DP World

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“Market Cap $15.1 B As of May 2014

At a Glance

- Industry: Other Transportation
- Founded: 1999
- Country: United Arab Emirates
- CEO: Mohammed Sharaf
- Website: www.dpworld.com
- Employees: 28,000
- Sales: $3.07 B
- Headquarters: Dubai

Forbes Lists

#1020 Global 2000

- #939 in Profit
- #1215 in Assets
- #742 in Market value

Profile

DP World Ltd. is a holding company, which engages in international marine terminal operations and development, logistics and related services. The company operates its business through the following segments: Asia Pacific & Indian Subcontinent, Australia, America, Middle East, Europe and Africa. DP World was founded on September 28, 2005 and is headquartered in Dubai, United Arab Emirates.“

“DP World History

http://www.companieshistory.com/dp-world/
Early History

Dubai Ports International (DPI) was founded in 1999. Its first project was at Jeddah, Saudi Arabia, collaborating with a local partner on the management and operation of the South Container Terminal (SCT). DPI then went on to develop operations at the ports of Djibouti in 2000, Vizag, India in 2002 and Constanta, Romania in 2003. In January 2005, DPI acquired CSX World Terminals (CSX WT). It was later, in September 2005 that Dubai Ports International officially merged with the Dubai Ports Authority (DPA) to form DP World. The rapid expansion through acquisition continued in March 2006 when DP World purchased the fourth largest ports operator in the world, The Peninsular and Oriental Steam Navigation Company (P&O) for £3.9 billion ($7 billion).

2006: US Port security controversy

The ownership of various U.S. ports by DP World (which had been acquired as part of the P&O deal) was seen as highly controversial by many in the United States even though it was supported by the U.S. president of the time (George W. Bush); the US ports were sold shortly afterwards.

P&O operated major U.S. port facilities in New York, New Jersey, Philadelphia, Baltimore, New Orleans, and Miami. Before the deal was secured, the arrangement was reviewed by the Committee on Foreign Investment in the United States headed by the U.S. Treasury Department and including the Departments of State, Commerce, and Homeland Security. It was given the green light, but soon after, both Democratic and Republican members of Congress expressed concern over the potential negative impact the deal would have on port security.

On 22 February 2006, President George W. Bush threatened to veto any legislation passed by Congress to block the deal, which would be the first time in his presidency he would exercise the privilege. In a statement to
reporters, Bush claimed, “It would send a terrible signal to friends and allies not to let this transaction go through.” On 23 February 2006, DP World volunteered to postpone its takeover of significant operations at the seaports and on 9 March 2006, is said that it would transfer its operations of American ports to a “U.S. entity”.

The United States House of Representatives held a vote on 16 March 2006 on legislation that would have blocked the DP World deal, with 348 members voting for blocking the deal, and 71 voting against. DPs World later sold P&O’s American operations to American International Group’s asset management division, Global Investment Group for an undisclosed sum.

In August 2006, DP World signed an agreement with the Port Qasim Authority, to invest in a new container terminal at Port Muhammad Qasim near Karachi and announced that it was in discussions with the Pakistani Government about the development of a container terminal at Gwadar in Balochistan. DP World had been favourite to win the Gwadar concession, but withdrew from the bidding. Gwadar Port was subsequently awarded to PSA (Port of Singapore Authority) and opened in March 2007.

2007-2010: NASDAQ Dubai listing

In June 2007 the company raised $3.25 billion in Islamic and conventional bond sales to refinance existing debt and fund expansion and issued 3.818 billion shares, representing 20% of the company on the NASDAQ Dubai stock exchange in November 2007 in what was the Middle East’s largest initial public offering (IPO) which raised 4.96 billion dollars.

By 2008 the company was handing 46.8 million TEU worldwide, up 8% on 2007, with expansion and development projects in India, China, the Middle East, and elsewhere. Capacity was expected to rise to around 95 million TEU over the next ten years.
In December 2009 Moody’s downgraded DP World’s financial status to junk after the Dubai 2009 debt standstill.

**2010-Present: London dual listing**

In the second quarter of 2010 DP World gave the go-ahead for construction of the £1.5 billion London Gateway port. Work started in February 2010 with the port due to open in the fourth quarter of 2013. By April 2011, Moody’s upgraded DP World’s financial status to ‘investment grade’. In June 2011, the company dual listed on the London Stock Exchange. Since December 2010, DP World has undertaken a series of asset disposals, exiting markets where it does not have a significant presence and seeking to redeploy funds in fast-growing markets.”

*Information from Forbes.com and Wikipedia.org

**Video published on YouTube by "DP World London Gateway"