

Port Illustrated

Winter 2012

VOL. 19, NO. 1

Diamond State Port Corporation

GOVERNOR JACK MARKELL LED A VERY SUCCESSFUL TRADE MISSION TO CHILE

Governor Jack Markell led a trade delegation to Santiago Chile in August 2011. Alan Levin, Diamond State Port Corp. (DSPC) Board Chairman, Cabinet Secretary and Director of the Delaware Economic Development Office, the Port's Executive Director, the Deputy Executive Director and Pat Farrell, Vice President of Pacific Delaware, Inc. (PDI) were members of the Delaware contingent and accompanied the Governor.

The primary purposes of this visit were threefold: to express the State of Delaware's thanks to our Chilean business partners at Pacific Seaways and SQM for their many years of support and for our strong business relationships; to sign a two-year contract extension with (PDI) for terminal services related to the Chilean fruit



Governor Jack Markell together with Alan Levin Chairman of the DSPC met with Sebastian Piñera, President of Chile (center in the photo) and members of his cabinet at La Moneda, the Presidential Palace in Santiago

business, customers of the Port since 1994; and, to explore opportunities to foster new commercial

relationships between Delaware and the Republic of Chile.

"The execution of this contract extension underscores PDI's continued commitment to our Port for many years into the future. This is a tribute to the women and men that so skillfully handle the Chilean fruit and provide the very best in customer service throughout the season," remarked Gene Bailey, DSPC Executive Director.

Other meetings on the Chilean agenda included an audience with the President of the Republic of Chile, meetings with the US Ambassador to Chile, the Chilean minister of Foreign Affairs,...

Story continued on page 5

US SENATOR TOM CARPER – 2011 AAPA PORT PERSON OF THE YEAR

US Senator Tom Carper (D-DE) was presented with the 2011 Port Person of the Year Award from the American Association of Port Authorities (AAPA) at a luncheon hosted by the Port of Wilmington Maritime Society at the DuPont Country Club on October 14, 2011.

Senator Carper was honored for his many contributions to improve the national transportation infrastructure, its waterways, port security. And, most recently, he has worked on legislation to improve air quality by reducing harmful emissions at seaports and other transportation facilities. The award was presented by Kurt Nagle, President & CEO, of the AAPA. "Senator Carper is one of our country's leading public servants dedicated to

advancing and growing the competitiveness of the nation's transportation system and the maritime industry," said Mr. Nagle. "His accomplishments in Congress, such as championing the Diesel Emissions Reduction Act (DERA) of 2010, demonstrate that he's an unwavering advocate of the port industry, of port communities, and of the 13.3 million Americans whose jobs are linked to port activities. His advocacy is enabling seaports to operate safely and efficiently while creating and sustaining good-paying jobs."

DERA is a five-year reauthorization of the 2005 legislation that established a voluntary national and state-



(R-L) Kurt Nagle, President & CEO, AAPA presenting the AAPA Port Person of the Year Award to US Senator Tom Carper

level grant and loan program to reduce diesel emissions. DERA assists seaports and other transportation facilities to retrofit their diesel powered equipment which lack the latest pollution controls.

ARTICLES:

- Trade Mission to Chile
- AAPA Person of the Year
- State of the Port
- Chilean Fruit
- Moroccan Clementines
- Peter Kopke, Sr.
- Security Grant
- HACCP Certification
- Holiday Giving

STATE OF THE PORT IS STRONG!

“The State of the Port is strong, and we are working to make it stronger!” said Gene Bailey, Executive Director of the Diamond State Port Corp. (DSPC) on November 9, at the Port of Wilmington Maritime Society’s 34th Annual Dinner at Hotel DuPont in downtown Wilmington.

In Fiscal Year 2011, the number of ship calls and the total cargo throughput increased by 5%, aggregating 4.43m tons.

The following are some highlights.

During this past year Dole and Chiquita’s weekly tropical fruit services continued to be the mainstay of cargo throughput in Wilmington and were key to maintaining our status as the leading port for banana and tropical fruit cargos in North America. Also, it is

noteworthy to report that in 2011 Chiquita chartered larger container vessels for its liner service and with its increased capacity it was able to significantly grow its general cargo exports to Central America. We thank the two largest fruit marketing companies in the world for their continued support.

Last winter’s favorable weather conditions in Chile enabled Pacific Seaways and its exporter/growers to ship more than 150,000 tons of table grapes and deciduous fruit, resulting in a 20 percent uptick season over season. Also, the Port had the very prestigious distinction of having the first ship arrival from Chile on the Delaware River in 2011 and all accompanying bragging rights!

We welcomed a new program of apples and pears from

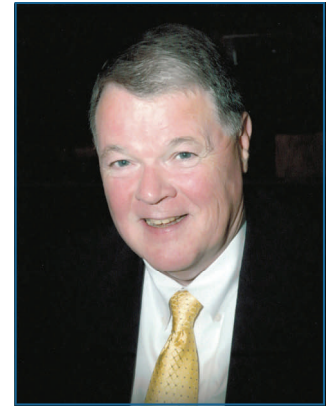
Argentina which added several thousand tons and a concomitant increase to the number of labor hours at our Port.

The Port’s cold treatment service of Brazilian grapes in USDA-certified facilities continued to grow in 2011.

Due to favorable growing conditions in Argentina and Brazil and Citrusuco North America’s facility expansion for juice storage, imports of juice concentrates increased by more than 16 percent during this past year.

A very strong increase in dry bulk cargos was attributable to several commodities, especially the export of petrol coke produced at PBF Energy’s recently acquired refineries in Delaware City and Paulsboro, NJ.

The export of dairy cows has continued to exceed projections with the addition



Gene Bailey, DSPC Executive Director

of new shippers and larger vessels.

In a very unique cargo category the Port successfully discharged two rocket booster cores for Orbital Sciences. This project cargo will be used in the Antares rocket assembly; the follow on space vehicle to be used by NASA to resupply the International Space Station.

Story continued in page 4

THE PORT OF WILMINGTON GETS THE FIRST CHILEAN FRUIT SHIP ON THE DELAWARE

The 2011-2012 Chilean fruit season on the Delaware River commenced at the Port of Wilmington with the arrival of Pacific Seaways’ *M/V Hansa Stockholm* on December 14. For the second year in a row the Port captured “bragging rights” among our competitors by having the first ship to arrive from Chile! This specialized reefer vessel discharged 6,538 pallets of grapes, stone fruit, cherries and blueberries from the ports of Valparaiso and Caldera in Chile.

The Port of Wilmington is a leading US port of entry for imported Chilean fruit, and last winter it handled over 160,000 pallets of various type of fruit, the majority of



Chilean grapes discharged off *M/V Hansa Stockholm*, the first vessel of the season

which was table grapes.

Port officials anticipate a strong 2012 season as production of grapes, stone fruit and top fruit has increased compared to the previous year due to favorable growing conditions in Chile.

The US is Chile’s largest export market; however, the declining US Dollar - Chilean peso exchange rate

combined with increasing labor costs in Chile continue to cause unfortunate cargo diversion to more exchange-rate favorable markets.

Pacific Seaways’ Chilean fruit ships will call Wilmington directly throughout the season which will end in late April or early May.

Major Chilean fruit marketing companies utilize the majority of the Port’s 800,000 sf cold-storage warehouse complex for their quality inspections, storage and as their distribution center.

The Rapid Cooling (RC) of grapes, using the Port’s newly constructed RC chambers, is expected to increase towards the end of the season as growers pursue logistics strategies to extend their opportunity to supply the US market into late April and beyond.

MOROCCAN CLEMENTINES COLD TREATED (CT) IN WILMINGTON

During the 2011-2012 season, which commenced in late October, Fresh Fruit Maroc started to supply the US market with Moroccan clementines through the Port of Wilmington. FFM has shipped Moroccan clementines and oranges to Wilmington in specialized reefer ships since 2000; however, it was destined solely for Canadian markets.

Unlike Canada, the US agricultural regulations require citrus imports from Morocco to be cold treated (CT) to protect the US domestic citrus crops from the Mediterranean fruit fly. During prior seasons, FFM's fruit for the US market was shipped in refrigerated containers. However, to improve delivery time to market this season FFM requested that the Port CT its fruit.



Pallets of Moroccan clementines destined for US markets scanned prior to cold treatment

The new clementine program combined with favorable weather conditions and increased overall citrus production in Morocco resulted in an uptick in pallet count this season. The season is expected to wrap-up the end of January with two vessel calls on the schedule.

Upon arrival, these clementines are moved to US Department of Agriculture (USDA) approved "cold treatment" (CT) chambers in the Port's warehouses. The CT protocol requires that the fruit be stored at 34°F for 15 consecutive days. During this period temperatures within the CT chambers are

continually monitored and recorded. Upon completion of the prescribed treatment period temperature records are submitted to USDA for review and a final check on the efficacy of the treatment is performed using a cutting and visual inspection of a prescribed amount of fruit. Once both procedures have been completed satisfactorily the USDA release the fruit for load out to the US grocery stores.

The Port of Wilmington has been cold treating Brazilian grapes since 2008. In fact, the Port's proven expertise in this very important service area attracted more customers to CT their Brazilian grapes in Wilmington in 2011 resulting in a 10.5% increase in cargo tonnage for this program season over season.

PETER KOPKE, SR. HONORED WITH THE CACC LIFETIME ACHIEVEMENT AWARD



(L-R) Barbara Hunter, Marketing Director of Western Fumigation presented the CACC Lifetime Achievement Award to Peter Kopke, Sr., President of William H. Kopke Jr. Inc.

The Chilean and American Chamber of Commerce of Greater Philadelphia presented Peter Kopke, Sr., President of William H. Kopke Jr. Inc., with its inaugural Lifetime Achievement Award at the Union League in Philadelphia on November 10. Mr. Kopke was honored for his visionary leadership and extraordinary contributions to the Chilean fruit trade.

An innovative pioneer, Kopke helped establish and grow the market for Chilean grapes in the United States beginning in the 1960s. Following the example of his father William H. Kopke, Jr., he frequently visited Chile and created long-lasting friendships with Chilean fruit growers. As a result, he influenced the variety selection, growing strategies and packaging materials used by his Chilean amigos. His insight helped improve the marketability of their fruit and the resultant improved financial return to the growers from sales to major retail chains throughout the US. As a result of his unique business acumen and his ability to forge strong business partnerships with both ends of the supply chain, William H. Kopke Jr. Inc. is now ranked as the single largest importer of Chilean grapes in the world!

Those of us who are so strongly tied to this trade are grateful for his vision in helping to concentrate the shipborne deliveries and distribution of Chilean fruit at the ports along the Delaware River.

Today, terminal operators on the Delaware River receive over 60% of Chilean fruit imports arriving in the US.

We are proud to claim William H. Kopke Jr. Inc. as a Port customer. Today, Kopke receives Chilean fruit as well as Argentine apples and pears in Wilmington.

Congratulations and thanks to Mr. Kopke for his role as a "market maker" for Chilean fruit in the United States!

PORT RECEIVES \$2.6M SECURITY GRANT FROM FEMA

The Port of Wilmington has recently received a \$2.6 million security grant. This is the fourth grant received by the Port on the recommendation of the Sector Delaware Bay Area Maritime Security Committee (AMSC) of the US Coast Guard and approval by the Federal Emergency Management Agency (FEMA). The grant is distributed and managed by the Maritime Exchange for the Delaware River and Bay as fiduciary agent.

This grant will enable the Port to expand and upgrade its security camera

surveillance system, enhance the fencing of the Port's perimeters, and install additional security lighting. The projects are slated for completion by May 2013.

The new upgrades will provide Port customers and employees a safer and more secure working environment.

In 2002, the Port received a \$0.5m grant to upgrade its security booths; install a pedestrian turnstile by the main gate, and develop the Port's initial surveillance camera system. A year later the Port was awarded a \$1.65m grant to fence its perimeter, install fiber optics and enhance the electrical infrastructure that would improve the Port's access control and camera surveillance systems. In 2007, with new federal regulations mandating the enforcement of the Transportation Worker Identification Credential (TWIC) cards, the Port received a \$58,000 grant to install TWIC card



Matthew Eskridge, Port security supervisor monitoring the port activities at the Security Monitoring room

readers at all access points and to purchase hand-held card readers.

STATE OF THE PORT—STRONG! CONTINUED FROM PAGE 1



In FY 2011, the number of ship calls at Delaware's Port and the total cargo throughput increased by 5% acceding 4.43m tons. DeIDOT/James Perno

...We anticipate additional shipments in 2012 as NASA prepares for its first launch.

In the past year, Port customers and the DSPC have made substantial financial, commerce related investments to maintain, expand and upgrade their respective cargo handling facilities and capabilities.

Citrosuco and Magellan expanded their tank storage facilities to handle a greater

variety and larger quantities of liquid bulk products. ICS, Port Contractors, and Port to Port International acquired or developed new storage facilities for dry bulk and general cargos adjacent to the Port. With the support of capital funding from the State of Delaware the Port took delivery of a new 100 ton Gottwald Mobile Harbor Crane, constructed 4 Rapid Cooling chambers for post-fumigation Chilean fruit and

completed the reconstruction of Berth 4 which had been out of service for several years.

The Port's success in growing its import and export tonnage in today's challenging economic climate underscores: the superior quality of service Delaware's maritime community offers its customers as "Team Wilmington"; our first class handling and storage facilities; our excellent location in the heart of the Mid-Atlantic region; and, our unmatched connectivity to the Interstate highway system and to the 2 Class 1 rail networks that serve the Port.

However successful this past year has been we nevertheless continually look forward to identify new ways to serve our customers and to capture new cargo opportunities. For example, the Port's leadership has strongly advocated for the deepening of the Delaware

River's main channel to 45 feet. Bailey stressed that the Port will be stronger in the long-term with a deeper Delaware River channel. We collaborate with our colleagues in Dover and our Congressional delegation in Washington to identify federal and local government funds for Port development. And finally, we are currently seeking to develop a public-private partnership to facilitate port expansion, the development of new berths and storage facilities and the creation of new jobs to enhance the Port's role as a very important economic engine for the State of Delaware and the surrounding region.

"I would like to thank you, our customers and our staff, for their hard work and dedication and I wish you a safe and most successful 2012," concluded Bailey.

PORT HACCP CERTIFIED



Overall port-wide operational and worker safety in general and food safety in particular are very important elements of our organizational values at the Port of Wilmington, the nation's leading gateway for imports of fresh fruit and juice concentrates. Last October, the Port successfully completed its annual Hazard Analysis and Critical Control Points (HACCP) recertification. This inspection confirmed the

The Port's HACCP certification is key at North America's leading gateway for fresh fruit and juice concentrates.

conformance of the Port's food safety program to the stringent and demanding HACCP inspection protocol. The Port of Wilmington has maintained its HACCP certification for many years in order to provide the highest level of food safety assurance to its customers and their end-users.

HOLIDAY PARTNERSHIP IN GIVING



Port staff, ILA-1694-1 and visiting Delaware State Senator Robert Marshall staffed 50 dinner boxes for needy families in our community for the holiday season. The generous dinner boxes included pineapples from Dole Fresh Fruit Company and Moroccan clementines from Fresh Fruit Maroc.

The Diamond State Port Corporation working in collaboration with the International Longshoreman's Association Local 1694-1 once again provided

dinner boxes to 50 families in need during the holiday season.

Donated dinner boxes contained everything needed

for a family of 4-6 to prepare a scrumptious holiday meal including: a 15-20 lb. turkey, stuffing, cranberry sauce, gravy, potatoes, macaroni and cheese, vegetables, evaporated milk, bread and butter.

This year Dole Fresh Fruit Company and Fresh Fruit Maroc donated fresh pineapples and boxes of Moroccan clementines, respectively, to make the dinner boxes more festive.

The dinner boxes were delivered to Kingswood Community Center, Neighbourhood House, Sojourner's Place and the Professional Counselling Center in Wilmington for distribution to needy families in communities adjacent to the Port.

TRADE MISSION TO CHILE—CONTINUED FROM PAGE 1

...the Minister of Agriculture, the President of the Chilean Senate and the Director of ProChile, the single marketing agency of the Chilean government for Chilean businesses in the global marketplace.

Also, the Governor had the opportunity to brief many Chilean business executives and members of the American Chamber of

Commerce on the strategy Delaware has been pursuing to combat the global economic slowdown and on the very favorable business climate in our State. Additionally, there were high-level meetings with the leadership of some of the most influential banking and wealth management firms representing the largest corporations in Chile.

It is significant to note that Governor Markell conducted most meetings in Spanish; a touch that was very much appreciated by our Chilean hosts.

Before leaving Chile, the Governor toured the Port of Valparaíso, a major load port for Chilean fruit destined for the Port of Wilmington.

UPCOMING EVENTS

- Middle East & North Africa Business Round Table**
8:30—10:30 AM
February 7, 2012
Info: 302-656-7905
[Click for info](#)
- International Business Networking Reception**
5:30PM - 7:30PM
February 23, 2012
Info: 215-790-3627
[Click for info](#)
- Latin America Business Round Table**
8:30—10:30 AM
March 6, 2012
Info: 302-656-7905
[Click for info](#)
- Submission deadline for the POWMS Dennis Latina Scholarship**
April 19, 2012
[Click for info](#)
- Experience the Taste of Chile**
5:30 - 8:30 PM
April 25, 2012
Info: 215-790-3627

PORT ILLUSTRATED
 Publication of the
 Diamond State Port Corp.

For info and to subscribe or unsubscribe:

Vered Nohi-Becker
 Phone: 302-472-7819
vnbecker@port.state.de.us
www.PortofWilmington.com