (ten) 3,400 TEU ships have been ordered by BF Shipping of Cyprus and are scheduled for delivery from 2008. The building price will be USD 51 million per unit. The order for the (eight) 1,800 TEU ships has been placed by undisclosed German interests. The ships will cost some USD 32.5 million. Delivery will start from 2008, if everything works out as planned.

Hanjin Budapest Premiers in Northern Europe

Now that the capital city of Hungary experienced political unrest and street riots, Hanjin might regret the choice of name for their second 6,555 TEU ship, Hanjin Budapest. The ship arrived at Hamburg on Saturday and performed a regular call on Hanjin's FEX loop. With a length of 304m, Budapest and her earlier sister Bremerhaven presently are the largest units in Hanjin's European Services. Opposed to most similarly-sized ships, this series of container carriers is fitted with a 12-cylinder engine instead of the more common 10-cylinder variant. Their extra output of 11MW can be used to drive the ships at up to 26.5 knots.



**Hanjin Budapest on the river Elbe at Hamburg.
Photo: Jan Tiedemann**

Annabella on Sea Trials

Three long blast's accompanied Annabella's first passage of her owners headquarters on Hamburg's posh Elbchaussee. Sietas shipyard on the western outskirts of Hamburg had build the vessel for Peter Döhle. The new type-168 container feeder ship returned from sea trials last Wednesday. In case of Sietas shipyard 'sea trials' actually means 'river trials', since vessels

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rarely go any further than the lower river Elbe. One peculiarity of Sietas ships is that they often leave the yard unpainted: The ships receive their finishing touches at Norderwerft, a Sietas subsidiary, or at Hamburg's Blohm+Voss. Annabella is 134.40m long and 22.50m wide. She can carry 868 containers and travels at a speed of up to 18.5 knots. The type 168 with its central open top holds has developed into one of the most successful feeder designs in the world: Dozens of ships have been delivered so far and more will come on stream in the next years.



**Annabella returns from Sea Trials on the river Elbe, bound to drydock at Hamburg's Norderwerft for painting.
Photo: Jan Tiedemann**

OOCL Zhoushan

Hong Kong-based Orient Overseas Container Line (OOCL) traditionally is a very a loyal customer of South Korean Samsung HI. OOCL presently has quite a long list of ships on order from Samsung. However, some two years ago, the company's management decided to place containership orders in China, too. The deal was bagged up by Hudong-Zhonghua Shipbuilding with whom OOCL signed two 4,250 TEU ships and two options for similar units. Some sources suggest, these options have already been converted to firm orders. Now that the first of the new ships has been handed over, it turns out

that the vessels are a bit larger than expected. Hudong optimised the original design and managed to squeeze some extra 330 TEU of capacity into the design. The vessels are now believed to be 4,583 TEU units. At this point in time it is still unclear if the ships had to be stretched to accommodate the extra boxes. The first ship of the improved type has now been delivered. It was named OOCL Zhoushan and is destined to serve on the Grand Alliance's transpacific express service, linking Shanghai and Ningbo with Los Angeles. A round trip on this loop only takes 28 days. OOCL Zhoushan carries the name of a group of islands located south of Shanghai in the Hangzhou Bay. The Islands are home to some 500,000 residents and have developed into a maritime centre with ports, shipyards and a large maritime industry.

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CKYH Cancels Loop but Ups Capacity

Late last week the CKYH alliance announced to cut the number of its Asia - Europe services from seven to six. It is very likely that the PDS pendulum's European leg will be discontinued and the service re-emerges as a pure transpacific loop. Presently, the PDS connects the US West Coast, Asia and Northern Europe. It employs twelve ships of around 4,500 TEU. The vast majority of these is chartered. Only the 4,024 TEU Hanjin Colombo and the 5,302 TEU Hanjin Paris are owned by Hanjin. Probably, these ships will be used along with Peking, Portland and Penang Senator to maintain the transpacific sailings. The three charter contracts are fixed until 2015. The remaining seven vessel's contracts will expire in 2007 and 2008 respectively. The changes made to the loops reflect the CKYH alliance's needs to reconfigure its services in time for the arrival

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of larger vessels. Until Yang Ming's introduction of YM Unity some weeks ago, Coscon was the only member in the alliance that employed +8,000 TEU ships. Seven large newbuilds will follow YM Unity until April 2007: Three sisters of YM Unity will be provided by YM. K-Line's ships will be even larger. Despite the reduction in the number of services, the employment of larger ships will slightly increase overall capacity between Asia and Europe.

New Small Ships for Maersk Line

The world's largest container carrier, Maersk Line of Denmark, presently not only takes delivery of a series of the world's biggest container vessels, but also modernizes its feeder fleet. Today, a feeder size of 500 to 1,200 TEU is quite common in Europe. Far Eastern Feeder services frequently rely on ships of 1,700 or even 2,000 TEU. In a recent move, the Danes have decided to charter seven identical 1,800 TEU ships from Hong Kong's Cido Shipping, once these vessels will be delivered from China Shipbuilding, Taiwan. It is believed that these ships will be used for intra-Asian services. The septet is scheduled for delivery from mid-2009 to mid-2010. Whilst no design particulars have been published so far, the ships will most likely turn out as sisters of the well-known Yang Ming 1,800 TEU ships. Cido Shipping – a portrait of this company will follow in one of our next newsletters – has placed orders for a total of 15 similar vessels with China Shipbuilding. Presently, it is not known who will charter the last eight units of the series, so Maersk might eventually end up with more than seven Cido ships. Apart from charter deals, Maersk Line also placed orders for small container vessels with Far East shipyards: Four ships have been signed with Dalian Shipbuilding Industry. These vessels will be build at the Dalian No. 2 yard, formerly known as Dalian New Shipyard. These four units measure in at 1,800 TEU. They are believed to be geared ships, like the ones Singapore's Pacific International ordered at the same yard. Two ships will be delivered in 2009 and another two late in 2010. Reportedly, Maersk Line pays some USD 150 million for the quartet – the line's first Chinese-build container carriers. Presently, Dalian is booked to capacity until 2009.

Peene Werft Deliveres Sima Saman

Wolgast-based Peene Werft recently delivered the 1,440 TEU container vessel Sima Saman to Dubai's Simatech Shipping. The new ship is 169.10m long and 25.00m wide and will fly the Singapore flag. It is propelled by a 7-cylinder B&W Diesel. Sima Saman's engine develops 11MW and drives the vessel at a top speed of 20 knots. The ship's Arabian owners will receive another 1,440 TEU unit from Peene Werft this year. Two more sisters will follow in 2007. On her positioning voyage, Sima Saman will carry a load of empty containers to Southern China. She will eventually be employed in Simatech's Services linking the Gulf Region to the Indian subcontinent and Southwest Asia.



**Sima Saman on her delivery voyage in the Kiel Canal.
Photo: Willy Thiel**

CMA CGM Norma

The first European trip of CMA CGM Norma was not only the premier of a brand new vessel, but also that of a brand new service. The newly launched FAL II loop is jointly operated by the French Line and CSCL. It employs eight ships with an average capacity of more than 9,000 TEU. Each company provides four ships. A short description of Norma and the FAL II can be found in newsletter 35.



**CMA CGM's brand new Norma at HHLA's Burchardkai Terminal, Hamburg. The ship opened the FAL II loop.
Photo: Boris Paulien**

Hanjin Sells Off Terminal Share

Presently, it looks like there's more money to be made in the terminal business than in liner shipping. Over the last years, many shipping companies have invested in port facilities – not only to make money, but also in order to ensure a smooth running of their services and priority access to container handling capacity. Apart from the A.P. Møller Group, Cosco has been very active in this field through their terminal offshoot Cosco Pacific. Others have decided to focus on shipping and are happy to use capacity provided by the industry's big players like PSA, DP World or Hutchinson Whampoa. South Korean shipping giant Hanjin – owner of a limited number of terminals too – has now decided to sell off a part of these assets and invest the yield into the company's fleet. Last week, the Koreans announced the sale of a 40 percent stake in their Japanese, US-American and Taiwanese terminal interests to MKOF (Macquarie Korea Opportunities Fund), an infrastructure investment company. The sale is worth an estimated USD 348 million. Terminal management at the facilities in Osaka, Tokyo, Kaoshiung, Long Beach, Oakland and Seattle remains with

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Hanjin. The company's South Korean terminals at Busan and Gwangyang remained have been excluded from the deal. The announcement had an immediate effect on Hanjin's share price that went up some eight percent.

Note to Contributors

Now that the containership-info website is up and running for some months, we receive quite a large number of e-mails from people who want to offer their help and send in photos. Since we regrettably lack the time to answer each of these e-mails individually, your editors kindly ask all potential helpers to read our 'Note to Contributors' pdf-file before sending in any material. This document can be downloaded from our website's 'miscellaneous' section. We apologise for not being able to give a timely reply to every e-mail we receive and we sincerely hope, the new pdf-file will answer some of the most frequently asked questions.

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