

Maersk says Gemini will offer better service at same cost

The new alliance from Maersk and Hapag-Lloyd claims shippers will be able to predict delivery times and will pay no premium.

[Nick Savvides](#), Europe correspondent

January 28, 2025



Hub ports such Pelepas in Malaysia to see 30% increase in volumes with GeminiCredit: PTP

At a Glance

- The container lines are discussing commercial concepts related to reliability with customers
- Maersk has invested \$3 billion to upgrade hub ports at no extra cost to shippers
- Hub terminals to handle 30% more container moves when Gemini fully rolled out

The Gemini Cooperation between [Maersk](#) and [Hapag-Lloyd](#) is due to be launched on 1 February and is based around a hub and spoke network.

Speaking to journalists on a webinar Maersk's Chief Product Officer – Ocean Johan Sigsgaard emphasised that the carrier's aim is to offer a more reliable service at a similar price to conventional point-to-point services.

In addition, Sigsgaard said the delivery of the Gemini network will allow the carriers to expand volumes for two to three years depending on the market growth.

However, the question for Gemini is to differentiate its services from its competitors and for this the carriers are relying on reliability, speed and some contractual tweaks that Maersk are more coy about discussing.

“We are discussing with different customers different commercial concepts including a full guarantee and including financials, that is something we will continue to assess as we move forward and we see the proof points on reliability,” explained Sigsgaard.

According to Maersk the Gemini solution is very different to past projects, such as Daily Maersk, which was cancelled in 2015, and offered greater reliability for a premium price.

Head of [APM Terminals](#)' Hubs, Lars Mikael Jensen, said: "What is different this time is that the construction of the network is fundamentally different, mainliners from Asia to Europe have half the calls that they have today on a rotation, that in itself creates optimum reliability, it also offers greater efficiency as you don't have half empty ships going out," reducing the carbon emissions.

Related:[Shippers claim they prefer to pay for better service](#)

Moreover, Jensen points to the major technical changes that have taken place in recent years with the size of ships increasing and the hub ports being far better equipped to operate hub and spoke services.

"This is a fundamentally different service that we are offering today," explained Jensen "we are doing hub and spoke from a regional perspective, we will see mainliners connecting from Shanghai and Ningbo and another from Qingdao and Yantian and they will meet in Pelepas [Maersk's Malaysian hub] to swap containers."

However, the pair agreed that it is important that Maersk and Hapag-Lloyd build this network without adding costs for its customers, even though the Danish carrier has invested \$3 billion to upgrade its hub ports to handle the greater volumes required by the new services when the Gemini Cooperation is fully functioning.

According to Jensen the rollout will not be an overnight change, but a gradual transfer of services, with any vessels operating on a 2M (Maersk's previous alliance with [MSC](#)) rotation, expected to finish that service before joining its new Gemini loop, that process could take three to four months.

Related:[Gemini Cooperation chooses DP World's Canada terminals](#)

"When Gemini is fully rolled out we'll be handling 30% more container moves in the hub terminals, so we've expanded in Port Said, Tangiers, we're expanding in [Rotterdam](#), Salalah is getting new cranes and bigger capacity and similar developments in Port Tanjung Pelepas."

Maersk also believes that it can manage the cargo deliveries without adding a buffer to the sailing schedules, because the buffer is already built into the mainline services that will call at three ports, rather than seven on some Asia to Europe services, for example.

An analysis would reveal that Gemini services are roughly the same as conventional loops, said Sigsgaard.

"You may find one corridor is a bit longer than another but overall, they are the same. This is important to us because if we were meeting reliability by adding buffer then the customers would tell us they could do that themselves by holding inventory, so lead times are comparable and are market relevant, and if you think about the [mainline] services with the fewer stops this is where you save the time."