



**tw+**

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# Hard work & luck

Pierot transitions  
from old-school  
S&P to finance

# The history boys

Founded in Rotterdam, transplanted to New York, Jacq Pierot & Sons is learning new tricks as it navigates its third century. **Joe Brady** catches up with the current generation of the venerable S&P brokerage



Above / The Pierot brothers, from left, Felix, Morris and Jacobus in the company's original Rotterdam office in the early 1930s (Photograph courtesy of the Pierot family)

○ You can sense the longevity of ship brokerage Jacq Pierot Jr & Sons when you learn that cargoships with sails were among its first S&P deals.

Or maybe it's the story of how the Netherlands-based firm lost its business during the German occupation of World War II, with one son fighting in the Dutch resistance.

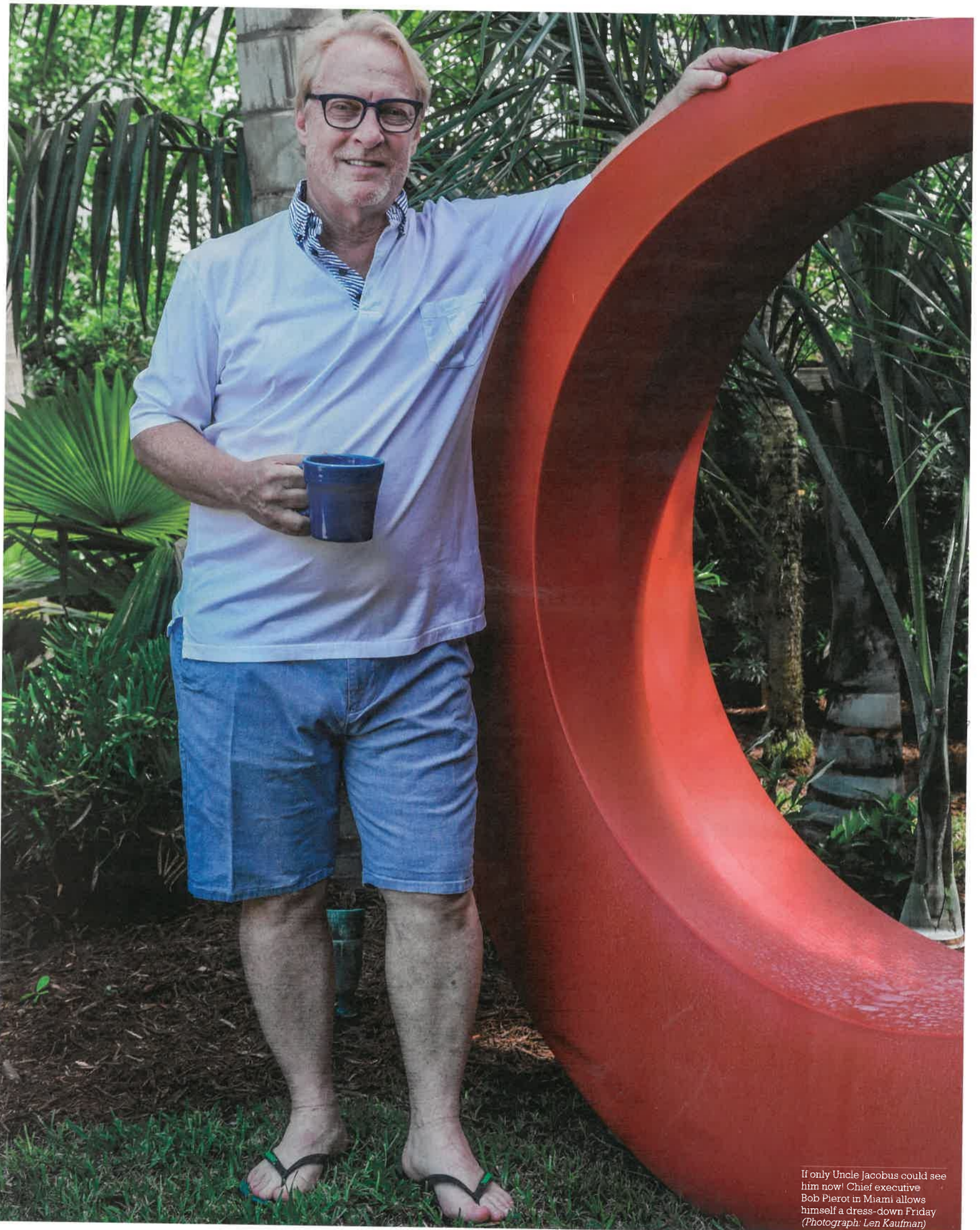
Then you can follow the thread across the Atlantic in 1946 to new headquarters in Manhattan, and the day in the early 1950s that the next generation of Pierots, Jacques III and Robert Sr, caught hell from their elders for daring to make a "long-distance" phone call from New York to a shipowner in Philadelphia, rather than writing a letter or using the telex.

And in the present day, when you meet George Pierot, the fifth generation of the family, during the 125th year of the firm's existence, he responds to a question on carrying the legacy forward by quipping: "I think a lot about how I can avoid burning this place to the ground."

He is kidding, of course. Jacq Pierot Jr & Sons isn't going anywhere. It has a serious record as one of shipping's enduring institutions, having survived world wars, changes in vessel propulsion, an inter-continental relocation, multiple technological revolutions and fundamental transformations in the industry.

But that doesn't mean Pierot won't adapt and change, as it has so many times before, to meet customers' evolving needs and mesh with the landscape shifting around it.

It has been a New York story for the past 73 years. And in many ways the changes in Pierot's operations in Manhattan parallel



If only Uncle Jacobus could see him now! Chief executive Bob Pierot in Miami allows himself a dress-down Friday (Photograph: Len Kaufman)



Above / Jacq Pierot & Sons' brokers, back, from left, Edoardo D'Alesio, Kleon Diamantopoulos and George Pierot; front, Bob and Chris Pierot (Photograph: Joe Brady)

the trajectory of the city as a maritime capital.

But the story continues to evolve. Chairman and chief executive Robert “Bob” Pierot now lives in and does most of his business from a place that is not New York at all. We’ll get to that later.

His cousin, president FR Christiaan “Chris” Pierot, still works from the firm’s offices in New York — just not the ones he had become used to for the past 43 years.

Staff are still unpacking boxes when *TW+* visits the brokerage’s new quarters on East 45th Street in midtown Manhattan. It has relocated from its home of 56 years at 29 Broadway, downtown in New York’s historic shipping hub.

“We’ve just made a major transition,” Chris tells *TW+*. “This is a completely different area and I’m not used to it yet.”

It is not the first time Pierot has operated in midtown. Its original New York office, albeit temporary, was in the Roosevelt Hotel, only a few blocks away, in 1946.

It was where the three sons of founder

Jacques Pierot Jr — Felix, Morris and Jacobus — regrouped after leaving their native Holland after World War II, making the voyage to America on a Greek freighter owned by pre-war clients.

After moving to another temporary outpost on the Upper West Side, the Pierots settled at 27 William Street in the Financial District and truly rebuilt their business in the cultural melting pot of lower Manhattan, finding loyalty from former clients who had also left Europe.

This was home for 17 years until the company moved across lower Manhattan in 1963 to 29 Broadway, a building owned and populated by Greek shipowners.

Times were different. In an era before mobile phones and the internet, personal contact meant everything.

Jacobus habitually made his rounds among the dozens of owners in lower Manhattan, and at 29 Broadway he didn’t even need to leave the building — he could simply ride the lift.

Even when Chris and Bob joined the firm



in 1976 and 1979, respectively, downtown was still a thriving maritime centre.

“There was a lot more tonnage controlled in the US,” Bob recalls. “Even when I came in, there were maybe 40 or 50 Greek shipowning concerns in New York, along with oil companies with major fleets.”

Several factors altered that dynamic. Changes in US tax laws in the 1960s; a shipping crisis in the 1970s that hurt major US lenders; more tax law changes under President Ronald Reagan in the 1980s; followed by yet another shipping crisis.

Pierot has changed with the times.

“We were 12 brokers at one point in the late 1970s and early 1980s — we’re five today,” Bob notes.

One of the five is Kleon Diamantopoulos, 38, who works closely with Chris Pierot in the broker’s traditional S&P business. He recognises changes in New York since his hire in 2008. “Even when I joined 11 years

ago, a big percentage of the building’s occupancy was shipping-related. When we left, we were among the few such companies remaining,” Diamantopoulos says.

In a sector that has become more influenced by publicly listed owners and private equity, Pierot not only has more efficient space in midtown, it is also closer to the money firms. It’s where Chris Pierot and Diamantopoulos keep the flame burning in S&P.

The most recent addition is Livorno’s Edoardo D’Alesio, 25, who joined a few years ago.

“I still enjoy the thrill of the hunt,” says Chris, 65. “I don’t give up easily. That in itself doesn’t mean you’re going to be successful, but I’m still hunting some of the same prey I’ve been stalking for the past year. Nobody else has bagged it yet. It’s an adventure.”

Thirteen hundred miles (2,100km) to the south, in Miami Shores, Florida, Bob Pierot

Above / From left, Jacobus Pierot, Robert Sr, Morris and Jacques III at 27 William St, Manhattan, in the early 1960s. A portrait of founder Jacques Pierot Jr hangs on the wall (Photograph courtesy of the Pierot family)

## The Pierot story

**1894**

Predecessor firm is founded in Rotterdam, with Jacques Pierot Jr hired as an apprentice. He soon works his way up to senior partner and renames the firm. Most early transactions involve sailing ships.

Jacques is running the firm with three sons — Felix, Morris and Jacobus — under him, with the market now focused on steam vessels.

**1920s**

**1930s**

Jacques retires and moves to New York, leaving his sons in control.

Germany invades the Netherlands in May 1940 and the Pierots close the firm rather than acquiesce to the occupiers' demands. Morris serves in the Dutch resistance, while Felix and Jacobus are in the care of the Red Cross. In 1946, with war over, the family sail to New York and rebuild the business in a thriving melting pot with clients including other European migrants.

**1940s**

Eldest brother Felix dies of leukaemia at 49 in 1952. His two sons, Robert Sr and Jacques III, soon join the firm, with uncle Jacobus at the helm. The sale of US Navy World War II "Liberty Ships" to Greek owners becomes big part of the Pierots' business throughout the 1950s, and Jacques III begins specialising in towage and demolition of ageing US naval ships as a distinct business practice.

**1950s**

The firm begins taking in key outsiders to meet growing business demand amid tumultuous markets, among them Briggs Brady and Svein Sandersen. The first major hire is William Sauer, a well-known shipping figure who forms a tandem with Robert Sr. Sven Juul, an elite demolition broker, joins from AL Burbank to team up with former rival Jacques III. The Pierots then recruit his Burbank colleague William Mollard, who brings US flag expertise. Morris retires, while Jacobus continues until his death in 1979, aged 76. The fourth generation begins to trickle into the firm. First is Catherine Pierot, daughter of Robert Sr, before she leaves to start a family. Next is Chris, son of Jacques III. Finally comes Robert Jr — Bob. Outside hires Peter Klopfer, Dave Buzanoski, Peter Gunn and Joe Magliozzo buttress the firm.

**1970s**

**1980s**

Jacques III dies at the age of 59 in 1984 and Robert Sr retires in 1986.

The firm prospers under the direction of Chris and Bob, with an estimate of more than 2,500 vessel transactions in its history. Chris carries on the traditional S&P practice in tandem with

**Today**



Kleon Diamantopoulos. Bob's chief practice is in financial leases and working with banks alongside son George, who joined in 2018 after serving as a banker with CIT.



sits among palm trees, far from Manhattan's honking horns and bus fumes.

But don't think for a second that his relocation has anything to do with retirement. Far from it.

The 61-year-old says he is busier than ever with the niche he has developed, working with banks and structuring financial leases that allow shipowners to leverage the balance sheets of their investment-grade charter counterparties.

"Florida has been on the radar for the last four or five years," says Bob, who bought a house and made the move from his long-time Brooklyn residence in July 2018.

"It's a combination of feeling too old for New York winters and having a number of clients in Florida."

He was part of the firm's mainstream focus on S&P business in the 1980s and 1990s, but even then he was sowing the seeds of a financial practice.

"I was also involved with more banks than most of the brokers in the shop, and that's when I started understanding financial structuring," he says.

Pierot always has had a business advising banks, he notes: his father was on a retainer with half-a-dozen lenders at a time.

Bob maintains an old-school wariness about identifying specific clients or deals, but does speak in general about the type of niche he's carved out.

"I try to create structures that are predominantly off balance sheet," he says. "We focus on those Tier 1 clients that banks want to lend money to. The clients are not all shipowners. I deal with cargo interests as well. They are stronger corporate entities than most shipowners."

"In effect, what we are trying to do is create long-term structures for cargoes to move on ships."

Bob estimates he spends 85% of his time on such work and 15% on S&P.

It has been a good year. Working with his son George, the firm has, since January,

arranged financings for in excess of 30 ships either already funded or to be funded through 2020. This includes newbuilds in the wet and dry sectors and other projects on the boil.

With a typical output of 12 to 20 financings a year, 2019 has been better than average: "It's been exceptional and I couldn't be happier with that in our 125th year."

"A lot has to do with the help I've had from George. Some people call me a banker, but I think George is a much more talented banker than I am. He has the experience at CIT and a much better education in the field."

Cousins Bob and Chris Pierot have been around shipbroking since they were lads in short trousers.

"I recall my father being up all night smoking and using phones with hold buttons — he'd be on one line and the other line would be flashing," Chris says of his home environment in Scarsdale, New York. "It was talking about ships 24/7. It was as much hobby as livelihood."

Bob recalls a similar upbringing, and also going to visit the office on William Street at age three or four "in saddle shoes and shorts — playing on the big telex machines and being told not to break them".

It wasn't a given that the cousins would follow into the family business, yet somehow they did.

Bob was in college at 20 and, unhappy with his summer job in a beach resort town, called his father to explore an opportunity with the firm, only to be told he would have to be interviewed by his uncle Jacobus.

"[Jacobus] told me that I had to get a haircut, and if I ever came into the office again in loafers without socks, I'd be fired immediately," Bob says.

As for Chris, "I kind of rebelled against it, but I knew it was manifest destiny." He joined after college.

Both were sent off to get their feet wet

Above / Jacq Pierot & Sons' pre-war offices in Rotterdam, where founder Jacques Pierot Jr, left, did business for half a century (Photography courtesy of the Pierot family)



abroad. Chris went to Spain and then London, where he trained with Gibson, while Bob spent six months learning at Clarksons in London.

The Pierot brokerage has returned the favour over the years, training future shipping figures Per Heidenreich, Erland Basso, Massimo Bancho, Niko Schues, Brandon Hintz, Panagos Pateras and the three Chris's of Hamburg: Bruhn, Toepfer and Rolf.

"The top brokers worked hard and long hours, quite more than normal in New York at the time, in my opinion," Heidenreich recalls.

"It was a tough working climate. The patriarch at the time, Jacobus, made sure we used waste telex paper to write on rather than getting a pad, and the pencils were not replaced until they were down to an inch long."

While neither Bob nor Chris shows signs of slowing down, the next generation to carry the baton forward would appear to be George Pierot and Diamantopoulos.

Despite the joke about burning things, George, 31, is very much enmeshed in the shop's financial dealings, and Bob praises Diamantopoulos as "a great broker"

"Given my financial background, I fit in a bit more with my dad on the leasing side," George says. "My focus is on senior debt, mezzanine debt and, more rarely, equity. Everyone's looking for equity nowadays but that well has dried up unless it's a really solid project."

Summing up the firm's 125 years to date, Bob offers this: "Hard work and luck. Or luck and hard work. You can't really separate the two, in my opinion. I think you make your luck."

"And I think my great-grandfather worked incredibly hard. He gained tremendous respect. He instilled that in his sons. For my grandfather, obviously the war was a hard time. The family basically lost everything."

"But I think, because of the trust they had developed prior to the war, when they came to the States that was their luck, which they had to work hard for, to rebuild."

"And luckily they were able to. And my father and my uncle came along and they continued to work hard to rebuild. And today, with luck, we will build further on the firm's past success."

## Fabrikant's a fan

One long-time fan of Jacq Pierot Jr & Sons, particularly the financial work that has become Bob Pierot's speciality, is Charles Fabrikant.

"He's been very effective," the Seacor Holdings chairman and chief executive says. "I think he has evolved into doing work that is more in the realm of financial structuring than the kind of activity that one associated traditionally with ship S&P, which was just to track available tonnage and match it up with buyers."

"He's become a lot more broadly based and it's a testament to him that he's been able to expand his horizons."

Fabrikant, *pictured inset*, has known Bob and his late father for decades.

The elder Pierot was one of the founders of the diversified New York-listed Seacor in 1989, along with former US treasury secretary William Simon, Cosmopolitan Shipping head Granville Conway and Fabrikant.



"I've been dealing with the firm since 1973," Fabrikant says. "My father was also in the shipping business and I'd decided to spend some time with him in it. He told me: 'If you want to learn something about the business, you should sit down with the Pierot group'."

He learnt from Robert Pierot Sr and from Bill Sauer, one of the firm's first prominent outside hires.

"Bill taught me an awful lot," Fabrikant says. "As I continued, I got to know Robert Sr, who became very friendly with me. We used to have adjacent offices back in the 1980s after he'd left Pierot."

*Joe Brady*

Above left / Jacq Pierot & Sons handled the \$10m sale of the 106,568-dwt, 1961-built tanker *Manhattan* in 1962, reportedly the first sale of a 100,000-dwt vessel