



ΑΔΕΛΦΟΤΗΣ ΤΩΝ ΥΔΡΑΙΩΝ ΑΘΗΝΩΝ

ΕΤΟΣ ΙΔΡΥΣΕΩΣ 1890

Saturday, September 15, 2012  
Historical Archives - Museum of Hydra

Fraternity of the Athenian Hydriots  
Established in 1890

# 4th Hydra SHIPPING CONFERENCE



## The Course of Greek Shipping: From the Aegean to Wall Street

The course of international trade and economy at a particularly critical time for the shipping industry was the main issue discussed during the 4th Hydra Shipping Conference, organized by the Fraternity of the Athenian Hydriots, on Saturday, September 15, 2012, in Hydra, at the Museum. Greek shipowners and distinguished Greek and foreign speakers participated in the conference, which covered a wide range of thematic issues, from history to modern sea trade.

**John Sahinis**, Chairman of the Fraternity of the Athenian Hydriots, in his opening speech briefly presented the objectives of the Fraternity. These objectives, among others, are to promote mainly through cultural events the historical and cultural identity of Hydra and especially the contribution of the Hydriot shipowners of 1750s-1820s to the Greek War of Independence of 1821, and also to attract young people to maritime professions, which were pioneered from Hydra. Mr. Sahinis said: "This year we chose the rather unusual subject of: "From the Aegean to Wall Street", which, of course, has its historical underpinnings. The main reason was the constant search of historical sources in an endless effort to learn and transmit this knowledge to future generations, to understand more about the history of our country".

In his address to the conference, **Mr. Kostis Moussouroulis**, Minister of Shipping and Aegean said that the Fraternity of the Athenian Hydriots is now more than a century old, having among its founding members families with distinguished presence and action in Greek shipping history. "The sea is a key pillar of Hel-

lenic economic and social life. The fearless souls of Greek seamen made the Greek economy international, supported the country's economic and social growth and added international prestige to their country. Nobody can deny our national supremacy in the seas of the world. With an inexhaustible fuel, we hope that our maritime tradition will continue to sail towards success. This is the reason why the Prime Minister of Greece, Antonis Samaras, decided three months ago to re-establish the Ministry of Shipping and Aegean and reconnect it with the historic Coast Guard Services. I assure you that, from Piraeus, the main port of the country, I will do everything possible to meet this leading national challenge that strengthens the country internationally, develops the economy and the society and supports our citizens, especially the islanders," said Mr. Moussouroulis.

Mr. Konstantinos Arvanitopoulos, Minister of Education and Religious Affairs, Culture and Sports, in his address to the conference among others said: "Shipping is without a doubt one of the main pillars of the Greek economy, a sector we are proud of due to our glorious achievements from antiquity to modern times. To the present, we are facing the greatest economic crisis in our history; therefore we must make the most of this competitive advantage, shipping. The islands of the Saronic Gulf and especially Hydra have played a pivotal role in Greek seamanship and navigation. The Hydriot shipowners, captains and sailors prospered in the Mediterranean and during the pre-revolutionary years their participation in the fight for freedom was decisive."





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**Gelina Harlaftis,**  
Professor, Dept. of History,  
Ionian University



## Opening the way to the English and American financial markets in the 19th and 20th centuries: From merchant bankers Ralli Brothers to Aristotelis Onassis

**E**xtremely useful for drawing significant conclusions for the future was the presentation, of Gelina Harlaftis, Professor, Dept. of History, Ionian University. With historical accuracy and valuable documentation Mrs. Harlaftis travelled her audience through the paths of Greek shipping history. Mrs. Harlaftis said that the rise of Greek shipping started in the 18th century, continued during the 19th century, with an incredible rise in the 20th. The reasons for this rise were: The Greek diaspora merchants (trade, shipping and finance), the fact that Greek fleets provided them with low transport cost and their great penetration in the financial markets. In the first half of the 19th century, said Mrs. Harlaftis, much of the Ottoman Empire's internal debt was owed to a few dozen extremely wealthy sarrafs, or dealers of money, who were established in the Galata district of Constantinople, the main financial center of the Empire. These Galata bankers were mostly of Armenian origin and during the 1850s, this particular group was challenged by wealthy Greeks involved in commerce. Greek Constantinople bankers were: Baltazzi, Syngros, Skouloudis, Klados, Rallis, Zarifis, Zographos. These Greek "Galata" bankers were renowned in the Levant and represented a prime economic power in the Ottoman capital, negotiating private and state loans. Most were in close contact with the Sultan. Trade brought Greeks to London in the second decade of the 19th century. They traded with their own or with chartered

ships, and they bought, sold and bartered goods primarily on their own account. When a set of formal trading rules was devised, the Greeks got involved in commodity markets, particularly in the Baltic Coffee House in the 1820s where a number of Greek merchants were among its founding members, such as Argenti, Sechiari, Franghiadi, Rodocanachi, Ralli, Schilizzi, Cassavetti, Ionides, Zarifi, and Vagliano Bros. In the 1940's in the United States, a young pioneer, Aristotle Onassis, made his first steps in shipping, obtaining financing from top American bankers to purchase and build tankers, on the guarantee of time-charters he secured from oil companies. According to maritime economist Martin Stopford, charter-backed finance was a quite novel method in ship finance in the 1940s introduced by industrial shippers like the oil companies. According to Costas Vlassopoulos, one of Onassis' chief executive officers for 31 years, Onassis developed and refined tanker ship loans introducing the involvement of large American insurance companies, such as Metropolitan Life. Time charters of tankers were usually long term (15 to 20 years) and the American banks were limited by regulations to provide ship loans for no more than five years. Onassis was the first to extend the life of ship loans by involving the insurance companies to secure the repayment of the loans to the banks for another 10 or 15 years. In this way, Onassis was able to provide financing for his tankers that at times reached 95% of their cost.

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**Martin Stopford,**  
Managing Director (CRSL), Clarkson PLC.

## The New Dynamic Face of Greek Shipping

**T**he course of Greek Shipping and its great potential to grow even in difficult circumstances was the main issue presented by Martin Stopford, Managing Director (CRSL), Clarkson PLC. Mr. Stopford presented the latest predictions about the course of international trade, tariffs and newbuildings, indicating that the factors that will determine developments over the next five years will be: The “second part of Globalization,” with significant developments in maritime trade, the problem of oversupply, which will have direct impact on the construction of new ships, and the rising cost of fuel. At the same time, he said, globalization will increase the difficulty of finding financing from traditional sources such as banks, so owners will need to review a number of alternative forms of financing, assuming the same business risk. According to Mr. Stopford, before the Second World War the world (and shipping) was dominated by European Empires. In 1944 the Bretton Woods conference in the USA set the scene to change the system. The aim was to “globalize” the world economy. But 1957 turned out to be an economic crossroads, marking the end of the imperial era, which had lasted for a century and the beginning of what we now refer to as “Globalization.” After a century of neo-colonial stability the world was starting to move towards a new global economy. Over the next 50 years five fundamental developments worked together to create a global economic system which produced uninterrupted economic growth and by 2005, world GDP had expanded to almost eight times its 1950 level. At the Bretton Woods Conference, US Treasury Secretary Henry Morgenthau outlined the objective of creating “a dynamic world economy.” by establishing a new, liberalized trade regime. To assist in achieving this aim, the World Bank, the IMF and GATT were founded. The result was a “Flood” of Trade during 1950-2011. World GDP grew at 8 times. But world sea trade grew even faster, increasing to 13 times its 1950 level by 2005. In the process, almost ev-



ery aspect of the shipping business changed. Business Model matured, resulting in low returns, chasing size and high investment requirement. Finance problems increased as well as energy costs. Globalization provided a massive opportunity for independent entrepreneurs, and Greeks took the chance and led the way.

Today, the ten biggest international Greek companies own 672 (much bigger) ships, accounting for 29% of Greek owned GRT. Ships worth \$14.8 billion are owned by listed Greek companies. Medium companies have assets worth \$32 billion. The portfolio is broad, with 80% tankers and bulkers. Containers are only 10%, which is low for the third biggest world fleet segment (5,100 ships worth \$100 billion).

The Future Challenges for Greek Shipping are: Over-capacity, Energy costs, Regulatory focus, Globalization part 2, IT & Comms revolution, and Container model. The next phase of globalization will see more countries; more pressure on resources; and more geo-political tension (piracy is a sign). Mr. Stopford said that, for the moment, commercial banks have financial problems, and shipowners face a major challenge to comfort the banks that everything will be OK. Greek shipowners have proved that they are able to get through difficult times. They are flexible and innovative enough to do so, knowing the simple rule: “If you carry trade better, faster and cheaper, you are going to survive”.

### Quotes

“Play the players, not the cards. Watch them from the minute you sit down. Play fast in a slow game, slow in a fast game. Never get out when you are winning. Look for the sucker and, if you don’t see one, get up and leave because the sucker is you.”

**Martin Stopford, using Amarillo Slim’s Advice**

“We were fascinated discovering that the glorious history of modern Greek Shipping begun with a shipowner trying to avoid the pirates and trade his products. From this point we followed the course of Greek shipowners until they reached the “temple” of global financial transactions, Wall Street.”

**John Sahinis, Chairman of the Fraternity of the Athenian Hydriots**

“In the Department of Shipping and Aegean, despite the economic downturn, we are working hard to promote modern and efficient maritime policy with specific strategic objectives: Ensuring the safe navigation of Greek ships in any marine area, as well as ships of all nationalities in the Greek seas, taking measures to help the Greek merchant fleet to expand and develop, and securing sustainable maritime transport, with protection of the marine environment and our sea borders.”

**Kostis Moussouroulis, Minister of Shipping & Aegean**





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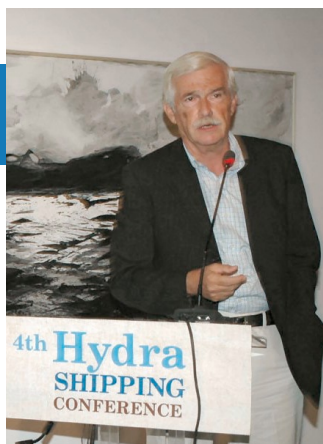
**Nathanael Mauclair,**  
Managing Director - International Listings, NYSE Euronext, Inc.

## Greek Shipping in Wall Street

**N**athanael Mauclair provided a quick overview of the New York Stock Exchange, which has a long history as well as a recent rise in activity in shipping capital. NYSE listed companies include: 90% of the Dow Jones Industrial Average, 80% of the S&P 500, 85% of the 2012 Barron's 500, 78% of the 2012 Fortune 500, and 7 of the 2011 Fortune Top 10 Globally Admired Brands. Eight million trades are executed in all asset classes every day. NYSE Euronext markets account for 1/3 of all global cash trading. Financial transactions worth more than \$2.5 trillion are executed globally every day (42 times more than eBay completes in a year). NYSE Euronext is driven by the simple principle of making connections. So far in 2012, three times as many companies

transferred to the NYSE from Nasdaq due to the more extensive global reach, the larger network of business customers and partners, and the superior market quality of the NYSE.

Today, NYSE Listed Maritime Companies are 34 (79% of the total market cap, approximately \$30 billion). There have been 19 new listings on the NYSE since 2007 and most of these newly listed companies are international. US Markets make up over 70% of global capital raising activity on Shipping Companies. The NYSE is the leading market in the US with 85% market share at IPO.



**Panos C. Laskaridis,** Managing Director, Laskaridis Shipping Co. Ltd.

## Maritime Education should be supervised by the Ministry of Shipping and Aegean

**S**hipowner Panos C. Laskaridis commented that 30% of Greek shipping is owned by listed companies. He said that the debate on whether or not to enter stock markets is still going on. He added that his own shipping company was never even close to going public, because his

business was mixed, owning shipyards (based on shore), chartering, selling fuel at sea, fishing etc. He said that the main problems for Greek companies wishing to enter stock markets is the fact that they perform in a special structure, the personal way Greek shipowners control their business, pre-

ferring family operations instead of corporate governance etc. He said the re-establishment of the Ministry of Shipping and Aegean is a positive step for Greek shipping, but there is still a wide range of subjects and problems that need to be addressed. Maritime Education, which is now under the supervision of the Ministry of Education, should be supervised by the Ministry of Shipping and Aegean. Also, a number of tax issues and labor issues have to be settled. Of course, there are bigger challenges waiting in the international scene. The financing growth is very slow, the prices of ships have dropped, and a new generation of economic ships is on the rise. Mr. Laskaridis mentioned the fatalistic phenomenon of the shipping cycles, wondering whether the shipping companies will be strong enough to overcome these obstacles.

**Manolis A. Vordonis,** ex. Managing Director, Thenamaris Ships Management Inc.

## We have to rethink, refresh and restart

“We have to rethink, refresh and restart, if we want to succeed,” said Mr. Manolis A. Vordonis, a man who has spent more than 40 years in shipping, serving the industry through many positions, both on board and on shore. He said that in the past most shipowners had a more or less limited view, not knowing about banks, stock exchanges etc. Now a shipowner must have a broader view. In this glooming view of today's financial crisis, there is still a “light” to exit the tunnel. All we have to do is to think again, to get rid of old methods and strategies that proved to be unrealistic or not effective. And we have to restart with new methods, innovative ideas and a broad view.





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## Panel Discussion

### Greek Shipping and international financial markets

The problems of finance and operation of shipping business in an environment of exceptional instability was the main issue discussed by a panel consisting of **Martin Stopford**, **Nathanael Mauclair**, **Michael Bodouroglou**, Chairman & CEO, Paragon Shipping Inc., **Dr. John Coustas**, President & CEO, Danaos Corp., with the participation of **Ion G. Varouxakis**, Chairman and CEO, FreeSeas Inc., and **Manolis A. Vordonis**, former managing director of Thenamaris. Mr. Koustas noted the need for continued vigilance on the part of Greek shipowners, as the international business environment is extremely volatile, and it is necessary to control operating costs. Mr. Bodouroglou added the issue of international regulations, with new restrictions on maritime transport. Martin Stopford said that in these new Globalization times, there is still opportunity for innovation, and shipowners know it better than anyone else. But shipowners have to take the risk. Greek owners have the brain to create new things and survive in gloomy times. Also Globalization 2 can create a huge demand in the future. Nathaniel Mauclair said, "If you think about history and make a link to the present, you will see there are ups and downs. All Greek shipowners are innovative enough to create additional sources of financing. Visit your banker and negotiate the terms. Go to Wall Street and ask the questions you want. Today I believe stock markets will be more open to shipping. Half of the listed companies came to the market after 2007. Stock markets are additional to banks, but you will always need the banks. But in the future, the companies that will survive are those who will have all possible sources of financing available." Mr. Vordonis said that Greek shipowners should look back and learn by the "Onassis model," a main example of building trust. "We need to take decisions which are fundamentally wise. We want to continue our business, although the prices are not the ones they used to be. We cannot be speculators in this market. Let's be creative and be the leaders to increase the demand".



Mr. Antonis Mavrakakis said that some people are very optimistic about the rise in demand. It is a very difficult situation for new business in shipping sector worldwide. Today the situation is much different from any other crisis we have seen in recent years and it is difficult for a shipowner to decide whether to invest in new ships or not, because this is an unusual situation.

### We must be ready for a vertical integration, if it is necessary

**Dr. John Coustas**, President & CEO, Danaos Corp.

"Shipping is inherently unstable," said Dr. John Coustas, as you constantly need to stabilize a balance between demand and supply, each time with new ships. You are either "burned" or "frozen", depending on how quickly you open or close the "tap" of supply and demand. Of course, there are mega-trends you have to identify in the world (namely Brazil, China etc.), but there are other factors that disturb the balance. For example, US gas and oil sales have dramatically changed compared to the past. This change affects growth in many other countries, such as India, China etc. However, these trends are known, but we don't know exactly how rapid the increase of trade and transportation will be. This rate will determine whether shipping will burn or freeze. It is a very complex situation. Therefore, we need to be cautious. It is important to have access to capital, but also to support our own companies in difficult times. In Danaos, we have managed to have low operational costs. Danaos, more than any other company, has used the long term charters, taking this risk. We must be able to start a vertical integration and control direct access to the world, and not on a business to business base.

### Quotes

"We have to be cautious and proactive if we don't want to reduce the level of our competitiveness, due to more regulations and restrictions."

**Michael Bodouroglou**,  
Chairman & CEO,  
Paragon Shipping Inc.

"All Greek shipowners are innovative enough to create additional sources of financing. Visit your banker and negotiate the terms. Go to Wall Street and ask the questions you want. Today I believe stock markets are more open to shipping."

**Nathanael Mauclair**, Managing  
Director - International Listings,  
NYSE Euronext, Inc.

"For those using or intending to use Privately Contracted Armed Security Personnel, frankly, having armed guards onboard has yielded, up to now, 100% success. No vessel with armed personnel embarked has ever been hijacked and this has caused the surge in using armed guards. Armed guards work as an additional layer-of-defense together with passive Ship Protection Measures. Placing PCASP allows particularly vulnerable (low and slow) vessels to be secured and shipowners benefit from insurance premium reductions. Furthermore, peace of mind for crew, master, charterer and owners alike can be achieved, provided a Quality Provider is selected."

**Panos G. Moraitis**, CEO, Aspida Maritime Security Corp.



## Afternoon Session

### Greek Piracy and corsairing in the Eastern Mediterranean to 1830: A complementary activity to merchant shipping?

**Gelina Harlaftis,**

Professor, Dept of History, Ionian University

According to Mrs. Harlaftis, piracy was a legitimate action before the 18th century. Piracy was endemic in the Mediterranean. At that time, non-state violence at sea was entirely connected with commerce-raiding, that is, attacks upon seaborne trade. Actors of commerce-raiding were: Privateers (backed by the state), Corsairs (backed by the state) and Pirates (bandits). Pirates brought revenue to the sovereign, public officials and to private investors. The conversion of privateering from “patriotic piracy” to the “kind of piracy which disgraces our civilization” followed a long path from the 16th century and was revealed in the 19th century. Piracy was transformed from “an honorable crime” to “a crime against the human race.”

The most famous Greek pirates were from Mani. Greece's most famous pirate den was formed in the central peninsula of Peloponnese which was one of most barren, wild, rocky, and most densely populated parts of Peloponnese. In a landscape that would remind the British of the Land's End of Cornwall, the Maniotes gained fame from their successful plundering activities, their ferocity and their swiftness in wrecking the last plank of ships that had the misfortune to seek refuge in Mani's well-protected bays. This land-based bandit community of the sea was well situated in the nexus of the sea route to the Eastern and Western Mediterranean. It remained a thriving market for disposal of booty and seems to have forged special relations with the Maltese, and so also named “little Malta”. With no Ottomans living in their land, the Maniotes paid taxes to their Ottoman rulers and kept their independence and illegal activities free for centuries. The 1820s, the years of the Greek War of Independence, was a period of culmination of Greek privateering and piratical activities. Shortly after the declaration of Independence a Ministry of Marine was formed. Along with the formation of a rebellious Naval force, the revolutionary state was granting letters-of-marque allowing private merchantmen to act as privateers of the Revolutionary State, forming thus an auxiliary army at sea to combat the enemy. In this way, a large number of the merchant fleet of the islands was involved in the war. The first legislative decrees promulgated concerned commerce raiding and the establishment of peace at sea. After the end of the war, Kapodistrias, Greece's first governor after the revolution became himself the head of the much unpopular Court of the Sea, or Court of Prizes, that was completely restructured and within one year from 1828 to 1829 concluded and passed the sen-

tences for 145 cases. There were 30 cases concerning piracy, including piratical

ships captured by Admiral Miaoulis in the north Aegean. But the most famous case of piracy judged by the Court of the Sea was that of the Mavromichali family who continued the tradition of land-based sea piracy of the Maniotes. Yet, the pathos of people and its old traditional practices is not easy to tame. What seemed to be at stake was the question of personal reputation, for this was a proud Maniot family that had fought ferociously for the cause of the Greek Liberation and still thought themselves as rulers of their own land. Thus, revenge was the answer and the first Governor of Greece, was assassinated, both stabbed and shot, by Constantine and George Mavromichalis in front of the Church of St Spyridon before attending Sunday Service in September 1831. Although this might seem the result of a pure family vendetta, the assassination has not been a mere question of personal dispute deeply rooted in the traditional social structures, but it was also the outcome of intense conflicts during the highly turbulent times of the formation of a new state. This is the dramatic reaction of the old traditional strata against the new era, a result of the new economic and social conditions brought by the “Age of Revolution”. All piratical, corsairing and privateering activities belonged to an old type of economic activities that could not exist within the reality of a modern Europe. State building brought exertion of authority and control over non-state violence.



*A nation  
Of  
Pirates?*

#### The face of modern Somali pirates



Russian LMG



AK 47 (left) and RPG (right)

#### **A personal testimony: 77 days of Hijack by pirates**

**John C. Evans, General Counsel,  
Chartworld Shipping Corporation**

Mr. Evans gave a testimony on modern piracy. Four years ago his company's ship, Capt. Stefanos, was attacked by Somali pirates. The ship

had been pirated for 77 days from September to December 2008. 19 Officers and crew were on board. The value of the vessel at that time was about US\$60M plus the cargo of 61,000 MT coal on board. Ransom paid was US\$1,200,000, advisers' fees, delivery of ransom & associated costs were US\$250,000, loss of hire was US\$3.39M, and payments to the crew (US\$ 50,000). Mr. Evans said that Somali pirates expanded their operations in the last five years. Ships attacked by pirates in 2010 were 480, 63 of which were hijacked. Average negotiation time in 2011 was 7 months. The cost to world trade 2-3 billion USD, plus 2 billion USD paid in ransom. He also said that there is no IMO equipment in new-builders.



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**Panos G. Moraitis**, CEO, Aspida Maritime Security Corp.

## Armed Guards on Ships as a solution to Modern Day Piracy

The thorny issue of Modern Piracy and the use of armed guards on ships as a solution was the main issue presented by Panos G. Moraitis, CEO, Aspida Maritime Security Corp. Mr. Moraitis highlighted the contribution of armed guards on ship safety, noting that so far there has been no incident of piracy on guarded ships. Mr. Moraitis noted the significant difference between professionals and non-professionals, stressing that the lack of professionalism in an attack by pirates may pose a serious danger to the ship and especially to the lives of the crew. "Every 100 years we have new incidents of piracy," said Mr. Moraitis. Nowadays, negotiations take a long time and ransoms are generally very high. Most shipowners have an old fashioned and romantic concept regarding pirates. The statistics published show only a part of the problem.

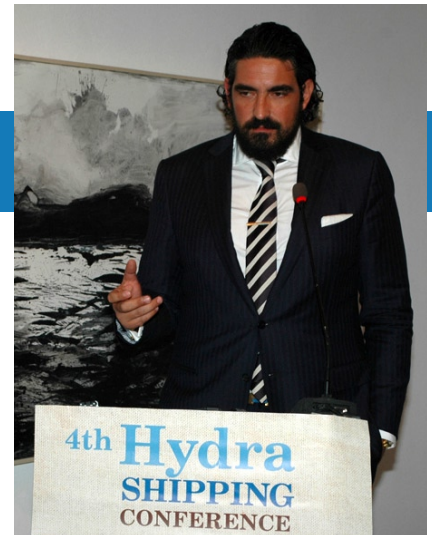
Over the last two years we have seen a rapid growth in the number of companies taking security consultants on-board their vessels. The more the vessels utilize armed teams, the greater the risk for those that do not. This has been spurred by the development of piracy into a mature criminal enterprise with trained and desperate pirates lured by the promise of the equivalent of a year's wages for a single successful hijacking. Of course, the use of armed guards does not substitute Best Management Practices and other protective measures. The recent shift to the use of mother vessels by pirates, granting deep ocean capabilities, has simply displaced the problem further from military assistance and aid. This, combined with a greater proficiency in boarding tactics, has forced owners to increasingly turn to the use of Privately Contracted Armed Security Personnel onboard their vessels. Consequently, there have been ongoing debates regarding

the pros and cons of PCASP, not only for the companies using armed teams, but also for those using unarmed security or none at all.

The shipowner should verify that the Private Maritime Security

Company has adequate training procedures in place. The records of that training should give confidence that the PCASP have been provided with appropriate knowledge and skills through initial and refresher training. Each armed security mission is a small military operation and entails high costs. Unsuitable insurance, improper and illegal weapons, poorly trained personnel, lack of procedures and lack of adherence to port regulations may result in a lower price but may lead to complications, vessel delays, arrests and liability claims.

It is clear that if the threat continues to grow and pirates become more skilled, determined and organized, shipowners and charterers will have to take measures to ensure their cargo security. No quantity of naval assets or escort vessels can secure the volume of shipping that passes through high-risk waters. Simply, there are not enough naval vessels in the world. This is a geopolitical problem that must be fixed on land but currently there is no international will to do so. Until this happens, companies with vulnerable vessels face a stark choice; roll the dice and take a chance or place armed guards onboard and ensure the commercial viability of their service.





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## Panel Discussion

### Modern-day piracy, its consequences and methods of confrontation

The problem of Piracy was the main issue of the panel discussion with **Antonis Mavrakakis**, **Panos G. Moraitis**, and **John C. Evans**. Mr. Mavrakakis said that piracy is a fundamental issue for Greek shipping. "I fully agree with hiring armed guards on board. The Russians and Chinese were using armed guards. Today the international and national authorities are absolutely absent. Usually, pirates are informed by people on board about the ship's route. Big nations silently accept this scandal going on for years, and so does the UN, despite its declarations." Mr. Bodouroglou wondered whether by hiring armed guards Greek ship-owners are passing over the task to protect the life of their crew to other people, which is primarily their own duty. He also said that Western governments do not hold the life of seamen high in their political agendas. Mr. Vordonis said that it is not always easy to make an evaluation on the issue, as many guards are not "mature" enough in the sense of specific education. He added that: "Piracy is a result of poverty.

If we look at this historically we can see some socioeconomic reasons and similarities with the rise of terrorism. Traditional thinking is not enough to help us get rid of piracy, as it is not enough to lead us out of the financial crisis. We have to invent new ways, re-think and restart".



The Conference Chairman, **George Xiradakis**, Managing Director, XRTC Business Consultants, coordinated the conference in an unparalleled manner, managing to sustain the delegates' as well as the speakers' full attention and interest from the beginning to the end.



In his concluding Remarks, Mr. Xiradakis said that the challenge for Greek Shipping is to maintain the same status of the Greek management and Greek shipowned fleet. He mentioned the need to adopt the RIO concept- Resource, Innovation and Opportunity. Shipping has always been a risky business. This is the main characteristic of Greek shipping, which is a dynamic sector, ready to re-invest, re-negotiate with banks and restructure shipping companies.

## Quotes

"I do not share the view that this time is different. We are facing a financial crisis like the ones that happened in the past. The question really is: what is the policy response going to be? How are the central banks going to react? We can even say that this crisis is similar to the events leading to the great depression in the '30s only that the policy response today is the right one. Back then the money supply was restricted and interest rates were increased, whereas today we have quantitative easing and low interest rates. This leaves room for optimism."  
**Ion G. Varouxakis, Chairman and CEO, FreeSeas Inc.**

"Onassis did not invent ship loans on time charters. What Onassis did in the immediate postwar period was to establish, develop and refine ship loans on time charters as a common ship financial method in the American financial markets and to introduce them as a method for the launching of large shipbuilding programs of large vessels."  
**Gelina Harlaftis, Professor,**  
**Dept. of History, Ionian University**

"Young people should not follow the example of the elder generation, as this is responsible for bringing Greece in the difficult situation that it faces today. In respect to corporate governance, young people wishing to work in shipping sector should do things differently than the traditional Greek shipowners."  
**Panos C. Laskaridis, Managing Director, Laskaridis Shipping Co. Ltd.** 9



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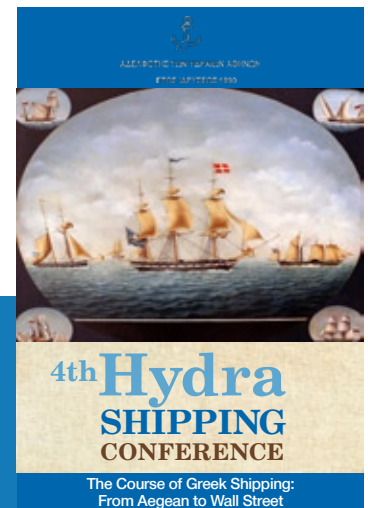
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## Parallel Social Events



Friday, 14.09.12, at 21.30  
Welcome cocktail and Gala dinner  
at “Sunset” Restaurant

Saturday, 15.09.12, at 14.00  
Aspida Maritime Security Lunch  
at the terrace of Hydra Museum  
– Historical Archives



Welcome to  
**aspida**  
MARITIME SECURITY  
Lunch



Saturday, 15.09.12, at 19.30  
Cocktail party on board  
“Aello” sailing yacht  
sponsored by Free Seas Inc.



Sunday, 16.09.12, at 10.30  
Breakfast at  
“Skipper café-restaurant”



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## Success Story

### **Michael Bodouroglou: Chairman, CEO and Interim CFO**

Michael Bodouroglou, the founder and Chief Executive Officer of Paragon Shipping, has been involved in the shipping industry in various capacities for more than 25 years. He has served as Paragon Shipping's chairman and chief executive officer since the Company was founded in June 2006. Paragon Shipping operates a fleet of modern and cost efficient dry bulk vessels. He is also the founder and chief executive officer of Box-Ships and he has served as Box-Ships chairman and chief executive officer since the Company was founded in May 2010. Box-Ships owns 9 container vessels varying from 3,400 TEU to 6,500 TEU.

Mr. Bodouroglou has owned and operated tanker and drybulk vessels since 1993. He is the founder of Allseas Marine S.A. which serves as the technical and commercial managing company to Paragon's and Box - Ships' fleets.

In 1977, Mr. Bodouroglou graduated with honours from the University of Newcastle-upon-Tyne in the United Kingdom with a Bachelor of Science in Marine Engineering and in 1978 he was awarded a Masters of Science in Naval Architecture. Mr. Bodouroglou is a member of the Cayman Islands Shipowners' Advisory Council and is also a member of the Board of Academic Entrepreneurship of the Free University of Varna, Bulgaria. Mr. Bodouroglou serves as Vice Chairman of the Hellas Committee of the classification society GL (Germanischer Lloyd) and as a member of the Hellenic Committee of RINA (Registro Italiano Navale).

Mr. Bodouroglou is the Honorary Consul for the Slovak Republic in Piraeus.



*Always At The Helm*



**Paragon Shipping Inc.**



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Everything is Possible

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#### Aspida Maritime Security

Aspida is an experienced Private Maritime Security Company (PMSC) offering a comprehensive range of Risk Mitigation Solutions specifically focus to the Maritime Sector, fulfilling all recent IMO Guidelines for the use of Armed Security Guards onboard merchant vessels. Aspida carried a Public Liability and Professional Indemnity insurance up to US\$5,000,000.00 as well as Personal Accident and Employers Liability insurance. Aspida is also a signatory of the International Code of Conduct for Private Security Companies and one of the first companies to be accepted in the Security Association for the Maritime Industry (SAMI).



**BALUCO**

**Baluco** is a bunker & lubricants company focused to give the leading service in the lubricants and bunkering business. BALUCO team tries and succeeds in establishing healthy relations with suppliers, majors and locals, and as a result manages to offer best quality products at the most cost effective prices at almost any port of the world.



#### FreeSeas Inc.

FreeSeas is a premiere, global commercial shipping company transporting iron ore, coal, grain, steel products and other drybulk cargoes along worldwide shipping routes. With a dynamic management team focused on shareholder growth and an active presence in the capital markets, FreeSeas has positioned itself to capitalize on the emerging drybulk industry.



**CLYDE & CO (GREECE) LLP** was established in March 1998 by Mr Martin Hall. We are dealing with all areas of litigation work including charterparty and bill of lading disputes, P&I claims including cargo claims as well as all types of FD&D matters, marine casualties, salvage and collision cases as well as some non-contentious work in the provision of expert legal opinions and advice. Our office also deals with insurance claims, sale and purchase and disputes arising therefrom and finance/corporate work. Clyde & Co is one of the leading international law firms in the City of London, not only in shipping, but in other areas including corporate law, insurance law, aviation, energy and infrastructure. It has offices in 27 countries around the world. Mr Martin Hall was the founder of the Eastern Mediterranean Mediation Association (EMMA), which aims at providing a forum in Greece for speedy and cost effective resolution of disputes.



#### Cotommatae 1810 Guest House

In the centre of the historical town of Hydra, the Cotommatae 1810 Guest House, is a traditional Hydrion Mansion, which was restored with much care and respect and has started functioning this year, as a special Boutique Hotel. The Mansion standing in a quiet – privileged district, looking to extensive views, has its own lofty stonewalls, gardens and verandas, which makes the Guests' stay quite a memorable one.



**Paragon Shipping Inc.**

#### Paragon Shipping Inc.

Paragon Shipping Inc. is an international shipping company specializing in the transportation of drybulk cargoes. Our vessels are able to trade worldwide in a multitude of trade routes carrying a wide range of cargoes covering a number of industries. Our fleet carrying capacity totals 779,270 deadweight tons. Following the delivery of the drybulk and containerships newbuildings, our drybulk and container fleet carrying capacity will increase to approximately 853,670 deadweight tons and 9,600 TEU respectively. We are focused on maximizing shareholder value by maximizing returns on our investments while at the same time ensuring our vessels adhere to the highest safety and environmental standards.

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