

Shipping. Italian companies beat the crisis by focusing on internationalisation

Shipowners becoming more and more global

Confitarma: «The new strategies are good» - d'Amico sells 10% to funds

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Increasingly stronger internationalisation is the strategy that has allowed the leading Italian shipowners to survive, and in certain cases grow, despite the global economic crisis (and in the shipping industry) that began in 2008 and still isn't over, particularly for a country like Italy.

"Concentrating on internationalisation", claims Manuel Grimaldi, chairman of Confitarma, "is important for shipowners to successfully overcome the key market challenges that are forcing us to adopt new strategies. Now more than ever Italian shipping has to remember its basic characteristic: the fact that it is a means of transport operating worldwide and, consequently, has to play by international rules, both regulatory and business". The Grimaldi Group, headed by the leader of the shipowners, is also a clear example of a desire to be present at international level, confirmed in the acquisitions of US-based ACL, the Greek Minoan, Finland-based Finnlines and the Maltese company Motorways of the Sea. Grimaldi tells us, "Since its foundation our group has always set its sights on internationalising its business, offering intercontinental services for rolling goods, container and passenger transportation. Acquiring foreign companies has undoubtedly helped expand our business to new markets".

Another example of the decision to operate on global market is embodied in the d'Amico Group. In the last few weeks, this group completed a 29 million euros transaction, disposing of 10% of shares in the listed company DIS (d'Amico International Shipping) - which transports refined oil products in product tankers - to international investors. And the next step will be to work closer and closer with the major US oil producers. In the last few days, in fact, the group's top managers met with the big US oil, gas and energy players in Houston. On the other hand, 90% of the company's business is already in other countries.

Explaining the spirit of these latest transactions is DIS CEO, Marco Fiori. After the Lehman Brothers crash, the manager reminds us, "the entire market dropped but the company managed to ferry its way beyond that situation, selling some of its ships at a good profit and signing long-term charters", to counteract the failing rate of charters in general. In addition, Fiori continues, "the group targeted the purchase of new ships, eco-ships that meant fuel savings, lower environmental impact and considerable economic savings".

In 2014, the group will be able to count upon eight new product tankers and three dry bulks. In the years following the IPO in 2007, "that led to our Stock Exchange listing", Fiori adds, "the company bought back a number of shares, also as a result of the 2012 share capital increase. So we decided to sell a first tranche, 5% of which went to the London-based fund Tufton Oceanic and roughly 2% to a dozen or so Italian and international funds. This brought us to a percentage control of 68-69% of the listed company. And at that point, it was decided to sell a further 10%. The transaction was finalised a few days ago and the buyers were US, UK and

Norwegian funds and French insurance companies. So, to sum up, the internationalisation is moving ahead, and not through just one financial transaction but planned over the long term, with the goal set by the owners (the d'Amico family, Ed.) of always retaining 51% of the company”.

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