



More than Shipping –  
Charting the Course of Connectivity



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One hundred and twenty-five years of liner services to East Asia and Australia. That is a century and a quarter in which many things have changed, but not the basic fact that our ships sail to one of the most vibrant, diverse and fascinating regions on the planet. The East Asian economy is booming and the largest, most modern liners call at its ports regularly, making this shipping area a perfect example of container shipping's prodigious development.

In 1847, 164 years ago, our original company began to carry emigrants across the North Atlantic. Alongside this mainstay of our business, the East Asian route has developed over the last 125 years into an important division. Today Hapag-Lloyd offers its customers nearly 40 services from and to East Asia, Australia and New Zealand. In 2010 the region accounted for more than half our total transport volume at 2.7 million TEU. These vital lines therefore not only have a long heritage, they also have a great future. We are expanding our service in the region continuously and adapting it flexibly to meet tomorrow's customer demands. Our modern fleet stands for efficiency, reliability, safety

and environmental protection in maritime shipping and often exceeds the highest international standards. Our ten new 13,200 TEU vessels, which are due to be launched in 2012 and 2013, will again set standards in this regard.

We make connections: our 140 ships with a total capacity of more than 600,000 TEU call directly at over 165 ports in 65 countries on 80 different services. These include all the major ports in East Asia and Oceania. Our worldwide liner network is supplemented by feeder services, enabling us to serve a total of more than 430 ports in 112 countries.

We are extremely proud to have served such a dynamic economic region as East Asia and Oceania for what is now 125 years. The world is our oyster and we are delighted that we and our partners have the opportunity to connect this world.



“THEY’VE NEVER SEEN  
STEAMERS LIKE THAT  
OVER THERE”



Norddeutscher Lloyd was proud – and had every reason to be: in the summer of 1886, exactly 125 years ago, the company was about to open its Imperial Postal Steamer lines. For the first time, German steamers would connect Europe to East Asia and Australia with liner services. This premiere meant more than just a new chapter in the history of international transport. At that time, ships were the only means of crossing the oceans and therefore a universal symbol for new horizons, far-off destinations, trade and economic growth. Steamers were also admired as floating demonstrations of cutting-edge technology in the nascent industrial era. The Imperial Postal Steamers were thus intended to sail the seas as status symbols and advertising banners for products “made in Germany” as well. At their destinations they were representatives of another world, ambassadors from an exotic Europe.

**Historic voyage:** the “Oder”, a steamer from Bremen, opened the Imperial Postal Steamer lines to East Asia on 30 June 1886. The propeller steamer displaced 3,158 GRT, was nearly 107 metres long and at the time was painted grey.

## LINER SERVICES FOR THE ECONOMIC MIRACLE: OVERSEAS POSTAL STEAMERS

The German Empire, only founded in 1871, had developed rapidly into the economic Wunderkind on the European continent, but its overseas transport connections were soon no longer able to keep up with its growing external trade. One important growth region was East Asia and so the Imperial Chancellor Otto von Bismarck pressed for regular German postal steamer services to this region. German ships did sail there already, but mostly just on individual expeditions. Hapag, for example, had deployed its full-rigged ship the “Neckar” on the route to China in 1860. The few vessels to ply this route, like the steamers from the Kingsin Line in Hamburg, were too small and slow to carry mail.

The postal service was the only dependable means of communication across borders and great distances. It had become ever more important following the wave of globalisation triggered by the industrial revolution. Modern worldwide postal traffic was impossible without reliable, fast shipping lines.

However, for German shipping companies it was not lucrative to run liner services outside the main North Atlantic route, especially as the competing post lines from other countries received government funding. Once the German Empire had become a colonial power in 1884, the parliament therefore passed legislation granting considerable public subsidies for post steamer lines to East Asia and Australia. The hope was that patriotism and good business sense would coincide to the benefit of both.

“IT IS NOW THE RESPONSIBILITY OF THE GERMAN  
COMMERCIAL CLASSES AND ABOVE ALL OF GERMAN  
SHIPOWNERS, TO SEIZE THIS OPPORTUNITY  
TO COMPETE SUCCESSFULLY WITH OTHER NATIONS.”

Imperial Chancellor Otto von Bismarck, 1881



**Pioneer from Hamburg:** the “Neckar” was our company’s first ship in East Asia. The 905 GRT large wooden full-rigged Hapag ship was taken out of the North Atlantic in 1860 and put onto the China route – but only for a few journeys.



**Deutsche Postdampfer-Linie**  
**Norddeutscher Lloyd.**  
 Nach **Hongkong, Yokohama, Hiogo und Nagasaki**  
 Extra-Dampfer **Stettin.**  
 Güterannahme bis zum **12. 17. Juni Morgens.**  
 Nach **Port Said, Suez, Aden, Colombo, Singapore,**  
**Hongkong, Shanghai, Yokohama, Hiogo und Nagasaki**  
 Post-Dampfer **Oder.**  
 Güterannahme bis zum **27. Juni Morgens.**  
 Nach **Melbourne und Sydney**  
 und in Durchfracht nach anderen Plätzen Australiens und Neu-Seelands  
 Extra-Dampfer **Lübeck.**  
 Güterannahme bis zum **22. 27. Juni Morgens.**  
 Nach **Adelaide, Melbourne und Sydney**  
 und in Durchfracht nach anderen Häfen Australiens und Neu Seelands  
 Post-Dampfer **Saller.**  
 Güterannahme bis zum **11. Juli Morgens.**  
 Nach **Triest**  
 Extra-Dampfer **Braunschweig.**  
 Güterannahme bis zum **12. Juni.**  
 Nähere Nachricht ertheilen:  
 wegen Fracht und Cajütepassage  
 wegen Zwischendeckspassage

**Rob. M. Sloman jr.,**  
**C. A. Mathei, Rödingsmarkt No. 57.**

## HIGH STANDARDS

In 1885 Norddeutscher Lloyd was awarded the contract for the Imperial Postal Steamer service. The shipping company established in 1857 was a leading force in North Atlantic traffic and the only one that could meet the high standards set by the public authorities. The shipping merchants from Bremen signed a contract to operate the following postal shipping lines for an initial period of fifteen years:

- Bremerhaven to China calling at Colombo, Singapore, Hong Kong and Shanghai, with a follow-on line from Hong Kong to Japan and Korea;
- Bremerhaven to Australia, with a follow-on line from Sydney to Tonga and Samoa;
- a Mediterranean branch line from Trieste to Alexandria, with connections to the lines to and from East Asia and Australia.

Departures were planned every four weeks; the average speed of the ships to East Asia had to be at least twelve knots and to Australia eleven and a half knots. The government in Berlin demanded Prussian punctuality and so it was determined that the trip from Suez to Hong Kong should take a maximum of 588 hours and to Shanghai exactly 658 hours. The contract provided for severe financial penalties in the event of delays.

"In terms of their construction and equipment, namely with respect to their safety, convenience and the comfort of passengers, as well as with regard to the meals served, the steamers must not be inferior to the postal steamers of other nations on the same routes" the contract stipulated further.

The size of the first sixteen ships was specified at 3,000 GRT for the overseas steamers and 1,000 to 2,000 GRT for the ships plying feeder lines.

New vessels were to be built at German shipyards and older ones refitted there. All the steamers were additionally rigged for sails, as was common at the time.



The "Salier", built in Great Britain in 1874, left for Australia for the first time on 14 July 1886 and serviced this route until 1895. The Lloyd steamer had a speed of 13 knots and could carry 734 passengers.

The "Nürnberg", here in the light colour of the Imperial Postal Steamers, initially sailed to East Asia and Australia and then until 1895 on the route between Hong Kong and Japan.



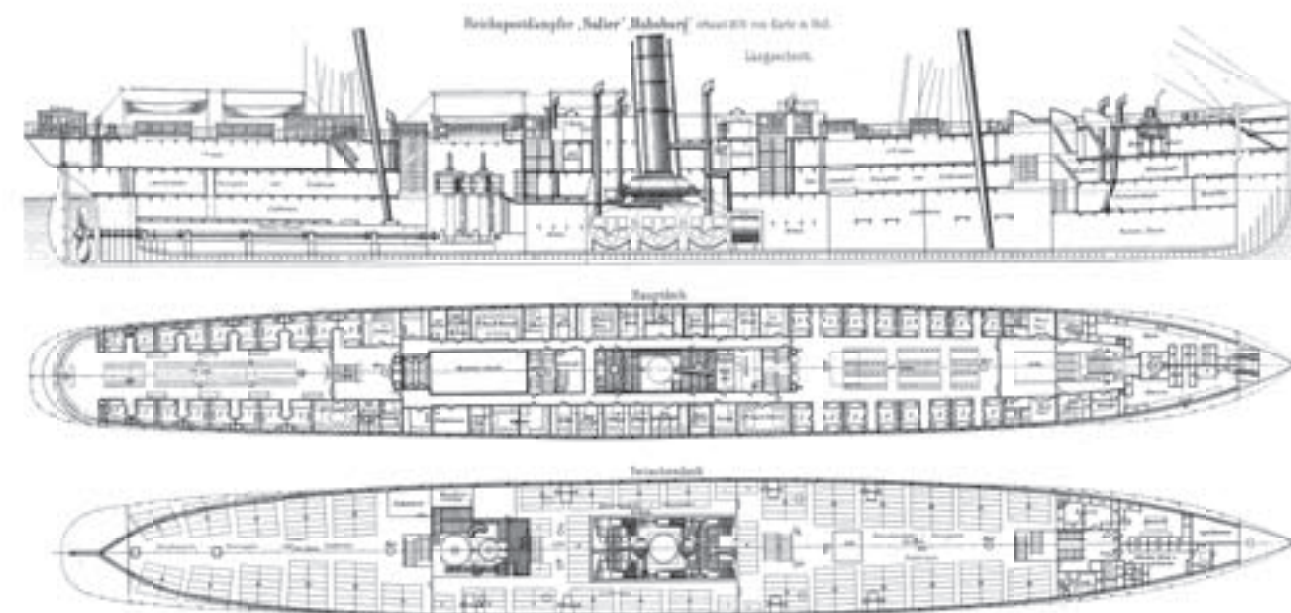
## “AN INSPIRING CEREMONY” – LINKS BETWEEN CONTINENTS

On 30 June 1886 the “Oder” opened a new era of international transport connections on the East Asian line. An “inspiring ceremony” to send the steamer on its way was held at the port of Bremerhaven, which had been especially decked out for the occasion. The high-ranking guests from politics and business included Hsu Ching Cheng, the Chinese emissary in Berlin, who celebrated the new line as a “link in the good relations between Germany and China”.

Two weeks later, on 14 July, the “Salier” departed for Australia for the first time. She was faced with much more difficult waters in every respect. The destinations were infamous for their severe climate, loading volumes were seasonal and the competition well established. As a British colony, Australia was not only connected to the mother country by preferential import duties but also by the high-performance postal steamers of the British P&O line.

But although Norddeutscher Lloyd warned explicitly against “sanguine hopes” concerning the profitability of the two Imperial Postal Steamer services, as floating ambassadors at least the steamers could not have been more successful. The “Oder” even reached her destination a day earlier than scheduled, while the “Salier” was cheered at all its Australian ports of call and overrun by enthusiastic visitors.

Right from the start these voyages reflected the role of the Imperial Postal Steamers: great political impact, in economic terms more an investment in the future as a potential source of considerable income, and above all a welcome connection between distant continents.







A golden star, known in Chinese as kingsin, can be seen here on the ship's bow. It was the crest of the Deutsche Dampfschiffs-Rhederei, which opened the first liner service from Hamburg to East Asia in 1871. It was taken over by Hapag in 1898.



"Germany's future lies on the water!", Wilhelm II (1859–1941), German Emperor and the greatest ship lover in his empire.

## COOPERATION NOT RIVALRY

When East Asian traffic gained further in economic and political importance around the turn of the century, Hapag took over a number of well-established services. This enabled the Hamburg company to secure a substantial share of this shipping area in a short amount of time. Nevertheless, Hapag and Norddeutscher Lloyd decided not to extend their traditional Hanseatic rivalry to this route. The contracts for the Imperial Postal Steamers were due for renewal in 1899 and patriotic unity was called for, rather than costly competition. The Hamburg and Bremen-based companies therefore operated the Imperial Postal Steamers as a joint service from then on.

Departures were scheduled every fortnight and now also included Rotterdam and Penang. In addition, a feeder line was offered from Shanghai to Nagasaki, Kobe and Yokohama – a link between Japan and Europe.



In the typical style in which maritime painter Willy Stöwer depicted the "Kaiser Wilhelm II" here, the Imperial Postal Steamers were as popular back home in imperial Germany as in their ports of call: smartly turned out in bright white, with yellow smokestacks and flag waving.



The 13,000 GRT, 178-metre-long "Patricia", here in the port of Qingdao, was a multi-purpose ship from Hapag, which could carry either cargo or 2,489 passengers and was used on various routes.

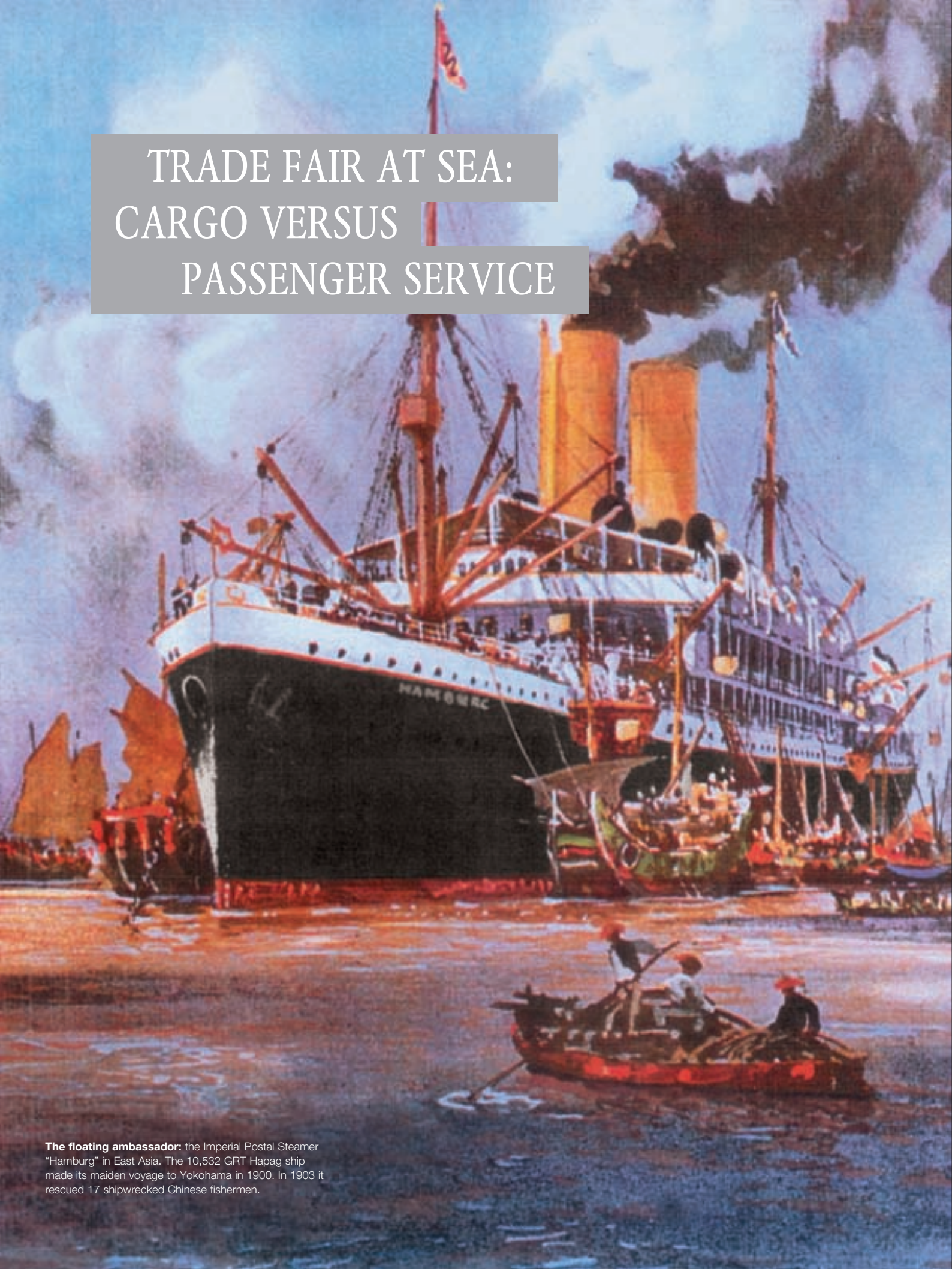
## FLOATING AMBASSADORS

Large-scale shipping always meant politics in those days, in Germany quite especially. Kaiser Wilhelm II was a renowned ship lover and the merchant fleet was also a subject of the greatest interest to him. This meant that Hapag and Lloyd always had to walk a tightrope between nationalistic expansion plans and commercial entente, between political role-playing and economic

common sense. That "trade follows the flag" was the general European consensus of the day, and shipping in turn followed both of them. But shipping is traditionally the most international of all industries: it connects the world and is closely connected to it, in those days often more closely and more knowledgeably than the politicians and military staff far away at home.



## TRADE FAIR AT SEA: CARGO VERSUS PASSENGER SERVICE



**The floating ambassador:** the Imperial Postal Steamer "Hamburg" in East Asia. The 10,532 GRT Hapag ship made its maiden voyage to Yokohama in 1900. In 1903 it rescued 17 shipwrecked Chinese fishermen.

The Imperial Postal Steamers carried virtually everything on board that German industry had to offer, including chemicals and dyes, iron and steel goods, other metallic products, machinery, clothing, musical instruments, apparatus of all kinds, glass goods, cigars and cigarettes. On the return journey the cargo consisted mainly of raw materials such as silk, wool, skins, hides, furs, tea, coffee, spices, tobacco, tin, chemicals and dyes, copra and "curiosities".

East Asia had now become so important that around the turn of the century the general directors of Hapag and Lloyd undertook journeys there lasting several months. In 1901, however, Hapag's general director Albert Ballin summed up the fundamental problem with the postal services as follows. "The element of freight transport is becoming much too important on these ships and at the majority of ports it will not be possible to carry out the wide range of loading procedures without considerable discomfort and inconvenience to the passenger and postal service."

"In order to get back to the timetable," calculated Ballin, "we have to make use of all our reserve power to move over 7,000 tonnes of cargo at 15 to 16 knots over these great distances, consuming vast quantities of coal to do so. I very much fear that the higher costs for the shipping companies with these ships will far exceed the increased central government subsidy granted."

Ballin's estimation proved true and the company therefore decided in 1903 to withdraw from the Imperial Postal Steamer service, in order to avoid its very high speed requirements. Instead, the company had three modern multipurpose ships of around 6,500 GRT built for East Asia, the "Rhenania", the "Rhaetia" and the "Rugia", which primarily carried cargo, but whose passenger facilities were ultimately much superior to those on the previous Imperial Postal Steamers.

**The multi-purpose vessel "Rhenania"** displaced nearly 6,500 GRT and was the first in a series of smaller, more economical steamers put into service by Hapag from 1904 onwards. It only carried 140 passengers and offered them particularly luxurious fittings and furnishings for the long voyage.

**Sovereign of shipping:** Albert Ballin (1857–1918), general director of Hapag, the largest shipping company in the world at the time.





## PRESTIGIOUS GIANTS, INDISPENSABLE DWARVES

The partner in Bremen had similar problems. From 1896 onwards, Lloyd had commissioned Imperial Postal Steamers from the “Barbarossa” class, which were principally designed for passenger transport, the main focus in Bremen, and which at 10,000 GRT were considerably larger than all their competitors on this route. With their smart white paintwork they were soon considered the epitome of the prestigious German Imperial Postal Steamer at all their ports of call, synonymous

with reliability as well as with nautical and technological prowess. The “Grosser Kurfürst” generated much excitement when she docked in Australia as the largest ship ever to have called there. But her good reputation did not alter the fact that these ships were no longer profitable in view of rising cargo volumes. In 1905 Lloyd established a separate cargo line to Australia, but from 1903 was already deploying somewhat smaller vessels operating at higher load factors and therefore greater

profitability in the Imperial Postal Steamer service.

The large ocean-going steamers attracted great attention wherever they docked, but at a local level it was the smaller ships that often played a key role: the feeders and coasters were just as indispensable for the overseas shipping companies as for the local infrastructure. Around the turn of the century, Lloyd operated liner services off the coasts of East and South-East Asia with no fewer than forty steamers. The regular arrival of

the Imperial Postal Steamers also offered a welcome source of income to local shipowners. Small vessels and even rowing boats were run as feeders under the German postal flag, in even the most remote areas such as Tonga and Samoa in the South Pacific.



**The epitome of culture and hospitality:** a Hapag prospectus from 1905 reflects the fascination that drew European travellers to East Asia.

**A large station for the record holder:** until 1914 the Imperial Postal Steamer “Großer Kurfürst” from Bremen was the largest ship to call at Australia, with an impressive length of 177 metres and a displacement of 13,182 GRT. Here it is leaving Sydney in a farewell ceremony.

**The Imperial Postal Steamer lines take centre stage:** the legendary globe poster from Norddeutscher Lloyd illustrates clearly the importance of these connections.

Steamers like the “Sui Tai”, which sailed the Yangtze River, or the 1,650 GRT “Kwong Eng”, which plied the coastal service Singapore–Celebes–Moluccas, linked many smaller harbours with the large ports where the Imperial Postal Steamers docked.

**Indispensable minnows:** the mail and parcel post for the German Post Office in Apia on Samoa is carried to the Imperial Postal Steamer by rowing boat. Even in this corner of the world the Imperial German Sea Post flag is a guarantee of official status.



## BRIDGES BETWEEN CULTURES

The connections between people and cultures that the Imperial Postal Steamer service enabled and modernised were never limited to commercial aspects; they became all-encompassing. Some Europeans came back from a journey to East Asia so fascinated by Japanese art that they began to collect coloured Japanese woodblock prints and sculptures themselves. They were part of a larger trend, as East Asian artefacts were fashionable throughout Europe and Japanese art had a decisive influence on art nouveau. These intercultural influences were evident above all in graphic design, where the most

prominent exponents in turn often created posters for shipping companies. Trade and shipping built and maintained “bridges between cultures”, not only in a literal sense, in terms of infrastructure, but above all in the sense of ongoing productive links. The senior trading families and companies in the local area were always “more than merchants”; their contacts went well beyond purely commercial relations and were defined by respect, partnership and often even friendship.



**Beautiful, alluring, remote:** Japan as the epitome of decorative exoticism. This is how Europeans in 1907 imagined a typical Japanese scene: a picturesque village and in the background one of the most beautiful mountains in the world, the legendary Mount Fuji.



It is not the Imperial Postal Steamer that is the central element and eye-catcher on this poster from 1900, but the waving natives. **A double change of style:** from traditional shipping to the travel poster and also to the nascent art nouveau inspired by Japan.



**The style matches the subject perfectly:** this Imperial Postal Steamer poster printed around 1910 not only alludes to the Japanese flag, but also to the Japanese woodblock print, which had a decisive influence on all European poster art of the period.



## ACROSS POLITICAL BORDERS

German shipping companies discovered just how robust these close and diverse connections really were and to what extent the shipping industry was able to use commercial common sense to overcome opposing political positions after the end of the First World War. The two major shipping lines lost their entire fleets at the peace conference in Versailles held in 1919. The fact that they were able to rebuild their businesses so comprehensively in such a surprisingly short time was due to their cooperation with overseas partners, who initially retained Hapag and Lloyd to represent them in Germany, but whose agency agreements already guaranteed that the German companies could subsequently take a stake in the new services. In East Asian traffic these companies included the British lines Alfred Holt & Co and Ellerman Lines, as well as Nippon Yusen Kaisha from Japan.

On 14 December 1921, Hapag's "Havelland" became the first German ship after the war to sail on this joint service to East Asia, where she was warmly welcomed in all ports. In 1922 the "Weser" was the first new vessel from Lloyd to be deployed on this route. She had been refitted in line with post-war require-

ments, only had space for 165 passengers and transported mainly cargo. In 1923, after the great Kanto earthquake that destroyed Yokohama and large parts of Tokyo, she evacuated 279 refugees from twenty nations. "Having foreigners of all nations on board," wrote a local newspaper, "felt like a big family again for the first time since the war. The terrible differences had disappeared and we were all just human beings."



From 1921 on German ships sailed again to East Asia. Hapag and Norddeutscher Lloyd operated the post-war liner service together. Here a German steamer is loading coal in Moji, Japan.

The "Saarbrücken" went into service in 1924 and at 9,424 GRT was the type ship for a series of multi-purpose vessels for the East Asian route. The 147-metre steamer carried 98 passengers and was as economical as it was long-lived, only going to the scrapyard in 1962.



## EMERGING FROM THE CRISIS UNDER STATE CONTROL

From 1924 onwards Hapag and Lloyd again operated a joint liner service to East Asia, resuming the local feeder services as well. Two years beforehand, Norddeutscher Lloyd, Alfred Holt & Co and Deutsch-Australische Dampfschiffs-Gesellschaft from Hamburg had opened a joint service to Australia. But the upswing that accompanied the brief “Roaring Twenties” was deceptive. In the autumn of 1929, “Black Friday” on the New York Stock Exchange plunged the world’s economy into chaos. With the global economic crisis came the worst catastrophe that had ever befallen the international shipping industry. Hapag and Lloyd were hit so hard that they were only able to survive in a union and with state support. In 1934 both companies finally slid into state control. As they still wanted to fly the flag in East Asia, a trio of sleek turbo-electric passenger

and freight ships was built for this route. The “Potsdam”, the “Scharnhorst” and the “Gneisenau” had a capacity of around 18,000 GRT, were way ahead of the competition on this route with a top speed of 23 knots, and had particularly comfortable living quarters. In the mid-thirties they again enabled Lloyd to run the fastest and most modern ships in the East Asian service. Although they were admired as examples of first-class German engineering, the vessels were not an economic success, however. The time-consuming loading and unloading procedures in many ports reduced their speed advantage at sea to insignificance.



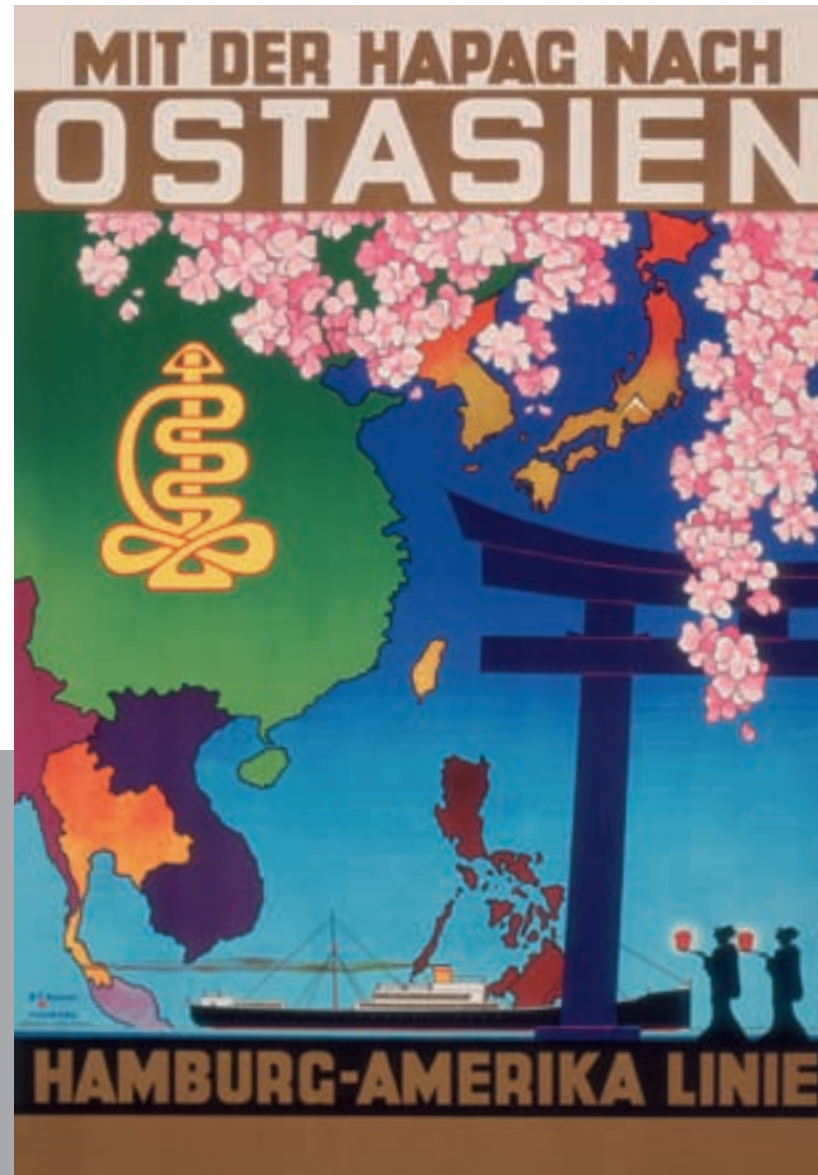
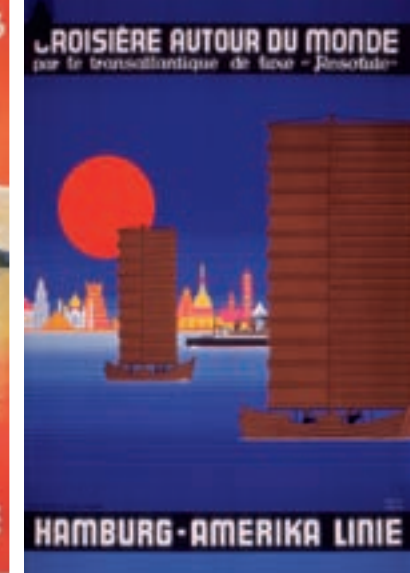
The global economic crisis in the early 1930s hit the shipping industry hard. At the Kaiser Wilhelm wharf in Hamburg the ships were laid up and idle, the cranes stood still.



The three sleek turbine ships “Potsdam”, “Scharnhorst” and “Gneisenau” were peerless on the East Asia route. Displacing 18,000 GRT, they had particularly comfortable accommodation and an unrivalled top speed of 23 knots.



The “Gneisenau” in the port of Hong Kong. The turbine ships were prestigious ambassadors but uneconomical: they carried so much cargo and called at so many ports that they lost the time they gained at sea with their cruising speed of 21 knots.



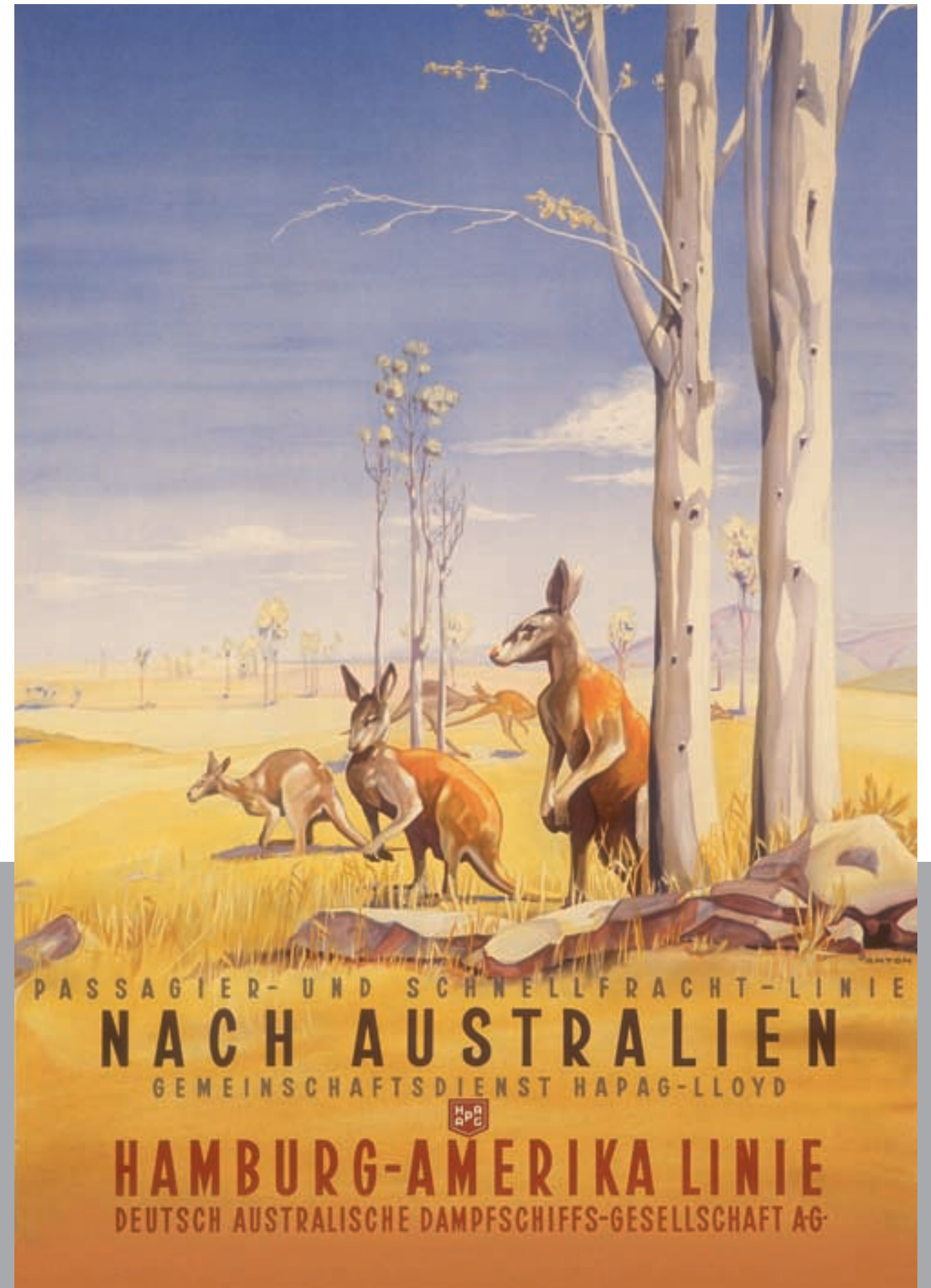
Exotic charm and steamer, shown to scale: Hapag used both Far Eastern motifs and classical shipping posters to advertise its East Asia and Australia services.





**Skilfully played:** the variation on the symbol of the sun on the Japanese flag, together with typical motifs in the style of a coloured woodblock print put travellers in the right mood for their destination.

**Great leaps:** not maritime, but typical of the country. Hapag and Lloyd advertised their joint express service to the fifth continent with some local fauna.





**A poster like a swan song:** the fast multipurpose ships were soon superfluous. In the following years aircraft supplanted passenger shipping and container ships the conventional freighters.

## COMEBACK AFTER A DRAMATIC FALL

The Second World War that began in 1939 marked a historical low point for German merchant shipping as well. Again, both shipping companies' fleets were lost and after 1945 the German flag was initially banned from the seas. For years, German shipping was subject to strict international restrictions. Only after a hiatus of nearly fourteen years were Hapag and Norddeutscher Lloyd able to return to their old shipping areas: in July 1953 the Lloyd turbine steamer "Weserstein" resumed the liner service to East Asia. The joint service ran monthly at first, offering departures to Colombo, the Malaysian ports of Penang and Port Swettenham (Port Kelang), Singapore, Hong Kong, Manila, Kobe and Yokohama. In 1954 the "Weserstein" also had the honour of reopening the second traditional Imperial Postal Steam route – the one to Australia. The first round trip took 101 days and from then on the joint service called at Adelaide, Melbourne, Sydney and Brisbane.

The two large shipping companies had been reprivated separately during the war, but a lack of capital now forced them to work closely together. The comeback was made all the more difficult by the fact that international competitors had re-established themselves in these shipping areas many years previously.

In 1954 the service was expanded with each company deploying three motor vessels with a capacity of around 10,000 tonnes. Using these comfortably equipped, combined passenger and freight ships, the round trip from Hamburg or Bremen to the final destination of Yokohama took seven weeks. In the same year, Hapag also set up a service to Indonesia with two Dutch partners. In 1955 Hapag and Lloyd were able to offer an East Asia service every ten days, including in the timetable Bangkok, Busan in South Korea, the People's Republic of China and Taiwan, whose economy was expanding rapidly.



**Back in familiar waters:** the turbine freighter "Weserstein" from Bremen entered service in 1953 to resume the East Asia service. The freighter displaced 7,000 GRT, had 10,000 DWT and a cruising speed of 17.5 knots.

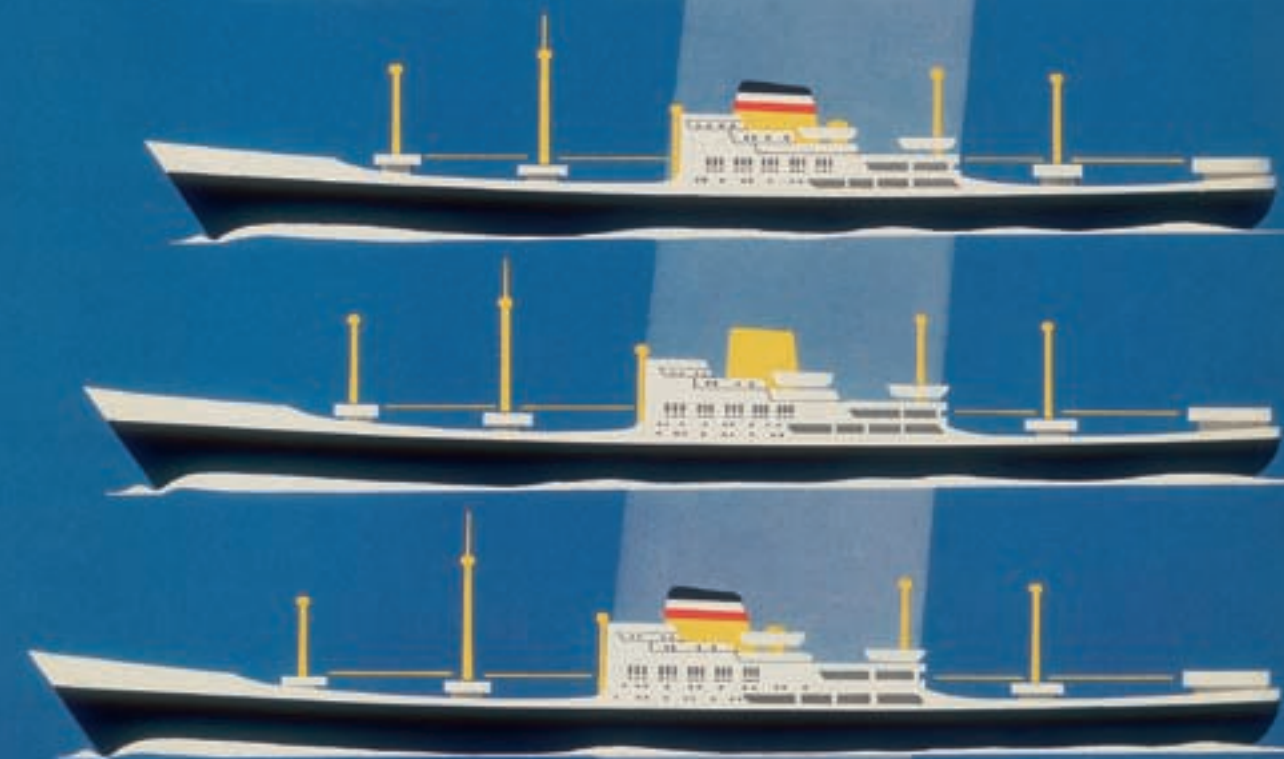


**With attractive multipurpose ships** the major shipping companies made a final return into passenger liner services to East Asia. With 9,000 GRT the MS "Hannover", here in the port of Hong Kong, offered a first-class service both for the 9,500 tonnes of cargo and its 86 passengers.



**Together from the start:** in 1953 Hapag and Norddeutscher Lloyd made a joint return to the East Asia route. They operated their monthly service with modern ships, but in passenger traffic on this long-haul route the aeroplane rapidly became a tough competitor.

# Europe Far East Europe



## HAMBURG-AMERIKA LINIE NORTH GERMAN LLOYD



## RAPID CHANGE

The prominent political role played by liner shipping came to an end after the Second World War. The economic environment in some of the countries served began to change rapidly. Whereas Australia continued to focus mainly on exporting raw materials, especially wool and grain, a completely new market began to emerge in ever more Far Eastern countries. They started to industrialise their economies and to export industrial and consumer goods manufactured locally. This cargo had to reach the retail customers significantly faster and so the transit times of the freighters had to be reduced accordingly.

In a parallel development, the traditional passenger liner business also went into decline, with the aeroplane initially supplanting the ship on the long routes to East Asia and Australia. The combined passenger and freight ships had now become completely uneconomical and were replaced by fast freighters. Shorter round trips meant that the joint service could now offer four departures a month.

**Wool bales for Europe:** the Hapag freighter "Münsterland" is loaded in Australia. In contrast to many East Asian countries in the 1960s, Australia still relied mainly on its exports of agricultural commodities.



**The longest voyage:** marked by its long forced stay in the Great Bitter Lake, the "Münsterland" leaves the reopened Suez Canal in 1975. By the time she returned to her home port of Hamburg the return trip from Australia had taken a total of 7 years, 11 months and 2 days.

## A BLOCKADE AFFECTS GLOBAL SHIPPING

The Suez Canal is the most important shipping strait in the world. At its inauguration in 1869 it was celebrated as a "work of international peace", but has often been severely buffeted by crises and wars. In 1967, during the third Arab-Israeli war, the strait was unexpectedly blocked completely by Egypt, which had nationalised it some time earlier.

The lengthy blockade hit a nerve in the global economy, because it made the shipping routes to East Asia and Australia much longer: ships either had to round the Cape of Good Hope or go through the Panama Canal. In 1975 the Suez Canal was finally opened again.





## THE ADVENT OF THE CONTAINER – AND OF HAPAG-LLOYD



At 14,069 GRT the “Elbe Express” was the type ship for the first generation of all-container vessels. It could carry 736 TEU and sailed for the Hapag-Lloyd Container Lines from 1968 onwards.

East Asian traffic saw great changes as a result of the rapid structural transformation of many countries in the region, but in the middle of the 1960s a revolution took place that affected all freight transport: the container appeared on the scene. Within just a few years it had pushed traditional freighters aside. The triumph of container traffic, with its integrated “house-to-house” concept that includes road, rail and inland waterways, required enormous investment both at sea and on shore. In 1970 this put an end to a rivalry that had lasted for 113 years. Hapag and Norddeutscher Lloyd merged to form Hapag-Lloyd AG.

As the first vessel to fly the new company’s flag the container ship the “Melbourne Express” left Hamburg for Australia on 12 September. After the North Atlantic, this was the first route on which all-container ships were introduced, and the arrival of the world’s largest container ship with 33,350 DWT was a sensation at the Australian ports. The “Melbourne Express” had a capacity of 1,600 TEU and a speed of 22 knots. The round trip took 68 days.

Hapag and Lloyd were the first shipping companies in Europe to design a pure container ship together and have it built. In the early years of containerisation most shipping companies had conventional freighters refitted for container transport.



**End of an era:** the “Hammonia” from Hapag leaves the port of Hamburg in the 1960s. Within a few years these conventional freighters were displaced by the container ship.



**Huge sensation:** the “Melbourne Express”, the largest container ship in the world, in Wellington. At 218 metres long, 25,558 GRT and capable of carrying 33,350 tonnes, corresponding to 1,600 TEU, the 22-knot turbine ship attracted great attention in the Australian ports.



## TOGETHER BUT INDEPENDENT: TRIO AND HAPAG-LLOYD

Most shipping areas switched to containers within a few years. To share the costs, make use of synergies and offer the sophisticated logistics required, more and more shipping companies decided to work together in international syndicates. Hapag-Lloyd AG formed a consortium in 1971, with two Japanese and two British shipping companies, named TRIO to reflect the partners' three countries of origin.

Eighteen all-container ships were available for the new service. The pool agreement defined cargo quotas and how the avail-

able container spaces were to be divided up; head offices in London and Tokyo coordinated the timetables. The domestic and marketing organisations of the individual shipping companies remained independent, however. This enabled each TRIO member to offer its customers weekly departures. In December 1971 the "Kamakura Maru" from Nippon Yusen Kaisha opened the service and in July 1972 the "Hamburg Express" became the first jumbo-freighter from Hapag-Lloyd to sail to the Far East. It called first at Tokyo and Kobe,

**Ships like the heavy-lift freighter "Peter Rickmers"** completed the TRIO service range and carried break bulk cargo. The two derricks on the 10,223 GRT, 17-knot freighter could lift a total of 260 tonnes.



**Third generation:** the 57,535 GRT "Bremen Express" at the new container terminal in Hong Kong. The ships in this class, which opened the container service to East Asia in 1972, already had a capacity of about 3,000 TEU.

The "Frankfurt Express", here at the pier of her home port Bremerhaven, was also the **largest container ship in the world** on entering service in 1981. It could carry 3,045 TEU and with its two 27,000 PS diesel engines was a highly efficient freighter.



Singapore and Hong Kong before sailing to the new container ports at Busan, Kaohsiung and Port Kelang. Other ports, including Manila, Bangkok and Penang, were connected by feeder services.

In addition to the all-container service, the shipping company initially maintained a conventional freight service for handling break bulk cargo and serving smaller ports, which was only discontinued in 1978. From then on, the Rickmers Line was solely responsible for the remaining conventional freight service. Since 1970, Hapag-Lloyd had held a majority stake in this company, which had an excellent position in East Asia. In 1988 the Group acquired all the outstanding shares.

Rickmers continued to operate independently, resuming in 1974 the service to the People's Republic of China that had been suspended in 1962, and made an ideal addition to Hapag-Lloyd's large container vessels.

In 1978 Hapag-Lloyd established a regular all-container service between the Pacific coast of North America and East Asia. For the first time in this "cross trade" the Hapag-Lloyd container ships did not call at any European ports. With the addition of this transpacific service, the container lines of Hapag-Lloyd AG now encompassed the entire globe.



**The container revolutionised loading procedures:** the 3,607 TEU Norfolk Express, here at the pier in Hong Kong, could transport previously unimaginable quantities of cargo quickly and with a much reduced environmental impact.



## BIG SHIPS, OTHER PARTNERS – CONNECTIONS BETWEEN THREE CONTINENTS

Starting in 1989 a new generation of container ships emerged, which only needed a crew of 15 for a ship of 36,000 DWT and a capacity of 2,291 TEU. That year, with the 27 container ships now operated by the TRIO consortium, three independent direct services were established from and to East Asia: a Japan/Korea service, a South East Asia service and a Main Ports service. The South East Asia service ran from Hamburg to Bremerhaven, Rotterdam, Le Havre and Southampton, then on to Jeddah, Port Kelang, Singapore, Hong Kong and Kaohsiung. From Rotterdam there were feeder services to Antwerp, from Singapore to Bangkok and from Kaohsiung to Manila.

Ever greater overcapacities, increasing pressure from new entrants and the resulting rates wars on the East Asian route

all forced a restructuring of these international partnerships, however, and in 1991 the TRIO consortium was dissolved. In its place, Hapag-Lloyd, Nippon Yusen Kaisha and Mitsui O.S.K. Lines established a joint Asia Express Service and Japan Express Service, which linked East Asia and Europe twice a week with 18 ships.

In 1993 Hapag-Lloyd resumed the transpacific service that had been discontinued in 1985 with Neptune Orient Lines from Singapore and Nippon Yusen Kaisha. This was known as the PAX service, had 33 ships and provided a tri-continental connection between Europe, the East and West coasts of North America, and the Far East.

## WORLD'S LARGEST LINER CONSORTIUM: THE GRAND ALLIANCE

In 1996 Hapag-Lloyd, Nippon Yusen Kaisha, Neptune Orient Lines, and Peninsular and Oriental Container Lines (P&O) from the UK joined forces to form the Grand Alliance. This Far East–Europe service counted 34 ships and had three weekly departures on fixed days. One line went from Hamburg via Rotterdam and Southampton to Jeddah, Singapore, Hong Kong, Taiwan, Japan and back. The second, also on the Japan route, also called at Antwerp and Malta. The third line served Le Havre, Rotterdam, Bremerhaven and Southampton and went on to Colombo, Port Kelang, Singapore, Hong Kong and Kaohsiung.

These routes were integrated into the global service concept of the Grand Alliance, which also included a transpacific service between Asia and the West coast of North America. Here, 38 ships offered four weekly departures, the shortest transit times and a weekly service to the People's Republic of China.

The alliance changed its composition in 1997/98 following the withdrawal of Neptune Orient Lines. The British P&O Container Lines merged with the Dutch Nedlloyd Lines to form P&O Nedlloyd, which remained in the alliance. Malaysia International Shipping Corporation Berhad (MISC) and Orient Overseas Container Line (OOCL) also became members. This made the Grand Alliance the world's largest liner shipping consortium, capable of deploying more than 100 ships in six loops for East–West traffic around the globe.

**“WE HAVE ENJOYED A VERY CLOSE PARTNERSHIP AND BEEN ABLE TO RESPOND TO MARKET CHANGES RAPIDLY. OUR RESPECTIVE CUSTOMERS BENEFIT FROM OUR MODERN TONNAGE, EXCELLENT PORT COVERAGE AND ATTRACTIVE TRANSIT TIMES.”**

Statement by the Grand Alliance, 2007



## NEW SERVICES AROUND THE GLOBE

In the summer of 2000, the Grand Alliance established five services in the North Atlantic between Europe and the USA/Mexico. This enabled the consortium to close the last remaining gap in its East-West traffic around the globe. Together with the Far East and transpacific services this added up to a total of 17 services under the umbrella of the Grand Alliance. Two new services really did round the entire globe, via the Suez and Panama canals. They were set up in late 2002 by Hapag-Lloyd and five partners: 22 ships linked numerous

ports in Australia and New Zealand with South East Asia, North America and Europe. The two services sailed in opposite directions around the world, also calling at ports in the Caribbean, Papua New Guinea and the South Pacific.

The 7,500-TEU newbuilds in the "Hamburg Express" class from Hapag-Lloyd set new standards in Europe-Far East traffic from the end of 2001. At 320 metres long, 42 metres wide and with a capacity of 100,000 tonnes they provided an efficient service between ports in Europe and East Asia. Since

1972 the largest new vessels in the fleet had always been deployed in this shipping area. Often they were the largest container ships in the world at the time – a clear indication of East Asia's outstanding significance for the shipping company. In the year that the "Hamburg Express" class really picked up speed, Hapag-Lloyd carried 800,000 TEU on its Asia services out of a total global volume of around 1.9 million TEU. In other words, nearly every second container carried on a Hapag-Lloyd ship came from a port in East Asia or was

taken there. In addition to the main routes, other smaller shipping areas were also linked to East Asia by new services. In 2004 an express connection with a round trip time of just 49 days was established between the Eastern Mediterranean, the Black Sea, China and Japan. Here too, trade flows had grown strongly and further substantial increases were also achieved in the years that followed.



Container freighters like the "Hamburg Express" have long superseded the Imperial Postal Steamers, but the panorama of the port of Hong Kong is still as breathtaking as it was 125 years ago.





**Prodigious development:** Singapore, here at the approach of the “Colombo Express”, was always an important hub for East Asian traffic and is today one of the largest container ports in the world.

## EVER LARGER SHIPS FOR EAST ASIAN TRAFFIC

With the delivery and maiden voyage of the “Colombo Express”, which with its capacity of 8,750 TEU was briefly the largest container ship in the world, Hapag-Lloyd again entered a new ship class in spring 2005. All eight units ordered, including the “Chicago Express” and the “Kuala Lumpur Express”, two modern training ships for nautical and technical apprentices, went into service in Europe–Asia traffic. The new vessels, of which the last two were delivered in 2008, are equipped with the latest technology and are still some of the most environmentally friendly container ships at sea. It is not only the greater capacity of the 336-metre-long and 43-metre-wide ships that results in an improved CO<sub>2</sub> footprint per container. The main engines are also fitted with the latest technology such as electronic fuel injection and valve control, which reduces emissions of nitrogen oxide and CO<sub>2</sub> considerably in comparison with earlier ship classes.

Three other ships in the 8,750 TEU class were named after the old Chinese port of Qingdao, the Japanese metropolis Osaka and the millennial imperial city of Kyoto.



## AT THE HEAD OF THE PACK

With the acquisition of CP Ships in 2005/06, Hapag-Lloyd expanded its fleet and range of services considerably. Transport volumes nearly doubled as a result. The Canadian-British shipping merchant was successfully integrated into the Company in a very short space of time and Hapag-Lloyd moved into the Top 5 of global liner shipping companies.

The following year the successful collaboration with the Grand Alliance was renewed for a further ten years until 2017. "Our customers benefit from modern tonnage, excellent port coverage and attractive transit times. There was therefore no doubt that we would continue our successful cooperation for another ten years," emphasised the CEOs of the four partner shipping companies Hapag-Lloyd, MISC Berhad, NYK and OOCL when they signed the contracts.

In 2007 the Grand Alliance operated more than 20 services with 140 ships. The Grand Alliance is responsible for deploying the ships, while the partners market their capacities on the individual services independently of one another as competitors in the market. This means that customers even today can be offered a much more closely meshed service network with more frequent departures. This agreement between the partners is still in force.



When in 1930 the Prince of Wales launched the "Empress of Britain" in Scotland the ceremony was broadcast for the first time by radio to Canada and the USA. The snow-white, 42,348 GRT luxury liner was the new flagship of the Canadian Pacific Steamship Company, CPS.



The "Montreal Express", 4,402 TEU, was originally named "CP Spirit". Today she sails for Hapag-Lloyd but maintains her old connection to Canada; here she is on the St. Lawrence River off Quebec City.

With the "CP Explorer" the Canadian company really did explore uncharted commercial waters for the first time: she had entered service in 1962 as the 4,514 GRT freighter Beaverpine and was refitted as the company's first all-container vessel in 1971.

The "CP Aurora" was specially designed in 2002 for traffic between Australia and Asia. With a capacity of 4,121 TEU she has room for over 1,304 reefers and can therefore offer flexible transport of agricultural produce. Today she sails for Hapag-Lloyd as the "Liverpool Express".





## RAPID SERVICES, GREATER RANGE

Hapag-Lloyd sets standards outside the Grand Alliance too, for instance in 2007 offering the fastest transit time between Europe and Australia/New Zealand via the Suez Canal. Departing from Rotterdam, the twelve 2,500-TEU ships only took 28 days to reach Melbourne.

Services to Australia/New Zealand were extended further thereafter as demand for transport continued to grow in both countries. From Europe to Australia/New Zealand the main cargo is chemicals, machinery, paper and pulp and in the opposite direction mainly foodstuffs such as meat and wine. In summer 2008 Hapag-Lloyd also improved the services from the US West coast to Australia/New Zealand. On this route, three services with a total of eight departures a month were established with three partners.

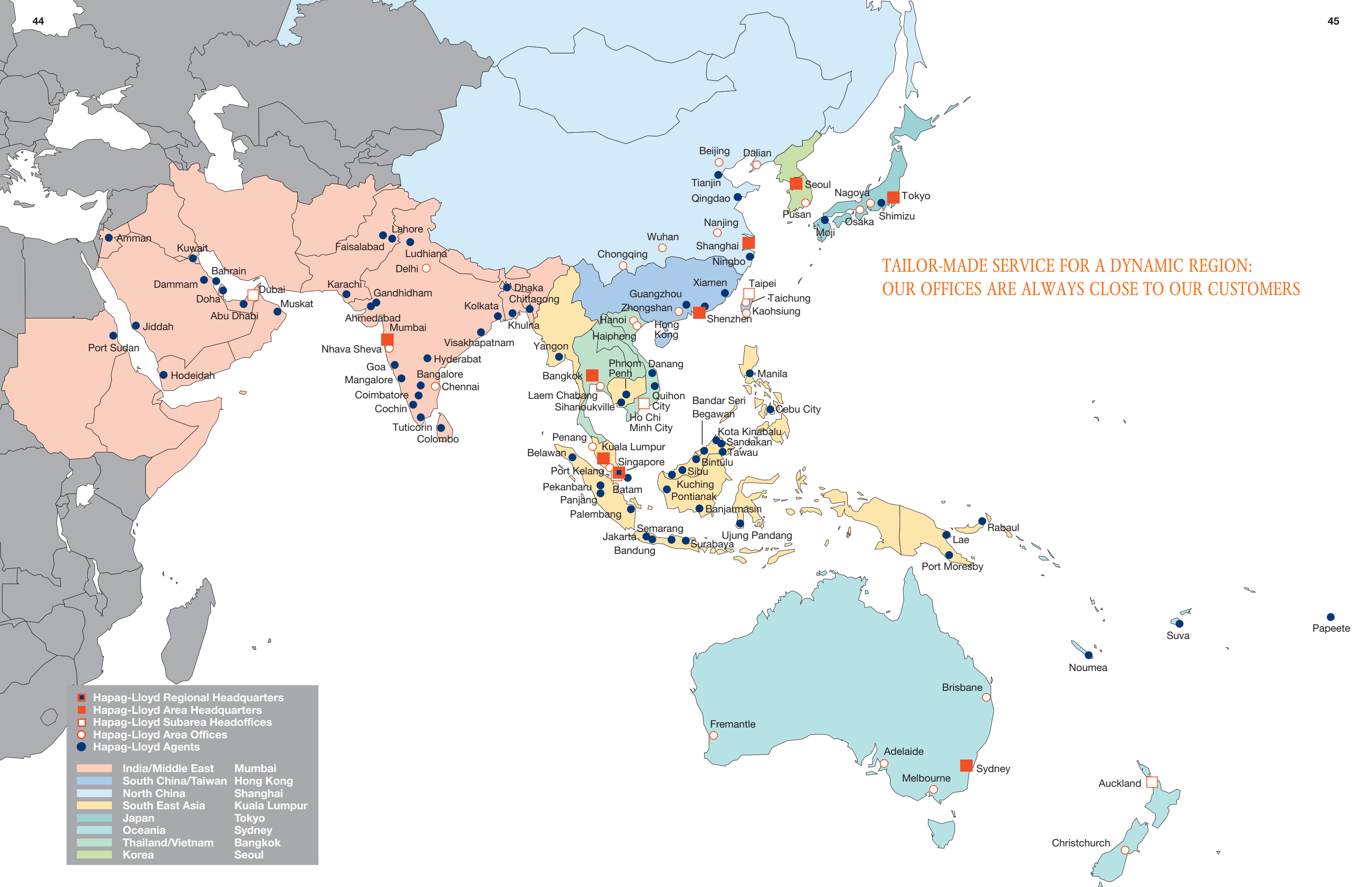
Between Asia and Africa and between Asia and South America flows of goods were growing continuously during this period. Hapag-Lloyd responded swiftly to customer demand and in July 2008 introduced the WSX service between China, Malaysia and South and West Africa. Only two years later –

the severe financial and global economic crisis of 2009 had just been overcome – it was followed by a service linking Asia with the East coast of South America. Trade relations were improving between the two economic areas, especially as countries like China and Brazil emerged from the economic crisis much more strongly than other industrialised nations in the West.

This was followed by further innovation due to changes in flows of goods to and from Asia and the expansion of the necessary infrastructure. Since May 2010 the Grand Alliance has called directly at the Vietnamese deep-water port Cai Mep, not far from Ho Chi Minh City, with its mainliner ships. The 6,000-TEU vessels on the South China Sea Japan Express service (SCX) can thus carry cargo to the US West coast much more quickly and easily than before. More direct connections to Vietnam followed, most recently in Loop D between Asia and Europe. This means that Hapag-Lloyd customers can now bring their cargo in just 21 days from Vietnam to Northern Europe (Cai Mep–Southampton).







TAILOR-MADE SERVICE FOR A DYNAMIC REGION:  
 OUR OFFICES ARE ALWAYS CLOSE TO OUR CUSTOMERS

	Hapag-Lloyd Regional Headquarters	Mumbai
	Hapag-Lloyd Area Headquarters	Hong Kong
	Hapag-Lloyd Subarea Headoffices	Shanghai
	Hapag-Lloyd Area Offices	Kuala Lumpur
	Hapag-Lloyd Agents	Tokyo
	India/Middle East	Sydney
	South China/Taiwan	Bangkok
	North China	Seoul
	South East Asia	
	Japan	
	Oceania	
	Thailand/Vietnam	
	Korea	



## GLOBAL NETWORK WITH STRONG CONNECTIONS

What began on 30 June 1886 with the first voyage of the postal steamer the "Oder" is now a dense network of almost 40 services which connect East Asia reliably and quickly with the world through fixed weekly sailings. Hapag-Lloyd offers nine services to North America from East Asian ports alone, eight to Europe, seven to Australia/New Zealand and three to Latin America. Another five services call at ports on the Indian subcontinent or the Middle East. For its Australian and New Zealand customers Hapag-Lloyd has three services to North America and two to Europe.

The first 3,000 GRT post steamers in East Asian traffic have become ultra-modern, environmentally friendly container ships with capacities of over 100,000 tonnes. The next step has already been clearly charted as well: from mid-2012 onwards Hapag-Lloyd is to take delivery of ten 13,200-TEU ships intended for traffic between Europe and Asia. They too will then moor up in the local ports, like the "Oder" did 125 years ago, as ambassadors for flourishing trade, partnership and friendship.

