Editorial

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Seven Centuries at Sea

The ties of the Grimaldi family with the sea go back to 1348. The first records of their involvement in shipping come actually from that year, when the chronicles of the Kingdom of Naples recount that the brothers Rajinerio, Richerio and Perino de Grimaldis were given a precious relic in solid gold by Queen Giovanna I, as a guarantee towards chartering three of their ships.

In the second half of the nineteenth century, Gioacchino Lauro, a shipowner from Sorrento, founded a steamboat shipping enterprise, one of the first joint-stock companies in the Italian shipping industry. The capital stock of 100 Italian liras was divided into a hundred shares worth one lira each, and the company was managed and controlled by Gioacchino through his 30 per cent stake. The fleet included the motor-sailer Mario, one of the fastest ships of her days. Gioacchino's son Achille inherited his father's passion for the sea, together with his business acumen, and in the 1960s and 1970s became the owner of Europe's most important privately owned fleet.

Giovanni Grimaldi, on the other hand, was a lawyer and property owner. He was a man of culture, but did not have the seafaring spirit of his forebears. Hence, it was his wife Amelia who introduced their sons to the sea by asking her brother Achille to take Guido under his stern, albeit wise guidance.

Guido and His Brothers

In 1947, Guido – father of Gianluca and Emanuele – and his brothers Luigi, Mario, Aldo and Ugo Grimaldi set up their own business by purchasing a *Liberty* vessel, a type of cargo ship used by the US fleet during the Second World War that gave rise to the most important privately owned European fleets, most notably those of the Greeks. The brothers' careful attention to market demands soon led them to expand operations to the transportation of passengers. Post-war immigration was at its peak and Grimaldi's shipping services focused on the Mediterranean–South America route. In the years that followed, as passenger

demand for comfort and quality increased, the fleet was upgraded to include new, modern liners such as the *Lucania*. Grimaldi-Siosa Lines, founded at the end of the 1950s to develop passenger services, was symbolised by the *Irpinia*. Over the following two decades, the fleet expanded further to include flagships such as the *Venezuela*, the *Caribia* and, later, the *Ausonia*, which served the cruise market until the end of the 1990s.

In the 1960s, the Group began to strengthen its freight operations with bulk freighters and tankers, including the *Auriga I*, *Luigi Grimaldi* and *Giovanni Grimaldi*. The expansion in the Ro/Ro sector and, more specifically, in the transport of vehicles, came in 1969, when the Group started operating regular liner services linking Italy to the United Kingdom. Originally created to ship Fiat automobiles to the British market, the Group's car carrier service rapidly won the trust of the major car manufacturers who needed to ship their vehicles between Northern Europe and the Mediterranean.

This development marks the beginning of the Group's modern period: over the last 40 years, the focus on the Ro/Ro sector has in fact been the driving factor for growth. A decisive step in this direction was the investment, in the 1980s, in the four sister ships *Repubblica di Venezia*, *Repubblica di Pisa*, *Repubblica di Genova* and *Repubblica di Amalfi*, followed by the *Repubblica di Roma*, *Fides* and *Spes* in the 1990s. All of them were Ro/Ro-Multipurpose Car Carriers capable of meeting the market's changing needs due to their enormous operational and load-mix flexibility. At the same time, the Group expanded its service network to serve not only the Mediterranean–Northern Europe trades, but also the routes between Northern Europe, West Africa and South America.

From Shipping to Integrated Logistics

These days the wholly family-owned, Naples-based, Grimaldi Group (comprising eight main shipping companies) is led by Guido's two sons, Gianluca and Emanuele, together with their brother-in-law Diego Pacella. The Group operates in 50 countries, with more than 100 ships and a total staff of over 10 000 people. This makes Grimaldi the undisputable world leader in Ro/Ro shipping and all its facets. The Group's shipping operations are fully integrated along the logistics chain, with large scale investments in 20 port terminals plus several road and rail companies.

A Consistent, Continuous Growth

The Group's recent expansion, with investments in excess of €4 billion, was achieved both through organic growth *and* acquisition strategies, combined with

consistent financial strength; technological innovation; responsible human resource management; and, of course, the *brand recognition* of loyal customers.

In terms of organic growth, more than 70 new ships have been ordered from various shipyards since 2000, 10 of which will be delivered between 2014 and 2015. Grimaldi's investment strategy is based on maximising vessel transport capacity so as to achieve economies of scale and scope and the maximum environmental benefits at the same time.

As regards acquisitions, the Group has taken shareholding participations in leading specialist Ro/Ro companies with the aim of strengthening its position in the Ro/Ro business, while building an extensive network of *Motorways of the Sea* around Europe, both in the Mediterranean and in the Baltic Sea, in line with the European Union's effort to remove freight from the congested road network. The first acquisition of the Group, in 2001, was that of the Atlantic Container Line, the North Atlantic Ro/Ro and container operator. More recently, in 2008, Grimaldi acquired a majority stake in Minoan Lines, the Greek Ferry and Ro/Ro operator. Before this, in 2006, the Group gained control of Finnliness, the North and Baltic Sea operator, offering freight and passenger services in a geographical area with the highest economic growth in Europe. Other recent business initiatives include the incorporation of Malta Motorways of the Sea – a Maltese subsidiary that succeeded Sea Malta Ltd, the State-owned shipping company that was liquidated in 2005 – and the creation of the company Grimaldi & Suardiaz Lines, a joint venture with Flota Suardiaz, one of the main Spanish shipping companies.

It is therefore with great pleasure that *Maritime Economics and Logistics (MEL)* has decided to dedicate this issue to one of the greatest entrepreneurs of our times, Guido Grimaldi. The papers are written by distinguished Italian scholars of top Italian universities, with the exception of one, from Spain, which, however, deals with the 'core' of current Grimaldi operations, that is, *accompanied versus unaccompanied transport strategies* in Ro/Ro short-sea shipping.

I have little doubt that this *MEL* issue will remain for long one of the most well-read and memorable ones.

HE Haralambides
MEL Editor-in-Chief