

Plus ça change, plus c'est la même chose

David Cheslin on the development of shipping over four decades

IFW came into being in 1971 and liner shipping had just begun its most dramatic change since sail gave way to steam.

Although Malcom McLean had introduced containerisation in 1955, it was purely in the US domestic trades and we had to wait until 1966 before it arrived on the international scene. It was 1968 before the first European containerships set sail, with Atlantic Container Line and Hapag Lloyd among those pioneering the concept on the North Atlantic in competition with McLean.

The North Europe-Australia trade was next; a fact which might surprise those not born then, but was largely attributable to the liner conference system, which provided a way of forming consortia and enabling the cost of investment to be shared between many lines.

This investment was not only in ships but also in infrastructure: containers, maritime terminals and inland terminals. Many lines also provided road trailers, as, like ports, the haulage industry was hardly likely to invest in such a new and unproven concept.

What quickly became apparent was that, compared with general cargo vessels, the new containerships would be huge. Whereas a breakbulk ship might spend over a week in port, the speed of handling with containers allowed these large ships to be turned around in just a day or two.

If this sounds slow, it should be remembered that the early ships called at very few ports and so made a relatively large number of moves per call. Cranes were not that fast and a high percentage of the containers were 20-footers because the Australian cargo was heavy and maximum gross vehicle weights were much lower than today.

At about 1,300teu, the Australia ships were soon eclipsed by those built for the Europe-

Far East trade. These were true giants of 2,000teu, built to panamax dimensions.

Later their capacities would be increased as deck capacity was expanded, both by going higher and by extra fittings to enable them to carry containers outboard of the hatchcovers.

These ships were also very fast, with service speeds of 27+ knots, their fine-lined hulls also contributing to loss of capacity. Sea-Land was also to build extremely fast ships for the North Atlantic; at 33 knots two ships could maintain a weekly service.

Despite the conference system, competition to fill these ships was fierce and it was widely recognised, if not admitted, that few big shippers paid the full freight rates. This had been the case too in the breakbulk days and continues to be the case nowadays with the big shippers dictating rates, despite whatever anyone says in public.

A global oil crisis soon had the ships slowing down and the thirsty steam turbine ships had their power plants replaced with lower powered diesel engines. Sea-Land simply sold its ships to the US Military as fast transports.

In the beginning, the deepsea lines also offered LCL services but these were left to the freight forwarding industry to continue as the lines focused on FCL. Forwarders now use fancy titles like logistics providers, 3PLs and 4PLs, but many of the services are exactly the same as those provided by the forwarding industry in the 1960s and 70s.

Realising that they were relinquishing control of their cargo, a number of major lines have also set up logistics companies to compete with the 'freight forwarders' and this is the situation today.

Another aspect of the shipping industry that seems to have gone full circle is the role of the private company in ownership. The great lines such as the P&O group, which included a host of companies trading under other names, Alfred Holt (Blue Funnel and Glen Line), Cunard (including Port Line), British & Commonwealth (Clan Line, Union-Castle et al), Furness Withy (Royal Mail,

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