

What is a Shipbroker?

Shipbrokers are intermediaries between the two parties to a contract, whether they are Shipowners and Charterers or buyers and sellers. They may act for one principal and occasionally as the sole broker between the two contracting parties. They will be involved in most aspects of a contract, including circulation of tonnage and business to potential clients, negotiating the main terms of the fixture or sale, finalising the details of the contract and following the contract through to its conclusion. With few exceptions, virtually all second-hand ship purchases are conducted through a Shipbroker. The decision to buy or sell a vessel can have far reaching consequences for an owner in terms of profitability and market position. Shipbrokers are uniquely positioned to offer clients information on market activity that might not otherwise be available. Whilst such information is free to clients, Shipbrokers must earn their living by concluding sales or fixtures. The matter of trust between Shipbrokers and their clients is absolutely paramount and most Owners and Charterers have good relationships with their Brokers which have taken a considerable time to develop. Through their worldwide network of contacts Shipbrokers have a vast pool of information that is available to their clients on a confidential and competent basis.