



## Supporting North American imports

DELAWARE—The Port of Wilmington in Delaware is actively working to attract more import cargo business from Latin America to the US through trade missions, new equipment and expanded facilities.

by Gill M'Shane

**T**he number-one port for perishable cargo imports in the US is continuing to invest in the expansion of its business. This comes in response to the growth of fresh fruit and vegetable exports from Latin America and in order to satisfy rising demand among North American consumers.

In 2011, the Port of Wilmington in Delaware renewed its deal with the Chilean shipping group Pacific Seaways to keep large quantities of Chilean fresh fruit exports coming to Wilmington through 2014, in addition to installing a rapid cooler for Chilean table grapes and a 100-tonne mobile harbour crane to provide additional capacity for general cargo handling.

Going forward, the US East Coast port is bidding to attract even more business from Latin America thanks to the potential construction of a container terminal to be located adjacent to the current port on the Delaware River. This development would require completion of the ongoing Delaware River main channel deepening project that would then accommodate the deeper-draft ships which will eventually pass through the Panama Canal, bringing even greater trade opportunities to the region.

The lion's share of the Port of Wilmington's perishable business comes from Latin America, especially Central America – as Wilmington is the largest banana port in North America – and Chile, which ships 65 per cent

of its fruit exports to the US through the Delaware River ports. Wilmington has strong links with Central America for bananas and other tropical fruits, while Chile, Brazil and Peru combined represent key sources for table grapes and other deciduous fruit. Chile and Argentina are important for apples and pears too.

"Our primary trading partner is Latin America and their business is up," the port's deputy executive director, Tom Keefer, tells *TRADE LATIN AMERICA*. "Banana and tropical imports through Wilmington are up by 3 per cent and although our Chilean fruit imports are flat year on year, the outlook is positive overall. We've seen some growth from Argentina, plus Peruvian and Brazilian table grapes are growing, and I'm sure we'll see Peruvian avocados coming to Wilmington in the future."

With that in mind, Keefer says the port is always looking at ways in which to improve its service so that it might better satisfy clients' requirements so that Latin American customers can boost their volume to the US market through Wilmington.

To that end, one of the Port of Wilmington's long-term goals is to attract new business by expanding



## ARGENTINA

The Port of Wilmington's Argentinean fruit import business remains fairly stable in spite of the decline in overall Argentinean topfruit exports, among many other fruit categories during 2011/12.

"From our standpoint we've seen some growth from Argentina," Tom Keefer states. "It's been a challenge this season with the weather problems and the European economy, plus overhanging stocks in Europe. But we've continued our relationship with ArgenFrut and 2011/12 was our second full season handling apples and pears."

to the Delaware River with the construction of a container terminal.

"We want to maintain our niche business and take advantage of the growth in general cargo and the increasing containerisation of the shipping trade into the US," Keefer explains. "We're currently exploring the possibilities and actively working to find a partner to work with."

The project requires the dredging of the Delaware River's main channel to a depth of 45ft, which Keefer claims would "match up nicely" with the widening of the Panama Canal since it would make the "future" Port of Wilmington accessible by larger vessels.

## PERU

Wilmington is keen to tap into Peru's rapidly expanding produce export business. In August 2011 the port exhibited at the PMA's Fresh Connections event in Lima, and in early 2012 Wilmington gave the Peruvian ambassador to the US, Harold Forsyth, an overview of the port's capacities.

"Peru's table grape business to the US has been growing very quickly," notes Keefer. "Some of our customers have elected to centralise their storage and distribution of the fruit at our port and that's how we'll see this business growing," he says.

Keefer believes avocados could become a new business.

Keefer believes the widening of the canal represents some potential for the Delaware River region. "It will have a significant impact on the way trade is conducted on the US East Coast," he says. "The very largest ships that are being built today will be able to transit the canal and dock at US East Coast ports. This will affect how these ships serve the area." ●

OPPOSITE LEFT—Delaware officials met with Chilean president Sebastián Piñera during a trade mission in 2011

OPPOSITE RIGHT—Wilmington's mobile harbour crane offloading Chiquita fruit RIGHT—The record 9,000-pallet shipment of Chilean fruit arrives at Wilmington

## CHILE

During the Southern Hemisphere season, Chile is the largest single user of the Port of Wilmington's 800,000ft<sup>2</sup> refrigerated warehouse complex, occupying over 50 per cent of the space. Fruit imports from Chile are steady and Keefer says the trade remains positive.

"The US is a very mature market and Chile is exploring other markets," he points out. "Sometimes that comes at our expense, but until the exchange rate moves into a more favourable position we'll probably see flat volume from Chile, or trade may be slightly up or down. I think the US will always be a very important market for Chile. They'll always have to keep the competition at bay from their South American neighbours like Peru and Brazil."

The Port of Wilmington has a long relationship with Chile, which creates significant economic impact for the port, and Keefer says both sides are keen to further trade. To that end, the port has organised several events in the last year, including an August 2011 trade mission to Santiago and Valparaíso led by Delaware's governor, as well as hosting Chilean Ambassador Bulnes for a port familiarisation visit in Wilmington.

Keefer says such initiatives are extremely important to deepen both business and personal relationships. "It's very important for customers to understand how important their trade is to our region."



## IN NUMBERS

Source: Port of Wilmington

**US\$41m**

REVENUES

The business revenues generated by Chilean fresh fruit imports for the Port of Wilmington and surrounding region.

**US\$39m**

PERSONAL INCOME

The amount of personal income generated by imports of Chilean fruit for the Port of Wilmington and surrounding region.

**US\$3.8m**

TAX REVENUE

The amount of tax revenue Chile's fruit imports generate for the state of Delaware, neighbouring states and local municipalities.

**740**

FAMILIES

The number of families sustaining jobs linked to imports of Chilean fruit through the Port of Wilmington and surrounding region.

**156,000**

TONNES

The volume of fresh fruit exported from Chile which was handled by the Port of Wilmington during the 2011/12 season.

**9,000**

PALLETS

The largest single pallet load of Chilean fruit to arrive at the Port of Wilmington in its history, aboard Seatrade's vessel, the Atlantic Klipper.

**65**

PER CENT

The percentage share of fresh fruit which Chile ships to the US market through the Delaware River ports on the US East Coast every season.