

CONTAINERSHIPS

Contships hits 50 acquisitions mark with Vega container ship



Expanding Greek player makes its first buy of the year

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By Harry Papachristou

Nikolas Pateras has clocked up 50 acquisitions for Contships Management, the container ship company he founded from scratch seven years ago.

The latest vessel to join the Greek owner's fleet is the 1,118-teu Vega Sachsen (built 2008), according to ship management sources.

Brokers reported it as sold earlier this month by Germany's Vega Reederei at an undisclosed price.

VesselsValue puts a \$24.4m charter-free price tag on the Chinese-built vessel.

The actual transaction price could include recognition of the vessel's existing time charter to Cosco, which runs until April 2023 at \$15,500 per day.

Frenetic sale-and-purchase activity in the sector slowed down considerably in recent weeks as charter rates stopped rising from already meteoric highs.

The Vega Sachsen deal, however, highlights the continuing confidence of some container ship players in the future strength of their market.

A deepening of the Covid crisis in China seems to support expectations that supply chain disruptions, which underpinned last year's container ship boom, will continue for quite some time.

“The ongoing disruption upside looks likely to worsen in the near term due to impacts from Chinese lockdowns on both onshore and offshore logistics, while export volumes are set to rise again when lockdowns are lifted,” brokers at Athens' WeberSeas wrote on 15 April.



Most container ship buying last year was undertaken by giant liner companies such as Mediterranean Shipping Co and CMA CGM.

Plucky smaller companies including Contships, however, have appeared as buyers as well, with German owners such as Vega being Pateras' favourite vessel supplier.

Hamburg-based Vega is known to be selling ships, most likely to boost its liquidity before delivery of a quartet of 1,868-teu newbuildings it ordered in May at China's Yangfan Group.

Including the Vega Sachsen, Vega has been the source of Contships' last four acquisitions, which TradeWinds reported about in December and May last year.

Successful wager

Some of Contships' buys have replaced vessels that it sold in asset plays — a game that Pateras is known to be adept at. He had sold all his ships before the market crashed in 2008 and started becoming active again after 2010.

His decision to set up Contships in 2015 reflected a bet that feeder ships would be increasingly used in intra-regional trades, as larger containerships would not be able to shift cargo in smaller ports.

The bet has since been vindicated, especially after the coronavirus crisis disrupted supply chains and sent containership charter rates soaring.

With the boom still underway, Contships boasts of having grown to become the world's largest independent owner of vessels with a capacity between 900 teu and 1,500 teu. The acquisition of the Vega Sachsen brings its fleet to 42 such vessels.

Another Greek company that moved below the radar to add small container ship tonnage recently is Cosmoship Management.

The Nick Savvas-led outfit has emerged as the new owner of the 2,546-teu Vivaldi (built 2010). This is most likely the ship that London-listed Tufton Oceanic Assets reported selling in February for \$18m.