
Lloyd's List

100 2012 Most influential people in the shipping industry

N 36. Emanuele and Gianluca Grimaldi, Grimaldi Lines

Grimaldis shrug off grim makets

EMANUELE and Gianluca Grimaldi have some sound advice for staff: be prepared to live with perpetual crisis and learn how to be profitable even in bad times.

The message has clearly struck a chord, since the Grimaldi Group has never posted a quarterly loss on a consolidated basis.

The Grimaldi brothers who run the family-owned shipping company are immensely proud of that achievement, one that is even more impressive given that many of the group's customers are based in southern Europe or North Africa, areas that have been rocked by currency crises, recession, pro-democracy uprisings and war.

Even so, 2012 is on track to be a strong year for the Italian ro-ro specialist, with turnover up 10% and earnings before interest, tax, depreciation and amortisation expected to be almost 20% higher than in 2011 at €500m (\$646.3m).

That would bring Grimaldi back to 2007 levels before the collapse of Lehman Brothers sent the global economy into a tailspin. In 2008, the Italian group's revenue sank by €400m to below €2bn, but turnover has recovered steadily over the past three years to reach €2.8bn in 2012.

None of this can be attributed to luck, though.

"It has taken a tremendous amount of hard work," says Emanuele Grimaldi, who likens the past few years to the children's game where you kill off one monster, only to be confronted by an even bigger one.

But prudence and old-fashioned values learned from their father, the late Guido Grimaldi, have contributed to the group's ability to stay in the black when so many other shipowners are floundering.

The family has ploughed more than \$1bn of profits back into the business and Emanuele and Gianluca, along with their two sisters, each invested €100m of their own money into the group in 2009, giving it a strong equity base.

A €300m bank credit line remains unused.

Although organic growth is preferred where possible, Grimaldi has made a number of acquisitions over the years including Finnlines, Atlantic Container Line and Minoan Lines. It is now focusing on ship investments.

ACL recently placed an order for five multipurpose ro-ro/container ships for delivery in 2015. These will replace ACL's existing quintet and will be the largest vessels of their kind.

The group has also just extended another ro-ro ship order from three to five units, and enlarged their size to post-panamax and completed the purchase of six new ro-ro units from Pacific Basin. All the new arrivals will replace older tonnage, with the modern ships more fuel efficient and so cheaper to run.

With a network that spans the Mediterranean, Baltic, North and South America and West Africa, ships can quickly switch from one trade to another, depending on market conditions.

That flexibility, together with a refusal to be drawn into reckless bank-financed projects, has helped the group emerge from one of the most difficult periods shipping has ever experienced in remarkably good shape.