

Post War Years - Expanding The Vision

1945

World War II ended and the vessels owned by the Canadian government under the Park Steamship Company were retained under the Canadian flag and sold to Canadian interests.

MSCL received word from Mr. Gianni Procacci, President of the shipping arm of Louis Dreyfus & Cie. Of Paris, that they would be establishing an agency arrangement to handle their LD fleet. MSCL, having acted in the grain trade for Louis Dreyfus prior to the War, was appointed. The Company also became agents for the French Mission of Merchant Marine.

Mr. Billy Mills represented MSCL in Europe during the war years, and, upon his return to Canada, he immediately began discussions with Louis Dreyfus & Cie. to form an agreement that would establish a line between Eastern Canada and the Western Mediterranean, and eventually, Northern Europe. As a result of these discussions, Montship Lines Limited was incorporated February 20th, 1946, with equal shareholdings between Louis Dreyfus and the Lawes brothers.

Montship Lines initially purchased three 10,000-ton Park vessels and renamed them the 'MONT SANDRA', 'MONT ALTA' (under command of Captain A.C. Tyler) and 'MONT GASPE'. In addition, the Company bareboat chartered six similar Park vessels. A.L. Lawes, through his contacts in Washington, enabled Montship's heavy involvement in the shipments to Europe for the United Nation Relief and Rehabilitation Administration. In order to accommodate the considerable volume, three more vessels were chartered and another three were purchased: 'MONT CLAIR', 'MONT ROLLAND' and 'MONT SOREL'.

1946

In 1946, the Canada-Mediterranean Line began, and plans to expand to a full continental service were already being considered. March Shipping Company Limited had acquired three 10,000-ton Park vessels under the name of Canadian Shipowners Limited. Under an agreement between Mr. A.E. March and the Lawes brothers, Montship purchased Canadian Shipowners Limited and March Shipping was purchased by MSCL. In partnership with Louis Dreyfus, the Canada-

Continental Line was born.

Concurrently, newsprint shipments were expanding and Montmorency Shipping Inc., managed by MSCL, was now moving paper to the U.S. East Coast, Gulf ports, Mexico and Argentina. The Newfoundland Railway Company withdrew from handling general cargo to and from the mainland. MSCL filled the void by joining Job Bros. & Co. and forming Blue Peter Steamships Ltd. of St. John's, which took over the mainland connection.

MSCL also entered an agreement with Parry Lines of New York to operate, on a speculative basis, two Liberty type vessels, the 'ACTOR' and the 'LIVIA'. MSCL formed a new subsidiary, named Allied Steamship Lines Limited. The Company entered a joint venture with United States Navigation Co., which led to the formation of the Canada South Africa Line.

Represented by Harvey N. Bryant, MSCL ensured support for the liner activities in New York and Washington. The liner business continued to increase with many Canadian companies being controlled in New York. In addition, a great deal of grain leaving Canada was sold through the New York Produce Exchange.

The Lawes brothers thus established James L. Thom Inc. Mr. J.L. Thom became the New York representative for MSCL and affiliates. The New York Company eventually became Canadian Chartering (New York) Limited.

1949

The Toronto freight market was also developing the import trade from the Mediterranean. In order to help solicit cargo for the liner services, MSCL opened an office in Toronto and in 1949, transferred Mr. George F. Voss from Montreal to become Manager. John F. Cusack succeeded George Voss in 1951. He contributed significantly to the Company until his retirement in 1987.

MSCL was appointed representative of Moore-McCormack Lines of New York, which served South America and made calls to Brazil, Uruguay and Argentina. MSCL was also appointed agent for Canada Asiatic Line, operated by the Goulandris group of Piraeus. These two new lines, together with the volume of tramp accounts and the operations of Montship



Second from right John F. Cusack,
Fourth from right James L. Thom

Lines, Canada-Mediterranean Line, Canada-Continental Line, South Africa Line, Montmorency Shipping, and the Newfoundland liner service with Blue Peter, created the largest shipping agency company in Eastern Canada.

At the annual General Meeting, the President, A.L. Lawes, cautioned that the high cost of

Canadian Flag operations would make it difficult for Montship Lines to compete with the lower cost operations of European Flags once world shipping returned to a normal competitive position.

Allied Steamship Lines purchased all the shares of the joint venture with U.S. Navigation Co. and entered a partnership with Acadia Overseas Freighters Limited of Halifax, owned by the Kulukundis group of London and Piraeus.

The post-war boom was coming to a close, and MSCL began taking steps to sell a number of the Park vessels. As the vessels were sold, the proceeds were placed in escrow in accordance with controls placed by the Canadian Maritime Commission. These funds were to be used to upgrade the Canadian-owned fleet. Since suitable competitive tonnage was not available under the government controls, it proved very difficult to use the funds as intended; and the escrow fund was sold at a discount to Upper Lakes Navigation Co. of Toronto.

1950

Envisioning improvement of the fleet, the Montship partners reached an agreement to purchase the MV 'LA ESTANCIA', which was renamed the 'MONTCALM', and the 'FRANCOIS LD', renamed the 'MONTROSE'.

The MSCL subsidiary, March Shipping, was sold to members of the March staff, H.E. Mason and Joseph Carton. Along with this sale went the Company's interest in the Canada South Africa Line and the agency of the Canada Asiatic Line.

An influx of small lines began operating into the Great Lakes with handy-sized vessels, using the old Lachine Canal system in anticipation of the development of the St.

Lawrence Seaway.

1951

Shipping markets continued to weaken, and MSCL were facing drastic reductions in earnings. Canadian Flag vessels were having difficulty competing in international trade. The 'MONT ROLLAND' was sold and the management of the Montship fleet was transferred to the Louis Dreyfus subsidiary, Buries Markes Ltd. of London.

Montreal Shipping rekindled its relationship with Capo Line G.E.N.S. of Genoa and established a pool arrangement with Montship for a service to the Mediterranean. The Montship/Capo Line developed a Great Lakes component and chartered a canal-sized vessel, the 'WALDIMAR PETER', to serve several Lake Ports, including Toronto.



1953

Canadian vessels continued to experience difficulties competing, thus a great deal of time was spent attempting to gain Government assistance in easing the Flag covenant. This led to the establishment of the Canadian Shipowners Association in Ottawa.

1954

The Lawes brothers' efforts to gain Government support were totally frustrated by the Canadian Maritime Commission and the remaining vessels of the Montship Park fleet were sold. These business difficulties created problems between the partners, and raised questions as to what direction the Company was taking. At the end of the year, MSCL purchased the shareholdings of Montship Lines from Louis Dreyfus. Leslie Lawes sold his shares to his brother. Soon thereafter, in January 1955, C.C. Lawes suffered an untimely death.

1955



Douglas A. Short
Director:
1955-1990

Subsequent to the passing of the President, C. Clifford Lawes, the Executors of his estate (Mrs. Lawes and Montreal Trust) assumed control of the company affairs.

In order to settle C.C. Lawes' financial obligations, immediate action was taken to sell the ownership of Montship Lines Limited. This was accomplished with



H. Victor
Knowles,
President:
1955-1957

the assistance of Pierre Louis Dreyfus in Paris, who again acquired the shares. The transaction left the agency portion with Montreal Shipping Company Limited, for which the Louis Dreyfus Group maintained an option. Having secured an agreement from Louis Dreyfus, Mrs.

Lawes transferred control of MSCL to the new Management team of H. Victor Knowles (President), Frank B. Peterson (Vice-President), James L. Thom (Vice-President), and Douglas A. Short (Treasurer).



Frank B. Peterson,
President: 1957-1978
Chairman: 1978-1990

The Company had been operated through an intricate corporate arrangement involving some fifteen companies, each of which related in some manner to the controlling interest held by the late Clifford Lawes.

A considerable effort was directed towards streamlining the operation, and staff levels were adjusted to recognize current realities. Mr. R.

Fraser Elliott, of the law firm Stikeman Elliott, joined the Board, and made a significant contribution to the Company's affairs. Mr. Colin Webster retained his interest, and remained a Director.

The new shareholders took over the Company with two major accounts: the agency of the Montship Lines services to the Mediterranean and North Europe, and the management of Montmorency Shipping on behalf of Anglo-Newfoundland Development Company. These activities were combined with the newsprint movements of Anglo-Canadian Pulp and Paper, and a nucleus of tramp agency accounts, mostly British Owners. Moore-McCormack opened a local office, thus reducing the liner agency work, the Montship service to the Continent was discontinued - and the new management set about building for the future.



Port of Montreal photo

1956

Candwood Shipping Limited was established in partnership with Wm. France Fenwick & Co. of London to operate France Fenwick vessels moving coal on the St. Lawrence River. C.C. Lawes had introduced the concept earlier, in conversation with Mr. Kenneth Pelly, Managing Director of France Fenwick and his son Desmond. The operation was an immediate success, and thrived for several years.

Montreal Shipping was appointed representative for the Brodin Line service from Eastern Canada to Argentina, Brazil and Uruguay, The Brodin Line was well established in trade from the U.S. and was operated by the Swedish family firm of Brodin and the Brostrom group of Gothenburg.

The Montship/Capo service was extended into the Great Lakes and, to strengthen ties to the Line, MSCL took over Phelps Agency Limited in Chicago.

1957

Mr. H. Victor Knowles retired, and Mr. Frank B. Peterson became President. His management team consisted of James L. Thom and Douglas A. Short.

MSCL gained another liner appointment and added the Hansa Line of Bremen, serving the Persian Gulf. Having acquired two new agencies, the Management targeted the North European trade to replace the Canada-Continental Line. Management's policy at this time was directed towards acquiring the flag line of the strongest economic country in any trade block involved with Canada. Germany, clearly the leader in Europe, thus became the focus of their efforts.

1958

Hapag and Lloyd were both represented in North America, by United States Navigation in New York. Through them, MSCL made strong overtures to both Lines. As a note of interest, James L. Thom's grandfather had represented Hamburg America Line, Hapag's predecessor, during the Immigrant trade prior to the turn of the century.

The Botwood office was opened in Newfoundland at the request of Anglo-Newfoundland Development Co. Mr. Dorman Butt was appointed manager, a position he held until his passing in 1981. His son Dennis now manages the office.

The termination of U.K. import controls on newsprint resulted in a major increase in Canadian volumes. These were developed mainly to serve the newsprint demands of both the *Daily Mail* and the *Daily Mirror*, in London. Meeting expanding needs, and acting as managing operators of Montmorency Shipping, MSCL helped to negotiate a new building contract with Wm. France Fenwick in London for an ice-strengthened, purpose-built newsprint carrier.