

Speech by E. E. Mitropoulos
at the 5th Annual Capital Link Greek Shipping Forum
“Positioning for the Rebound”
(Athens, 24 February 2014)

Good afternoon, Minister, Ladies and Gentlemen.

After Mr. Bornozis’ kind and generous words about me, I’m dying to listen to my own speech!...I am delighted to be invited to assist in such a prestigious event.

I have been tasked with two things: to make brief remarks on the state of the shipping industry today; and to introduce this year’s winner of Capital Link Greek Shipping Leadership Award, Mr. Pericles Panagopoulos.

I have been allocated fifteen minutes to accomplish this Herculean task and, whilst I will have little difficulty to dispatch the first of the two with a few generalities, I am afraid I might do injustice to Pericles were I to paint his titanic personality with only a few brushes. This would require the talents of an Olympian God – which I am not! I, therefore, beg of his forgiveness for having, because of the understandably short time allocated to my speech, to condense my introduction of his remarkable personality and achievements, spanning over more than half a century, in a synoptic summary.

As for the **state of the industry** today, I will focus on the Forum’s theme for the year: **“Positioning for the Rebound”**. To me this means that Mr. Bornozis, his co-organizers of the event and their analysts have come to the conclusion that the worst of the world economic and financial crisis that has, since 2008, plunged shipping in the doldrums, is about to come to an end and, therefore, the time seems right for the owners, managers, operators and their alike to position themselves for the rebound – if they have not already done so.

Imagine, therefore, how many and how high eyebrows would rise among the Forum organizers’ team were I to ask the question: “Rebound? What rebound?”

Fear not, dear friends! I am not going to go against the stream and spoil your party. Not only because I am an optimist by nature and know, pretty well, that, addressing a shipping audience, especially in my home country, I have to work hard to preserve my popularity but also, and mainly, because the indications are there that the worst is behind us and the signs of the long-awaited recovery are on the wall – some prefer to call them “green shoots”.

This is true not only in the conclusions drawn by think tank and analyst groups but also in the behaviour of the shipping markets over the last two to three months.

With the exception of the containership market, which still shows signs of weakness, the other sectors – oil/gas and bulk carrier markets – seem to be doing quite well and are steadily improving.

With the markets being driven by a very cold winter in the US and the apparent lack of vessels to serve the supply chain, we have seen Suezmax and Aframax spot trades exceeding 100.000 US dollars daily rates, thus allowing commentators to claim that markets like these have not been seen since the “glory days” of 2006-8.

Regarding the LNG sector, I share the view that, at present, there seem to be enough LNG projects at the final investment decision stage to keep the market buoyant in the next few years – an assessment, however, that could all change if the newbuilding rush continued.

Finally and as the core dry bulk market is concerned, the prospects are also bullish, if we were – and why not? – to believe the comments of experts in the field.

What seems to puzzle analysts – in particular those who specialize in the container sector – is that scrapping is not taking place at a rate commensurate with the state of the sector market and newbuilding deliveries.

While we have reasons to rejoice in the *ante portas* recovery, my advice, however, would be that, in all this climate of euphoria at the prospect of eudaimonia in the shipping markets, we should act with a due sense of realism, sensibility and prudence. We should learn the lessons of the past and not allow ourselves to be carried away by signs and trends, which may be proven of short term and unfounded considerations, which may lead to a state of “irrational exuberance”. Because the fundamentals are still pointing to an oversupplied market for the foreseeable future – which means that companies should focus on creating own efficiencies to keep costs low and relationships solid while maximizing utilization through hands on commercial management; at the same time, paying maximum attention to the human assets, both onboard and ashore, at their disposal.

But I am sure that all these and related matters will be thoroughly examined by the galaxy of speakers this Forum has assembled in Athens today.

Among those dilemmas occupying the minds of investors in shipping in the prevailing circumstances would perhaps be which sector to put their money in: in those

lagging behind at the prospect of high gains when the respective markets rebound or in those already flourishing in the hope of even better returns?

Ladies and gentlemen,

The Chinese consider fortunate those who live in interesting times – and these indeed are interesting times for shipping.

Three weeks ago, cutting the Vassilopitta for the London-based Greek shipping community, the Chairman of Lloyd's Register branded as extremely positive the future of shipping. The future of the industry, from the economic, financial, geopolitical, technical and environmental points of view will be the subject of a Forum the "Maria Tsakos" Foundation, of which I have the honour to be the Board Chairman, will host here in Athens in October. It will be co-chaired by Mr. Pascal Lamy, the renowned economist and until last year Executive Director of the World Trade Organization and myself and we will be delighted to see as many of you as possible attending it.

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And now to the second, and most enjoyable, of my tasks today: introduce the **winner of this year's Capital Link Greek Shipping Leadership Award.**

I must confess I did not agonize at length while pondering on how best to connect the two tasks (state of the industry and Award winner) between them.

Knowing Pericles Panagopoulos well; having studied his meteoric climb to the summit of the shipping pantheon; and having enjoyed his companionship and friendship over a good many years, I knew that here was a man who knew well how to seize the opportunity of a lifetime in the lifetime of an opportunity.

And since my mandate, introducing him, was to highlight his personality within the Greek shipping community as a highly successful businessman and a major contributor to Greek shipping and the society at large, I thought I would do him credit by mainly illustrating a quality Pericles has, among many others, had in abundance in his professional life: that of an entrepreneur, who knew when and how to seize opportunities, a businessman with a unique sense of timing in his dealings.

His emotional intelligence, coupled with a fearless spirit when his inventive mind was about to conceive new ventures, has no bounds while his sense of patriotism is

second to none. He has always been proud of his Greek origin and his ships were floating exhibitions of everything that is good and great in the country that gave birth, nurtured and inspired him.

His attention to the last detail, so that his ships, cruiseships and ferries in the main, would always be maintained in an impeccable condition (not only in order to attract favourable comments for the Panagopoulos brand but also in order to be seen as floating ambassadors of the highest standard, displaying with pride and dignity the Greek flag), was meticulous and the results impressive and rewarding.

I will never forget the sentiments of national pride I felt when, back in the 1980's, I led a group of representatives of more than fifty countries to the port of Yalta for us all to be stunned by the sheer beauty of an all-white, gracefully beautiful cruise ship moored at the most conspicuous berth and displaying a large, impeccably clean, Greek flag at her stern. Her name was "Golden Odyssey" and her owner the man I am talking about.

From an early stage in his life as a shipping entrepreneur, Mr. Panagopoulos showed signs of two characteristics that marked, more than others, his career; sealed his phenomenal rise; and explained his success in a sector of the industry, in which so many of his fellow shipowners, in spite of ephemeral triumphs, eventually failed. These were: farsightedness and confidence.

Farsightedness to successfully read, analyse and interpret the shape of things to come and take early action to make the maximum of their bright side; and confidence in himself and the ability of hand-picked collaborators to collectively weather the storms, sail the ship to calm waters and drive his companies to profitability and prosperity.

It was the combination of these two characteristics – farsightedness and confidence – that gifted him with a unique sense of timing as to when to invest in which sector of the shipping industry; when to buy and build ships; and when to sell them and withdraw, happily temporarily – before pioneering in new ventures. He was sensible and prudent in his decisions but at the same time brave and daring. His success speaks volumes about the virtues that he personified and the qualities he introduced in his businesses and shipping at large.

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The Chinese say that the more one suffers in life the more humane one becomes. Pericles did not need to go through his traumatic experience in the hands of unscrupulous criminals in order to become more humane. His life, before that cold January morning in 2009, was exemplary in all respects and his adventure only serves as

an opportunity – albeit painful and distressful, for those who did not know him – and as a reminder – for those who did – to understand what a wonderful, kind and noble human being he is. He suffered his ordeal with dignity and bravery, being valiant, gallant and forgiving at the same time. His comments about his abduction demonstrated, in the most eloquent manner, the depth of his reserves and the beauty of his soul. I do not have the slightest doubt that those, who invented the word “gentleman”, Pericles Panagopoulos had in mind. And if the same word did not exist in the vocabulary, it should be invented just to define him!

Mr. Panagopoulos is credited with the creation, from scratch, of three shipping companies (the Royal Cruise Line, Attica Enterprises and Superfast Ferries) – not to mention the Magna Marine, a dry cargo ships company. To do so, especially when you are a self-made man, as he is, one has, not only to be energetic, dynamic, inventive, example setting, inspirational and visionary, but also with a steely determination to fight, overcome adversities and succeed. How do you then reconcile this with Pericles’ soft-speaking, always polite manners and smiling face? What metal is the man made of? And how strong should he be to be able to face the difficulties of life and times and yet not to lose his charismatically amiable, affable, charming, disarming and easy-to-approach personality? The answer is, should be: A metal of the highest value, most enduring and yet soft. I think they call it “gold” – and this is the metal, gold of the finest purity, the man we honour today is certainly made of! A real “archondas”, in the full and true sense of the word!

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With Pericles we share the same passion: we both love football. Unfortunately, our joint adoration of the beautiful game stops there as he is a fan of Arsenal while I support the champions, both in Greece and England – and I thank you for understanding my anguish when I watch the two champions playing against each other at the Karaiskakis Stadium tomorrow evening!....

To the dismay of our wives, we have come to the conclusion that football is the most important of the less important things in the world, embracing, at the same time, Bill Shankly’s immortal words: “People”, once the legendary Liverpool manager said, “think that football is a matter of life or death. Well, I’m telling you: Football is more than that!”.

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Three weeks ago, at an award-presenting ceremony at the Greek Embassy in London, I repeated the plea I have made on several occasions in the past – namely, that

the Greek State should honour those champions of Greek Shipping, who have played an influential role in enabling the country to steadily climb the ladder that brought it to the world summit of an industry whose main characteristic is tough competition – those leaders who have drawn and are enjoying the recognition, admiration and respect of the shipping community, in all its manifestations, worldwide.

Among those, Pericles Panagopoulos has, through hard work, professionalism and leadership talents of the highest standard, exceptional ethos and a sense of fair play that very few possess, conquered a prestigious place and I consider it a great and most pleasurable honour, indeed a privilege, to have been asked to say a few words about him on this splendid occasion. Throughout his long, and undeniably successful career in the service of shipping, Mr. Panagopoulos has led by example – ethical, humane, professional – and this, I believe, constitutes the best of his many credentials to win this year’s Capital Link Greek Shipping Leadership Award, which I am delighted to present to him today.

I wish him a long and happy life in the loving warmth of Katerina and his children, Eirini and Alexandros and his grandchildren and in the affectionate company of us all, who are proud of his friendship.

Thank you.
