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**November 2007, 45<sup>th</sup> week**

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### **A First Glimpse of the New NYK Olympus**

A week after we brought you the first pictures of the new NYK Oceanus, your editors' Japanese helper has taken a trip to Kure to provide our readers with the very first pictures of the second ship of Nippon Yusen Kaisha's new O-class, a vessel named NYK Olympus. The images show the 9,100 TEU ship berthed at IHI's outfitting pier. Earlier this year, the Kure-based shipyard had been slightly re-branded and no longer refers to itself as Ishikawajima Harima, but simply as the IHI Corporation. The change became effective on July first. The shortened name is already widely recognized as an abbreviation of the company that was founded in 1853 as Ishikawajima Shipyard and subsequently changed its name to Ishikawajima Hirano Shipyard in 1876, when it became Japan's first privately operated shipyard. In the year 1960, the yard merged with Harima Shipbuilding & Engineering to establish Ishikawajima-Harima Heavy Industries. In the recent past, IHI's yard facility

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at Kure has specialised in large containerships and built vessels for NYK, K-Line, P&O Nedlloyd and Maersk Line.



**The new NYK Olympus at IHI Kure's outfitting pier, just after her deckhouse was lifted into position.  
photo: Y.M.**

### **Samsung Delivers 9,600 TEU MSC Candice**

With one large-scale vessel delivery after another, the Mediterranean Shipping Company continues its massive fleet expansion programme. The Swiss shipping line has now taken delivery of the third unit of a quartet of 9,580 TEU ships ordered from Koje Island's Samsung Heavy. Named MSC Candice, the ship follows right on the heels of her earlier sisters Sindy and Pina. The quartet will be completed in December, when Samsung hands over MSC Asya. Despite the fact that Samsung already delivered a long row of very similar ships to MSC and CSCL, your editors have chosen to refer to these four units as a quartet, since we believe that, compared to the earlier vessels, a number of slight modifications have been incorporated into the carriers' design – increasing the ships capacity by a few TEU slots. MSC Candice is 335 metres long and 45.60 metres wide. The ship is powered by a 12-cylinder main engine that develops 68 MW. This is sufficient for a service speed of 25.5 knots. The Mediterranean Shipping

Company has deployed MSC Candice to the Lion Service – the company's third Far East to Europe sling to be upgraded to ships of 9,500 TEU and more. MSC Candice's first trip to Europe looks like a booster voyage that does not exactly stick to the ports of call of any particular MSC liner service. The vessel will arrive in northern Europe in Mid-December, when calls are scheduled at Hamburg, Bremerhaven and Antwerp. The ensuing eastbound voyage than falls into the pattern of the Lion Service.

## **Kwangyang Port Expansion**

Without a doubt, most of our readers will be familiar with the city of Busan in South Korea: It is one of the world's leading container ports and home of Hanjin Heavy Industries, one of the leading builders of container ships. Since the port of Busan can hardly be expanded in its present location, the South Koreans are busily building a second large port in the vicinity of the city: The so-called Busan New Port, focused mainly on container handling. Despite these massive expansion plans, another large port development is well underway at a place not far from Busan: In recent years, the port of Kwangyang, which is located just 160 kilometres from Pusan, has seen a massive investment in port infrastructure. Posco operates one of the world's largest steel plants in the port of Kwangyang, which offers extensive facilities for bulk handling, with many large berth only dedicated to ships feeding ore to the giant steel mill. Furthermore, a large container terminal has been built – fitted with state of the art equipment and ready to accommodate the largest boxships afloat. Kwangyang, its industrial estates and the neighbouring town of Yecheon, are spread along the sheltered coast of a natural harbour, with excellent deep water access for large vessels. Many of the rocky islands and islets have been levelled in to create huge areas of new land, claimed from the sea. The first container terminals at Kwangyang went into operation in 2002. They are operated by the Hong Kong-based Hutchison Port Holdings Group and marketed under the banner of Korea International Terminal, or KIT. A number of shipping lines, like Hanjin and Hyundai Merchant Marine, joined the terminal project as minority shareholders. The first phase of the KIT features three berths on a 1000-meter-strech of quay

wall and is equipped with four super-post-panamax gantries. The first terminal module covers an area of 32 hectares. Late in 2003, KIT's second module became operational. It is slightly larger than the first construction phase and has space for four berths on a 1,300 meter quay wall. The 53-hectare extension was equipped with six gantries of the same type used in phase one. The terminal operators state that KIT now has an annual capacity of 2.8 million TEU. The size of the terminal should however allow for a much higher throughput, provided additional gantries will be installed. The clearance at KIT's berths is 17 metres – enough to allow full-draught-calls of the largest containerships afloat at the moment. Since the port of Kwangyang is determined to grow rapidly in terms of container throughput, port development did not stop with the first two phases of the KIT. A new facility, named Gwangyang International Container Terminal, is presently under construction. (As you can see, the operators of the terminal opted for the alternative spelling of the ports name which starts with the letter 'G'.) Operated by the South Korean Sebang Group, GICT's first terminal module has already been inaugurated: The three-berth facility is equipped with six super-post-panamax gantry cranes and has an annual capacity of 1.2 million TEU. The second construction phase of GICT will become operational before the end of this year. It will more than double the size of the facility and it will add 1,250 meters of container quay and a 52-hectare stacking yard. The first two modules of GICT have an annual capacity of 2.8 million TEU. A third phase, which is already under construction, will boost the terminal's capacity to four million TEU per year. Apart from KIT and GICT, further container terminals are presently under construction or in preparation: Land reclamation is underway for a terminal with an annual capacity of two million TEU and a berth length of 1,800 metres. Since this terminal will take up the last remaining space on the northern shores of the Kwangyang Bay, further port extensions are planned for the south-western banks: The so-called phase four development scheme foresees the construction of two large terminal facilities with a total of nine container ship berths. Phase four would add another 3.6 million TEU to Kwangyang's annual capacity. So far, there is no definitive schedule for the construction of these facilities, but some sources claim they could be operational as soon as in

2011. Altogether, Kwangyang would then offer no less than 33 large berths for container ships. In a few years' time the aggregate capacity of Pusan, Pusan New Port and Kwangyang might reach almost 100 container berths along the southern coastline of South Korea.

## **APL France on Her Maiden Voyage**

Last week, the largest container vessel in the APL fleet arrived in northern Europe for the first time: The 8,600 TEU APL France. Originally scheduled to come on stream as MOL Constellation, the ship was long-term chartered by MOL's New-World-Alliance-member, the Singaporean American President Lines. The charter deal obviously materialised at very short notice, since the ship was delivered in full Mitsui house colours, with only the APL funnel, APL's signature writing on the hull and the well-known white eagle at the bow painted on before handing the ship over to its operators.



**An APL ship in MOL's house colours: The new APL France  
in the port of Southampton  
photo: Andrew McAlpine**

APL quickly deployed the vessel to its CEX service, where it will perform two round trips. The vessel will then be transferred to another Far East – Europe loop of the New World Alliance. The

316-metre APL France was built at Mitsubishi's Nagasaki works. The vessel has a beam of 18 rows of containers or 45.50 metres. It is powered by an 11-cylinder Sulzer diesel. The engine which is rated at 62 MW gives the vessel a top speed of 24 knots.

## **Hanover Express Christened at Hamburg**

Earlier today, Hapag-Lloyd's latest fleet addition, an 8,750-TEU container ship, was christened at Hamburg. Gabriele Frenzel, wife of TUI Chairman Michael Frenzel, acted as the vessel's godmother and named the new carrier Hanover Express. The Samsung-built ship had arrived at Hamburg's Container Terminal Altenwerder for the first time early on Saturday morning. Hapag-Lloyd holds a stake of about one quarter of the four-berth facility that exclusively serves ships of the Grand Alliance and its partner the New World Alliance.



**Hanover Express at Hamburg's CT Altenwerder.  
photo: Boris Paulien**

Hanover Express trades in the Grande Alliance's EU-3 sling with calls at Ningbo, Shanghai, Xiamen, Shekou, Hong Kong, Singapore, Southampton, Hamburg and Rotterdam. Hanover Express is the second new vessel to premiere in the EU-3 within just seven days: Only last week, the 9,100 TEU carrier NYK

Oceanus gave its European debut in this service. Hanover Express is yet another Hyundai-built sister ship of Hapag-Lloyds' successful Colombo Express class. The Hamburg-based shipping line recently expressed its satisfaction with this type of vessel and claimed to plan to stick to ships of this size class.

### **APL Norway's First Voyage**

Another new container ship that premiered in northern European waters last week was the 6,350 TEU APL Norway. This Kojo-built vessel is employed in APL's SCX service and links southern China with northern Europe. On its first roundtrip, the ship performed calls at Zeebrügge, Hamburg, and Rotterdam. APL Norway is the first ship of its type, but is indeed very similar to MOL's Kojo-built P-class units like for example MOL Pace.



**On a grey Thursday morning in November, the new APL Norway arrives at Hamburg for the first time.**

**Photo: Jan Tiedemann**

### **CMA CGM Subsidiary Goes Public**

Global Ship Lease, a subsidiary of the Marseille-based container shipping giant CMA CGM, has filed for an initial public offering on the New York stock market. The venture plans to issue

almost 19 million common shares, offered at a price range of USD 19 to USD 21 apiece. The company plans to use the proceeds from its IPO – possibly in the region of USD 380 million – to acquire its initial fleet of container ships. Global Ship Lease plans to charter the vessels out under long-term, fixed-rate contracts. It is widely believed that Global will not place orders for any new tonnage, but instead buy second hand ships from its parent company CMA CGM. Most likely, the French Line intends to sell a part of its fleet to Global Ship Lease and charter the vessels back.

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



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## **HHLA IPO Yields EUR 1.17 Billion**

Strong demand has prompted Hamburg's state-owned port operator Hamburger Hafen und Logistik AG to set the issue price for its initial public offering at EUR 53 per share. This price tag thus marks the upper end of HHLA's announced indicative range of EUR 43 to EUR 53. A total of about 22 million shares were issued on Thursday. The sale of these shares only represents a sale of 30 percent of HHLA, since the senate of the city of Hamburg decided that 70 percent of HHLA should remain publicly-owned for the time being. HHLA and the city officials plan to invest at least EUR 900 million of the IPO proceeds in expanding Hamburg's port infrastructure. Most of this money will be used to create additional container handling capacities. HHLA's IPO was widely recognised as a success and shares traded at EUR 62 on Friday. HHLA's capacity expansion however does not represent the only investment into the port of Hamburg: Until 2015, the city plans to spend a total of EUR 2.9 billion for improvements of the port infrastructure.

The Weekly Containershipping-Newsletter  
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For assistance with the present issue, the editors gratefully acknowledge the contribution of Bert Vernimmen, Helge Barth and Klaus Masuch.