

The Business History of 23 Greek-Owned Shipping Companies: Evaluated by Management

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Abstract

We presented the business history, since 1850, of 23 Greek-owned multi-member family shipping companies, having no less than 6 sons, and coming mainly from a Greek island. Generation after generation, and up to six ones, Greek shipowners fought—but defeated—by a *premature death* as well by a *depression*, although they have built-up a successful shipping tradition. We saw shipping companies to establish up to 10 additional ones, and some to act as shipowners' schools and almost all to open offices in NY, Piraeus and London, indicating their destiny to become global *cross-traders* one day. We also saw the frequent split-ups by—almost all companies—and the courage of some to buy-over a shipyard, as well to play the “Game of Assets”. Luck, no doubt, one may say, favored Greek shipowners by providing to them 107 Liberty type of ships, in 1947: but this was just a serious opportunity, given that the 23 shipping companies presented, owned by more than 35 m dwt by 2000s. Taking-into account that, indeed, Greek shipowners were unhelped by Sciences, and thus had to use rules of thumb, we proposed to them a “statistical tool/the Regression Method” to *analyze* and *forecast* ships' prices.

Keywords

23 Business Histories of Greek-Owned Shipping Companies, The Explanations Given by Management, The 107 USA Liberty Ships “Lent-Leased” to Greeks in 1947, The Split-Up Syndrome, The Corporate Growth Strategies Applied, The Game of Assets

1. Introduction

The business histories of the enterprises are always interesting, but they cannot be found in abundance, because we believe, these have to be written by their entrepreneurs, who have created them. These entrepreneurs, however, they have never the time to do it. Nevertheless, people in the street—as well in the research like us—are always curious to learn—in as much detail as possible—how a company made its fortune, *especially a shipping one*, where great fortunes were made and lost from one day to the next.

These 23 shipping companies fought mainly against a premature death, and/or, a sudden, long, depression: fights where their owners—unhelped by all Sciences—*defeated*. Easier fights, however, also were given, which the shipowners won, like against: 1) frequent recessions, 2) unexpected local wars, 3) serious marine accidents, 4) prolongation of the distances used to be covered due to a main Canal closure, like that of the Suez, 5) regulations that cropped-up from time to time to protect the sea environment, and the climate, 6) the need to increase the security of ships and ports after the 11th of September, and 7) the ongoing search to discover a new fuel more friendly to the sea environment—as well others. Despite the above fights, many shipowners, even if they were defeated in certain of them, *they did not lose the war*.

The war by shipping industry is won if shipowners understand the basic business of shipping, which are simple and straightforward: when one—in time—*buys/builds* ships larger and cheaper than hitherto, and thereafter *sells* his/her smaller and older ships. This is so, unless one is able to forecast the shipping cycle, *which never anyone did*, so far, due mainly to the “free will” of the entrepreneurs.

The history of shipping businesses is made legendary so far by such heroes—personas—like Odysseus—since ancient times—and made also unbelievable, and perhaps also “viral”, by the lives of such international personas like Onassis—during the most recent times. Onassis, though failed as a father, and Niarchos, who failed as a husband, left 2 remarkable “benevolent” foundations. This way, their fortunes obtained an eternal life, longer than that of their owners. Many Greek shipowners—revenged their death...by founding benevolent foundations. Greeks—starting with ancient Achilles—were, and are, fond of a fame after death...

2. Aim, Structure & Contribution of This Work

This work made possible by exploring a number of books, which mentioned the history of certain of the Greek-owned shipping companies: Stokes (1997), Couper (1999), Theotokas & Harlaftis (2007), Stopford (2009) and Lorange (2009). Nowadays, the various authors, and the Press, as well industry’s magazines, are more inclined to write about the actions of the shipping companies, especially those listed. The epoch of the *absolute secrecy*—about the activity of the shipping enterprises—for the fear of the antagonists—is rather gone, but some ground has still to be covered.

Our aim was to present, as *briefly as possible*, the business history of a rather small *number* of Greek-owned shipping family companies every time, say rather between 20 and 30. In order to be brief, we ignored the whereabouts of the shipping companies during the Steam period, and also those companies, which did not deal with “ocean-going ships”.

This work is cast in 3 parts and 5 appendices, after the literature review: Part I, dealt with a brief historical account of the first 12 Greek-owned shipping family companies; Part II, dealt with a brief historical account of additional 11 Greek-owned shipping family companies; and Part III, dealt with Management’s Strategies. Appendix 1, dealt with the Vertical Integration strategy; appendix 2, dealt with the corporate growth strategies; appendix 3, dealt with the Liberty ships “lent-leased” to Greek shipowners in 1947 by USA government; appendix 4, dealt with the “Game of Assets” played by shipping companies and appendix 5, dealt with the “double-hulled” tankers. Finally, we concluded.

The contribution of this work, we believe, apart from being novel, is its preoccupation with the business strategies of a number of Greek-owned family shipping companies, since 1850, also recognizing the superiority of this country in creating a disproportional to its population number of “international shipping enterprises”. Worth noting is the fact that, company after company, the *same strategies* followed, *except the one to build ships*.

3. Literature Review

The following, listed, Greek-owned, shipping companies, are good examples, we believe, to understand the philosophy of those buying-over other listed companies, by showing a 3-yearly patience to do that (Lorange, 2009: pp. 250-251). Namely, GM, in 2004, acquired¹ the “Metrostar” Co, made-up by Aframax & Suezmaxes, and thereafter the “Soponata” Co. At the same time, the company re-financed its debt by issuing a \$450 m special dividend, and bought-back a significant volume of company’s outstanding stock. “Genco” made also a large fleet acquisition and increased its dividend, focusing on shareholders’ return.

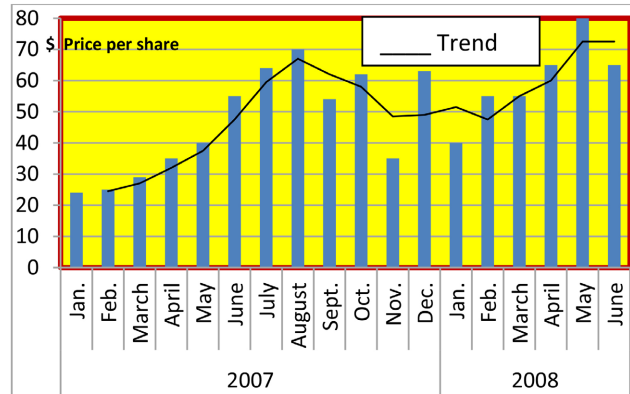
GM—owning large crude oil tankers—listed in 2001 in NYSE, and capitalized at \$870 m. In 2005-2006, GM sold about 30 tankers, (*though 2008 was the more perfect year for Suezmaxes etc. to be sold*). Moreover, the high shipbuilding prices, and the over-ordering of the shipowners at that time, prevented GM from orders. The “Genco”, owning dry bulk carriers, capitalized at \$2 b, listed in 2005. The “Aegean Marine Petroleum Network”, which owned “bunker-supplying” tankers, capitalized at \$1.8 b, listed in 2006.

Plotting the share prices of “Genco”, between 2007 and 2008, we came to one or two interesting conclusions.

As shown in **Figure 1**, the share prices of “Genco” varied, starting from \$24

¹In 2004, the market (earnings per day) e.g. of ULCCs, was about 2.7 times lower than in 2005, but even better year for buying shares (rock bottom freight rates) was 2002.

(Jan. 2007), going up to \$56, and \$74, falling down to \$30 (end 2007), and going up to \$80 (mid-2008). When a share price is low, *invites buyers*. This is one of the reasons that Greek shipowners do not have their companies listed (Goulielmos, 2021a).



Source: data from (Lorange 2009: p. 189).

Figure 1. The \$ share prices of the Greek-owned shipping company “Genco”, owning bulk-carriers, in 2007-2008 (six months).

As Lord Keynes (1936) meant, when an enterprise decides to invest, say \$100 m, his/her owner looks-up at the Stock exchanges, and if he/she finds a *similar* investment, (meaning to be close to the type, size, age, condition and number of ships in case of a shipowner), at a cost say of \$60 m, he/she will prefer to buy shares.

Couper (1999: pp. 62-63) described the early growth of the Greek shipping by saying that many² Greek shipowners were prior captains, and at those early days, they were also “owners-of-only-1-ship”. They, then, sailed in command till sufficient capital, trade, and credit were built-up, and subsequently they came ashore, and developed their companies. These, small, companies were run then by one man, who also was their manager.

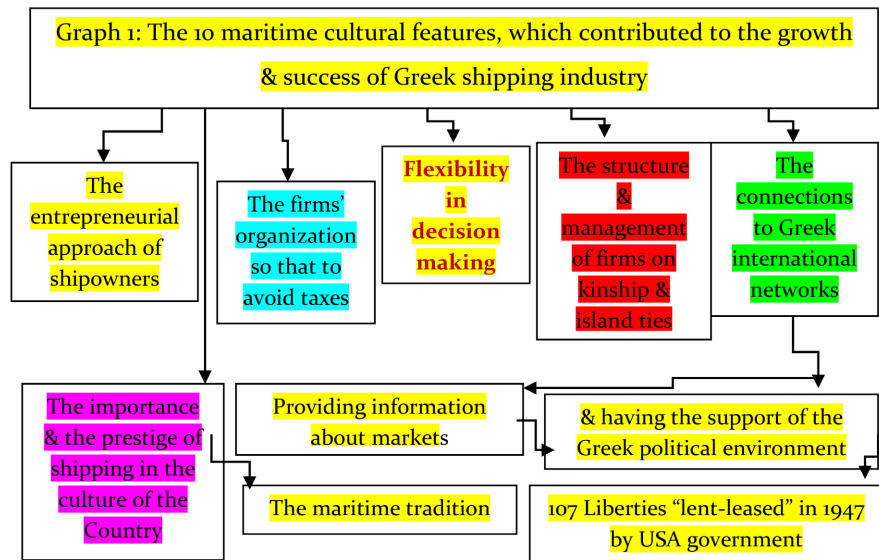
Couper noticed also the *intermarriages* between shipping families. He also paid attention to the fact that the early owners, and captains, came from the Aegean and Ionian Islands, where these communities contributed cash as shareholders, and supplied seafarers in a system of mutual dependence.

He then mentioned the Greek maritime cultural features, which contributed to the *growth* and *success* of the Greek shipping industry as follows (Graph 1).

The Greek-flagged vessels pay, adjustable p.a., taxes, based on their size (tonnage) determined by their age, since 1975. Worth noting is that taxation imposed on shipping industry by Government’s decision. The prestige, however, derived from the size of the shipping industry—under the flag—was considered more *preferable* than a higher tax revenue—estimated by the author to be then about

²Research found this to be 1/3 of the total number of shipowners.

\$20 m p.a. The above, declared publicly, by the then Prime Minister, the late Constantine Karamanlis³. One must take into account the fact that “free” Registries operate like international... hotels, *marked by a number of stars*. This means that customers, (the ships), are attracted-by, and stay longer there, where the hotel services, (i.e. “flag services”), are better, and offered at reasonable and *efficient* and *effective* prices.



Source: Data from Couper (1999).

Graph 1. The 10 maritime cultural features, which contributed to the growth & success of Greek shipping industry.

4. Part I: A Brief Historical Account of 12 Greek-Owned Shipping Family Companies

1) This company established in about 1945, (from Peloponnesus), by a Captain, who bought an over-aged, small, ship. In the 1950s, he dealt with liquid cargoes, obtaining 1 tanker. He started as a merchant *and* as a shipowner, *according to the old style*. In the 1960s, he followed a “vertical integration” strategy (Appendix 1) by establishing a refinery in Greece and one in S Arabia (1970). In 1970-2000, he managed a fleet of 3.8 m dwt, including ULCCs (Ultra Large Crude Carriers) (a rapid growth strategy—Appendix 2). The 2nd generation, consisting of 2 sons and 2 daughters, joined. A serious shipbuilding program also undertaken, concerning 7 product tankers and 2 LPGs.

2) This, island, company, appeared in 1959, established by a shipowner and 2 partners. In 1960, the 2 partners split-up. The company dealt with small Mediterranean vessels in partnership with a Captain in charge. In end 1970s, specialized in “tween-deckers⁴”, and larger Mediterranean ships, of a total of 90,000 dwt (11

³We may add here also that in 1975 the Government had to resume its talks for the re-entry (accession) of the country to the EU—then EEC—after the 7 years of dictatorship (1967-1974).

⁴This was, at that time, a popular & efficient type of dry cargo ships having 2 similar decks.

units). Following owner's *premature death* in 1984, his son took-over, (who studied at the London School of Economics), when the company turned to bulk-carriers. A company's partner split-up and the owner's daughter joined. By 2003, this company managed 1/4 m dwt (6 bulk carriers). A low growth strategy.

3) This Cretan company established a shipping one of liners, in 1972, dealing with the "contracts of affreightment"⁵. In 1988, the 2nd generation joined, and a shipping link accomplished, by 2000, made-up by 2 shipping families.

4) This island company started, in 1965, with 2 brothers. In 1970s, they split-up. The first owner died in 1984, when the 2nd generation joined.

5) This island, traditional, company, of 2 branches, became famous by *creating more than 10 additional companies*, since 1850... Two companies from them were, however, the most important. It was after the 2nd WW, when 4 shipping companies formed. The one family branch had 4 sons (1877-1968): one son, in about 1897, split-up, and by 1955 his son took-over, together with one of his relatives. A London office, as well as a NY one, opened. The 2nd son split-up and opened offices in Piraeus and London. The 3rd son ran a Piraeus office (1965). The more important family shipping companies, however, were: (5a) one island company, the owner of which born in 1887, traditional, which followed a rapid growth strategy. He was a Chief Engineer as well as a Captain. In 1917, he took-over the London office. During the 1930s, he undertook a number of newbuildings, gaining advantage from the 1929-36 depression. In 1939, he owned about 30 units. He also benefited heavily from the 107 Liberties "lent-leased" by USA to Greek shipowners in 1947 (appendix 3), by acquiring⁶... 13 units. He followed a rapid growth strategy by buildings ships in Europe and in Japan, a trend followed by *few Greek owners*, due to the *higher risks involved*⁷. By 1965, the family owned 1.2 m dwt (54 units). The 2nd generation joined, relying too on newbuildings, and on the "Game of Assets" (appendix 4). By 2000, the family owned 2.5 m dwt (15 units). A rapid growth strategy. (5b) The 2nd family branch appeared in 1939, by obtaining a small bulk carrier. After 1945, the company obtained Liberty ships and opened a NY office (1950). In 1955, the company ordered newbuildings in Japan. A nephew took-over, in the 1950s, when the trend was towards "very & ultra large ships". He, however, turned heavily to building, in Japan, 51 "mini bulk carriers" of about 3200 dwt each (1969)⁸. This company, by 1981, owned 1.13 m dwt (69 units). In end 1980s, the 2nd generation established a shipping company specializing in *chemical* products—having soon the 4th worldwide position. By 2000, company's fleet used to transport crude oil, oil products, chemicals & bulks, owning 4.8 m dwt, obtaining also an "ISO 14001 standard" from ABS. *A rapid growth*

⁵Greek shipowners pursued this type of employment, where a large quantity of cargo agreed to be transported from Port area A, to port area B, within a specific time. The shipowner had to provide a proper ship.

⁶This indicates the respect, (considered him to be a shipping Patriarch and lover of money), that this owner had from the committee's members, which allocated the 107 Liberties.

⁷He "allowed" his 2 daughters—Tina and Eugenia—to marry Onassis and Niarchos respectively.

⁸Destined to serve the trade in the great lakes of USA & Canada.

strategy. The 2nd generation achieved international cooperations, carried-out mergers and takings-over.

6) This island company, with 3 branches, appeared in 1850. After the 2nd WW, 4 companies formed by the 2 sons. The first owner, and Captain, (b. in 1909), opened an office in Egypt. In 1962, a Piraeus office also opened. In 1990s, the 2nd generation joined, consisting of 2 sons (b. 1954 & 1970) and one daughter (b. 1956). In 1990, the company managed 100,000 dwt (4 units) and by 2003, 2 bulk-carriers. A low growth strategy. A 2nd family branch, in about 1931, had a Captain. In 1966, the family split-up, and in 1969, a London office opened. The death of the owner brought to the company the 2 sons of the deceased. This 3rd family branch established a shipping company, in 1965, in NY. They owned 150,000 dwt (7 units) and by 1975, 330,000 dwt (17 units), while by 1985 owned 800,000 dwt (33 units), and by 1995 of 1.4 m dwt (31 units). *A rapid growth strategy*.

7) This island company established, in 1969, by a Captain, owning a small Mediterranean ship. In 1976, a multi-member shipping family company established, made-up by family's members plus... 7 brothers, ex Captains and Engineers (one split-up in 1985). By 1981, the family owned 57,000 dwt (6 units). The company reduced its fleet to 2 units *during the 1981-1987 depression*. By 1999, the 5 brothers split-up. A low growth strategy.

8) This island company opened a London office in 1901, where its owner was also a "Nestor"⁹ of the Greek Shipping. During the interwar period, his 2 sons joined (b. in 1893), with diversification in *banking* and *insurance*. In 1946, the company obtained a Liberty tanker from the 107, and opened offices in London and NY. During the 1950s, the company built 10 units (of which 5 tankers). By 1958, the company owned 200,000 dwt (12 units). In 1950s, a son joined (b. 1924), followed by members of the 3rd generation. Company's new buildings continued during the 1960s with 6 units. By 1970, the company owned 300,000 dwt (14 units, with 7 tankers and 7 bulk-carriers). Beginning the 1970s, the company moved to Piraeus. It ordered also certain VLCCs (1975). The company's policy—during the 1981-1987 depression—was to *sell all ships older than 10 years of age*. Its fleet made-up by 5 - 6 bulk carriers and 2 tankers, of a total of more than 1/2 m dwt (a medium growth strategy). In 1990, and after the OPA (oil pollution act) of the same year, the company built a VLCC with "double-hull-double-bottom" (appendix 5). This company, like those of Onassis, was in favor of the newly-built large ships of the latest technology.

9) This, traditional, island, company is made-up by... 4 generations, being also one of the *older, and most important*, families. The shipowners here were the grand-sons (b. 1906), as well one brother in law (b. 1903), who opened a London office in 1936. In 1947, they obtained 1 of the 107 Liberties, and opened a NY office (1951). The company was in favor of newbuildings (1950-1980). In 1980s,

⁹In Greek mythology "Nestor" was one of the 12 sons, from Tyro, of Neleus, king of Pylos. He lived to a great age, and acquired much wisdom, which he often voiced.

the 4th generation joined (b. between 1949 & 1958). In 1996, the 2 families split-up and 4 offices in Piraeus and London opened. One family member—in charge of the NY office—dealt with the trade in the Great Lakes of USA & Canada, as well elsewhere. The 2nd generation joined also the NY office (b. 1930).

10) This, island, company, established in about 1891, by a father—having 5 sons (b. since 1911); one split—later—up. In 1947, they obtained 2 of the 107 Liberties, and more ones from the market. The company opened a London and a NY office, with partners. Beginning the 1950s, they built 2 general cargo ships in UK, and 3 in Japan, while starting the 1960s, they specialized in bulk-carriers. Beginning 1970, the company built—in Japan—an OBO, and a number of ships of the Future-32 type. Company's policy was to own *only newbuildings*, with emphasis on bulk carriers, and to maintain a size so that to supply quality services to its charterers. In 1980, the 4th generation joined.

Concluding this part, we may summarize companies' main characteristics (**Table 1**).

Table 1. The main characteristics of the 12 family shipping companies owned by Greeks—since 1850.

Company's number in the text	Year established; Place; Generations; Partners	Owner's profession; Piraeus-London & NY offices	Company's fleet in dwt & specialization	Strategies
1	1945; Peloponnesus; 2 generations; 4 children	Merchant & Captain	3.8 m dwt (1970-2000); a ULCC built; & smaller tankers (1950s)	Vertical integration in refineries (1960s); a rapid growth strategy
2	1959, island; partners; split-up in 1960; 2 generations		90,000 dwt; 1/4 m dwt (2003); Mediterranean ships; tween-deckers; bulk carriers	A low growth strategy
3	Island; 1972; 2nd generation (1988); partnership with another family		Liners	Use of the Contracts of affreightment
4	Island; 1965; 2 brothers; split-up in 1970s; 2 generations			
5	Island; traditional; created 10 additional companies since 1850; 4 sons (1877 & 1968); one split-up in 1897 & another in 1965	London; NY offices, Piraeus; London; & Piraeus 1965		
5a	Island; 1887; traditional; 2 generations	A Chief Engineer; a Captain; a London office opened (1917)	13 Liberties from the 107; newbuildings; 1.2 m dwt by 1965; Game of Assets; by 2000: 2.5 m dwt	A rapid growth strategy; newbuildings soon after the 1929-1936 great depression
5b	1939; Liberty ships in 1945-6; a nephew took over in 1950s; 2nd generation	A NY office (1950)	In 1981: 1.13 m dwt; chemicals in 1989; 4.8 m dwt (by 2000)!	Newbuildings made in Japan (1955); in 1969, built 51 "mini-bulk carriers" (in Japan)

Continued

6	Island; 1850; 2 sons formed 4 companies; the 2nd generation with 3 children joined; a 1931 branch formed; 1966: split-up	A Captain; Egypt office; A 2nd Captain; in 1969 he opened a London office	100,000 dwt by 1990	Low growth strategy
7	Island; 1969; in 1976, a multi-member family company formed with over 7 members; split-up in 1985; a further split-up	Captain, Captains & Engineers	1981: 57,000 dwt	A low growth strategy
8	Island; the owner was a "Nestor" for Greek Shipowners; 2 & 3 generations	London office 1901; NY office	A Liberty tanker from the 107 (1946) obtained; 200,000 dwt by 1958; 300,000 dwt by 1970; one VLCC in 1975; 1/2 m dwt; the company built a VLCC with double hull & bottom in 1990s	Vertical integration in banking; insurance; in 1950s the company undertook a 10 units shipbuilding program; managed ships of only less than 10 years of age; in favor of ships with latest technology ala Onassis
9	Traditional; 4 generations since 1906; a brother in law in 1903 joined; a split-up in 1996	London office in 1936; a NY office in 1951; Piraeus office too	One Liberty in 1947	In favor of Newbuildings
10	Island; 1891; 5 sons in 1911; one split-up; partners; 4 generations	London; NY offices	2 Liberties obtained from the 107; an OBO built in 1970 & certain Future 32 type ships	Building 5 ships in UK & Japan; in favor of newbuildings

Source: part I.

Concluding this part, one of the main characteristics of the above family shipping companies, was to have as *many sons as possible*, say up to a maximum of 6 per family. This confirmed by the fact that the 10/12 of the companies had as many as 5 generations (i.e. lasting about 300 years; i.e. 5×60 years).

Worth noting is also that only 3/12 of the companies were traditional. It seems that shipping *tradition* was not a strong motive among the above shipping companies, despite the fact that 9/12 of the companies formed in a Greek island. We can say that in the islands, the *family element* was stronger than *tradition*.

We have to underline, however, the fact that 4/12 of the companies established by a prior Engineer and/or a prior Captain. Only 1 person from the members of the 12 companies attended university studies. This means that shipping businesses were learned empirically at that time, and education was centered round ship's Captains and/or Engineers, when the shipping company's management courses were unknown¹⁰.

¹⁰The "management of the shipping companies" taught properly by the author in Greek universities, in 1992 for the first time, till end-2008, when he retired.

Key-characteristic was also that the 8/12 of the companies split-up. This phenomenon, we believe, is responsible for creating a great number from the about 1200 *personal*/international¹¹ shipping companies in such a small nautical country like Greece of only 8 - 11 m people.

Greeks are surely well-known for *disputing* the decisions of any manager before them. This led former Greek shipping partners—of any kind of partnership—or even links and ties—(family or economic or marital or else), to split-up, when e.g., and in particular, an important fact, like a death, occurred.

In the above context, we may say that this “split-up syndrome” in Greek shipping, cannot be met in the shipping companies made-up by either Germans or Japanese—where people there looks forward for a *leader* so that to obey his/her orders.

Moreover, and worth noting, is that the Greek shipowners were not ever prepared for either a *premature death* or a *shipping depression*... and so they had to find other ways to face the “acts of God”, as well those of the OPEC. Deaths were surely faced by succession, when even wives, and daughters, stepped-down and ran the company of the deceased, often together with their sons or their brothers or their husbands, as the case may be.

The trend to open offices mainly in Piraeus, London and NY, continued (Goulielmos, 2025a, 2025b), where at least 11 offices opened by the 12 companies. The companies which obtained, in 1947, one or more, of the 107 Liberties, we saw them to open a NY office in order to be near at the “end-of-the 2nd WW developments”, in a country like USA, of not having war on its land. The Greeks, however, did not make businesses with the USA banks¹², before the 2nd WW, because their currency was the “pound sterling”, and their war insurances were with the London Lloyds, and almost all of their ships were then built in the UK shipyards.

As far as the strategies of growth of the companies are concerned, Greeks, but Onassis, (Goulielmos, 2021b, 2021c), were “afraid” of the newbuildings due to the serious risks involved. In the above, 6/12 of the companies *only* followed a shipbuilding program¹³. For the *growth* of the Greek-owned fleet, naturally, only the newbuildings—given also their economies of scale—contributed to it substantially. The economies of scale (Goulielmos, 2021d) which are achieved by purchasing 2nd hand ships, was rather weaker vis-à-vis such newbuildings like VLCCs & ULCCs, despite their much greater numbers—amounting to certain hundreds p.a. (300 - 400 units). Finally, only 1/12 of companies applied the Game of Assets,

¹¹Greeks count only the shipping companies, which established abroad, by Greek nationals by majority, and invited home by the provisions of the 2687/1953 law, and by other laws, providing motives for ships owned by Greeks to be registered under the Greek flag. These companies are estimated to be about 1200, *while about* 4000 shipping companies, are formed under other laws, but lacking the characteristic to be established abroad, and in such countries like: Cyprus, Panama, Malta, Liberia and others.

¹²The USA banks based their finance on ship’s charter parties, while the UK banks based it on the value of the financed vessel (i.e. on the 1st preferred mortgage) (Goulielmos et al., 2010).

¹³In 2024, 4 Chinese shipyards had the first worldwide positions. The 4 Chinese yards were the: “New Times”, “Hudong-Zhonghua”, “New Yangzijiang” and “Heng H. I.”

as well, only 2/12 of them, adopted the “vertical integration strategy” in refineries, banking, insurance as well elsewhere.

5. Part II: A Brief Historical Account of Additional 11 Greek-Owned Shipping Family Companies

1) This island company, established in 1960, by an oil-merchant, when his 3 nephews joined. A split-up occurred in 1968. The company owned then 20 tankers. In 1973, a shipbuilding program followed of 4 tankers (in Japan). By 1975, the fleet arrived at 430,000 dwt (10 tankers plus 1 combination carrier). The 2 oil crises, however, affected this company in 1970-1980-1986 by reducing its fleet to 7 tankers. By 1990, company’s fleet *recovered*, to arrive at 520,000 dwt, where by 2000, the company managed 11 tankers. The company diversified in Banking, Tourism, and Food industry and in selling gasoline through petrol stations—mainly in Greece. A medium growth strategy.

2) This island company established in 1860. The 2nd generation joined in about 1861. The 3rd generation, consisting of 4 brothers and Captains, joined in about 1884. By 1953, the 4th generation joined and 2 main companies formed by the 2 sons (b. 1905 & 1914) and by their 2 first cousins. One son and Captain, opened a NY office in the 1950s, and built also 1 ship in Japan in 1956, and managed also 4 Liberties. The 1954 USA administration was not friendly to Greek shipowners, and he, in 1961, went to Bermuda. His brother ran a Piraeus office. He had the policy to manage up to 6 units. The 5th generation joined in 1980s. Another family branch, in 1950s, opened a London and a Piraeus office. In 1950s, they bought 2 ships and built another 2, and by 1960-1980 managed 6 units. In 1970s, the father and his son opened an office, where by 1980 managed 80,000 dwt (6 units). A low growth strategy. Another son established a shipping company in 1980, managing 3 units.

The following **Table 2** will present more clearly the many generations we have in the above very old company and family:

Table 2. Generations in old company and family.

1st owner: 1797-1866	His son, 1841-1926, plus a father in law	The 3rd generation joined of 4 sons: A (b. 1864), I, G & D; all prior Captains	The 4th generation joined in 1953, (a Captain; b. 1914); a NY office opened; a son, i.e. Chr., (b. 1905), joined; PIM & PGM (the first cousins) joined; 1 new building ordered in Japan; 4 Liberties by 1958 bought; Bermuda office (1961) opened; last buy 1973
5th generation: AXM, plus a shipowner & a cousin, 1980-1990	The son PIM & 2 of his brothers, P & S, joined; a London office opened; in 1950-1980, they bought 2 units & built another 2; managing 6 units	In 1970-1980 PGM, plus his son G, established a company managing dry cargo ships of 80,000 dwt by 1990 (6 units)	The son J of DPM established a shipping company (1980); managing 3 dry cargo ships

Source: the text of part II.

3) This island company established by MM—a merchant and agent. His 2 sons: S (1915-), and G (1921-) (who studied in the Athens “Graduate School of Economic & Commercial Sciences”), bought a small dry cargo ship (1948). By 1960-1970, they managed 10 units. In 1975, the 2 brothers built a ship in Japan of 8500 dwt and bought another one of 7500; by 1980 they managed 20 units. In 1987, G left the company due to his poor health, while in 1988, S *died*. Then, Mrs. HSM, together with her cousins S, and Anna, took-over. They bought their last ship in 1995 (-2001). A low growth strategy.

4) This island company used to deal with the Danube trades. The PDM, born in Romania, went to NY in 1940. There, he established a shipping office together with his 2 sons A (1938-) and D (1935-). In 1947, they bought 1 of the 107 Liberties, adding some more, including 1 tanker. They built also 4 dry cargo ships. By 1956-1957, managed 170,000 dwt (14 units) (of which 2 tankers). By 1975, the fleet reduced to 2 units. A low growth strategy.

5) This island, traditional, company, established in 1920-1930 by a Captain (1894-1961). The 2nd generation joined in 1950, consisting of 2 sons: M, (b. 1920)—a ship architect, and N, (b. 1925)—an economist. In 1951, they bought a Canadian Liberty, and 3 more. By 1950-1960, the company managed 12 units from its London office. The father died in 1961; then the 2 brothers split-up, establishing 2 companies, one in London (1962-3) and one in Piraeus. By 1965, they built ships and owned about 100,000 dwt (8 dry cargoes). By 1975, the company owned 6 - 7 units of over 120,000 dwt (of which 1 tanker). A low growth strategy.

6) This, Piraeus, non-traditional, shipping, company established by... a Mother (b. 1927) having 3 sons, and 1 daughter, while the father put his money. The most, however, important fact was Mother’s vision for his 3 sons, especially the older one, named Thanasis (1950-). He was sent by her to work in a friendly shipping company in London. The Mother had 2 uncles—also shipowners (company number 10 below). In 1971, her, 3 grown-up, sons, took over, by owning already 3 units. By 1975, the company owned 800,000 dwt (36 units). The company owned a differentiated fleet of car carriers and heavy lifters as well a VLCC¹⁴. A 2nd split-up occurred in 1997. By 2015, the 3 brothers owned together about 20m dwt (19.8 m dwt). The Game of Assets also played. The company had also certain difficult times during the 1981-1987 depression, caused by its few newbuildings in Japan. In one of the companies, the 2nd generation joined, and when the one son failed, the other son took over, married also a woman-shipowner. The causes of the 2 split-ups started to mature soon after the 3 brothers married, and finally after their wives gave birth to their children, especially the sons, and till they grew-up *and finished their studies and their military obligations*. The split-ups, however, benefitted greatly the Greek-owned shipping, where 3 pioneer companies emerged out of 1 previous large company. The original company with the 3 brothers, and a brother in Law initially, spent money in order to improve its organization, facing

¹⁴The author joined this company, in mid-1977, as a departmental manager.

the problem of getting big very fast. The company adopted the operational method to “manage ships in groups¹⁵”, (Robbins & Coulter, 2018, in another context). These groups were “ship-management” teams consisting of all specialties of company’s departments. The departments, in a medium-sized and a large shipping company, care for company’s entire fleet, where the musketeers’ principle applied: “one operator had to be responsible for all (ships), and all operators had to be responsible for one (ship)”. The team idea, however, was for the operator to be the manager only of a group of vessels, *which he could manage effectively and efficiently*, looking at the same time better, and in a more focused way, for the satisfaction of company’s charterer. The original company was indeed a “company-school”, *producing a number of at least 5 young shipowners*, when they had to leave the company due to the 2 split-ups. This is another way to multiply the shipping companies owned by Greeks by the former middle-managers of a large shipping company, which acted as their school.

7) This island company, of 4 generations, established by LKM, having 6 sons. Between 1965 and 1975, the company owned 30,000 dwt (4 dry cargo units), which reduced to 2 units during the 1981-1987 depression. The 4th generation owned 1 unit. A low growth strategy.

8) This, non-traditional, company, from Piraeus, appeared in the 1960s. In 1972, a company established, managing “tween-deckers”¹⁶ and playing also the Game of Assets (1970-1990). *The Game of Assets-GA, as described by this company, played when “a vessel bought at near her scrap¹⁷ value, and rather soon thereafter, sold, at a much higher price”*. By 1975, the company bought 3 tankers laid-up till 1984. The company specialized in tankers, in 1981-1987, by buying 20 units. By 1985, it owned 2.6 m dwt (24 units), establishing also a NY office. A rapid growth strategy. By 1989, the flag in company’s ships changed from that of Greece. In 1996, the company turned again to bulk carriers. The 2nd generation joined in 1995. This is also a vertical integration case in banking, real estate, as well elsewhere.

9) This island, traditional, company, established in 1850, and by 1900, the 3rd generation joined, having 2 sons (b. in 1901 & 1909). One, living in London

¹⁵The “Volvo”, among other companies, in 1970-1980, introduced teams into its production processes for the first time. The teams have the main advantage—in a medium (managing more than 4 - 6 - 8 vessels) and especially in a large company (managing 30 - 50 ships)—to **focus effectively and efficiently** on the satisfaction of the charterer, by attending a smaller “manageable” number of 4 - 6 - 8 - 10 ships.

¹⁶This type of ships replaced by bulk-carriers.

¹⁷The scrap value of a vessel is determined by her *light displacement*, which is made-up by the weights of: *hull, machinery, equipment & spare parts*, multiplied by the \$ price of the scrap. The larger the ship, the higher her scrap value, given also the prevailing scraps prices. Valuable metals etc. also count more. When the freight market is profitable, fewer ships are scrapped, but maintained so that to work for say 6 more years, as the case may be. When the freight market is low, ships are scrapped as many as 6 years earlier than usual, as the case may be, and after a poor maintenance. The ship carries—*free of charge*—her bunkers & fresh water, and her crew (plus their belongings), till the ship is immersed to her *summer load line*: here the idea of economy crops-up, which can be applied by a clever Captain, especially over the management of *bunkers & fresh water*.

(1925), established a shipping company in 1948, with his 2 brothers. This was an “independent tanker company”, listed also in 1951 in the London S E, owning also the English shipyard “Austin & Pickersgiel”. It was there where many ships, of the SD 14 type, built, at the end of the 1960s, and in 1970s, to replace the Liberties. The first split-up took place in 1956, with one brother, when the 4th generation, consisting of 2 sons, joined. Then, the company built more ships and obtained 2 newly-built tankers (1957). By 1958, it owned over 70,000 dwt (5 units) (of which 4 tankers). By end 1960-1970, the number of ships doubled, with a 3 times higher dwt. The company built 8 dry cargoes in the above-mentioned yard (1967-1973). In 1975, the company had offices in Piraeus, London and NY, managing 270,000 dwt (14 units). A low growth strategy. The sons took over, when their father died, and in 1981, they obtained 2 newly-built bulk carriers. By 1982, the company had a fleet of 180,000 dwt, while by 1986 ½ of it, and by 1987, *the company ceased due to the depression*. The other family branch established, in 1946, a company in London, buying 4 units, (of which 1 tanker), in the 1950s. By 1965, the company owned over 60,000 dwt (5 dry cargoes), reduced to 1 tanker by 1970. One son, from the 4th generation, joined in 1970 (b. 1949). The company in 1972 opened a Piraeus office obtaining also 1 dry cargo ship. During 1980-1990, it managed 3 - 4 dry cargoes ships and bulk carriers, and by 1990 over 200,000 dwt (5 units). Then a brother in law joined. In 2000, the company decided to *renew* its entire fleet by building—initially—3 ships in Mitsui shipyard. A low growth strategy.

10) This, island, company, established in 1963, by 2 brothers (b. 1926 & 1930) (one was a maritime lawyer and one was a Captain), plus their nephew. It owned 2 dry cargoes. By 1975, it owned 4 vessels tween-deckers, and latter 4 bulk carriers, arriving at 150,000 dwt (8 units). In 1980, the brothers split-up. A low growth strategy.

11) This shipping company established in 1974 by 2 brothers, coming from Smyrna. The brothers split-up, forming 2 companies. The one, named G, b. in 1946. In 1991, he established a tanker company and in 2004, one consisting of gas carriers. In 2013, entered into the LNGs, and listed in NYSE. In March 2023, he bought the “Skaramagas” shipyard in Piraeus. G estimated to own over 150 ships, valued at more than \$11 b. He is in favor of newbuildings, planning to order about 90 - 100 units by 2027, spending more than \$8 b! Interesting is also that he undertook serious investments in real estate, since about 2005, (in Italy & Greece), estimated to concern more than 2500 properties! He is also a “Nestor” of the Greek shipping.

Concluding this part, we saw that the *deaths*, the 2 *oil crises*—in 1973 and in 1979—and the 1981-1987 *depression*—affected—to the worse—the fleets of the Greek-owned shipping family companies. The split-ups, also in this group, were frequent, concerning the 7/11 of the companies. This was the one, main cause, for many personal shipping companies, in the Greek-owned shipping industry, to be *created*, and this is due to the fact that Greeks rarely agree with the actions of any management before them. So, the next generation “seeks” the opportunity to

take—Company’s management—over, after e.g. first owner’s death...

The other main cause to have a plethora of shipping companies was the birth of a quite number of sons, at a maximum of 6 per family. Moreover, the number of generations was approaching the number 1 in the 3/11 of the companies; the number 2, in the 5/11; the number 3, in the 3/11; and the number 4, also in the 3/11. The number of generations of course is related to the year since the 1st company established (e.g. we have company No 2 in the 2nd group, where its owner was born in 1797).

As far as the strategy to grow fast—by building ships—is concerned, the syndrome of the fear of the higher risks in new buildings prevented most—except No 11 immediately above—of the Greek-owned shipping companies of this group from following it. The 8/11 of companies built ships, but the 4/11 of them had conservative shipbuilding programs, i.e. concerning shipbuilding programs below the 4 units.

Worth noting example is, however, the Greek-owned company, which bought an English shipyard, by applying the vertical integration strategy by acquiring its supplier. This strategy also met in Greece, mainly in the 1970s, where almost all large shipping companies wanted to have their own shipyard, like: Niarchos, Goulandris, Carras, Tsakos, Thenamaris, Tavoularis, Peraticos, and others. In 2023, the shipowner Prokopiou G, did the same by buying-over a state shipyard as mentioned immediately above (number 11).

The main advantages of a shipping company to have its own yard are: 1) to avoid waiting to have a berth, when the demand for ships is high (due to high freight rates); those in shipping businesses, where timing (Goulielmos, 2021e) is crucial, understand the importance of this; 2) to obtain better prices, if possible; 3) the ship repairs can be carried-out, for mother-company’s ships, by priority, as well at a low-cost, especially the drydockings—where the bill is substantial. 4) To reduce or minimize the profit of the yard, when owners’ ships are built. The disadvantage is that the rest of the shipowners knowing that the yard belongs to one of its competitors, avoid being its customers... 5) Usually the shipyards owned by shipowners are located in the same area, or country, where the head office of the shipping company is, with obvious advantage.

Given that a vertical integration means either to control company’s inputs, like capital, or crew or bunkers, and/or company’s supply of services by one’s competitors, like the above mentioned cases of the “Genco” and “GM”, we understand its importance¹⁸. Greek shipowners, as a rule, invest in other industries—related or unrelated—to protect themselves from shipping cycle.

Worth noting is also the fact that 7/11 of the companies came from an island, while few inter-shipowners marriages noticed, but the family element, nevertheless, was stronger. Moreover, the traditional companies were only one, though the majority of the participants were ex Captains and Engineers—following this way a “maritime tradition... by education”. This group of companies has also obtained

¹⁸Though, this last one case, is an example of a “horizontal” integration.

Liberties from the 107.

6. Part III: The Strategic Management

Modern global management *became more “strategic”* so that to face the “business world”, which became more complex the last 50 years or so (Robbins & Coulter, 2018: p. 314). The strategies have clearly to be stated in company’s *plans*, dealing with how a company will become *more competitive*, and for a shipping company, how also to *attract* and *satisfy* its Charterers.

For a shipping company, the *competitive strategy* is more appropriate *than all the others*, we believe, and in order to create a “competitive advantage”, this is *more imperative* than other advantages. To prove that a shipping company is more competitive than the rest is very difficult as we do not have data for profits or costs for the majority of the companies, with the exception of the listed companies. A prime advantage is the ability of a company to *be set apart from* the rest of its competitors in matters of cost and quality.

In shipping, the above company, is the one to maintain—by the “Paris Memorandum”—a top record on “safety” and “security”, known as “quality” of the shipping services, (i.e. this is also what we mean by a “distinctive edge”). This is especially important for Oil companies, as the main customers of the tanker shipping companies. The secondary competitive advantage is to supply “*efficient and effective*” services to Charterers, always adhering to company’s contractual obligations (i.e. the charter parties).

Management, indeed, recognized already “quality” as a “*sustainable competitive advantage*” (Robbins & Coulter, 2018: p. 324). Perhaps one may imagine also the use of robots in certain crew jobs, an idea coming from the so-called “design thinking”.

Especially in medium and large shipping companies, we recommend to them to adopt the so-called “*functional strategy*” meaning to lead company’s (functional) departments to support, and implement, *company’s competitive strategy better, or at least, as indirectly “described” by company’s budget*. In a shipping company this strategy is important given that from the 17 or so departments, only Chartering, Performance Engineer, Freight Collection, Claims and Legal, are, the only ones, perhaps, of not spending company’s money.

Appendix 1: The “Vertical integration” strategies

A company can grow by a vertical integration—distinguishable as *backward* or *forward* or *both*. In the first case, the company becomes its own supplier (so that to control company’s inputs). We mentioned above the 2 shipping companies which acquired a shipyard, which supplied company’s capital equipment. In the second case, the company becomes its own distributor (so that to control company’s services). There is also the “*horizontal integration*” growth, which is done when the company combined with its competitors. Moreover, a *diversification growth* is *related* when the company combines with other companies in different, but related, industries.

Finally, the *unrelated diversification* is when the firm combines with, different, but unrelated, industries. Greek-owned shipping companies used to diversify themselves by growing via investing mainly in shipyards, banking, insurance, tourism, real estate, refineries, and travel agencies as well in gold.

Greek shipping was, indeed, during the 1981-1987 depression, looking forward in investing in industries, which “when the freight market is down, these markets are up”, like e.g. real estate, or gold, as the case may be. This was known as a “shipping anti-cyclical strategy”. Greeks, however, were stable in managing, by preference, *tankers*, and especially *bulk carriers*, moving with a rather slow motion towards owning gas carriers, as well large containerships, and product carriers, except the Liners.

In fact, Greeks did *not rush at all to innovate*, by majority, in new ship types and sizes, and pioneering ship technologies, but they acquired, and understood first, such innovations—created by others—via the 2nd hand markets. Greeks rather believe, we reckon, in the proverb, where shipping is a case where one: “pulls the chestnuts out of the fire”, in case he/she innovates first.

Innovations in shipping come mainly from the advanced shipbuilding countries, we believe, having capable research laboratories, and companies having “research and development” departments—R&D. Many shipping economists have been surprised to see that Greek shipping—at the prime global positions—failed to develop an analogous Shipbuilding Industry. Our lack of space prevents us for dealing with this paradox.

Greeks e.g. had problems in adopting—fast—the steam technology—before 1940s. In the world shipping history is indeed written that Greeks delayed to abandon Sails, and they had to employ British engineers—possessing the relevant know-how—on board Greek-flagged steamers. Also, Greeks delayed to build Gas carriers and Chemical tankers, including LPGs and LNGs, vis-à-vis their foreign shipowners.

The same happened with Liners (a Cartel), Cruise carriers and Ocean going Passenger ships, as well as the large containerships (an oligopoly), with very few exceptions. The main reason for this phenomenon is that Greeks—lacking adequate own capital—preferred the 2nd hand old ships, as well ships of 5 - 10 years old, out of their strategy, which necessarily embodied a somehow past technology. Things, however, change as time goes-by, and as we have noticed, shipping companies become larger.

Even the VLCCs, in the 1980s, represented a challenge for the Greek crews/companies due to their size. We must not forget that every new technology (e.g. SBT; IGS; COW; double hulls (1990-1993)) embodied in ships meant also higher prices. This is also due that Greeks by having a strong voice in IMO, unlike in EU, requested any innovation to be implemented in delay so that the old technology to pass-way (to be phased-out) gradually by scrapping, if possible.

Appendix 2: the corporate growth strategies

The issue of growth in the shipping industry is primarily related to the *number*

of ships, which a company owns. Here, however, more important, than the numbers, is the *total dwt (per company)*. No doubt, the *average age* of a company's fleet also counts, meaning that “*qualitative*” factors have also to enter into the growth picture. These are e.g. the level of maintenance of the vessels, as well as their average size, given economies of scale. Moreover, the current and prospective level of *earnings* constitutes an important factor for the vessels.

Certain shipping companies grow by buying only 2nd hand ships and others, and fewer, by building only ships, where *quality* is no doubt different between the two cases, given the degree of “homogeneity” which exists in shipping services.

In our analysis, we decided—arbitrarily—to distinguish 3 types of growth: 1) the “low growth strategy”, where the company achieved a fleet of up to 500,000 dwt; 2) the “medium growth strategy”, where the company achieved up to 1m dwt (from 500,001 dwt), and 3) the “rapid growth strategy”, where the company achieved levels above the 1,000,001 dwt.

The growth performance of the Greek-owned family shipping companies –as expected—is correlated: 1) to owner's life; 2) the number of depressions, which he/she faced successfully; 3) the death, which occurred prematurely, 4) as well his number of sons. However, more important for growth, was *the risk-taking attitude*, which certain, few companies, had by undertaking extensive shipbuilding programs.

Appendix 3: The 107 Liberties “lent-leased” to Greeks in 1947 by USA

The 7th January 1947 is the date when finally decided for the 107 Liberty ships—of war construction—to be “lent-leased” to Greece by USA. These ships, about 2,742 in number, (under the code: EC2-S-C1; of 10k speed; of about 10,000 dwt), built between 1941 and 1944, in 18 USA shipyards, were given to USA allies in recognition of their contribution to the cause of the 2nd WW. The impacts of this action were two: 1) to increase the Greek-owned fleet by more than 1m dwt in 1947, and 2) to motivate Greeks to buy additional 700, or so Liberties, from the market 7 m dwt). The Greek-owned fleet destructed by more than 70% by the enemy during the 2nd WW.

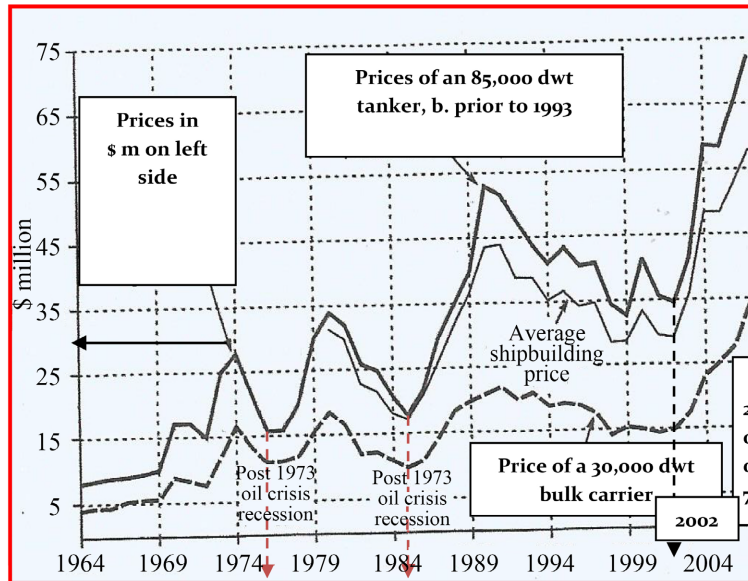
Appendix 4: The Game of Assets

As shown (in **Figure 2**), the prices of 2 representative, newly-built, ships, i.e. a tanker of 85,000 dwt and a bulk carrier of 30,000 dwt, have fluctuated substantially.

Namely: from \$8m in 1964 to \$73 m in 2007, for the tanker, and from \$4 m to \$35 m for the bulk-carrier. Worth noting is the fact that “the bigger the ship, the greater her price-fluctuations”, and so more profitable the GA. It is clear that any shipowner who wanted to play with his/her assets, it was more profitable for him/her, to sell them in 1974, or 1980, or 1990 or 2007. The opportunities, however, to build ships—in time—were more numerous for the tanker: i.e. in 1964-69; 1973; 1975; 1985 and in 1998-2002.

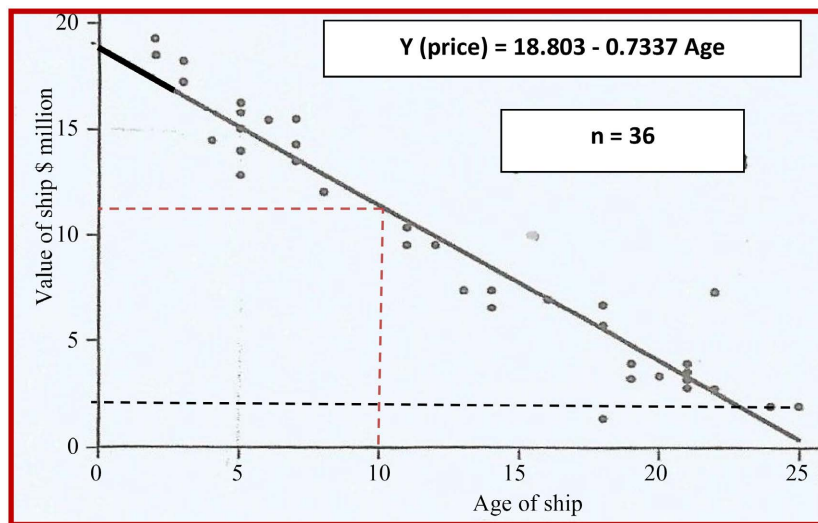
The right policy, however, is for a shipowner to build/buy ships at *rock bottom*

prices, manage them for a period of, say, 9 years, and sell them thereafter¹⁹ at top prices. The Game of Assets is obviously one played when... *Referee* is the “shipping cycle”. If there is a deep cycle, there is a more profitable GA. Moreover, it is very easy for a shipping company to know when a vessel reached her *scrap value*.



Source: modified from that in Stopford (2009: fig 15.4).

Figure 2. World shipbuilding prices, for over 34 years, 1964-2007, in \$ m.



Source: modified from that in Stopford (2009).

Figure 3. A regression line of 36 prices of a Panamax bulk carrier—regressed to her age—during the first 9 months of 2002.

The decision, however, when to *sell* is more difficult than that of when to *buy*.

¹⁹Gaining also from their depreciation, (i.e. the accumulated profits retained for 8 - 9 years in view of replacing them).

In **Figure 2**, we saw 4 *price peaks* for the tanker, when she should be sold. But, it is very probable to sell her in 1990, at \$54 m, instead of in 2007, at \$74 m... committing a \$20 m error. This mistake, of a relatively wrong timing, is frequent among shipowners. To avoid the above mistake, we believe, that Greek shipowners need (a statistical) help to time more properly his/her investments by using a “regression line”, like the one in **Figure 3**.

The above **Figure 3** can be constructed for all company’s ships, on the basis of their *type & size*, plotting *all* prices, ($n \rightarrow$ very large), prevailing in the market for her sisters for as long as possible, and at least over a full cycle. As shown, the (statistical) scrap *age* of a Panamax ship in 2002 was almost 26 years (putting $X = 25.6$ years), where her (statistical) scrap *price* is 0. The condition of the market—prevailing in 2002²⁰—has certainly influenced ship’s scrap age. The black dots show the market prices paid, while the regression line, shows the **best fit** line across these prices. One actual price paid was \$3 m.

Thus, 3 additional factors emerged indirectly from our analysis: 1) the state of the freight market, 2) the condition of the vessel, and 3) the state of the scrap market, factors that have, however, a minor, *statistical*, 7% influence on the scrap price. *Ship’s age* is the dominant factor. Suppose now that a company’s ship is 10 years of age: at what price could she be sold? The regression says \$11.5 m. So, we can obtain²¹, statistically, information about the prices of a ship either to buy, or to sell, and in a high correlation degree, (between price & age), equal to $0.93 < 1$ (as this has been estimated by **Stopford, 2009**: p. 239).

Greek shipowners adopted a “rule of thumb” by assuming that the life of a vessel is maximum 25 years, and thus a vessel loses 4% of its value p.a. Thus a vessel of 10 years of age will have a value equal to \$11.28 m (60% of \$18.8 m) based on the rule of thumb (i.e. a \$220,000 difference vis-à-vis the statistical method).

A relevant note: The solid line, in diagram 3, i.e. of the Y vessel’s price, is well known and called “regression line” and it is a “best fit” line along the observations, shown by the black dots, by using the fitting method “of least squares²²”. It has the form: $Y = \alpha + \beta X$ (a straight line, but it could be also nonlinear) and means that the Price of a vessel V , equals $\alpha - \beta$ times the Age of the vessel, where α and β are 2 constants. The method takes the vertical differences of the actual points from the best fit line, raises them to the square power, (to avoid dividing by zero) and adds them together finding also their minimum amount. The constant α can be found if we put $\beta = 0$, and indicates the cut point of the line on Y (the vertical axis), while β is found when we put $\alpha = 0$ and shows how fast the price is falling (negative relationship) due to an increasing age.

²⁰Between 2002 and 2007, with a high in Sept. 2003, China’s steel production grew from 144 m tons p.a. to 468 (3.25 times up), coupled with its higher oil imports and exports of minor bulks.

²¹**Stopford (2009)** used this tool to estimate *depreciation* of a vessel. We applied this to estimate the 2nd hand prices of a vessel. The regression is also used for predictions. E.g. what price a Panamax of 15 years of age is going to have at similar as in 2002 conditions? The answer is $-\$8$ m.

²²This method is due to “Carl Friedrich Gauss”, since 1795, but published later, in 1809, and/or 1822. See Internet under his name.

Clever Greek shipowners buy, as a rule, ships at 5 years of age, when their newly built price is reduced by \$3.7 m, while her “competitive properties” remain more or less intact. Moreover, purchasing 2nd hand ships, instead of building them, has the advantage to do that, when the market conditions are well known—albeit to everybody, while building ships means to “wait” 2 or more years to find-out what the market is going to be—this being a lottery as described by Keynes (1936: p. 150).

Appendix 5: The ships of double hull

The “double-hulled” tanker designed as a means of preventing the cargo tanks from being ruptured. This has a complete inner hull, which is separated from the outer one, by approximately 10 feet, so that any grounding to be expected to pierce only the outer skin, and not imperil the integrity of the cargo tanks. One of the tankers built for Greek owners, accordingly to the OPA regulations, was the M/T “Arosa” of 291,381 dwt (Buckley, 2008: p. 161).

7. Conclusion

Reading the above 23 business histories of the Greek-owned family shipping companies, we saw that all, or almost all, followed the same steps. A first owner, round 1900, being also a father, and a Captain, having, on average, 3 - 6 sons, born in a Greek island, obtained his small, and old, tramp²³ ship, having also to open an office in London, New York and Piraeus. If he was helped by one, or more, of the 107 Liberty ships, in 1947, so much the better.

The Captain, and Father, mobilized seafarers from the island he came from. His succession is not allowed when he is alive. But the split-ups became frequent and expectable among Greek shipowners, so that to led us to considerer it as the main cause to have a disproportional—to country’s population—number of global shipping companies.

The 23 companies followed, as expected, 3 different courses towards expansion, given that in Greek shipping still exists the syndrome of being risky, when one orders new large ships (e.g. the Colocotronis case), where the Greek proverb applies saying: “have always your blanket long enough to cover your feet”. We distinguished three growth patterns. The third one, of having 1m plus dwt fleet, is the most interesting. Also the most interesting is the company planned to order 100 ships by 2027 at a cost of \$8 b.

Finally, we do not expect the number of shipping companies, family or not, to be diminished in future, as long as the inter-shipowners marriages, the companies acting also as schools, and especially the split-ups, as well the number of partners, exist. Surely, we will also need the banks, and to a lesser degree, we will need the Stock exchanges. But in a greater degree we will need the Greek-shipping strategies, to be, however, helped this time by the science of Statistics, as we have suggested above.

²³Ships which do not have a specific travel plan, but they go where their charterer wishes each time. In a sense, they do not have a number of pre-advertised regular ports to visit, like liners.

Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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