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Hamburg Abandons HHLA-Tender and Opts for IPO

Hamburg's state government has surprisingly abandoned its tender for a sale of a 49-percent minority stake in terminal operator HHLA. The city will instead launch an IPO for one third the stock. Hamburg obviously wishes a wide dispersion of the shares in order to keep control of HHLA's destiny. The German free state's government announced to issue non-voting preference shares to HHLA employees. The change of mind comes after protests from Hamburg's port workers who believed decision-making would be moved out of Hamburg if a single large shareholding would be disposed off. Australia's

Macquarie Bank and German group Hochtief were believed to be frontrunners for a sale. HHLA executives welcomed the Government's decision and stated that HHLA will move ahead with investments of EUR 1.2 billion into terminal infrastructure.

Danaos Finally Orders Boxships From Chinese Shipyard

Danaos recently announced it had signed shipbuilding contracts for four 5,700 TEU container vessels. The ships are to be built by Shanghai Jiangnan Changxing Heavy. Industry sources suggest they will be delivered during the second and third quarter of 2010. This recent order brings Danaos' vessel pipeline to a ship count of 19 container vessels with an overall TEU intake of about 100,000.

Beyond Containers: Cruisers, Bulkers, Reefers and Tankers at Hamburg



please note: this banner is not a commercial advertisement

Mid-Sized Money Makers

They are not record holders in terms of size or speed, but they have turned out to be true money makers in today's market environment: Sub-panamax ships of around 2,800 TEU. Recent charters have proven that ships of this size class can both successfully trade in feeder services and operate standalone loops outside the maritime highways. Presently, mid-sized ships are especially successful in north-south trades like services to South Africa, South America and Australasia. Many such vessels call at ports that are not yet able to accommodate larger tonnage of full panamax dimensions. Today, both geared and gearless ships are commonly found in the 2,800 TEU size range – adding to the class' flexibility. A recent study suggested that mid-sized vessels promise the highest potential earnings, since they largely remain unaffected from the overall vessel growth

in the container business: For Literally every service that shifts to using larger-capacity tonnage, a hitherto smaller loop is upgraded to 2,800 TEU vessels. Some analysts suggested the transport market would be able to absorb more than 2,000 mid-sized containerships until 2015. Only very recently, the Belgian shortsea carrier Delphis has signed a quintet of ice-strengthened 2,500 TEU ships from Hyundai Heavy. The vessels are earmarked for the Baltic Sea, were they will trade as feeder ships.



**2,800 TEU ships presently sell like hotcakes.
photos: Jan Tiedemann**

MSC Joanna Bumps Into Dredger

The Mediterranean Shipping Company did not exactly have a good start into the year 2007: First, the company lost MSC Napoli when the vessel cracked in a storm and had to be beached in the English Channel. A little later MSC Roma was involved in an accident with a fishing vessel off English coast and MSC Bulgaria was bumped into by a feeder while berthed at Hamburg. Early last week now, the Swiss company's jumbo container carrier MSC Joanna crashed into the large hopper dredger W.D. Fairway in the approaches of the north Chinese port of Tianjin. Reportedly, the dredger was working in the entrance channel of the Xingang terminals. MSC Joanna had

just departed the terminal and was bound for Pusan in South Korea. For reasons yet unknown, the container vessel crashed into W.D. Fairway's port side, causing extensive damage to the dredger's hull and dredging equipment. W.D. Fairway has been damaged so badly, that she will probably be out of service for the rest of the year. Her owners, Royal Boskalis Westminster, estimate the damage at USD 30 million. This number includes compensation for the loss of business too. MSC Joanna's bow was pierced and the ship will be out of service for several weeks.



MSC Joanna at Antwerp
photo: Dirk de Smedt

Maersk Brooklyn Delivered

German Volkswerft shipyard of Stralsund, a member of the Maersk shipbuilding group, recently delivered its fourth frigate-type container ship. The vessel left the yard as Maersk Brooklyn. Maersk used the occasion to reveal at least some details of the ship type's innovative design. The vessels are equipped with a Sulzer Wartsilä 12RT-flex96C main engine that develops 68.4 MW. Maersk also uses this type of engine in their post-panamax-sized G-class vessels. Installed in a G-class ship, the engine drives the vessel at a speed of 25 knots. The B-class ships with their more streamlined hull and significantly smaller displacement can sail at about 30 knots. On the downside, a B-class vessel can only load 4,170 TEU – about one fifth less than what a conventional panamax design can carry. In order to prevent excessive rolling of the slender hull, Volkswerft's container frigates are fitted with fin stabilisers – A feature also found in the massive E-class ships of 13,500 TEU. A look at

today's world box fleet reveals that Maersk Brooklyn and her sisters are the fastest container vessels in existence. Once the series is completed, all vessels will be employed in a service linking the Far East and the US-east coast via the Panama Canal. Thanks to the vessels' high service speed and a very streamlined schedule, Maersk will be able to run a weekly loop with a fleet of just seven ships. A comparable service would require eight or even nine ships, when operated with conventional tonnage.

Offen Hunts After Shipyard Building Slots

According to a number of recent media reports, German boxship owner Claus Peter Offen is leading the race for container ship building slots in South Korea. A reported 15 building dock berths for panamax carriers have become available when yards reshuffled their building schemes: Capacity was shifted towards container vessels mostly at the expense of LNG ship projects. This move was prompted by delays in the realisation of several large-scale gas exploitation projects and the fact that a number of scheduled LNG carriers will not be needed as soon as 2010. According to the revised building schedules, the planned box boats could be delivered as soon as in 2008 and 2009. Offen is said to prepare orders for up to six 4,300-TEU vessels at Hyundai Heavy. Some sources say, Offen will furthermore sign four 4,250-TEU units at Samsung. The container ships will cost in the region of USD 66 to 69 million. The shipping newspaper Tradewinds writes that at least four of the Offen ships would be taken out of the market by German liner operator Hamburg Süd for around USD 25,500 per day. This would add to Ham'Süd's impressive pipeline of containerships, the carrier is bound to receive from Daewoo Heavy in the next few years. According to some sources, the number of additional building slots will be higher than officially stated: Eight at Hyundai and five at Samsung. A further three or four unsold panamax slots are said to be available at Daewoo Shipbuilding. In case of all three yards, gas carrier orders for ships slated for deliveries in 2010 have not materialised. Because of the gas carrier projects' long lead-in and building times, capacity was freed in the earlier years. Furthermore, the yards have continued to improve productivity

by about ten percent in recent years. Drydock occupation for container ship newbuildings is now down to about forty days.

CSCL Zeebrügge Handed Over

Only one week ago, China Shipping Container Line's latest fleet addition, Xin Hong Kong, premiered in European waters. Nevertheless, the next green 9,580 TEU ship is already on its way. Like her five earlier sisters, the new CSCL Zeebrügge originates from Samsung Shipbuilding's Koje Island shipyard in South Korea. As the name reveals, the vessel is not owned by China Shipping. CSCL Zeebrügge chartered from Canadian Seaspan Container Line. The new vessel will join her sisters Xin Hong Kong and CSCL Pusan in China Shipping's AEX 1 loop. Her maiden calls in northern Europe are scheduled for April.

Mediterranean Shipping Company Welcomes MSC Lisbon

German C.P. Offen has now taken delivery of MSC Lisbon, the last of a series of nine Samsung-built 9,178 TEU ships. Five of the vessels ordered in 2004 were sold on to MSC, who also charter the series' remaining vessels. Some sources refer to the new ship as a 9,178 TEU type – nevertheless, she might actually be build to Samsung's updated design with 9,580 TEU slots. Unlike her earlier sister, MSC Lisbon will not be deployed to the Silk Express, but instead trade in the Lion Service. Since the Silk is a bigger capacity loop, the ship might possibly switch to that service at some point in time. MSC Lisbon's maiden voyage set off at Xiamen. After calls at various ports in northern Asia, she will head for Singapore, the Mediterranean and northern Europe. She is expected at Hamburg on April 24th and at Bremerhaven on April 26th.

Panama Toll Hikes Spark Shipper's Protest

After careful investigation into the matter, some of the world's leading shipping companies and their representatives have issued massive complains against the Panama Canal Authority's proposed transit toll hikes. The International Chamber of Shipping, supported by Bimco, Intercargo and Intertanko, already submitted a formal complaint and expressed the

shipping industry's 'serious concerns'. On behalf of their members, the organisations requested that increases in tolls should be both equitable, transparent and protracted over a sufficient period. The claimants state that the official canal expansion proposals referred to projected toll increases of 3.5 percent per annum over a twenty year period. The Canal Authority's actual proposals would lead to increases ranging from eight percent to ten percent per annum over the first three years, with increases for container ships well in excess of the ten percent mark. The Panama Canal authority recently decided to discuss the issues in a public hearing, but nevertheless announced that the new pricing system only reflected the cost of running and expanding the canal and that shippers will have to get used to it.

Hanjin Tianjin Premieres

Last weekend, the new 6,500 TEU Hanjin Tianjin has made her first appearance in Northern Europe's ports. The vessel is the fourth unit of Hanjin's most recent series of container ships.



**The new Hanjin Tianjin on the river Elbe near Stade.
photo: Jan Tiedemann**

Hanjin Tianjin was constructed at Hyundai Heavy's Ulsan shipyard. The new ship is 304 metres long and 40 metres wide.

It is driven by a powerful 68MW 12-cylinder engine and reaches a to speed of up to 26.5 knots. Hanjin Port Kelang is employed her owners' fast FEX loop. This express service's European calls are limited to Rotterdam, Hamburg and Felixstowe. Please turn to our data base for more vessel particulars and photographs.

New Ship: MSC Bremen

The German shipping company Oltmann has now taken delivery of their third 5,040 TEU panamax ship from Hyundai Samho, the biggest vessels in Oltmann's fleet. The series' first two units were chartered to APL. The third ship now went to MSC under the charter name MSC Bremen. The Swiss carrier already operated a ship of this name until 2006. Today, this 2,800 TEU ship trades as MSC Maria Pia. So far, the Mediterranean Shipping Company's schedule does not reveal the new ship's future area of trade.

This Newsletter is edited and compiled by Jan Svendsen and Jan Tiedemann. This pdf-file is available for download at "www.jantiedemann.de" and "www.containership-info.net.tc". Feel free to contact the editors by e-mail at jantiedemann@hotmail.com and jan.svendsen@gmx.net. We greatly appreciate your feedback and your input. More contact details can be obtained from the above websites. Please note the disclaimers displayed on the download pages. All information given in this newsletter is believed correct, but not guaranteed.

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