Shipping made in Hamburg

The history of the Hapag-Lloyd AG
Historical Context

By the middle of the 19th Century the industrial revolution has caused the disappearance of many crafts in Europe, fewer and fewer workers are now required. In a first process of globalization transport links are developing at great speed. For the first time, railways are enabling even ordinary citizens to move their place of residence, while the first steamships are being tested in overseas trades. A great wave of emigration to the United States is just starting.

“Speak up! Why are you moving away?” asks the poet Ferdinand Freiligrath in the ballad “The emigrants” that became something of a hymn for a German national movement. The answer is simple: Because they can no longer stand life at home. Until 1918, stress and political repression cause millions of Europeans, among them many Germans, especially, to make off for the New World to look for new opportunities, a new life.

Germany is splintered into backward princedoms under absolute rule. Mass poverty prevails and the lower orders are emigrating in swarms. That suits the rulers only too well, since a ticket to America produces a solution to all social problems. Any troublemaker can be sent across the big pond. The residents of entire almshouses are collectively despatched on voyage. New York is soon complaining about hordes of German beggars.

The dangers of emigration are just as unlimited as the hoped-for opportunities in the USA. Most of the emigrants are literally without any experience, have never left their place of birth, and before the paradise they dream of, comes a hell. Reaching the port cities after a strenuous journey, these exhausted people have to wait for weeks there for passages and are harried and robbed in the squalid port districts.

The crossing on small wooden sailing-ships lasts between 70 and 100 days on average, but often much longer. Passengers, especially emigrants in the low, cramped tweendeck, are treated like cargo of inferior value. They often have to bring along their own provisions, drinking water rapidly grows scarce and hygienic conditions are catastrophic. Death rates correspond, and every voyage involves taking a risk with an unknown outcome.

In 1845 more than 115,000 Germans emigrate, the population of a medium-sized big city. Nine of ten of the travellers emigrating via German ports embark in Bremen, where the Senate had passed protective laws in 1832. Hamburg, the largest port in Germany, had done its best to keep the poor and often sick emigrants away with restrictions. Since relaxation of these in 1837, conditions in the port area and on many ships were such that Bremen’s lead was in no danger.

In 1846 the German-American “Ocean Steam Navigation Company” is founded. Among those involved is Hermann Henrich Meier, a Bremen merchant and later consul, dreaming of a direct Bremen - New York steamship line. The company rapidly slides into bankruptcy. Hamburg remains generally reserved in its attitude to progress. Yet it has no wish to leave emigration, a growth market, to the competition in Bremen.
On 27 May 1847, conditions for emigrants start to improve decisively. In the Conference Room of the Hamburg Stock Exchange shipowners and merchants found the Hamburg-Amerikanische Packetfahrt-Actien-Gesellschaft or Hapag for short. Adolph Godeffroy becomes its first director. Its aim is to run a faster, more reliable liner service between Hamburg and North America, initially New York, using first-class sailing-ships.

The board of directors wish to create “something outstanding” and this is also apparent in its novel corporate philosophy. Hapag for the first time sees its passengers not as human freight, but as customers whose business needs to be sought. The fully-rigged sailing-ship “Deutschland” enters service on 15 October, offering even emigrants modest yet noticeable improvements appropriate to the times. “Service at Sea” is a concept that means success.

The packet sailing-ships “Deutschland”, “Nord-Amerika”, „Rhein“ and “Elbe”, all of around 500 grt and with accommodation for some 220 passengers, are regular record breakers. For the outward passage from Hamburg to New York they require a sensational average of 40 days, and with the west wind just 28 days for returning. The crush is great and in Bremen there are complaints that Hapag is luring the emigrants away with unsuitably good food.

The collapse of the German Revolution of 1848 and the ensuing repressions caused a fresh leap in emigration. Hapag, which understood itself to be “sound and respectable through and through”, is in a phase of “gratifying progress”. One particularly attractive offer: “Indeed, attention has been paid to providing a separate berth for every passenger.”
The mails were transported overseas in packets, bags of oiled leather or linen and this valuable cargo was only entrusted to the fastest, most reliable liner shipping companies. To call a shipping company such as Hapag a “packet line” called for ships of high quality and well trained crews. Several shipping companies founded at that time included this demanding quality seal in their names. Only with Hapag it has survived.

Hapag pays its shareholders a dividend of four percent for the first time. Since a united Germany does not yet exist, its sailing ships fly the red-white Hamburg city flag as the flag of their home country. Not invariably, however: When the Elbe estuary was blocked for German ships after the outbreak of the war between Germany and Denmark in 1849, as the first German shipping company Hapag re-flagged its “Deutschland” at short notice, which then sailed undisturbed to New York as the Russian “Hermann”.

Hapag’s director Adolph Godeffroy summons an extraordinary meeting of shareholders and passionately advocates building two large screw-steamships. He had only recently still rejected technical and business experiments of this kind, yet is aware that time is now pressing: The eternal Hanseatic rivals are stirring. Competition looms from the Weser or from that “busy neighbouring city” of Bremen, as an unhappy Godeffroy calls it.

There is no united Germany as yet, not even the North German Federation, yet Hermann Henrich Meier is planning no less than the major German shipping line - to be based in Bremen on the Weser. Apart from his dream plus shares in a few modest river steamship and towage companies that he wishes to merge, all that he so far has is a name: “Norddeutscher Lloyd” or North German Lloyd.

The first Hapag steamships, “of iron and first class”, are launched at Caird & Company in Greenock, Scotland. German shipyards are not yet capable of building iron screw-steamships. The “Hammonia” and “Borussia” are both of over 2,000 grt, 101 metres long, almost 12 metres wide, with a speed of 11 knots. They have a crew of 80 and can carry 510 passengers, 310 of them in steerage.

Hapag’s first steamship, the “Borussia” under Captain Ehlers, arrives in her home port for the first time on 4 April. There is a tremendous reception for her, with salutes and fireworks, and a big street party as she sails on her maiden voyage. A month later, the city greets her sister-ship “Hammonia” with the same enthusiasm. The “Borussia” transports the mail in record time on her very first voyage and Hapag offers a monthly liner service.
Hermann Henrich Meier has managed it. Along with young Eduard Crüsemann from Berlin, he has convinced Bremen business to invest in a “magnificent, exclusively German” Transatlantic steamship line. Norddeutscher Lloyd (North German Lloyd – NDL) is founded in Bremen on 20 February 1857.

In Hamburg’s port district, Albert Ballin is born as the thirteenth and last child of a small businessman, a Danish-Jewish passage agent, on 15 August. He literally grows up in the harbour.

The burghers of Bremen rejoice as the “Bremen”, NDL’s first steamship, sails down the Lower Weser on 12 June. The entire region celebrates, thrilled to identify itself with the renowned company. On board, Meier presents the arms that are later included in the company’s house flag: “an anchor, crossed by a key, and a wreath of oak leaves”. A catastrophe engulfs the Hamburgians: The Hapag steamship “Austria” catches fire at sea with the loss of 471 lives.

Tremendous plans yet a miserable start: Three of the four NDL steamships prove unserviceable. Offering tough competition, from the start Hapag attempts to push its new rivals out of the North Atlantic business. An alternating sequence of keen competition and discreet cooperation sets in between the shipping companies that represent the two Hanseatic cities that had traditionally been rivals down the centuries. This is to persist for over a century and set benchmarks in world shipping.

NDL is on the brink of collapse, with heavy losses, a poor image and rebellious shareholders. The end seems to have arrived when yet another bank suddenly offers a large packet of shares for re-purchase at just 28% of nominal value. In a bold coup Meier re-acquires these on his own initiative. Thanks to his excellent contacts, he succeeds in rescuing NDL.

Success for Hapag and NDL: The United States postal authorities transfer the entire mail transport between New York and Southampton to the “Packetfahrt”. The press is amazed by the unparalleled service on board the Hapag steamships. Even for steerage passengers, “soft white bread of superb quality is baked daily.” There was a new start for the Bremen owners too. A new overseas steamship, the “Hansa”, is launched.
A first Hapag-Lloyd joint project sees the companies coordinating their departures instead of despatching them in costly direct competition against each other. In the following year they jointly lease an area in Hoboken on the Hudson River opposite Manhattan. Hapag and NDL build piers and passenger facilities there alongside one another. These will form the gateway to the New World for millions of emigrants.

In recent years Hapag has distributed dividends of between six and ten percent, although the American Civil War has caused a steep drop in passenger totals in the United States and cargo business is also noticeably ailing. NDL reports its very first trading year free of crises, has established itself firmly in the North Atlantic trade and pays dividends of two percent.

Hapag has sold the “Hammonia”, its first steamer, to Allen Line in Liverpool and orders a new vessel, as an exception not from its „house shipyard”, Caird & Company in Greenock, Scotland, that had also built NDL’s first two steamships, but from C. A. Day & Co. in Southampton. The “Allemannia”, 2,665 grt, around 98 metres long and with accommodation for 760 passengers, enters service in 1865.

Following the end of the American Civil War, passenger totals on the North Atlantic rise steeply once again. Hapag follows Bremen’s example and offers weekly sailings. The company considerably extends its handling facilities at Jonashafen in Hamburg, orders two new 3,000-grt-steamships and plans a connection to New Orleans.

The war between Prussia and Austria is succeeded by the foundation of the North German Federation dominated by Prussia. Hamburg and Bremen join, and soon Hapag and NDL ships are no longer sailing under the flags of their cities but under the colours of the Federation, the “black-white-and-red” flag later regarded as a seal of quality on all the world’s oceans.

The new Hapag steamships, the second “Hammonia” and the “Cimbria”, enter service for the beginning of the season. Of 3,035 grt and 3,025 grt and around one hundred metres long, they are the largest German ships. A crew of 125 looks after 678 passengers, 58 in the first class, 120 in the second class and 500 in steerage. With a speed of 11 knots the steamships were to cross the Atlantic in 10 days.

Cautious growth: The next Hapag steamships of the “Hammonia” class are put into service with the “Holsatia” and “Westphalia”. While these are again the largest German ships, they only marginally top their predecessors. The “Packetfahrt” is expanding, but as its concept of itself proclaims: solidly, „sound and respectable through and through”. By 1874 Hapag will have put altogether 13 steamships of this type into service.
Mourning on the Weser: Eduard Crüsemann, co-initiator of the founding of NDL and the shipping company’s first director, dies at the age of only 43. In the city the word is that he has literally worked himself to death for the company. Even the Senate in Bremen feels that this is meanwhile the most honourable obituary that there can be in the region: “We glory in the splendour that Lloyd has brought to Bremen.”

“The outlook for the new financial year remains bright in all respects” prophesies Hapag’s board. The company now has a dry-dock of its own for its growing fleet and moves into the first building it has owned, at Deichstrasse 7. Yet war breaks out July between the German states and France. All overseas traffic comes to a standstill in August and September.

The Franco-Prussian War has been won, the unified German Empire is proclaimed, the King of Prussia is crowned Emperor of Germany. Hapag enters the new era with 14 steamships, while NDL owns 16 Transatlantic steamers and transports over 40,000 people to the New World this year. The capital of both companies is considerably increased. Both continue to vie for top place as the youthful Empire’s most important shipping company.

With the foundation of the Empire and the economic upswing, for the moment there is a lull in emigration from Germany. By contrast, emigration from Eastern Europe, and especially the exodus of Jews from Imperial Russia, climbs steeply. NDL, meanwhile conveying more passengers than the competition in Hamburg, decides on the largest construction programme in its history with the aim of steering growing overseas traffic towards the Bremen ports.
North German Lloyd aims for the top with a fleet of large, swift and modern steamships, the first of them being the „Strassburg“ that had entered service the previous year. Hapag had received competition in its own city from Adler-Linie in 1872, but an economic crisis that had started in Vienna brings the boom of the Gründerjahre to an end. With a solid financial base, Hapag escapes almost unharmed and later buys up its competitor.

After the sudden death of his father, Albert Ballin (17) has to take over his small emigration agency in the Port of Hamburg. Ballin, having grown up as a Jew in crowded conditions, is from his own personal experience far more aware of the situation, the cares and the needs of his clientele than the well-heeled shipowners. Until then of no significance whatever, the agency begins to flourish.

Bremerhaven, 11 December: During the loading of the “Mosel” a cask slips from the crane, hits the quay - and fatally detonates in the middle of crowd of people embarking. The first great insurance fraud has failed. The lethal cargo was intended to sink the fully booked NDL steamship at sea. This unprecedented attack by a single perpetrator claims 81 lives and over 200 seriously injured, yet the premature accident saves almost 800 people.

With the “Habsburg”, NDL puts the last of thirteen steamships of the “Strassburg” class into service. Of more than 3,000 grt and with a crew of around 100, this type had acquitted itself equally well in all trades, carrying over 1,000 passengers at a speed of about 12 knots. The ships are fitted with modern compound steam engines. NDL’s fleet now comprises 22 large ocean-going steamships.

Johann Georg Lohmann becomes director of North German Lloyd. Running its own quays and repair workshops in Bremen and Bremerhaven and a dry-dock, the largest German shipping company, meanwhile regarded there as a “state within a state” is a highly respected, unassailable institution, even if business is once again not all that brilliant. Shipping is in the doldrums and recently opened lines are soon incurring losses.

Problems arise for Hapag, which has never been a sacrosanct institution in its home city in the same way as NDL in much smaller Bremen, but just one shipping company among many. Competitors from its home patch are appearing constantly, Adler-Linie being the most recent. The “Packetfahrt” had acquired the company and all its vessels in 1875, thus burdening itself with an oversized, uneconomic and partly obsolete fleet, by contrast with NDL.
Ruinous competition, ship losses and economic problems see NDL slide into a depression. Director Lohmann decides to use first class steamships for the North Atlantic route to get the company moving again, to make it the talk of the industry and to take it to the top. The star among the liners on the New York run is the new British “Arizona” with a speed of 16 knots and making the crossing in eight and a half days. The aim in Bremen is to outshine her.

Changing of the guard: After 33 years at the top, Adolph Godeffroy, Hapag’s first director, steps down. He leaves a solid company of good repute. His in part already downright elderly and extremely conservative successors give preference to their own affairs and tend to run the business as a sideline. Most members of the supervisory board are also far more committed elsewhere. The results soon reflect this.

NDL’s new flagship, the “Elbe”, now proves a sensational success in every respect. Her interior layout and Johann Poppe’s decoration in opulent “steams-hip style” cause as much of a stir as her maximum speed of 16 knots. She immediately breaks commercial records. NDL now has nine of these splendid vessels built in quick succession. Record speed becomes a Bremen trademark.

With the “Rugia” and “Rhaetia”, Hapag has steamships built at German shipyards for the first time. The Hamburgians have nothing remotely comparable to compete with Lloyd’s fast steamship service. Their new flagship, the third „Hammonia“, which is launched in Glasgow, is obsolete from the start. Except for one remarkable innovation, for the “Hammonia” is the first German ship to be fitted with electric lighting in the passenger lounges.

On 19 January, two hours after midnight, Hapag’s “Cimbria” collides in dense fog nineteen nautical miles NW of Borkum with the British steamship “Sultan”, is ripped apart by her pointed bow and sinks within a quarter of an hour. Over 430 passengers and crew members perish in the ice-cold water. The catastrophe overshadows the inauguration of Hapag’s new pier in Hoboken.

Hapag has ignored the ambitious young passage agent Albert Ballin until 1881 this outsider mounts a frontal attack: Together with a shipowner he offers unbeatably low rates for passages en masse to New York. A long, destructive rate war followed, until the cheapest passage across the Atlantic cost just six dollars. Hapag, in any case suffering from “business despondency”, now begins to take on a list.
NDL, enjoying great success with its weekly express steamship sailings, is now also awarded the government contract for the new Imperial mail steamship services to the Far East and Australia. Hapag has so many problems that it does not even tender for the lines. The “Packetfahrt” is “just about to disappear beneath the waves”. Then the shareholders rebel, and the board resigns after an extraordinary general meeting.
The new Hapag board ends the rate war and engages Albert Ballin, initially as head of the passage department. This is a more than just unorthodox personnel decision, yet it is to prove one of the most fortunate in commercial history. Almost 29, the highly intelligent outsider, in equal measure visionary and pragmatist, has found his life’s task. He is to lead Hapag to top place in the world.

Carl Laeisz, the Hamburg shipowner operating sailing ships and the decisive man on Hapag’s supervisory board, supports and encourages Ballin as he presses forwards, and his dynamism carries the company along with it. The company’s share capital is increased substantially, two modern twin-screw steamers are ordered. Also new is the fact that with Vulcan yard in Stettin, a German shipyard will for the first time be building one of the top ships.

Wilhelm II., the new German Emperor, is not just the most high-ranking ship lover in the Empire, but also the most influential trendsetter: Ocean shipping becomes very fashionable in Germany. The shipping companies discover the sovereign as a commercial factor. Favour from the sovereign, after all, is an unbeatable advertising argument. Hapag and NDL vie for this and soon attain a semi-official status extending far beyond their commercial role.

In honour of the Empress of Germany, the first Hapag express steamer is named “Augusta Victoria” and breaks a record on her maiden voyage: In seven days from Southampton to New York! The ship, furnished by NDL’s company architect Johann Poppe in rococo design in accordance with the motto “uninterrupted decoration of everything that can be decorated”, is enthusiastically feted. This despite one fauxpas: Her Majesty’s correct name is Auguste Victoria.

Taken by surprise by Hapag’s rapid comeback, NDL’s director Lohmann makes the most crucial mistake in the whole history of the firm: He ordered two new ships but stuck by the obsolete single-screw type, thus robbing NDL of its entire technical and commercial edge on the toughly contested North Atlantic route. A series of accidents with express steamers bring further setbacks for the Bremen company.
1891

Ballin, since 1888 Hapag’s youngest director, despatches the flagship “Augusta Victoria” on a pleasure cruise to the Mediterranean in January. His colleagues declare him to be mad. Accompanied by Ballin himself as the host, however, the expedition, lasting several weeks and with organized shore excursions at thirteen ports, becomes a tremendous success. This also marks the premiere of the modern cruise, the birth of the “sea tourism” that Hapag is to offer from now on.

1892

A turbulent spring in Bremen: NDL director Johann Georg Lohmann collapses and dies at a preparatory meal for the traditional Bremen seafarers’ banquet. Hermann Henrich Meier, now 83, who had left the company as a protest against the business policy of the director of “his” company, returns in triumph. Dr. Heinrich Wiegand, a lawyer of 37 and NDL’s legal adviser, is appointed as Lohmann’s successor.

1893

After the previous year’s appalling cholera epidemic the Senate in Hamburg imposes rigid restrictions on Eastern European emigrants. Ballin initially threatens to move with Hapag to Bremen, then he radically alters corporate policy: Hapag, also calling itself “Hamburg-Amerika Linie” after the Senate relents, is no longer to go primarily for the passenger trade so vulnerable to the economic climate, but instead for freight business.

1894

Hapag and NDL sign an agreement covering a joint liner service between Mediterranean ports and New York. Competitive Italian shipping still lies in the future, and many emigrants from the Balkan countries prefer the connection via the “Sunshine route” to the long journey to Northern ports. It is also popular among Americans wishing to visit their former homelands or to travel in Europe.

1895

Horror at the coast: The “Elbe”, once North German Lloyd’s most famous ship, is rammed in the Channel by a British collier on the night of 29-30 January. The large NDL steamship sinks within fifteen minutes, more than 200 lives are lost. There are just 20 survivors, five of them passengers. One of the consequences of the accident is a Reichstag debate about ship safety.
The “Pennsylvania” is launched for Hapag, a combined passenger-freight ship, of 12,261 grt the world’s largest ship for a while. She can transport over 2,800 passengers and 14,488 tons of cargo, or just one of the two categories. A series of highly profitable “P” steamships of different sizes from now on form the solid commercial backbone of the Hapag fleet, with its big luxury liners ensuring a brilliant image.

Heinrich Wiegand, reforming NDL, continues to make express passenger shipping the priority and has ordered a four-funnel express steamship. This is launched at the Vulcan yard in Stettin, being named “Kaiser Wilhelm der Große” after the reigning monarch’s grandfather and is the first of a whole quartet of Hohenzollerns, with which NDL aims to regain supremacy on the North Atlantic.

With a service speed of over 22 knots, the “Great Kaiser” breaks all records: In five days from the Needles to Sandy Hook! In New York she is feted as no previous ship has been. This voyage marks the beginning of the „German Decade“ in the struggle to achieve the fastest Atlantic crossing and the four-funnel express steamers become NDL’s pride and its trademark. In Bremen a legend dies as he approaches the age of 90: company founder Hermann Henrich Meier.

At Hapag and NDL existing conditions are in some sense legalized, Albert Ballin and Heinrich Wiegand are named directors-general. The time of the patriarchs is past. At the turn of the century the two companies are headed by modern managers, looking beyond the city boundaries and capable of acting on a large stage, of putting over Hapag and NDL cooperating on a greater scale than previously.

A British shipping magazine coins the term “Blue Riband”, derived from the blue sash of a Derby winner. The first holder of the intangible yet highly prestigious trophy is the new Hapag express steamer “Deutschland”. The season is overshadowed by a serious fire at the NDL pier in Hoboken, killing over 300 people, destroying the facilities and reaching several ships that drift, still on fire, down the Hudson.

For Hapag and NDL, the world is their oyster. Their liner networks span the globe. Hapag owns the largest fleet worldwide, NDL transports the largest number of passengers. Both are status symbols of the aspiring German Empire, ambassadors of an ambitious, industrious nation. On one of Hapag’s steamships, Wilhelm II utters the legendary words: “Germany’s future lies on the water”. 
Hapag and NDL jointly conclude an agreement with the powerful Morgan Trust of the USA that is striving for a monopoly in the North Atlantic trade, having taken over White Star Line in Britain, among other companies. Ballin negotiates so skillfully that the Germans are able to defend their independence and avoid cut-throat competition. The “Lion of Wall Street” has failed in his bid for a North Atlantic monopoly.

In Hamburg, Wilhelm II dedicates not just a monument to his grandfather Wilhelm I, but also the new Hapag port facilities at Kaiser-Wilhelm-Hafen and Ellerholzhafen, each with ten metres water depth at high tide. Three kilometres of quays have been equipped with 140 mobile cranes and three heavy goods cranes, seven warehouses and 22 kilometres of railway tracks – the facility occupies a considerable part of the total area of the Port of Hamburg, of both the water and land.

After the great success of the cruises the Hapag board decides to become more heavily engaged in tourism. At the beginning of 1905 it takes over the renowned Carl Stangen travel agency in Berlin, carrying on the business as “Hamburg-Amerika Linie Reisebüro”. The company thus becomes a leading supplier of tourism. NDL follows with the „Weltreisebüro Union“. The two are based on Unter den Linden, a top address.

Luxury instead of record speed: Hapag withdraws from the Atlantic contest. Its new flagship “Amerika” is more economical than the coal-guzzling express steamers, rolls less, and offers extra space and comfort for all classes. For the first time emigrants could book cabins in the third class, barely more expensive than tween-deck. Passengers react with enthusiasm; the “palatial ship” is a resounding success.
Just a few years after the emigrant halls on the Veddel had been opened, Hapag has to considerably extend them. This last stop on the old continent is an internationally award-winning “emigrant town” covering 50,000 square metres. This year 180 Hapag employees look after almost 102,000 travellers from all over Europe there. Demand for this all-round service for emigrants, unique in the world, continues to grow.

Bremen celebrates North German Lloyd’s 50th anniversary. It has its self-assurance and prosperity perpetuated in stone with a new head office building, with the foundation stone for the last stage of the building now being laid. Designed by Johann Poppe, the creator of the “steamship style”, this Neo-Renaissance fortress is almost completely covered by ornamentation. It is to occupy almost an entire district of the city around Papenstrasse, to incorporate the city’s highest tower offering an ascent to the top, and to be completed in 1910.

A serious shipping recession hits NDL as a passenger shipping company very hard, especially as more and more travellers are preferring the comfort of Hapag’s ships to the Bremen express steamers with their speed records. For a long time – too long? – NDL has remained loyal to its trademark. With the „George Washington“, it now has a slower and particularly luxurious flagship launched.

Heinrich Wiegand dies in March at the age of only 53. Besides heading NDL, this versatile manager had also energetically pursued his second major interest, the development and industrialization of Bremen, Bremerhaven and the Lower Weser area. The NDL had co-founded companies or acquired stakes in others, and Wiegand had campaigned intensively for securing better canal and rail links. His successor is Philipp Heineken.

A sensation in Hapag’s Annual Report and a new dimension in the civilian arms race on the North Atlantic: The Hamburgians wish to place orders for three luxury liners of gigantic dimensions, unprecedentedly luxurious and at around 50,000 gross register tons larger than anything sailing anywhere in the world, indeed twice the size of the flagship of the German merchant fleet, the “George Washington” from Bremen.

The third dimension: a planetoid is discovered, being given the name „Hapag“ two years later. That is fitting, with the Hamburgians being among the pioneers of civil aviation. Ballin has been trying since 1908 “to make the airship serviceable for practical transport purposes.” Hapag backs Graf Zeppelin, while its travel agencies have been selling tickets for Deutsche Luftschiffahrts AG (Delag)’s four airships since 1910, with 42,000 passengers by 1914.
An ambiguous highlight: With the “Imperator”, the first of Hapag’s leviathans, Wilhelm II names the world’s largest ship. A superb product “made in Germany”, a floating grand hotel, setting the pace in technology, navigational equipment and service, on board which even the emigrants are accommodated in cabins instead of shared quarters. Yet a symbol of political arrogance bestrides the bow, a giant bronze eagle with its claws resting on a tiny globe.

Optimism accompanies an economic boom in Europe. Yet Albert Ballin, at the zenith of success as Hapag’s top manager, is aware of the cracks under the glittering surface. He is increasingly concerned by the political tension between Germany and Great Britain and fears that the arms race in Europe could lead to an appalling war. On semi-official missions, therefore, ever since 1908 he has been seeking to mediate.

Christening of the “Bismarck”, Hapag’s third giant steamship, for which Wilhelm II has again made the journey to Hamburg, becomes the German Empire’s farewell gala. Eight days later, shots ring out in Sarajevo. Ballin travels secretly to London on a last, desperate attempt at mediation. In vain, for at the beginning of August what the head of Hapag condemns as “the most stupid and bloody war in world history” prevails.

Survival is now the main priority; overseas traffic has collapsed. Hapag and NDL ships not required by the navy lie at anchor rusting in German or foreign ports, many of the staff have been called up for military service. Numerous other employees and the facilities of both companies serve the German Empire. Port warehouses become provision stores, the emigrants’ halls become hospitals and NDL fits out hospital trains.

Great excitement in the USA: “German U-boat in Baltimore!” Built and equipped in secret by NDL, the diving freighter “Deutschland”, 65 metres long, with a crew of 29 under Lloyd’s Captain Paul König, had broken through the British North Sea blockade. She loads rubber and nickel and also completes the dangerous return trip lasting at least three weeks. The “Bremen”, the second merchant U-boat, was less fortunate, disappearing on her first outbound voyage.
The USA enters the war. The Hapag flagship “Vaterland”, with a book value of 34 million marks, has been laid up in New York since 1914 and is now seized. “Not much will remain of the Hamburg-Amerika Linie,” says a resigned Ballin. Along with NDL director Heineken he nevertheless fights for a long time for a shipping compensation act. This comes into force in the autumn and provides for large newbuilding loans after the cessation of hostilities.

The war is lost. Ballin, who has for years been seriously discredited by circles in Berlin as a pacifist, is suddenly requested by the general staff to conduct the peace negotiations. He himself is still prepared to do so, but he can no longer bear the collapse of his world and his life’s work. Ballin poisons himself as the revolution reaches Hamburg, and dies at the age of 61, along with the German Empire, on 9 November about noon.
The worst of all the war years,” complain German shipowners. In June the Peace Treaty of Versailles is signed, with all German ships of over 1,600 grt being allocated to the victorious powers, as well as half of all vessels between 1,000 grt and 1,600 grt. Hapag and North German Lloyd, five years previously the world’s largest shipping companies, no longer possess any fleets.

The flagship of the NDL fleet is now the 781-grt excursion steamer “Grüßgott”. The Bremen company looks for American partners to facilitate a return to its old trades. They negotiate in New York with the United Mail Steamship Company, and a US delegation arrives in Bremerhaven on the “Susquehanna”, the first post-war steamer. An item of war booty, she is well known there, but as NDL’s SS “Rhein”.

In spring, Dr. Wilhelm Cuno, Ballin’s successor at the head of Hapag, signs a cooperation deal with the Harriman Group’s United American Lines, brokered by the banking house Warburg. This covers all the pre-war trades except East Asia. As a start, the liner service to New York is resumed. In January the “Mount Clay”, the former NDL steamship “Prinz Eitel Friedrich”, calls in Cuxhaven for the first time.

White Star Line puts the “Homeric” into service. NDL had had her built in Danzig as the „Columbus“, then managing to prolong fitting out for eight years so as to defer her delivery. This only transpires thanks to a discreet barter deal, the “Columbus Agreement”. NDL receives six steamships back for the finally completed luxury liner and is able to resume the liner service to South America and East Asia.

Amid chaos and inflation, the German merchant fleet’s first new top-of-the-line ship, Hapag’s “Albert Ballin” sails on her maiden voyage to New York. Of 20,815 grt, she is barely half the size of the “Imperator”. Nevertheless, she is seen as a symbol of hope and the will to survive, like Fritz Höger’s Hapag House on Alsterdamm, completed in 1921.
“The most astonishing resurrections in the history of world shipping”: Hapag and NDL are back in their old trades. With the second “Columbus”, NDL once again dispatches a luxury liner to New York. With the USA drastically tightening up immigration requirements and emigration sharply falling, Hapag relies on a quartet of less spectacular, yet viable ships. NDL aims to return to the top.

Hapag and NDL also commit themselves to civil aviation. The result of the merger between Deutsche Luft-Reederei and Lloyd-Luftverkehr, “Deutsche Aero Lloyd AG” is already flying more than 6,000 kilometres a day on liner services in Europe. In 1926 the company merges with other airlines to form Deutsche Luft Hansa AG. As the name reveals, both Hanseatic shipping companies hold stakes in the company.

Sensation at the coast: NDL orders the turbine-driven express steamers “Bremen” and “Europa” With the combination of around 46,000 grt and a maximum speed of 29 knots, these are intended to regain supremacy in the North Atlantic business. The spectacular flagship “Bremen” is even being built in its native city of Bremen. Even while still on the slipways of AG Weser, this gem becomes the region’s much admired star turn.

“Political Funnels”: After the merger with Austral-Kosmos-Linien, Hapag adopts its black-white-red funnel markings. This marks a controversial but unassailable comeback for the “black-white-red flag”. Even during the republic, German shipping stubbornly retained these colours, regarding them as a symbol of past glory. Atop the yellow funnel, they now become a Hapag hallmark.

Planned and accompanied by Ehrenfried Günther Freiherr von Hünefeld, NDL’s propaganda chief, the first east-west transatlantic flight is achieved by a single-engine Junkers aircraft called “Bremen”. It lasts 36 hours and the pioneers are ecstatically honoured in two continents. Euphoria reigns at NDL: Named by President Paul von Hindenburg, the “Bremen” is launched in August, followed next day by the “Europa” in Hamburg.

The maiden voyage of the “Bremen” proves a complete success and for the first time since 1908 a German liner holds the Blue Riband. She is an ambassador and a symbol of the resurrection, adored in her home port as no other ship ever has been or ever will be. With her futuristic silhouette, she embodies technology, momentum and glamour in equal measure and is depicted in exciting modern poster art, becoming the icon, embodiment and highlight of the brief “golden” Twenties.
The world economic crisis, recession and depression hit also shipping so hard that Hapag and NDL have to decide on closer cooperation. A union pact is agreed. This is designed to achieve the economic effects of a merger without formally sealing this. The two companies do not wish to forgo “their own individual existence and the publicity value of their long-standing organizations” at any price. The pact lasted only a few years.
“A crisis year of maximum dimensions” for NDL, and similarly for Hapag. Of the German merchant fleet’s total tonnage of 4.2 million grt, 650,000 grt is laid up unemployed. An eerie calm haunts the ports, mass unemployment rages – and both economically and politically, the downward trend continues. Internal frictions between Hapag and NDL intensify to such an extent that lifting of the union agreement is considered.

Brisk business during the crisis: Hapag and NDL had re-started the cruise and tourism business in 1926. The “small-scale tourism” of the services to German seaside resorts booms without interruption and so do the dream voyages for an international clientele. The range is meanwhile exclusive and varied, from Hapag’s world cruises commencing in New York to NDL’s first combined sea-air cruises.

Hapag and NDL, partly state-owned, are brought into line by the Nazis. Max Warburg, Ballin’s best friend and especially close to Hapag for decades, is thrown off the supervisory board. The banker retains his dignity, delivering a passionate farewell speech to an embarrassed auditorium, sarcastically settling scores with the new top managers. His tremendous departure makes international headlines.
Already interrupted by the war, the vast flow of emigrants has almost entirely ebbed away since the USA’s rigorous tightening up of the immigration laws in 1924. The extensive emigrant town in Hamburg, before 1914 used annually by 170,000 emigrants from large parts of Europe, had been reduced in size for German post-war emigrants and re-named “Überseeheim”. Even this is meanwhile almost empty. Hapag returns the site to the city.

A glittering image and a disastrous financial situation: The North Atlantic passenger trade brings Hapag and NDL heavy losses, all the more so since ships under the swastika flag are shunned by sections of the international public and more modern foreign competition is coming into service. Hitler insists that for reasons of prestige the loss-making service should be maintained “somehow”. The Reich therefore takes over the entire financial risk.

The Olympic Games in Berlin bring a boom for North Atlantic passenger trade. 700 Lloyd staff look after the athletes in Berlin. The party organization “Kraft durch Freude” (Strength through Joy – KdF) charters Hapag and NDL steamships, to offer deserving “comrades” low-cost cruises, party propaganda invariably included. The success of the KdF programme means the start of mass tourism at sea.

The “Potsdam”, “Scharnhorst” and “Gneisenau” sail for the NDL to the Far East on the most important route apart from the Atlantic. The fastest and most modern passenger ships on this route, two of them are fitted with turbo-electric propulsion plants. These smart ships with their luxurious appointments, also built as floating advertising media for the Third Reich, cause a stir in all their ports of call but soon prove unviable.

Horror at Hapag: Its first sail training ship, built as the “L’avenir” in 1908 and acquired by Hapag in 1937, the four-masted barque „Admiral Karpfanger“ fails to return from her first voyage to Australia. Her last telegram reaches Norddeich-Radio on 12 March, then she disappears near Cape Horn, and with her the 60 men on board, among them 44 youngsters aged between fifteen and nineteen, Hapag’s next generation of officers.

Hapag’s SS “St. Louis” remains out at sea with more than 900 Jewish refugees on board. No country is prepared to grant them entry and they cannot return. Finally, the passengers are rescued by the moral courage of Captain Gustav Schröder and his crew. After a five-week odyssey, they are permitted to land in Antwerp. As Germany invades Poland and war breaks out, 858 German vessels are still at sea.
An uncanny premiere in Hamburg: The first and only wartime launch of a large passenger ship. Hapag’s second “Vaterland” of 41,000 grt is noticeably smaller than her famed predecessor that with 54,282 grt remains the largest liner ever to operate under the German flag. The newbuilding, also built by Blohm & Voss, is never to sail. Initially she serves as a timber store, and in 1943 she is destroyed by bombs at the quay.
Death of a legend: The “great ‘Bremen’”, lying alongside in Bremerhaven and awaiting refit as troopship, is gutted by fire in March. After an inferno lasting two days, the most popular ship ever to operate under the NDL flag is no more than a burnt-out wreck. A mentally retarded ship’s boy (16), who later accuses himself of the crime, is executed as the fire raiser. Whether he was really the arsonist was never clarified.

Hapag and NDL are re-privatized and once again independent companies. In the previous year the shares had at the request of the central government in Berlin been disposed of to “suitable, mainly Hanseatic business circles”. The NDL executive board, Dr. Johannes Kulenkampff and Richard Bertram, sells the excessively “splendid” head office building in downtown Bremen, but NDL remains there as the tenant.

“Operation Gomorrah”, the devastating allied bombing raids lasting days, transforms Hamburg into a wasteland of ruins. The port is destroyed and full of sunken ships. A year later a major raid on the centre of Bremen follows, and NDL head office is lost, along with all the business files, stores and silver. The gutted building designed by Poppe is later demolished.

The “total war” nears its end. With the triumphal advance of the Red Army, in autumn the mass exodus from Germany’s eastern territories begins. While the “Thousand-Year Reich” is sinking, many Hapag and Lloyd ships, crammed with people, help to rescue refugees from East Prussian and Pomeranian ports.

Defeat under the swastika. More than two million people are successfully brought to safety across the Baltic ahead of the Red Army, yet tens of thousands of refugees, seafarers and soldiers perish. On board the „Steuben“ alone, in happier days the pride of the NDL cruise fleet as the „white swan“ but now torpedoed off Pillau, more than 5,000 people drown in icy waters.
1946

Rock bottom for the German merchant marine: The German flag, as the aggressor’s, is banned from all the world’s oceans. The merchant fleet, with a pre-war total tonnage of 4.2 million grt, and 1.5 million grt at the end of the war, has to be handed over, except for just 170,000 grt for supplying Germany’s own needs. The maximum size of ships is restricted to 1,500 grt. Lloyd’s first “Bremen” of 1858 had been of 2,674 grt and would have had to be surrendered.

1947

Hapag is now based on Ballindamm: The Hamburg Senate has renamed Alsterdamm to mark the 90th anniversary of the great Hapag director’s birth. The company reaches its centenary but sees “no cause for celebration”. Apart from a small nucleus, it has had to give notice to all staff and survives on modest activities. Like NDL, Hapag becomes engaged in catering, towage and also services to seaside resorts.

1948

Great career for a mighty mouse: After the war the 904-grt coastal resort steamer “Glückauf” advances to become North German Lloyd’s flagship. The throng of takers is enormous, and the captain a celebrated seafarer. The 68-metre long “Glückauf” is commanded by Gottfried Clausen, who had twice sailed the Lloyd sail training ship “Commodore Johnsen” around Cape Horn.

1949

The Germans want to cast off post-war gloom, at least temporarily; demand for the first holiday products grows constantly. A large part of foreign territory remains out of the question, but Hapag and Lloyd, their travel agencies now collaborating and also constituting two of the founders of what later becomes Touropa, join partners in offering relaxing holidays by special train to Mittenwald, Ruhpolding and Oberstdorf in the German Alps.

1950

The most stringent restrictions for German shipping are now relaxed. In view of their limited tonnage, Hapag and NDL avoid costly rivalry and together return to the old trades, even with no operating agreement. The 2,399-grt „Hamburg“ is launched as the first post-war newbuilding for Germany and for Hapag. The liner trade to New York is resumed, initially as a cargo-only service.
Instead of the provisional “pennant C”, the West German merchant fleet is permitted to hoist the black-red-gold flag of the infant Federal Republic. Yet shipping's semi-political role is largely played out. Cars and aircraft are supplanting ships as symbols of dynamism, yearning for faraway places and a new start. Hapag puts the freighter “Odenwald” into service and six more of the same class follow. NDL takes delivery of six motor freighters as its first post-war newbuildings.

Return to the company's own Kuhwerderhafen, now rebuilt; return to the North Atlantic: Hapag mans the 21,000-grt “Italia” for Home Lines on the traditional route to New York. As overseas traffic begins to revive noticeably with the German Wirtschaftswunder, NDL, which had initially wished to give up the North Atlantic service, now wants to resume the New York service as rapidly as possible.

Comeback in the most important trade bar the Atlantic: Hapag and NDL open a joint service with monthly sailings to the Far East with Lloyd’s turbine-powered ship “Weserstein”. From 1955 the two shipping companies are already offering a service at ten-day intervals. In 1954 it is also the „Weserstein“ that for the first time returns to the old Imperial Mail Steamer route to Australia.

Jubilation at Bremerhaven’s Columbuskaje: The Swedish passenger motor vessel “Gripsholm” is handed over to NDL. She is owned by an alliance between the Bremen company and Svenska Amerika Linjen and is to be manned by Lloyd. As the “Berlin”, she is the first passenger liner under the German flag on the North Atlantic since the war. So once again the legendary key-and-anchor flag flies from a great passenger ship.

Back on all the major routes: Ten years after the end of the war, Hapag and NDL are again operating services virtually all over the world, mainly on a joint basis. Hapag has 25 of its own cargo ships on liner services, while NDL has 27 ships. With the German Wirtschaftswunder, overseas foreign trade is growing rapidly. Hapag acquires a stake of almost 28 percent in the new Deutscher Flugdienst GmbH.
The ending “Stein” for ship names has become something of trademark of the NDL fleet. It may make them easier to remember but can cause problems. Since there can be no question of inventing names, place names are required. With the fleet growing rapidly, these are becoming scarce. Each time a launching is in the offing, entire departments can be found frantically checking out atlases.

Bremen can celebrate again: North German Lloyd reaches its centenary and bids for its next large passenger ship, namely the former luxury liner and troop transporter “Pasteur”, which the French government wishes to sell. Uproar in France: The pride of La Grande Nation under the flag of its wartime foe? The liner goes to Bremen, nevertheless, and receives a warm reception when she calls at Cherbourg as NDL’s flagship “Bremen” in 1959.

Hapag does not wish to resume passenger liner services on the North Atlantic and instead concentrates on its traditional core business, the cargo services. The company also shows the flag in sea tourism again with the elegant snow-white luxury cruise ship “Ariadne”. Owing to the very high fares, even for this exclusive market, demand for her remains limited. The ship is sold in 1960.
There had been no change in North German Lloyd’s management after the end of the war. Richard Bertram and Johannes Kulenkampff are still heading the Company. The chairman of the Hapag executive board since 1953 has been Werner Traber, who comes from a family of Hamburg shipowners. He will play a substantial part in determining the fortunes of Hapag and later Hapag-Lloyd AG for almost two decades.

Both Hapag and also NDL again pay dividends of six percent. NDL, having achieved turnover of DM 259 million, regards its reconstruction as completed for the time being. The Hamburgians, with a turnover of DM 286 million, want to further build up their fleet, just now comprising 49 ocean-going vessels, with three more under construction. Both shipping companies see themselves as increasingly threatened by flag protectionism by many nations.

NDL also returns to the cruise business. Initially the company offers a classic, dispatching its “Berlin” to the Norwegian fjords. The cruise to Northern waters, once made famous as the Kaiser’s annual holiday, proves to be a great attraction still. Yet even on cruise routes the former “Gripsholm”, launched way back in 1924 and not really up to standard on the North Atlantic, is already almost a dinosaur.

In Bremerhaven the technical side of North German Lloyd has become the Lloydwerft shipyard, a successful supplier on the international market. The company’s largest shore operation possesses two large dry-docks and specializes in rebuilding and repairing even very large ships. Employing up to 1,900 workers, it nevertheless comes under growing pressure owing to the expansion of international shipbuilding capacities.

The combined cargo-passenger ships deployed on the Far East route become unviable. They can no longer handle the growing volume of cargo, while passengers increasingly prefer to cover the long distance by air. Hapag and NDL aim to launch a weekly express service with freight-only vessels. Hapag awards contracts for seven 10,900-grt fast cargo ships, each with a capacity of 12,600 tons.

NDL has acquired a third large passenger ship, the Swedish “Kungsholm”, eleven years old. Refitted as the “Europa”, she is to be deployed from 1966 both in the cruise business and on the Transatlantic passenger service to roughly the same extent. The NDL executive board continues to back the latter, offering its large liners on a bigger scale as a comfortable supplement for jet aircraft.

The end of the North Atlantic passenger trade is becoming more and more obvious, yet NDL nevertheless takes over the “Kungsholm”. The newbuildings for the Far East route are coming into service. Hapag invests heavily in its West Indies service, placing orders for ten new 7,500-grt ships with a service speed of 17.5 knots. These are modern, optimally equipped but conventional freighters. Time is running out for them.
1966

Arrival of the box: The US shipping company Sea-Land’s containership “Fairland” sails to Europe for the first time, berthing at Bremen’s Überseehafen on 6 May. Still viewed by European shipping companies with scepticism, within a few years the normed container for combined sea and land transport causes a revolution in the transport business. Many shipping companies will fail to survive.

1967

The Far East remains a dynamic growth region. NDL deploys its “fast runners” of the “Friesenstein” class on this service. With a service speed of 21 knots they cut the round voyage time from 120 to 105 days. With larger tank capacity, refrigerated holds, a car deck and a heavy-lift derrick, these may be optimally equipped for this region – but not for transporting and handling containers.

1968

Hapag and NDL cooperate more closely than ever before, embarking together on a new era. On 25 October the “Weser Express” from Bremen inaugurates the first European full container service to New York for Hapag-Lloyd Container Linien. The “Elbe Express” from Hamburg follows two weeks later. The structure of shipping is changing so rapidly that speculation is rife in the industry that the unavoidable Hapag-Lloyd merger is coming very shortly.

1969

NDL enters the bulk shipping market. While the Hapag-Lloyd merger is still publicly denied as “absurd”, it is being discreetly negotiated in Hamburg and Bremen. One thing is clear. The future belongs to container transport and investments on the scale required cannot be made by one shipping company alone. Cooperating for many years in a “friendly marriage of necessity”, the Hanseatic rivals accept the implications.

1970

Hamburg-Amerikanische Packetfahrt-Actien-Gesellschaft and North German Lloyd merge on 1 September, retroactively from 1 January. This marks the end of a Hanseatic interplay of competition and cooperation that had lasted 113 years, set benchmarks in world shipping and propelled the two rivals to the top. And it also marks the start of the history of the premier German shipping line, Hapag-Lloyd AG, based in Hamburg and Bremen.
Hapag and NDL are of almost identical size at the time of their merger. With more than 10,000 staff, 112 ocean-going ships and a turnover of over one billion DM, internationally the new Hapag-Lloyd AG belongs to the top echelon of liner shipping companies. At Shed 73, covering 25,000 square metres, the company takes its first container handling facility into service in Hamburg’s Kaiser-Wilhelm-Hafen.

The “Bremen” is sold and handed over to the new owners. In the previous year she had been the last survivor on the passenger liner service between Europe and the New World that Hapag and NDL had to thank for their birth and ascent. In December 1971, with her a „Bremen“ on passenger liner service had sailed from New York for the last time, 113 years after the first Lloyd steamship with this name had sailed on this route for the first time.

On 30 March an aircraft with Hapag-Lloyd AG’s double arrow as part of its livery takes off for Ibiza. This is Hapag-Lloyd Flug GmbH’s first plane. The new airline is designed to further boost Group involvement in tourism. The “Europa” as a cruise ship sports the Group colours blue and cognac. In new white painting but with the trusty service on board, she is the well-loved “Grand Old Lady” of tourism at sea.

A long-term cooperation agreement with Rickmers Linie that is to resume services to China again trade jointly with Hapag-Lloyd. The Group initially owns 70 percent of the company, hitherto family-owned. The German port operations are restructured and Unikai Lagerlei- and Speditionsgesellschaft is founded. Two multi-purpose supply ships are to pave the way for entry to the offshore business.

The Port of Hamburg celebrates: The “Münsterland” returns home at last, after a record-breaking involuntary voyage lasting eight years, three months and five days. During the Six-Day War between Israel and Egypt in 1967, the Hapag cargo ship became stranded between the fronts, being trapped for years with 13 other ships from eight countries in the Great Bitter Lake while the Suez Canal was impassable.

The shipping business is internationalized, with several subsidiaries being set up abroad during this decade. Unterweser Frachtschiffahrt GmbH is now known as “Kosmos” Bulkschiffahrt GmbH, based in Bremen, after DDG “Kosmos”, which had merged with Hapag in 1926. The new “Kosmos” manages the flagship of the German merchant fleet, Hapag-Lloyd’s 188,668-grt supertanker “Bonn”.

© Hapag-Lloyd
The full containership “Melbourne Express” opens the liner service Europe - Australia/New Zealand for the ANZECS pool of European shipping lines. Hapag-Lloyd manages the nuclear-powered bulk carrier “Otto Hahn” for Gesellschaft für Kernenergieverwertung in Schiffbau und Schiffahrt (GKSS), a research institution set up to assess the application of nuclear power in shipping and shipbuilding. This proved to be by no means commercially viable. Hapag-Lloyd Flug takes over Bavaria Germanair.

Towards 03.00 on 12 December Hapag-Lloyd’s Lash ship “München”, on passage from Bremerhaven to Savannah and caught in stormy weather near the Azores, transmits a brief distress call. This large, modern ship then disappears. The most extensive search-and-rescue action ever mounted in the history of shipping produces no more than a small quantity of wreckage and no trace of the 28 people on board. The cause of the tragedy is assumed to have been an extremely high sea surge.

A second oil price shock, more serious than the one in 1973, and over-capacities in international shipping put Hapag-Lloyd equally under pressure at sea and in the air. For the first time since the merger, the Group pays no dividends. The Group acquires an initial majority stake in Haiger-based Pracht Spedition und Logistik GmbH, taking it over completely by 1986.

Sharply higher fuel prices have an especially catastrophic effect on the airline, which with Bavaria Germanair had acquired many older aircraft with excessive fuel consumption. Hapag-Lloyd Flug plunges deeply into the red. Problems hit long-established DGG Hansa in Bremen and Hapag-Lloyd takes over its services to the Near and Middle East as well as Madagascar/Mauritius.

One turbine is removed from each of the four containerships of the “Hamburg Express” class on the Far East run on account of rising fuel prices. They now operate as single-screw vessels. A legend has to go. Launched in 1952 as the Swedish “Kungsholm”, the „Europa“ was one of Lloyd’s last North Atlantic liners and then Hapag-Lloyd’s top-of-the-range cruise ship. She is now sold to Panama.

The Group is reorganized and streamlined, once again concentrating on its core businesses of liner shipping and tourism. Conforming to this, a spectacular 33,819-grt newbuilding bearing the traditional name „Europa“ flies the flag on cruise routes for the first time. She is a five-star ‘dream ship’ in the luxury bracket. Hapag-Lloyd also manages the German Polar research/supply vessel “Polarstern“.

1977

1978

1979

1980

1981

1982
Group involvement in tanker and bulk shipping is brought to an end. The multi-purpose ships are sold, tanker management discontinued, and the Group’s own supertanker “Bonn” laid up, lastly in Brunei. Major shareholders like Deutsche Bank and Dresdner Bank and the Veritas insurance company rescue Hapag-Lloyd from the deep crisis with 350 million DM. So rich in traditions, the head office building on Ballindamm is sold to the Iduna insurance company.

After restructuring and the subsequent double capital reduction, the independent shareholders’ stake in Hapag-Lloyd Group amounts to no more than a good ten percent. The main shareholders, with 80 percent between them, are now Deutsche Bank and Dresdner Bank. Consisting of Allianz and Münchner Rückversicherung, the Veritas insurance group holds ten percent of the shares. The supertanker “Bonn”, a loss-maker from the outset, is sold for a knockdown price.

Recovery now proceeds fast. At Blohm & Voss in Hamburg the four containerships “Nürnberg Express”, “Köln Express”, “Düsseldorf Express” and “Stuttgart Express” are refitted and lengthened. By contrast, the end of the Group’s own shipbuilding activities is foreseeable: Hapag-Lloyd had transferred Lloydwerft to Bremer Vulkan AG in 1984 in exchange for 12 percent of Vulkan’s capital.

Hapag-Lloyd again pays dividends and sells its stake in Bremer Vulkan. This marks the end of a chapter in Group history going back to NDL’s early days. The shipyard had been founded as the company’s technical arm, later gaining renown on the market for repairing and lengthening large ships. The last Hapag-Lloyd-owned shares go to Hibeg, the Bremen state holding company.

In its own building again: Hapag-Lloyd re-acquires the head office block at Ballindamm 25. The sandstone facade of Fritz Höger’s building – completed in 1921 – is cleaned and restored. The cargo fleet also receives a new livery, having sailed under a combination of Hapag stacks in three colours and the blue-white NDL house flag with the key motif. From now on both flag and funnel markings are in the new Group colours.

After Hapag-Lloyd AG’s acquisition of the remaining shares, Rickmers Linie, founded in 1866 and one of the pioneers in business with Asia, becomes a wholly-owned subsidiary. It complements Hapag-Lloyd container services with conventional multi-purpose cargo ships and specializes in transporting general cargoes and plant shipments. In addition, it runs regional feeder services between China and Hong Kong.

Hapag-Lloyd sells its shares in Unikai to the public-sector Hamburger Hafen- und Lagerhaus-Aktiengesellschaft (HHLA). For the first time since the early days of Hapag, the company therefore no longer has any port facilities of its own in Hamburg. Contrans Logistik GmbH with 36,000 containers is acquired and integrated into the Group, boosting its total stock to over 80,000 containers.
1990

Hapag-Lloyd Flug embarks on long-haul tourism with nine long-range aircraft, the first destinations being Kenya and the Caribbean. The shipping line has ordered five new 4,400-TEU mega-containerships from a South Korean shipyard. As what are known as Panmax ships these can still transit the Panama Canal and can thus be flexibly deployed worldwide.

1991

The “Hannover Express” enters service on the „racetrack“ route to East Asia as the first of a later total of eight gigantic containerships of the new generation. Nevertheless, the results from liner shipping in this Region fluctuate. The TRIO consortium, in which the shares of this trade had been apportioned, is not renewed. Only Hapag-Lloyd and three Japanese shipping lines remain in the East Asia Alliance for a limited period. Hapag-Lloyd und drei japanische Reedereien bleiben befristet im Ostasien-Verbund.

1992

Global partnership: Hapag-Lloyd, Nippon Yusen Kaisha (NYK) of Japan and Neptune Orient Lines (NOL) from Singapore agree to cooperation in the container business. From now onwards Hapag-Lloyd containers will be transported „piggyback“ by NYK and NOL on their Transpacific service and as a counterweight the Asian partners receive container slots on Hapag-Lloyd vessels on the North Atlantic route.

1993

Hapag-Lloyd Group’s liner shipping activities are decentralized. These are now split between the Europe, America and Asia/Australia Regions that are responsible for their own results. Central freight departments are disbanded. Change of watch on Ballindamm: Hans Jakob Kruse, Executive Board Chairman for many years, moves to the supervisory board. As his successor, Bernd Wrede now bears the main responsibility.

1994

Hapag-Lloyd is the first transport company to receive the ISO 9002 certificate for outstanding quality management. After the demise of the ANZECS Consortium, the company participates in a new Australia/New Zealand joint service. Sale of the to wa ge companies Lütgens & Reimers (Hamburg) and Hapag-Lloyd Transport & Service GmbH (Bremen), which has also managed the research vessel “Polarstern”.

1995

Founding of Hapag-Lloyd China Ltd., with nine offices in Hong Kong and China. During the 1990s, around the world several own branches are set up and agencies taken over. Ahead of the date legally prescribed, the “Europa” receives a Certificate for Ship Safety and Environmental Protection under the ISM Code. Previously on charter to the company, the cruise ship “Bremen” is acquired. HL’s airline, HL Cruises and the HL travel agency also receive the coveted ISO 9002 certificate.

1996

The Grand Alliance, the world’s largest consortium of liner shipping companies, commences services. Already working in an alliance, the partners Hapag-Lloyd, NYK and NOL are joined by P&O Container Lines from Britain. With a fleet capacity of around 400,000 TEU, this year the alliance transports around 3.8 million TEU. Not just at sea, but also ashore, the alliance strives for close cooperation.
1997

150 years of Hapag-Lloyd. The head office building in Hamburg is given the name “Ballin House”. Establishment of the Hapag-Lloyd Foundation, which supports art and culture, with priority for Hamburg, in long-term partnerships. Liner shipping activities become independent as Hapag-Lloyd Container Linie GmbH, Hapag-Lloyd acquires Hanseatic Tours and combines all cruise activities under Hapag-Lloyd Seetouristik.

1998

After assent from the Federal Cartel Office, Preussag AG acquires a majority stake in Hapag-Lloyd AG with retrospective effect from 1 October 1997. Touristik Union International (TUI) acquires a 50.1 percent majority stake in Preussag’s new subsidiary in two stages. The interim holding company Hapag Touristik Union (HTU) combines all tourism activities under the Hapag-Lloyd AG umbrella.

1999

The Hapag-Lloyd Group is restructured. HTU’s tourism business, including Hapag-Lloyd Flug, is allocated directly to Preussag and re-named TUI Group GmbH. Hapag-Lloyd Container Linie, Hapag-Lloyd Cruises and Spedition Pracht (acquired in 1979) continue to be run from Hamburg. In addition, TUI transfers the VTG-Lehnerkering and Algeco logistics companies to Hapag-Lloyd.

2000

Hapag-Lloyd achieves its best result in 153 years of the company’s history. The Group’s seven percent return on turnover represents a peak figure for the transport and logistics industry. The last shares in Rickmers Linie are sold. That marks the end of a business partnership commenced over a century earlier.
The “Hamburg Express”, the first of four 7,500-TEU containerships, is put into service. VTG-Lehnkering’s maritime services are sold. Hapag-Lloyd acquires a 25.1 percent stake in Container Terminal Altenwerder (CTA) in Hamburg, one of the world’s most advanced facilities. Bernd Wrede, Executive Board Chairman, leaves the company at year-end and is succeeded by Michael Behrendt.

The Hapag-Lloyd Annual General Meeting in June agrees to a squeeze out of minority shareholders. Immediately afterwards Preussag, now the sole shareholder in Hapag-Lloyd AG, changes its name to TUI. Hapag-Lloyd and VTG-Lehnkering acquire the European rail logistics activities of Australia-based Brambles Group. The Annual General Meeting of VTG-Lehnkering assents to acquisition of all its shares by Hapag-Lloyd.

The “Berlin Express”, the last newbuilding in the 7,500-TEU series, is named at CTA in Hamburg. Hapag-Lloyd now orders three larger ships, each with a capacity of 8,000 TEU. Germanischer Lloyd certifies the fleet under the ISO norms 9001 for quality and 14001 for environmental protection, confirming that it meets the very highest international standards.

With an operative result of 343 million euros, Hapag-Lloyd achieves a new record result. TUI’s supervisory board initially decides to have part of the Group floated on the Stock Exchange, but then annuls this decision since the price to be realized per share does not match the value of the company. Hapag-Lloyd now focuses on shipping, and the VTG, Pracht and Algeco logistics activities are surrendered.

Fresh record: Hapag-Lloyd attains turnover of 2.7 billion euros and a result before revenue taxes of 278 million euros. 95 percent of revenues are generated by container shipping, the remainder by the cruise business. The Group continues to accord high priority to training and offers altogether over 160 training places. TUI acquires 89.5% of the British-Canadian shipping company CP Ships.
After integrating CP Ships, Hapag-Lloyd is the world’s fifth largest container shipping company, with 8,571 staff in shipping and a fleet of 138 freighters with total capacity of 467,000 TEU, and transporting 5,004,000 TEU. With the “Chicago Express”, the company puts into service its second state-of-the-art training ship, one the world’s largest, with 15 trainees and two training officers on board in addition to the crew.

Container volumes transported are up on the previous year’s at almost 5.5 million TEU, turnover totals more than 6.2 billion euros. Hapag-Lloyd orders eight further 8,750-TEU newbuildings. Germanischer Lloyd awards the company as the first shipping line in the world the “GL Excellence - 5 Stars” rating for especially high standards of safety, quality, industrial health and safety and environmental protection.

With the “Bremen Express” and “Kuala Lumpur Express”, Hapag-Lloyd names two more 8,750-TEU containerships in March and April. In March TUI takes the decision to put Hapag-Lloyd up for sale. On 12 October, after a tendering procedure, it is confirmed that the Albert Ballin consortium made up of the City of Hamburg, Kühne Holding AG, Signal Iduna, HSH Nordbank, M.M.Warburg Bank and HanseMerkur will take over a majority share of Hapag-Lloyd. The remaining share stays with TUI.

On 23 March the Hamburg consortium acquires 56.67 percent of Hapag-Lloyd’s shares, with 43.33 percent remaining with TUI. The year is overshadowed by the economic crisis, with a steep drop in revenues and earnings. An exceptional programme of savings is implemented, while various initiatives on capital by the owners strengthen the shipping line’s equity base. The City of Hamburg and the German government make available a credit guarantee. With the market environment becoming increasingly stable during the second half of the year, however, this guarantee is not needed in 2009.
With the far-reaching savings programme that among other measures involved all staff foregoing part of their salary, and the rapid recovery of the world economy steers Hapag-Lloyd out of the crisis. Indeed, the year closes with the best result in the more than 160-year corporate history. In December Hapag-Lloyd orders four containerships each of 13,200 TEU, changing the order for six further newbuildings placed in early 2008 equally into 13,200 TEU ships. The ten units will be delivered between mid-2012 and the end of 2013. Furthermore, Ballin House is bought back from TUI. At the Year End TUI’s share of Hapag-Lloyd increases to 49.88 percent with the Hamburg Consortium holding 50.12 percent.

After the record year, in 2011 an unnecessary rates battle by two major competitors for market share prevents all carriers from being able to pass on steeply increased oil and bunker prices to the customers. An extremely challenging year ends with only a small deficit, while almost all competitors book heavy losses running into triple-digit millions. In the summer Hapag-Lloyd celebrates the 125th anniversary of its Far East and Australia services. Shortly before the end of the year, Hapag-Lloyd also joins five Asian partner shipping companies in launching the new G6 Alliance for the Asia-Europe trade.

In February, the City of Hamburg announces that it will take over further Hapag-Lloyd shares from TUI. This means that the Albert-Ballin Consortium, including the City as a shareholder, holds 78% of Hapag-Lloyd and TUI the remaining 22%, from the end of June. March sees the start of the G6 Alliance with Hapag-Lloyd and five Asian partner shipping lines cooperating in the Asia-Europe trade. The new powerful alliance is a success. The first three 13,200 TEU newbuilds which are deployed into service in 2012 are also sailing in the G6 Alliance Far East services. In mid-August the first of the ships in this mega-class, the “Hamburg Express” is named at a major celebration in Hamburg.

In the first quarter, the possibility of a merger with Hamburg Süd is explored, but the negotiations are ended without result on 24 March by the shareholders of Hamburg Süd. In 2013, four additional new ships with 13,200 TEU capacity are taken into operation. In autumn, the Albert Ballin Consortium disbands as planned. The members of the consortium instead agree upon a cooperation agreement. In autumn, Hapag-Lloyd issues a bond of 400 million Euro that is oversubscribed several times. At the end of the year, talks begin with the Chilean shipping company CSAV, number 20 in the world. The aim is a take-over of the container business of CSAV. The G6 Alliance also decides to expand its successful cooperation to all East West trades from mid-2014.
The negotiations with the Chilean shipping company CSAV are successful. A binding contract is signed in April and Hapag-Lloyd takes over the CSAV container-shipping business in December 2014 after the approval by all needed competition authorities worldwide. As a result, Hapag-Lloyd becomes the fourth-largest liner shipping company in the world and one of the market leaders in Latin America. In return, CSAV receives a 30 percent stake in Hapag-Lloyd, which is increased to a 34 percent stake as a result of a cash capital increase at the end of the year. The three biggest shareholders of Hapag-Lloyd AG which are CSAV, the City of Hamburg (HGV, 23.2%) and Kühne Maritime (20.8%) agree to pool 51% of the shares in Hapag-Lloyd in order to make key decisions together in the future. At the end of June 2014, CEO Michael Behrendt and Ulrich Kranich retire from the Executive Board and are replaced by Rolf Habben Jansen and Anthony J. Firmin, respectively. In late 2014, Michael Behrendt becomes Chairman of the Supervisory Board.

The first half of the year focuses on the integration of CSAV. By the summer, the container business taken over from the Chilean shipping company is integrated into Hapag-Lloyd more quickly than planned and without any major disruptions. The integration’s slogan is “Better together – Mejor juntos.” In April, five 10,500 TEU vessels are ordered that are supposed to be deployed on routes between Europe and South America beginning in the fall of 2016 until spring of 2017. In the fall, the company succeeds in going public. On November 6, the shares start trading on stock exchanges in Frankfurt and Hamburg at the issue price of 20 Euros. More than 13.2 million new shares are issued, primarily to institutional investors, bringing in roughly 265 million Euros. These funds are earmarked for purchasing new ships and containers.
Hapag-Lloyd and United Arab Shipping Company (UASC) hold talks in the first half of the year about a possible cooperation. In July, both sides sign a Business Combination Agreement (BCA) to merge both companies subject to the approval of competition authorities. At this point, UASC is owned by the Gulf states of Qatar, Saudi Arabia, the United Arab Emirates, Kuwait, Iraq and Bahrain. At the end of October, Hapag-Lloyd launches its activities on social media channels. Since then, it has been providing information and interacting via its accounts on Facebook, Twitter, Instagram, YouTube, LinkedIn and XING. In November, the “Valparaiso Express,” which gives its name to the series of 10,500 TEU vessels ordered in 2015, is the first of these ships to enter into service. They are optimally designed for the South American trade and the passage through the new locks of the Panama Canal. Its sister ship, the “Callao Express,” is delivered in December.

By the end of April, Hapag-Lloyd has commissioned the remaining three vessels of the “Valparaiso Express” class. The G6 Alliance phases out at the end of March. On April 1 comes the launch of the new THE Alliance, which Hapag-Lloyd and four shipping companies from Japan and Taiwan had agreed to the previous year. In this alliance, the partners organize more than 240 vessels into 32 services in the high-volume East-West trade lanes. Hapag-Lloyd brings in a total of EUR 650 million as a result of two placements of Senior Notes (in February and July), whose volumes are able to be upsized due to high demand. These proceeds are earmarked for the early redemption of older bonds with less favorable terms. On May 24, Hapag-Lloyd and UASC merge. In accordance with the agreement reached the previous year, UASC is integrated into Hapag-Lloyd. In return, the owners of UASC receive newly issued shares of the Hamburg-based shipping company. The majority shareholders of UASC – Qatar Holding LLC (QH) and the Public Investment Fund of the Kingdom of Saudi Arabia (PIF) – become new key shareholders of Hapag-Lloyd, with respective stakes of 14.4 and 10.1 percent. With a 22.6 percent stake, CSAV remains the largest single shareholder. Together, CSAV, HGV and Kühne Maritime continue to hold an absolute majority of the voting rights. As a result of the merger, Hapag-Lloyd’s fleet grows to 230 ships. The largest of these are the six ultra large container vessels (ULCVs) added by UASC, each with a capacity of approximately 19,900 TEU. The total TEU capacity is about 1.6 million TEU. The combined entity consolidates its position as the fifth-largest liner shipping company in the world. On July 10, TUI AG announces that it has sold all its shares of Hapag-Lloyd, thereby severing ties between the two companies stretching back roughly two decades.
Owing to the positive results of 2017, Hapag-Lloyd pays out a dividend to its shareholders for the first time since the IPO in 2015, thereby acknowledging their many years of trust. On 9 November 2018, to mark the centenary of Albert Ballin’s death, Hapag-Lloyd AG newly establishes the Albert Ballin Award for Global Action and two Albert Ballin Awards for Globalization Research. The first global action award goes to the non-governmental organisation Médecins Sans Frontières / Doctors Without Borders for its humanitarian efforts worldwide. In November, Hapag-Lloyd presents its new medium-term “Strategy 2023” to the public. Its goals are to become number one for quality in the industry (including in terms of customer satisfaction), continued digitalisation, selective growth and consistent profitability. Contrary to expectations, the rapid and successful integration of UASC allows the target of USD 435 million in annual synergies to already be reached in 2018.

2018

2019 began with a shock: On 3 January, a fire broke out in a container on the “Yantian Express”, but it was successfully brought under control within a few days. Investigations determine that improperly declared dangerous goods had probably self-ignited. Hapag-Lloyd successfully advances its Strategy 2023 projects. After defining quality promises, a method is developed that will allow their implementation to be tracked while simultaneously monitoring customer satisfaction. Digitalisation and the automation of business processes is continued with the introduction of several innovative products, such as Quick Cargo Insurance and Shipping Guarantee. For the year as a whole, an impressive volume of almost 1 million TEU is booked via the Web Channel, which had only been launched at the end of 2018. After increasing its number of regions to five following the mergers with CSAV and UASC, Hapag-Lloyd establishes a sixth region, Region South Europe, to strengthen its competitive position in the Mediterranean region as it experiences rapid economic growth as well as to be closer to its customers there.

In addition, Hapag-Lloyd acquires a financial stake in a terminal in Tangier that will allow its global liner services to enjoy closer ties to the region. Thanks to careful preparatory work, Hapag-Lloyd’s entire fleet is readied in time to comply with the new sulphur cap stipulated by the IMO 2020 emissions regulation at the turn of the year 2019/20.
While low-sulphur fuel oil is predominantly used to comply with the regulation, exhaust gas purification systems ("scrubbers") are installed on the vessels of the “Hamburg Express” class. To mark the 101st anniversary of the death of Albert Ballin, Hapag-Lloyd hosts the “Albert Ballin Round Table”, a moderated panel discussion with five former and current mayors of the city-state of Hamburg on the issue “Hamburg at the Crossroads of Globalisation and Digitalisation”. In financial terms, 2019 is one of the best years in the history of Hapag-Lloyd. The company succeeds in exceeding its expected cost savings and further optimising its capital structure.