Sharma puts a shine on ship recycling

GMS president has helped clean up demolition sector

DEMOLITION records have been smashed this year, with the annual volume of tonnage sold for recycling breaking the previous record set in the mid-1980s. Well over 50m dwt has been committed for scrap, of which about 60% has been made up of dry bulk tonnage.

The significant fall in scrap rates over the last 12 months has not come as good news for shipowners looking to get rid of inefficient tonnage and alleviate oversupply, but for cash buyers the increase in ships being marketed for demolition has created more opportunity. Margins might not be huge at the moment but business is definitely booming.

For the third year running, GMS president and chief executive Anil Sharma features in our Top 100 list as his influence in the recycling market — but increasingly the wider shipping industry — becomes stronger.

Considering that hundreds of shipowners have stepped up the number of ships scrapped in the last four years, and that GMS has been in business for 20 years, there are not many people that Dr Sharma does not know. Of particular note is his relationship with the Greek market; the GMS party at Posidonia in June where some of the biggest names in the industry gathered is a case in point.

But while Dr Sharma used to be the main point at the end of the phone line for clients, the Indian born former lecturer has expanded his business rapidly over the last four years and it now has a presence all over the world. As well as its main offices in the US, Dubai and China, GMS also has representatives in India, Bangladesh, Pakistan, Romania and Turkey. Since starting up in 1992, GMS has negotiated over 2,000 ships and it claims to have delivered a record 15m dwt across two years. Its statistics also claim it scraps one of three ships being delivered for demolition in India and one in two in Bangladesh.

To put that into perspective, towards the end of November, shipbroker Clarksons had reported over 430 ships sold to India for demolition and 190 to Bangladesh in 2012.

Beyond the numbers though, GMS and Dr Sharma has generated a more corporate face to ship recycling. Having started the industry’s only dedicated weekly recycling report, GMS has partnered up with German classification society Germanischer Lloyd to provide green options and changed this once-dirty sector’s image. In turn, a handful of other large cash buyers have revamped their websites and have started appearing more often at conferences and events.

On its website, GMS and Dr Sharma have testimonials from many happy customers, including South Korea’s Hanjin Shipping, Norway’s BW Gas and Greece’s Dynacom Tankers Management.

No doubt 2013 will be another busy year for GMS, with Dr Sharma sure to expand the business and its influence further.

Saadé pulls CMA CGM back on track

Founder of French box giant still leads from the front

JACQUES Saadé has been written off on many occasions. And every time, he has confounded his critics and bounced right back.

The head of the world’s third-largest containership operator continues to drive the business forward, ending the year on a strong note with a near-record set of third-quarter results, taking delivery of the world’s largest containership, and bringing CMA CGM close to a final settlement with its creditors on a debt restructuring plan.

The arrival of the first boxship with a declared capacity of 16,000 teu will ensure CMA CGM’s place in the history books, even though CMA CGM Marco Polo will remain the biggest on the high seas only until the arrival of Maersk’s first 18,000 teu ship in late 2013.

But with two more ships of this capacity in the pipeline and CMA CGM expected to round off 2012 very comfortably in the black after breaking even in 2011, there is no doubt...