

# ACL to order five ro-ro ships in weeks

ATLANTIC Container Line expects to sign a contract for five giant multipurpose ro-ro ships in May, having held talks with shipyards for many months and making no secret of its plan to take full advantage of softening prices, writes Janet Porter.

Chief executive Andrew Abbott said the company has benefited from falling prices, but negotiations are finally coming to a conclusion, with a firm order likely to be placed within weeks.

Given the steady decline in prices, the transatlantic specialist has not felt in any rush to order. Shipyards have been forced to lower their sights as enquiries dwindle, with the few owners in a position to order able to secure some bargain deals.

That is illustrated by Taiwanese container line Evergreen, thought to be close to ordering a series of 14,000 teu containerships at just \$115m each, compared with more than \$160m that owners were paying for similar ships four years ago. Clarksons put prices at around \$128m in late 2011.

The **Grimaldi** subsidiary has received several offers of financing, but also has plenty of its own money to put towards the newbuildings.

The ships will have a revolutionary design, with capacity for containers,

cars and ro-ro cargo, adjustable decks and many other innovations that include better fuel efficiency than their predecessors.

Although the ships will be built in Asia, Mr Abbott has said in the past that he wants European manufacturers to supply much of the equipment to facilitate subsequent repairs and maintenance.

The five ships that ACL plans to order will replace its fleet of G3 vessels built in 1984 and 1985 – *Atlantic Cartier*, *Atlantic Companion*, *Atlantic Compass*, *Atlantic Concert* and *Atlantic Conveyor*. The multipurpose ro-ros were renovated in 2004 and, despite their age, have never broken down, according to Mr Abbott.

Once the new ships are delivered, the G3 vessels will be sold to the military or scrapped. However, ACL will not allow a potential competitor to buy them.

All five G3 ships are flagged in Sweden, but ACL is considering other registers, including the UK, for the newbuildings. Although its vessels will only be deployed on the Atlantic, ACL now has a global network of customers, transshipping cargo in Europe onto either **Grimaldi** vessels, or those of other lines. ■

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