

EASE FREIGHT'S NEWS YESTERDAYS NEWS WITH A TOUCH OF CONTEXT

Hamburg Süd Corporate Takeovers

1967 Takeover of Atlas Levante Linie (ALL) First forays into the Mediterranean and between the North America-Oceania

1986 Takeover of a 50% stake in the Spanish line Ybarra y Cia. Sudamerica S.A (in Dec. 2005 HS had 100% of shares).

1990 Acquisition of UK's Royal Mail Line, The Pacific Steam Navigation Company, The Swedish Laser Lines, Rotterdam Zuid-America Lijn (RZAL) and Havenlijn.

1998 - 1999 Acquisition of the Brazilian shipping company Aliança and South Seas Steamship. Acquisition of South Pacific Container Lines.

2000 Acquisition of the Inter-America Services of the American shipping company Crowley American Transport.

2003 Acquisition of the Ellerman services to the Mediterranean and to India/Pakistan and takeover of the Kien Hung liner services Asia – South America.

2007 Takeover of Costa Container Lines – ops to the Mediterranean, South America East and North Coast, Central America and the Caribbean

2015 Hamburg Süd takes over the liner services of Compañía Chilena de Navegación Interoceánica S.A. (CCNI). Liner operations continue under the CCNI brand.



Maersk acquired Hamburg-Süd

Hamburg Süd is a shipping line on the North-South ocean trade routes. Until this 2016 it was part of the Oetker Group, a family-owned German conglomerate.

The Oetker family is reported to be in negotiations to sell Hamburg Süd, and Maersk is said to be an interested buyer.

At this stage the Oetker Group, Hamburg Süd and Maersk Group have closed the business agreement, and all media reports have been attributing the increase in Maersk's shares value of 5% to the closing of the deal.

The Oetker family has brought forward its plans on selling Hamburg Süd and have said to believe they have found the best partner for their 80 year old maritime interest. CMA CGM and the Cosco Group are said to have been negotiating with Hamburg Süd as well.





Corporation Limited. At the time of acquisition, Safmarine Container Lines operated approximately 50 liner vessels and a fleet of about 80,000 containers complementing Maersk Line's existing network.

10 December 1999, the A.P. Møller Group acquired the international container business of SeaLand Service Inc. Maersk Line changed its name to Maersk Sealand. At the time of acquisition, Sealand operated 70 vessels, with almost 200,000 containers as well as terminals, offices and agencies around the world.

June 2001: Mærsk buys the Dutch Smit-Wijsmüller salvage company with more than 250 vessels (tugs, barges, offshore and other vessels). The Mærsk group now operates the world's largest fleet of salvage and offshore vessels.

September 2002: Mærsk takes over the shipping liner activities of the Danish shipping company Dampskibsselskabet TORM, which sails from the United States to the Gulf and from the Eastern seaboard of the United States to the west coast of Africa. Within the Mærsk group, the routes are now operated by Safmarine.

1 August 2005: A.P. Møller-Mærsk announces that the purchase of Royal P&O Nedlloyd N.V. has been completed. With a fleet of over 162 container vessels supporting 460,203 TEUs. The company will be merged with Mærsk-Sealand.

February 2006, the new company will be named Mærsk Line.

December 2016, On December 1, 2016 it was announced that A.P. Møller-Maersk Group A/S's shipping division Mærsk Line A/S had signed an agreement to take over Hamburg Süd.

Maersk Line executives have been saying for some time now, that they expect, and want to be part of further M&A activity in container shipping. So that Maersk has the approval of the agreement for buying Hamburg Süd, currently the world's 7th largest ocean carrier, before the first quarter of 2017 comes as no real surprise.

What we can really read and need to understand from this specific deal, is the marked trend for a consolidated industry, which is actually struggling with low rates and excess of supply, and in which the competitors will continue to disappear with time. Same goes for the terminal business since this not only benefits Maersk Line, but also APM terminals, which will most likely grow with this new addition of 130 vessels to the Maersk group.

Along with Zim, Hamburg Süd is the only major carrier outside an alliance grouping and, according to the Hamburg Morning Post, its owners were not interested in another merger deal after the attempt to merge with Hapag-Lloyd collapsed in late 2013.

Maersk will have a large market addition to its South America-Europe trades, where it competed with the two German carriers who have a cooperation agreement ending this 2016. Hapag-Lloyd and Hamburg Süd had announced a major remake to their northern Europe/West Coast of South America service early next year, we will need to see how that ends now since both Hamburg Süd and Aliança will keep their brands for now.

This will be the first total acquisition for Maersk since their 2005 P&O Nedlloyd acquisition. We will need to see what happens with the slot purchasing agreement with MSC, Maersk's partner in the 2M Alliance.

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