

# Lloyd's List

## Broker with international ambitions has golden touch

- Tuesday 06 June 2006, 00:00
- by Michail Kokkinis is known as one of the people who have put Greece-based shipbroking firmly on the map, writes James Brewer

Interested in this topic? Set up a custom email alert and we'll tell you everytime we write more like this.

YOU run a successful shipbroking group, and after more than 10 years developing the business you need to expand and build on the services you provide to shipowners and operators.

YOU run a successful shipbroking group, and after more than 10 years developing the business you need to expand and build on the services you provide to shipowners and operators.



You have clients in Greece and elsewhere, especially a growing number in the Far East.Â Like many others you are enthused by the huge trade growth of China.

How do you capitalise on that?Â Open an office in Shanghai, Beijing or Hong Kong?

Michail Kokkinis was tempted, but he chose another route. His company, which he prophetically named Golden Destiny in 1994, will concentrate on operating from his Piraeus base but is adding a further golden touch, an associated marine insurance brokerage company.

For most of the time since entering shipbroking in 1978, Mr Kokkinis has been a ship sale and purchase specialist.

In charge of his own company, he insisted on reaching out internationally. From its foundation the company joined the Baltic and International Maritime Council and it is a member of the Hellenic Chinese Chamber of Commerce and Industry.

The links Mr Kokkinis developed with Polish shipping resulted in his being appointed honorary consul of Poland in Piraeus in 1993.

strong supporter andÂ a past president of the Hellenic Shipbrokers Association, he entered the field when it was very much dominated by London brokers.

He knew he had to offer distinctive service to win the support of the shipping community.

Today he is known as one of the people who have firmly put Greece-based shipbroking on the map, having worked on many project deals that help shipowners to combine sales with charters, elaborated ways for them to expand, helped new investors become shipowners and acted as consultant to banks in ship valuations and financing.

"We believe we have provided to our clients the confidence that by doing business with us, they play safe," he said during

a visit to London.

"Having created that confidence, we have been studying how we can carry out certain expansion within the field of shipping services.Â

"We evaluated opening branch offices in other markets, such as the Far East, but the overall conclusion of our study was that the best we can do is to expand locally in our own headquarters the services to our clients.

"To extend into dry cargo chartering, for example, would not be very wise because there are so many other companies doing it. We would not bring an added value to the market.

"We came to the belief that what would be very much worth providing additionally was marine insurance services. For more than a year we have been working carefully on such a project.

"In April, we announced to present and prospective clients the establishment of a whole range of broking in hull and machinery, P&I, claims services, cover for innocent owners — those with ships out on bareboat charter — cargo insurance and other marine related lines."

The vast majority of clients seeking insurance representation will be Greek, but Golden Destiny is casting its net as far a field as China, the US, Russia and Ukraine.Â

In all those regions the company has been active in ship sale and purchase and has strong relationships with local shipbroking firms.Â

It is a strategy that is working better than any outright attack on those markets.

Irene Lembesis, who during herÂ wide-rangingÂ shipping career has also been one of the few London insuranceÂ consultants fluent in Greek, is leading the insurance broking side from London, travelling between the City and Greece as business demands, while British marine lawyer Katerina Vagia is heading the Piraeus office. A further person has contracted to join the teamÂ from September.Â

Mr Kokkinis says his insurance unit will be close to shipowners and see them on a day-to-day basis.Â "When it comes to a claims situation shipowners need someone to be in their office and bounce ideas around," he says.

The Piraeus shipbroking fraternity is much younger than its London counterpart, and the career of Mr Kokkinis is a microcosm of its development.Â

Shipbroking activity out of Piraeus began to grow in the 1970s and the early 1980s, since when the volume of sale and purchase transactions concluded by Greek brokers has become significant.

"Of course there is strong competition from London," Mr Kokkinis admits.Â "The London Greek relationship with the London shipbroking community and the relationship between London brokers and business in Greece itself dates back many years.

"I remember my grandfather telling me that at that time (the early days of the 20th century) they had to rush to London to buy ships because there was a rumour the British would stop selling ships. That shows how close the relationship with the London market was."

In fact the London Greek shipping connection might be said to go back 130 years, when the emphasis in international trade switched from the Black Sea-Mediterranean to voyages between Europe and America, prompting many Greeks to move to Cardiff and London.

For many years a number of Greek owners gave exclusive rights to London brokers, but slowly the Piraeus broking community became stronger. Now marine and financing businesses head there from London and other centres in the belief that being in Greece they have a better chance of business.Â

More ships are being transacted, but the trend to Greek intermediation has nothing to do with the volume.Â

"It has to do with the relationship," says Mr Kokkinis.Â "The confidence of owners in Greek shipbrokers has been improved, while at the same time the composition of the London shipowning-operating presence has changed.Â

"In London in the 1970s there were more than 125 Greek shipping companies, but this has dropped to 65, the majority of which have their main office and most of their operations in Greece."

He refers to a change in his own side of the industry, too. In the 1970s Greek sale and purchase brokers were mainly former shipmasters, which meant their strengths were in technical knowledge.

"These days we have people who add commercial knowledge, which makes for more sophisticated brokers," Mr Kokkinis says.

Not that he ignores the need for practical maritime experience. All brokers at Golden Destiny are required to spend a training period of at least two months on board a vessel, usually a bulk carrier, as an able seafarer carrying out all the typical tasks, including scrubbing decks.

"This is to give them an idea of the running of ships," he says. "A broker must never forget the client's interests, so you have to know thoroughly the commodity you are dealing with, negotiating and trying to sell."

---

Article from Lloyd's List

<http://www.lloydslist.com/ll/sector/Insurance/article78721.ece>

Published: Tuesday 06 June 2006

© 2010 Informa plc. All rights Reserved. Lloyd's is the registered trademark of the Society incorporated by the Lloyd's Act 1871 by the name of Lloyd's