



► **CENTRE STAGE:** (From left) Mudit Paliwal of Caravel Shipping; Thomas Soderberg of Tribini Capital; Michael Birley of Langton Shipping; and Tiger Group Investments chairman Graham Porter.

STEER CLEAR OF BOXSHIPS IN BAD NICK

Many secondhand boxships have been so poorly maintained that they are dangerous to buy, even if inspected carefully, said owners speaking in Hong Kong this week.

Newbuildings provide the better investment opportunities and a huge proportion of the existing fleet is headed for scrapping, believe owners Thomas Soderberg and Graham Porter.

Soderberg, of financial owner Tribini Capital, says he has con-

cluded from his vessel inspections that many sales candidates are "ticking time bombs", other than those owned directly by containership liner companies. That goes especially for ships coming from the fleets of distressed German tonnage providers, he believes.

"They have been so poorly maintained for such a long period that they represent a substantial risk," he told this week's Marine

Money conference in Hong Kong.

On the other hand, such vessels are unlikely to survive to their full life expectancy as buyers decline to take on the ships and spend millions on elaborate engine overhauls and steel replacements in drydock.

"That's positive in the long run," said Soderberg.

Porter, principal of Tiger Group and a director of containership lessor owner Seaspan, agrees.

"Almost all containerships built in the 1990s will soon go for scrap," said Porter. He likens buying vessels at a discount price to buying a box of strawberries at a discount, only to have to recalculate the real price after finding the rotten fruit at the bottom of the box.

The advice against secondhand acquisitions contrasts with that of bulker owners against investing in newbuildings (*see main story*).