

BOXSHIPS

German KG hits buying button

The move is likely a sign of more acquisitions to come for Ocean Partners Shipping as it sniffs better rates ahead.

Ian Lewis

Genoa

A German KG (limited partnership) house has homed in on the first of what is expected to be a clutch of containership acquisitions.

Ocean Partners Shipping (OPS) of Hamburg picked up the 1,118-teu *Fesco Anadyr* (built 2007) for \$14.38m.



OCEAN PARTNERS: Boss Hans-Jürgen Kaiser-Blum

Photo: Ocean Partners

It has immediately fixed the vessel out in anticipation of rising charter and vessel values.

Ocean Partners, headed by former Nordcapital managing director Hans-Jürgen Kaiser-Blum, believes a medium-term charter will enable the company to reap greater rewards later on. He expects rates to be back up at "comfortable" levels of around \$11,000 per day by the end of 2011 and start of 2012.

For the time being he has settled on a rate for the new acquisition, renamed *OPS Hamburg*, of \$4,600 per day for 18 months to French operator CMA CGM. The charterer has secured an option for another six months at \$7,000 per day. The ship has already begun its employment using a crew from manager Hamburg-based Uniteam Marine.

Hans-Jürgen Kaiser-Blum: The company is "still in negotiations with potential sellers".



FESCO: The company has cut spending dramatically to reduce debt. Pictured, rolling stock carrying Fesco containers

Photo: Fesco

OPS does not intend to stop at one vessel and is looking to acquire two others of 1,000 teu up to 3,500 teu, says Kaiser-Blum.

He adds that the company is "still in negotiations with potential sellers".

OPS was able to steal a march on the competition in the race for the *OPS Hamburg* because it already had cash for the purchase.

The company, which was set up by Hamburg-based investment

group Aquila Capital and includes Howe Robinson Financial Services as a major shareholder, obtained around \$30m from investors for vessel acquisitions.

That is half what was originally hoped for as the plans were scuppered by the financial crisis.

The money has been held in a blind fund until suitable acquisition candidates could be identified.

Kaiser-Blum says he intends to acquire other containerships for a second fund by the end of the year.

He adds that OPS is taking an "opportunistic" approach on the sale-and-purchase (S&P) front,

which implies it could be an asset player.

More recent sales have included those of the 1,118-teu sisterships *Fesco Aleut* (built 2006) and *Fesco Altay* (built 2007) sold for around \$13m each — 7% less than the latest deal. However, two-year-old sisterships were going for \$28.5m before the financial crisis set in.

OPS has steered away from locking ships on charter for several years. It previously told *TradeWinds* that hires would be limited to a maximum of three years because Howe Robinson, which will act as broker for Ocean Partners, believes spot-market fixtures generally provide better re-

turns than long-term traditional KG charters of 10 years or more. It also allows more flexibility to sell ships.

The deal continues the attempt by Far Eastern Shipping Co (Fesco) to sell ships in order to reduce debt.

According to a document leaked to the Russian press last week, the company cut spending by \$252m in 2009 by cancelling \$152m in planned spending on railway rolling stock and \$100m on boxships. So far this year, Fesco has sold six boxships of between 1,000 teu and 1,100 teu and ditched orders for three newbuildings at Poland's Szczecin Shipyard.