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# MARE FORUM

## THE VALUE OF POOLS & GOOD FRIENDS IN TOUGH TIMES

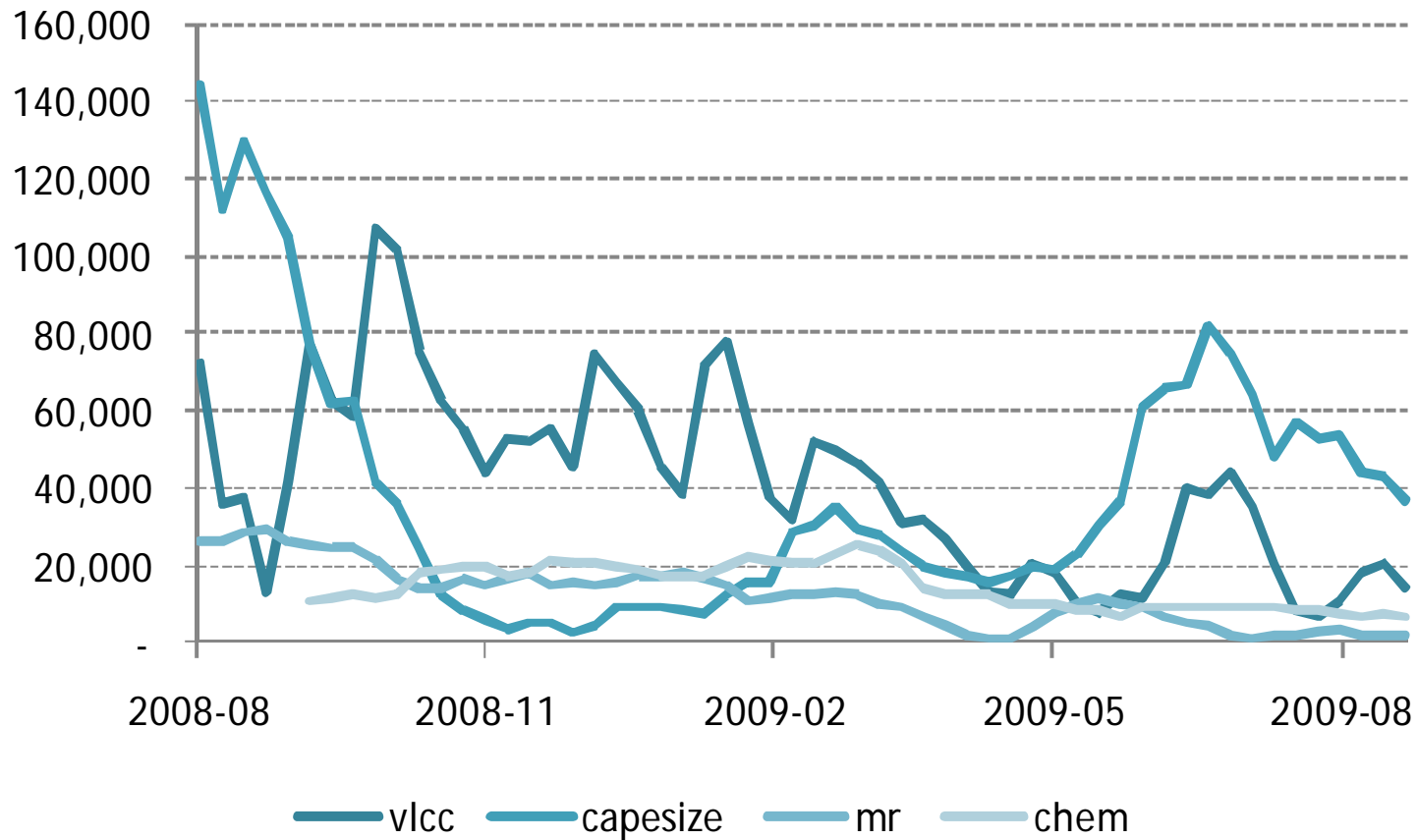
presentation of

**Phrixos B Papachristidis**  
CEO, HelleSpont Group

Amsterdam  
2009-10-28

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# TOUGH TIMES



Source: Clarksons, ACM, Poten & Partners, SSY



**HELLESPONT**  
*Mariners with a Mission*



**SEATRAMP**  
INTERMEDIATE TANKER POOL

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**..... BUT FRIENDS?**



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## STRUCTURE OF SHIPPING MARKET

- **industry has been fragmented**
  - **owners passively accepted market rates and conditions**
  - **were unable to respond to need for better, more innovative services**
  - **and unable to guarantee quality and efficiency**
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## WHAT IS A POOL?

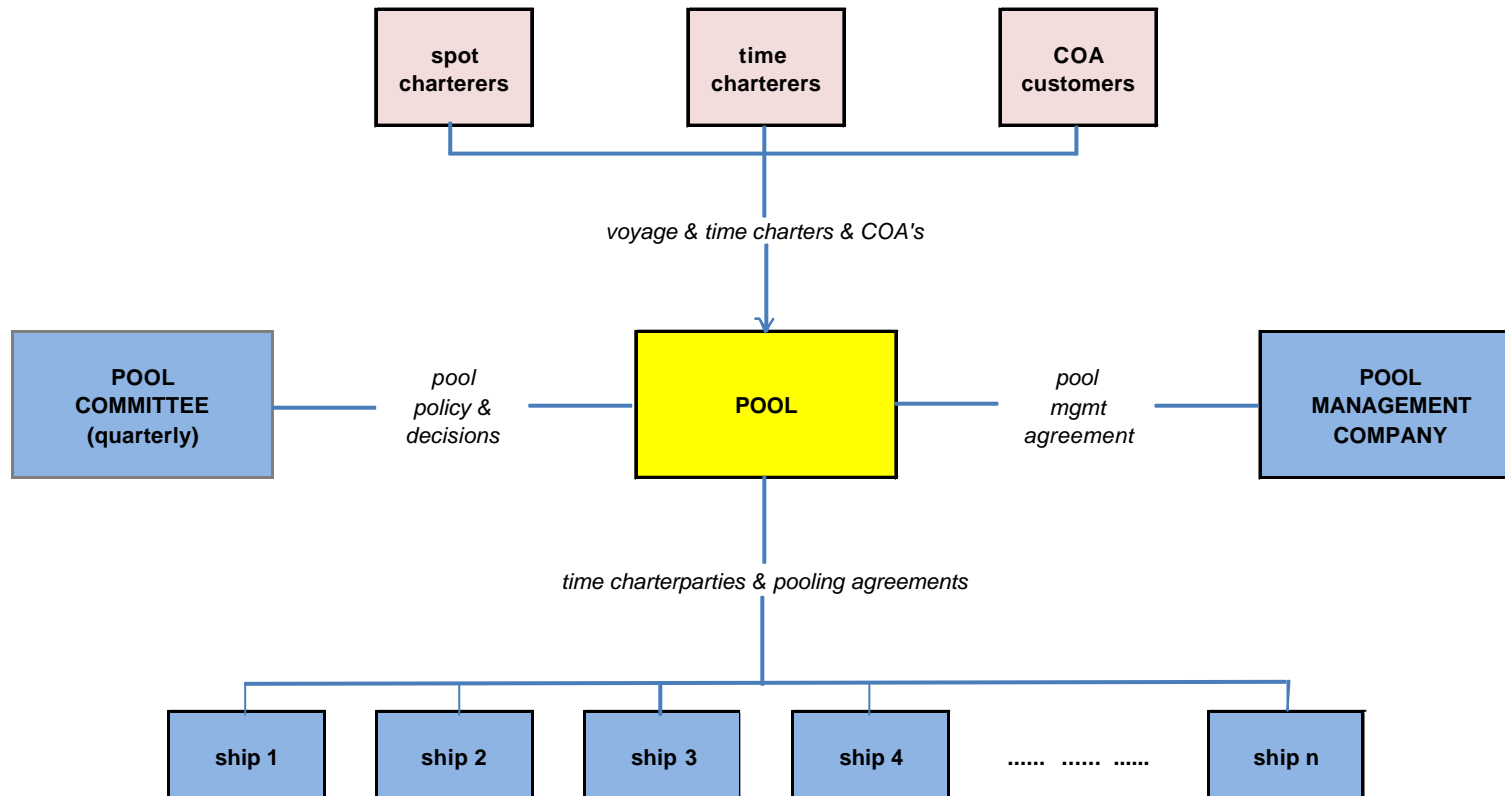
- **vessels of same size & type in single commercial unit**
  - **chartering under a single banner**
  - **enhancing market presence**
  - **exploiting efficiencies**
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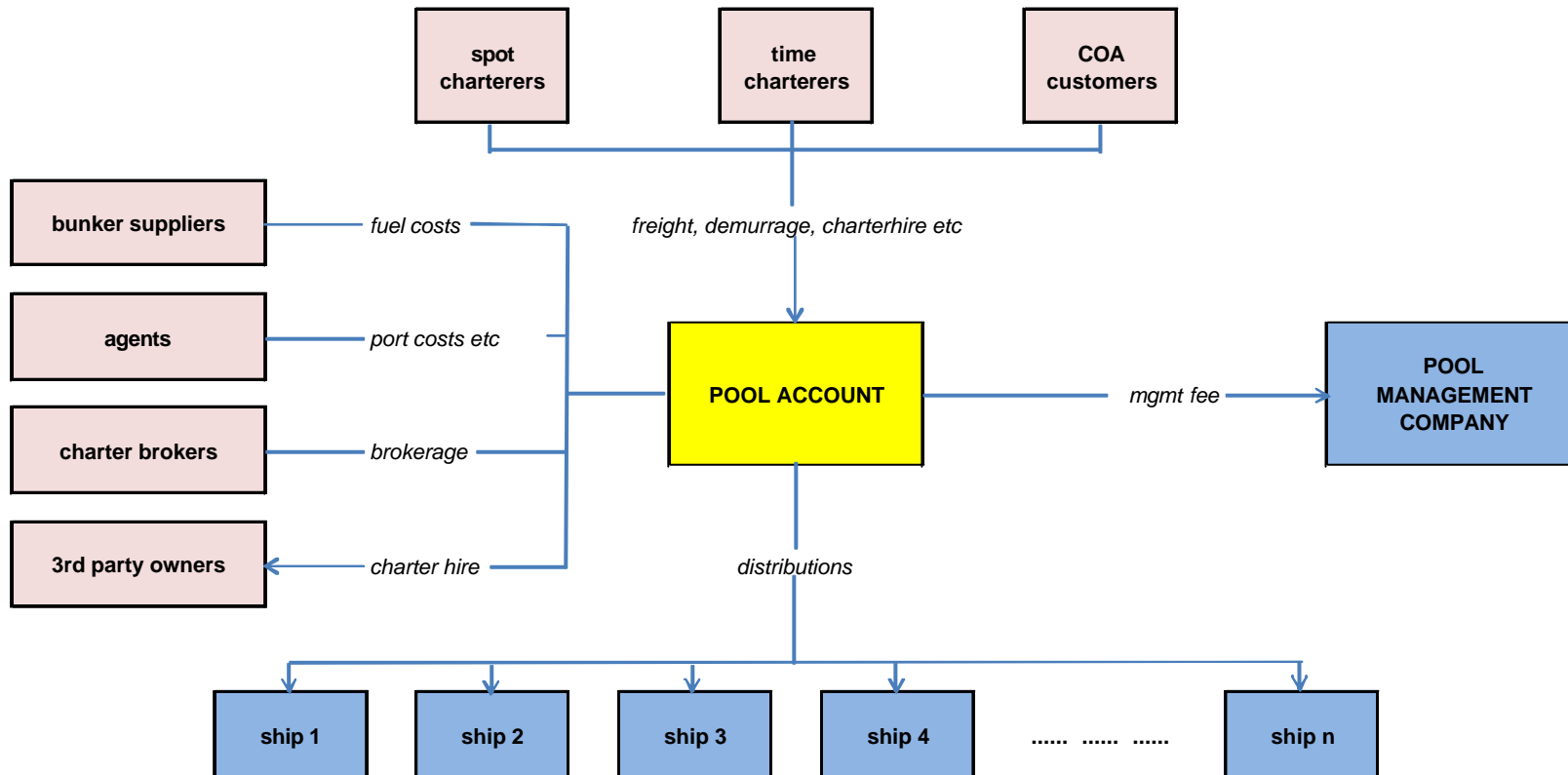
## HOW DOES A POOL WORK?

- **commercial management by pool manager**
  - **all revenues paid into a single account**
  - **voyage costs, commissions and fees paid from the pool account**
  - **net TCE earnings distributed according to agreed pool points**
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# POOL STRUCTURE



# POOL MONEY FLOWS





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## ADVANTAGES TO OWNERS

- **visibility, customer & broker following**
  - **spreading of risk**
  - **efficiency**
  - **contracts of affreightment**
  - **enhanced bargaining position**
  - **enhanced earnings**
  - **cash flow stability**
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## ADVANTAGES TO BANKERS

- **spreading of charter risk & maturities**
  - **effective cross collateralization between pooled vessels**
  - **enhanced security**
  - **enhanced earnings**
  - **cash-flow stability**
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## ADVANTAGES TO END USERS

- **more reliable, financially-robust operators**
  - **larger fleets able to undertake commitments**
  - **operators capable of offering flexibility**
  - **higher level of professionalism**
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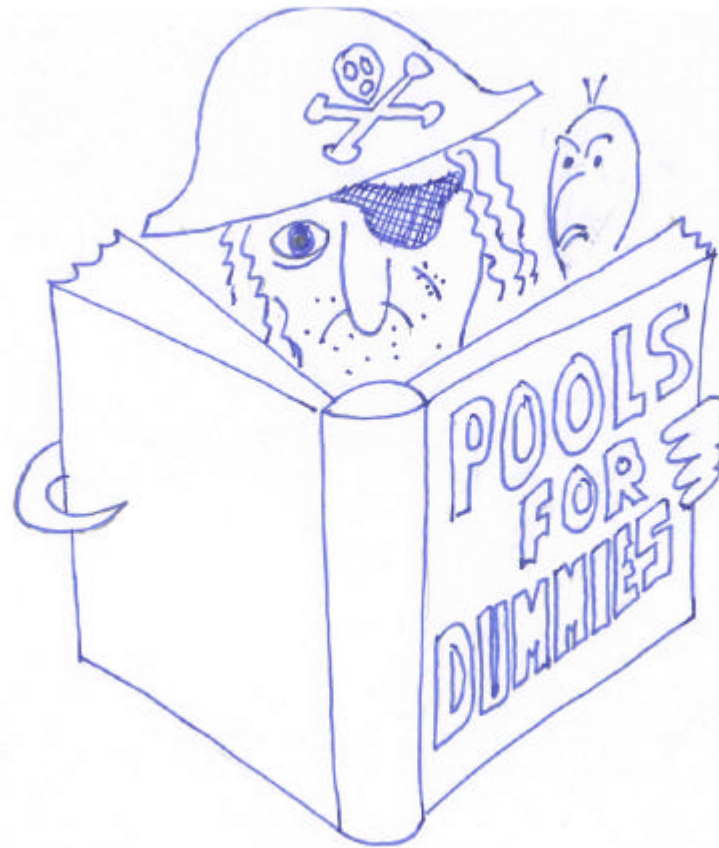
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# OBLIGATIONS OF POOL MGRS



POOLS  
FOR  
DUMMIES

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## OBLIGATIONS TO OWNERS

- energetic marketing
  - creative transportation solutions
  - responsiveness to customer requirements
  - efficiency of fleet utilization
  - independence and professionalism
  - transparency
  - prompt payment to suppliers
  - prompt distributions to owners
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## OBLIGATIONS TO THE COMMUNITY

- **transportation efficiency**
  - **transportation economy**
  - **reliability of service**
  - **commitment to safety & quality**
  - **respect of the environment**
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## A NEW AWAKENING

- **forging alliances to enhance returns**
  - **not through ad hoc opportunistic behavior**
  - **but through sound, industrial-type services**
  - **adding value through thoughtful**
    - marketing
    - fleet planning & management
  - **enabling owners to**
    - take charge of their responsibilities
    - and guarantee a quality service
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## .. AND AWARENESS OF OUR RESPONSIBILITIES

- **shipping is key to trade, industry and economic development**
  - **it is the lifeblood of industrial activity**
  - **it is the bridge to better living standards**
  - **it is vital to world peace and harmony**
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Ship-owners rising to the  
**challenge**

... providing the world  
better transportation

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