

Dry men splash into wet market

Greek shipowners have long shown a reluctance to put all their eggs in one basket and operating a diversified fleet for many has been the norm.

However, for operators well established in one sector, to build a fleet and become an important player in another is not the norm; or hasn't been in the past.

Recognised for his astute moves in the s&p market, Diamantis Diamantidis spent 20 years building up the Marmaras Navigation fleet of mainly handysize and panamax bulk carriers to around 40 vessels of 2m dwt, many of them aged to become Greece's largest operator of drybulk ships.

Then came a change of heart. An interest was developed in newbuildings and, more notably, in wet ships.

A massive clear-out got underway as Mr Diamantidis took advantage of "the woe of the shipbuilders of South Korea convinced the price of new ships was competitive with those being demanded in the s&p ring". Since \$800m has been invested in fleet renewal some \$700m in the shipbuilding yards of Korea and over \$100m on second hand ships.

Building a tanker fleet was the original intent, but bulkers up to cape size were ultimately ordered at an investment of \$370m.

In the summer of 2000, tankers were bought with \$35m going on three 1980s aframax tankers. Last month a determined Mr Diamantidis beat off some 10 bidders to land the 1993-built single-skin 106,000dwt Gran Esperanza paying a firm \$16.5m despite the tanker's potentially limited trading life.

At the beginning of 2003 four 113,000 dwt tankers were booked in Hyundai-Samho, South Korea. Last month, three ice-class 165,000 dwt units were contracted at the same yard at a reported \$48m each. The ships deliver from next year through to 2006 and it is yet to be decided if they will join the four aframaxes which are being commercially managed by Jahre-Wallem.

On the other hand, Mr Stamatis and son Victor Restis have established a tanker subsidiary to operate tankers that will be commissioned in a newbuilding programme now standing at \$500m.

Under five projects in South Korea, the Restis tanker operation, Golden Energy Management will within two years have 12 tanker newbuildings of 950,000 dwt under its wing.

The recent commissioning of two 70,000 dwt product tankers from Hyundai HI, set in motion a stream of double-hull ships involving three 70,000-tonners, three 74,000-tonners, four 51,000 dwt product tankers and two 159,000 dwt crude carriers, building at Hyundai and STX Shipbuilding and set for delivery by summer of 2005. Group md Costas Koutsoubelis said that from the beginning of 2004 ships will be coming at regular intervals.

Best known for its diversified non-wet 34-ship Enterprises Shipping & Trading operation, and 1999 purchase of South African Marine Corp for \$200m, Mr Koutsoubelis said the tanker market began to interest it two years ago, "when senior company executives decided the market would continue to develop".

Said Mr Koutsoubelis: "The investment in new tankers now stands at \$500m and we have a continuous interest in new investments."

Despite the enthusiasm for tankers, Mr Restis is building dry ships and has eight ultra handymax bulkers worth some \$160m on order in China.