Gulf calls

The world's largest buyer of ships is setting up a new business in Dubai but denies rumours that he has gone there to flee from US government pressure following the controversial sale of a passengership.

"I am disgusted by the allegations," Anil Sharma of cash buyer Global Marketing Systems (GMS) told TradeWinds via e-mail recently, referring to industry talk that he was on the run after his purchase of the 20,000-gt, 802-passenger Oceanic (ex- Independence, built 1950).

"That's not the kind of person I am, to run away just because there is a challenge," he said in a subsequent telephone interview from Dubai.

The US Environmental Protection Agency (EPA) objected earlier this year to the sale of the formerly Norwegian Cruise Line (NCL)-controlled vessel as an illegal export of hazardous waste. An investigation is underway. TradeWinds understands that the US Maritime Administration (MarAd) is also looking into the registry status of the cruiseship, which cannot depart the US flag without permission.

But Sharma says he will continue to call the US home despite his difficulties with the EPA. He says his presence in Dubai just now is a purely commercial matter.

"It is not a move, it is just an expansion. If I were on the run, the first thing I would do would be to close Global Shipping Ltd, the business that the EPA is interested in, or declare it bankrupt," he said. But no such plans are being considered, says Sharma, who insists that Cumberland, Maryland, will remain his corporate base.

Sharma is, however, recruiting staff for his Dubai office. He says Dubai will serve as a base to expand his business into the opportunistic acquisition of ships for resale or further trading rather than for scrapping.

He tells TradeWinds that his company's unique worldwide contacts with brokers and owners and its experience in acquiring and moving problematic assets have given him an opening to expand into the owning, sale and financing of middle-aged trading assets.

As an example, he mentions a multipurpose (MPP) tweendecker containership that GMS bought last year from a Japanese owner "as is, where is" in West Africa. The owner was looking to get rid of the vessel because of the difficulty in finding trading buyers. But GMS technical personnel got the ship in shape and found a Turkish buyer, who has since placed it on time charter. The ship, which Sharma owned under the name Vogue, is the 17,850-dwt Zeynep G (ex- Ocean Rouge, built 1985).

Sharma sees scope for more such business on a regular basis, involving mid-1980s and late 1990s-built vessels.

For that and other lines of business, Sharma says he plans to hire nine or 10 staff for his new Dubai branch, tentatively named GMS (UAE). One new hire has already moved in and office space has been leased.

Sharma says he would not have announced the new development quite so soon but was forced to do so recently after TradeWinds's enquiries about the rumours that GMS is on the run. At the time of the announcement, he says he was also hearing from his colleagues and younger brother Komal Sharma in India that the flight rumours were doing the rounds there.

"For the past two years, we have been looking at expansion into this region," said Anil Sharma.

He says he travelled to Dubai in July but has returned to the US in the interim.

He insists that the US branch will remain as his headquarters and said: "My office is still in Cumberland, Maryland. My house is there, my car is there, my phones are there." He also denies reports that he is moving his personal residence to Dubai.

Still, the US is not necessarily the natural place to expand a shipping business, Sharma suggests.

"Cumberland is not the easiest place to attract a working pool of staff," he said.