

# Lloyd's List

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## Marine Money: Consolidation inevitable in 2010

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- by [Rajesh Joshi](#)

Public companies with access to capital markets will be in strong position to acquire private players

PUBLICLY traded companies with access to capital markets will have an advantage and be in a position to swallow companies without access to funding by the second half of this year.

Speaking at a Marine Money Week panel in New York, Sheldon Goldman, senior managing director of the mergers and acquisitions boutique S Goldman Advisors, said: "Come September, we could see another rush to the capital markets.

"A couple of these will get in, but many will not. This would set the stage for public companies to acquire private players who were not able to access the public capital markets."

Citi equity capital markets managing director Gerrit Parker said consolidation would occur, but "not on the scale on which it should be occurring".

Mr Parker said: "We have to consider the issue of personalities, and the fact that private companies seeking capital are family-run and built upon years of sweat."

Mr Parker, however, did not disagree with the view that in the post-recession world, private enterprises would be struggle to grow, and in some cases survive, because of their inherent handicap in not having access to capital.

Craig Fuehrer, head of shipping investment at Deutsche Bank, cited the example of General Maritime chairman Peter Georgiopoulos, who raised \$237m in two days to finance the \$620m acquisition of seven tankers from Metrostar Management.

"A lot of people can only hope they could raise \$200m in two days, but they would mostly be unable to do so," Mr Fuehrer said.



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