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(TradeWinds)  
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## Dorado Tankers struggles

Former Dorado Tankers boss David Palmer's re-emergence with an Asian pool (see page 50) may draw attention to his efforts there but it also serves as a reminder of Dorado's continuing growth struggles.

Dorado lists only eight pool vessels among its overall fleet of 10 -- about where it stood at Palmer's departure in October 2001. Its numbers pale further in comparison to the goals laid out by Heidmar boss Per Heidenreich at the time of Palmer's hire in early 2001 -- 15 vessels by the end of 2001 and 40 by the end of 2002.

Dorado remains the poor stepsister of the robust Star Tankers panamax pool, which dominates the market in the Caribbean with more than 40 vessels. Why the difference in the two Heidmar pools?

Observers both inside and outside the company note the difference in their origin. "We started Star with a well-known Greek owner, Pleiades, as a partner and a critical mass of 19 or 20 ships," Heidenreich said. "We started Dorado with only two ships."

One independent operator draws the same conclusion. "Pleiades gave Star instant credibility, helped them attract other Greeks -- it was a major plus. Nothing like that has happened with Dorado." However, Heidenreich does cite a recent spike in interest in Dorado and his belief that a weaker products market will at last yield results. Still, in late 2001 he forecast a membership of 15 by the end of the first quarter of 2002. As recently as April he was hoping for 15 to 20 vessels by year's end.

Heidenreich has said 15 is a significant number because it is the minimum the pool needs to service contracts of affreightment. He notes that there are more products tankers in the world than panamaxes. Even with half the 1,000-plus products carriers on charter to oil majors and traders, targets abound.

"We're working hard to get more," he said. "I can't quite put my finger on why it's going so slowly. In my view, it's a true copy of Star and there's no reason why it shouldn't be as successful." Besides Heidmar, members include Sanmar and Varun of India, Styga of Greece, Klaveness of Norway and Unicorn of South Africa, which has committed newbuildings to be delivered in 2003 and 2004.

Heidenreich says he also expects Dynacom of Greece to commit one vessel.

To be sure, Dorado also has had a few bad breaks. Besides starting in a record-high products market, the pool also saw a potential catalyst -- El Paso Energy -- reverse plans to enter up to six tankers owned by OMI Corp.

The absence of a "Pleades-type" partner remains glaring, one observer notes. "Dorado is suffering from the lack of a real leader who is acknowledged as a market leader," he said. "Heidmar is a dirty player. They need a leading light from the products side to give potential partners the confidence to take the plunge."