





**SOUTH JERSEY
PORT CORPORATION**

An Agency
of the State of New Jersey

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ON THE COVER— Representatives from the three TIGER III partnership agencies sign the partnership documents. From left front are SJPC Chairman Richard Alaimo, Salem Freeholder Director Julie Acton, and Conrail's Tim Tierney. ABOVE—Director Carl Styles (left) and Chairman Dick Alaimo in this photo taken on a Broadway Terminal dock.

Board News

Richard Alaimo, Board Chairman, is reappointed by Governor

RICHARD ALAIMO, reappointed in the late summer to the Board of Directors by Governor Chris Christie, is founder and president of the Alaimo Group, Consulting Engineers, located in Mount Holly and Paterson; he is a Consulting Civil and Sanitary Engineer as well as a Licensed Professional Engineer in New Jersey, Pennsylvania and Delaware and a Certified Public Works Manager. A graduate of the Rutgers University College of Engineering, he has been a member of the Port Corporation since 1968, representing Burlington County. He was also a member of the South Jersey Port Commission, the Port Corporation's predecessor organization. Mr. Alaimo has been chairman of the board since 1993.



Board Chairman Alaimo

Rev. Carl E. Styles, Director from Salem, is appointed to another term

THE REV. CARL E. STYLES, who represents the Cape May/Cumberland/Salem subdistrict, was reappointed to the Board by Gov. Christie this year. After receiving his bachelor's degree from Glassboro State College (now Rowan University), Mr. Styles began his career with The Laborers International Union of North America; he is currently the Business Agent of Local 222, headquartered in Camden, New Jersey. He continued his education at the Palmer Theological Seminary in Philadelphia, earning a Masters of Divinity in 2006. While at Palmer, he was asked to pastor at a historic United Methodist Church in the City of Camden where he has now served as pastor for 20 years. The Rev. Mr. Styles was first appointed to the SJPC Board of Directors in 2008.



Director Styles

Board action

Re-Financing Saves \$11.8 million in debt service

Taking advantage of record low interest rates, the South Jersey Port Corporation refinanced more than \$77 million in bonds, saving the state of New Jersey nearly \$11.8 million in future debt service obligations. Under the refinancing, the SJPC and state will benefit from nearly \$6 million in reduced bond interest during the next four years with the remaining savings realized over the period ending in January 2033.

Reverse Energy Auction benefits Port and tenants

The Corporation recently completed a reverse auction that will save \$231,700 in energy costs through 2014 for the Joseph A. Balzano Marine and Broadway Terminals. The agency has utilized the reverse auction for electrical energy several times in the past reaping similar results. "We will be getting our energy cheaper and from more green and renewable sources which means reduced energy costs for the terminals' operations as well as those of our tenants," said Executive Director Kevin Castagnola. The SJPC is an electrical energy distributor which means that the savings it realizes also benefit its tenants who purchase their electricity directly from SJPC. The new rate will take effect on the first metering reading in January 2013.

Public Agency Compliance Officer reappointed

At its December 2012 meeting, the SJPC Board appointed Patrick Abusi, SJPC Treasurer, as the Public Agency Compliance Officer for 2013. Mr. Abusi has served in that position since 2011 and has been Treasurer since 2006.

From the executive director



THE MISSION of the South Jersey Port Corporation has always been jobs. Good paying, family sustaining, jobs.

In 1968 the New Jersey State Legislature and Governor William Cahill created the SJPC to take over the defunct shipyard of the once mighty New York Shipbuilding Corporation, merging it into the South Jersey Port Commission to forge an economic development engine in the southern region of New Jersey.

After World War II, when America turned from a wartime-driven economy to a global one, the path to a vibrant economic future was job-creating, wealth-generating trade and the key to trade has always been water highways — rivers, creeks, oceans and deep water ports. New Jersey has these natural assets and has committed to maximize their use in South Jersey for job creation.

In creating the SJPC, the state of New Jersey realized that ultimate success would require also committing to private-public partnerships. The SJPC is New Jersey owned corporation with the financial backing of the State of New Jersey. It wisely provides prudent financing to attract private sector tenants and customers at attractive financial terms that in turn are covered by leases and business

generated at the SJPC's terminals.

It's not a give away. It's a partnership where the State of New Jersey, through the SJPC, can incentivize job creating and sustaining business in seven southern counties of New Jersey that form that South Jersey Port District. These are port-related businesses that use our marine terminals. Our public-private partnerships bring benefits to southern New Jersey.

They are businesses like Holcim Inc., the premier international slag corporation whose additives strengthen cement. To support Holcim, the SJPC built a conveyor system and a \$9 million Kochs crane—the first environmentally friendly high capacity, electric crane in the Philadelphia, Camden, Wilmington region.

Similarly, the SJPC formed a partnership with Joseph Oates, the leading U.S. fabricator of high quality vessels for the chemical industry and nuclear facilities with the financing of an overhead lift crane, the costs amortized within its lease payments.

In partnership with Camden International Commodities Terminals, the SJPC became the leading east coast importer of

In creating the SJPC, the state of New Jersey realized that ultimate success would require also committing to private-public partnerships.

Our public-private partnerships bring benefits to southern New Jersey

cocoa beans and the a source to most chocolate confections sold or exported from the United States.

We did it in a partnership with CICT, cooperation of marine terminal unions and by developing a labor-saving, cost-cutting delivery system that has been patented to the SJPC. Rather than hauling individual bags of cocoa beans, 200 at a time are off loaded by sling and placed on carts at dockside. In the process it lowers labor costs and the carts haul the bags of beans off terminal property into a warehouse just outside the terminal gate.

The result of this partnership among government, the private sector and labor unions, is that more jobs have been created and maintained.

It's a partnership that

continues as we work on our critical rail infrastructure. Vital to any international port is dock-side rail that links the marine terminal to the American heartland. Southern New Jersey is a peninsula and rail is a crucial transportation link. That's why the SJPC formed a partnership with Conrail and Salem and Gloucester counties, to win an \$18.5 million federal stimulus grant to upgrade rail access from the southern New Jersey peninsula to the market heartland of America. Rail is an intermodal imperative of a modern logistics infrastructure. It provides the optimum seamless transportation connections to global market of raw material suppliers to producers and to the consumers in the most efficient supply and distribution highway.

This is all made possible by the federal stimulus money called TIGER (Transportation Investment Generating Economic Recovery) and a bipartisan team effort of federal, state and South Jersey from Salem, Gloucester and Camden counties who joined hands in bringing money and jobs to South Jersey.

There are signs the global economy, especially in the United States, is rebounding. National unemployment rates are at a four-year low. The housing market dive appears to have bottomed out and new housing starts are spurting upwards. The stock market has doubled, the pressure of slow recovery is building and the SJPC is working with its private sector partners to be in the best position possible to exploit it.



Workers are shown installing rebar and pouring concrete for bridge foundations at the Paulsboro Marine Terminal.

Looking ahead

Paulsboro omniport construction progressing



Setting of rebar cage within steel pipe pile for bridge foundation



Installation of steel sheetpile to create bridge cofferdam



Commencement of bridge infrastructure: view of Mantua Creek looking upstream (south) - AP Construction's barge mounted cranes

DURING the summer and fall of 2012, a number of projects got under way as part of the Paulsboro marine terminal redevelopment program.

To accommodate the planned terminal redevelopment while maintaining BP's on-going site remediation activities, several remediation well relocations were undertaken. This work included the relocating, reconfiguring and protecting ground water remediation wells such that they will be accessible and secure throughout the duration of site redevelopment.

In compliance with federal and state environmental approvals, the Tidal Wetland Mitigation project was initiated at the Gloucester County Improvement Authority's DREAM Park site. The Tidal Wetland Mitigation project is intended to offset impacts to existing wetlands that will be created by the development of the Paulsboro Marine Terminal & Access Road and Bridge infrastructure. The new 15+ acre tidal wetland area has been constructed in a former dredge material disposal impoundment. Upon completion in the summer of 2013, the tidal wetland mitigation project will install in excess of 18,000 emergent and coastal wetland plants, more than 1,600 shrubs and nearly 400 deciduous trees. The DREAM Park facility remained operational throughout the construction activities.

In late summer and early fall 2012, the Paulsboro marine terminal administration building was rehabilitated. In addition to a face lift for the building's exterior (i.e. new paint, gutters and roof coating), the interior of the existing 4,500 square foot building was reconfigured to accommodate a new open and flexible operating environment. Lastly, following the Superior Court of New Jersey Appellate Division's ruling in favor of the GCIA, which completed the road and bridge related property acquisition process, AP Construction resumed road and bridge construction in September 2012. Bridge related foundation work such as pile supported pier structures, abutment foundations and sheetpile cofferdam installation are underway and will continue into early 2013. Bridge steel erection is targeted to follow during summer 2013.



New marine terminal moves toward opening



At top, contractors putting some finishing touches on the Paulsboro Marine Terminal administration building renovation in late October 2012; and above, looking east along the proposed access road and bridge alignment



Federal **TIGER grant won** **Public-private partnership success celebrated** **by SJPC, Salem County and Conrail**

At a rail siding of the evolving Paulsboro Marine Terminal in Paulsboro N.J., the South Jersey Port Corporation (SJPC) and its partners signed an \$18.5 million federal stimulus partnership agreement on October 12 to build freight rail and bridge upgrades which will greatly improve access from the region into the market heartland of America.

“This is a critical link between the American consumers and producers to the global market place,” said Richard Alaimo, chairman of the SJPC. “You can’t be a world class economy without having world class ports and world class ports require efficient world class rail from dock to markets that this project will accomplish.”

The SJPC ocean terminals in Camden, Paulsboro and Salem have direct access to the major interstate

highways that can reach out to 100 million consumers within 24 hours and 75% of the populations of the United States and Canada within 48 hours. The rail improvements will give the SJPC terminals, with ship-side rail capacity, an enhanced capability to the North America rail network and markets for its customers, including the west coast.

“The \$18.5 million is good but this is an ongoing, evolving process of upgrading and improving our in-

Photos from top clockwise: An overview of the public-private partnership signing ceremony that took place at the developing Paulsboro Marine Terminal in October; at podium is US Senator Robert Menendez. SJPC Executive Director and CEO Kevin Castagnola welcomed guests to the event; at his right is State Senator Donald Norcross. NS and CSX engines sat at the rail crossing, both as a welcome and as a visual reminder of the importance of the improvement to the rail system made possible by the TIGER III grant.



frastructure,” said SJPC’s Castagnola. “We have three crucial upgrades: Upgrade our rails in South Jersey for more efficient movement of cargo; incorporate dock-side rail at Paulsboro Marine Terminal for seamless ship to rail movement of cargo; and strengthen the weight capacity for the Delair Bridge connecting the South Jersey peninsula to heartland of the North American market.”

The SJPC formed an alliance with Salem County and Conrail, le-



veraging their collective \$117 million in infrastructure investments to qualify for the \$18.5 million in federal stimulus money from the U.S. Department of Transportation. It translates into hundreds construction jobs and thousands of long-term jobs into the future. The Transportation Investments Generating Economic Recovery (TI-

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To qualify for the TIGER III grant the SJPC and its local partners: Salem City, Salem County and Conrail, leveraged \$117.65 million in local funding which included the \$60 million investment by SJPC in the Paulsboro Marine Terminal to create the Delaware River Rail/Port Improvement Program.

GER) grants are designed to augment local investments into the transportation infrastructure to spur economic and job development.

The SJPC terminals in Camden and Salem and the soon to be opened Paulsboro Marine Terminal are key to the development of southern New Jersey peninsula. The 42-mile rail freight line from Port Salem, through Swedesboro, Paulsboro, Camden and to Delair bridge, connects to the national rail network. This project will upgrade the line, and build a new two-mile connection to the new docks under construction in the Paulsboro Marine Terminal.

The train speed along the 18-mile line from Swedesboro to Salem, currently limited to 5 mph because of track conditions, will be upgraded to 10 to 25 mph.

The Delaware River Rail / Port Improvement Project is divided into three components, starting with Conrail's Delair Bridge approach rehabilitation utilizing \$12.5 million of the grant with a \$12.5 million match. The Salem County component is comprised of two projects; the Oldmans Trestle Rail Bridge replacement at a cost of \$3.5 million including a local match of \$500,000 and the Salem Running Track rehabilitation, at a cost of \$1.55 million and a local match of \$750,000.

The SJPC component is the Paulsboro At-Grade Rail Infrastructure at a cost of \$3.2 million with a local match of \$1 million. This component leverages the ongoing construction of the new Paulsboro Marine Terminal, which will have on-dock rail capability to service ships with rail service directly.

With rail upgrades completed in 2013, train speed along the 18 miles from Swedesboro to Salem will in-

DELAWARE RIVER RAIL/PORT IMPROVEMENT PROJECT

I. Delair Bridge rehabilitation project to begin in the fall of 2012

- Replace 8 spans by December 2013
- Replace (the first) 18 spans by June 2014
- Replace (the second) 18 spans by December 2014
- Replace (final) 16 spans by December 2015
- Completion: December 2015

TIGER funding: \$12,500,000; Local Match: \$12,500,000; Total: \$25,000,000

IIa. Oldmans Trestle Rail Bridge project expected to begin in fall of 2012

- Final engineering and construction documents by April 2013
- Contractor mobilized by August 2013
- Replace south, north and center spans by December 2013
- Completion: by April 2014

TIGER funding: \$3,000,000; Local Match: \$500,000; Total: \$3,500,000

IIb. Salem Running track rehabilitation and replacement to begin in 2013

- Design and construction documents completed by April 2014
- Construction of rail upgrade by December 2014
- Completion and certification by March 2015

TIGER funding: \$800,000; Local Match: \$750,000; Total: \$1,550,000

III. New, at-grade, in-terminal rail at Port of Paulsboro to begin fall of 2012

- Final design and construction documents by September 2013
- Construction of rail crossing, turnouts and 11,000 linear feet of track by July 2014
- Completion: July 2014

TIGER funding: \$2,200,000; Local Match: \$1,000,000; Total: \$3,200,000

crease from 5 mph to 10 to 25 mph.

The Delair Bridge was constructed in 1896 to connect rail across the Delaware River into northeast Philadelphia and into the national rail network. The 4,396-foot span is a lift bridge, which has a section that rises to accommodate ship traffic. Work will be completed in 2015.

"Infrastructure is always a work in progress and it will require more federal investment as we continue to work together to give South Jersey the infrastructure it needs to continue to be a global competitor," Castagnola said.

The South Jersey Port Corporation is an agency of the State of New Jersey overseeing the import and export of international bulk, breakbulk and container cargos into and through South Jersey. The agency owns, operates and manages the Balzano Marine Terminal and the Broadway Terminal in Camden, NJ and the Salem Marine Terminal in Salem, NJ and is developing a new port facility, the Paulsboro Marine Terminal, in Paulsboro, NJ. The agency is also the grantee for Foreign Trade Zone #142.



New Jersey Senate President Stephen M. Sweeney acted as master of ceremonies at the TIGER III signing.



SJPC Directors, Joseph A. Maressa, Jr., Robert A. DeAngelo, Sr., and Sheila Roberts, attended the TIGER event.



Work on the Paulsboro Marine Terminal continued throughout the TIGER III Partnership signing event, with cement trucks passing the site of the ceremony on their way to the waiting forms.

Feature Story



Raw cocoa beans come into the marine terminals in Camden by thousands of burlap bags and then are shipped out to the chocolate manufacturers located within 90 miles of the port facilities. The SJPC's facilities revolutionized how cocoa beans are handled at U.S. ports.

Cocoa reigns at SJPC's terminals

Cocoa beans, the source of Mesoamerica's "gift of the gods" that has addicted a planet, flow from Africa and Asia across the docks of the South Jersey Port Corporation to feed the almost insatiable craving of hundreds of millions chocoholics. It is Montezuma's most delectable revenge.



KING COCOA



Cocoa tree flowers



Cocoa pods on tree



Farmer harvests pods



Cocoa beans are seeds



Beans are fermented



Cocoa beans turn brown



Beans are bagged

The process in which cocoa beans go through on their journey into the world's favorite sweet, chocolate.

The South Jersey Port Corporation terminals have for years been the epicenter of cocoa bean imports into the eastern United States, feeding the nation's and many of the world's largest chocolate processors and confectioners, all within 90 miles of the port. From vending machine candy bars to connoisseur chocolates concocted for discerning palate rivaling that of the most snobbish wine sommelier, the lifeblood of the chocolate, the dried cocoa beans, pulses through the SJPC docks in Camden, New Jersey, and Camden International Commodity Terminals.

"It's a good reliable business," said Kevin Castagnola, executive director of the SJPC. "In many ways it is recession proof. People like their chocolate and chocolate candy, maybe a little bit more in bad times. We've become the prime cocoa bean import port for the east coast because we're the premier bulk, break-bulk port in the region and we're always flexible to meet the customer's needs. This is a very competitive business. There will never be one port that handles all of business – whether it's cocoa beans or lumber. Customers want competition for price and service and don't want to put all of their eggs – or beans – in one basket. Our job is to be the best choice among all of the rest."

The SJPC prominence in the cocoa bean imports was developed by the SJPC with its partner tenant, CICT, over decades of collaboration. It's a success story of innovation, specialty cargo handling, labor collaboration and geographical reach to the world's largest

candy makers and to the richest consumer market in the world with hundreds of millions of chocolate lovers and chocoholics.

Today 100,000 tons of cocoa beans, mostly from Africa's Ivory Coast, move through the Camden ports and one million square feet of warehousing. It supports hundreds of family sustaining jobs, including 50 at the CICT warehouses and 35 full time equivalents. Last year, CICT paid out \$1,000,000 in wages just for temporary unskilled day laborers in one of the poorest cities in America with one of the highest rates of unemployment and poverty. CICT pays \$400,000 in local property taxes.

It was a business that was developed by seizing upon the blunders of others and adeptly and quickly offering a solution to a problem, a 1993 scandal that threatened the chocolate confection industry in America. That problem was five filthy, infested cocoa bean warehouses in Norfolk, Virginia, which the FDA quickly moved to close to protect the chocolate food chain in America. While Norfolk was not the sole or even dominant port of imported cocoa beans, the scandal threatened the reputation and integrity of the cocoa bean supply to America processors. The industry reacted quickly to protect the integrity of its supply chain.

At the time CICT was a small player in the cocoa bean import business, importing 10,000 tons a year. That translates into 150,000 bags of beans. Today, CICT handles 1.5 million bags a year and growing.

It's a success story of innovation, specialty cargo handling, labor collaboration and geographical reach . . .

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**The Latin name for cocoa is “Theobroma,”
literally food of the gods**

Chocolate legends: Fact or Fancy?

A Chocolate a Day could keep the doctor away.

While there is no science to prove that chocolate will stir the passion of the heart, there is some evidence, according to the industry, that chocolate helps to keep arteries open and flowing and is great for the heart, somewhat like a good glass of red wine. Like red wine, medicinal benefits of chocolate are limited compared to other factors: alcohol in wine and fat in chocolate. So, daily moderation in chocolate consumption is recommended. Chocolate also contains antioxidants and flavonols to help prevent cancers and reduce cancer cell growth in cases of colon and breast cancer but no one is suggesting it's a cure.

Chocolate: Montezuma's Viagra!

Chocolate: the delicious aphrodisiac. The magical elixir of amorous men convinced that the magic powers of chocolate was the way to their ladies' heart and favor. Chocolate contains tryptophan a key chemical to serotonin and serotonin is part of the brain cocktail for sexual arousal. The turkey is another good source of tryptophan but showing up for a date with a dead turkey could be a real turn off and possibly dangerous. But, chocolate also contains phenyl ethylamine, an amphetamine-related stimulant that is released in the brain when people fall in love. That could do the trick. Not really. The journal Sexual Medicine, reported 163 Italian women, all about 35-years old, how sexually aroused they became when eating chocolate? They were given up to five serving of chocolate. Chocolate just didn't excite them...it tasted good. On the flip side, Montezuma, the great Aztec Emperor and prolific father, considered cocoa his Viagra - even before there was Viagra. Proof? There's none but any excuse for eating chocolate works.

Chocoholics - A craving not an addiction

The craving for chocolate, especially among women and most often during their monthly cycle, can become intense, according to published reports, but it's not physically addicting. It just seems to push some emotional comfort buttons in one's psyche creating a sense of well being and that includes men too.

Chocolate - A food in Europe, an indulgence here.

On average, Americans consume about 11 pounds of chocolate a year. Europeans consume twice as much as they consider chocolate a nutritional food source, like the Germans think of beer. When first brought to Europe, chocolate was bitter, served as a brew with spices. It was marketed as the Mayan “food of the gods,” with medicinal and healing qualities and was an aphrodisiac to boot. Over the centuries chocolate moved from palace to the middle class and to the masses. The Swiss with lots of cows added milk and everyone added sugar to cut the bitterness and the beans were ultimately ground —conched— into a smooth cocoa butter, lecithin laced to eliminate the grit in the chocolate. By the time it reached the North American colonies it was a confectionery delight, the embodiment of self-indulgence to the puritanical colonists but more acceptable than the rum, wines and whiskey which flowed into the colonies.

Chocolate - It's all in the name

The Spaniards were brilliant marketers of the plundered resources of the New World. They saw a real upscale market for cocoa in Europe but the name for the dark brown substance that the Myans called “caca” was a problem. So they rebranded it as “chocolate” and the rest is history.

Chocolate - Cure for Stretch Marks

No one knows who came up with the idea or when, but hundreds of millions pregnant women over the years religiously slather their growing bellies with coca butter to immunize their bodies from the dreaded stretch marks of pregnancy. Maybe it was 18th century European physicians who prescribe chocolate for their expectant mothers. If was good inside Mom for Mom and baby, maybe it would be good outside too. There is no credible research to support the value of cocoa butter to prevent or repair stretch marks and some suggest Vitamin E may slightly better if at all. Given the choice of sleeping with a pregnant wife smelling like chocolate or smelling like a week-old fish, the source of much of Vitamin E, cocoa butter wins out ever time.



Beans fly off the ship



On the wharf is the patented trailer waiting for the bags of cocoa beans



Once in the warehouse, the pallets of cocoa beans are stacked awaiting shipment



Many of the bags are broken down into bulk and shipped to chocolate makers by rail

CICT looking at value added services

The company's owners, Jeff Wheeler and Gary Mahon, working with the SJPC and then Executive Director Joseph A. Balzano and the ILA found solutions that grew the cocoa bean business at the SJPC into the east coast king of cocoa beans.

It required a calculus of assuring the beans would be handled and warehoused in clean warehouses, free of and protected from infestation; quick and efficient shipment to the chocolate processors; and efficient cost-sensitive handling of the cargo in a labor market that tended to lean towards the high end.

Cocoa beans are an ugly, dusty, labor-intensive cargo best handled in break-bulk 100-pound burlap bags. Each bag requires two men to move it and 100,000 tons translate in to 1.5 million bags to be handled. Unlike wheat, corn or other foods and grains, cocoa beans don't ship well in bulk and can't tolerate being molested by backhoes, crane buckets or being suffocated in a the hot hold of a ship under a mountain of other cocoa beans.

The beans are exported in slings of 20 bags. They are loaded to and from the dock and ship by a crane that moves 20 slings of bags at a time. From the hold, the 20 slings of bags containing 400 bags are dropped onto the dock, where ILA longshoreman would pick up one pallet with 20 sacks of beans, drive it into the warehouse where other workers would store the bags for further processing.

The SJPC had a better idea that would move all 400 bags in one movement from shipside to warehouse 300 yards away. It required the

collaboration of the SJPC, CICT and the ILA.

Wheeler and Mahon could control their labor costs in their warehouses but not on the dock. They needed to render to the International Longshoremen Association the things that were ILA and develop a labor cost structure that was efficient and competitive to the shippers. The ILA jurisdiction extended from the ship to the dock.

The SJPC, working with CICT and the ILA, developed the solution that was a win for SJPC, a win for CICT, a win for the ILA and a win for the local economy. It's a laborsaving, patent-pending flatbed trailer that ferries an entire crane swing of 400 bags of cocoa beans from the hold of the ship to the warehouse without physically touching the dock. It was a simple, yet revolutionary idea. It increased efficiency and reduced labor costs. It resulted in a ten fold increase of cocoa bean imports into the port, more ships to unload thus more ILA jobs at the docks and more jobs to ferry the beans to the warehouse and more jobs to unload, de-bag, sort and clean and repackage and transport them to the chocolate processors, 90 percent in bulk shipments. Approximately two to four percent of the cocoa bean cargo includes dirt, dust, stones and other debris that removes before shipping out the beans to the processors.

CICT supplies beans to the six major chocolate processors, all within 90 miles of the Camden ports. The processors, in turn, provide the processed bulk chocolate and chocolate liquor to

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From top left: The bags of cocoa beans fly off the ships from Africa and southeast Asia, arriving at South Jersey Port corporation's docks in Camden, NJ. From there, the bags are loaded onto the Port Corporation's patented trailers and are driven to the warehouse. There, the bags are stacked, awaiting the rail cars in which they'll become bulk when the bags are emptied into the cars. And finally, they go to the chocolate manufacturers and are turned into smooth, delicious chocolate to satisfy the cravings of millions of consumers.

Chocolate by the numbers

Country	Cocoa beans produced	Percentage of world production
Côte d'Ivoire	1.23 million tons	34.7%
Ghana	730 thousand tons	20.6%
Indonesia	490 thousand tons	13.8%
Cameroon	210 thousand tons	5.8%
Nigeria	210 thousand tons	5.9%
Brazil	165 thousand tons	4.7%
Ecuador	130 thousand tons	3.7%

The Olmecs, Aztecs and Mayans of Mexico and Central America discovered cocoa but their Spanish exploiters introduced it to the world. Now the Ivory Coast of West Africa, Ghana and Indonesia dominate the world cocoa trade, with Brazil and Ecuador the most prolific producers in the Americas. Africa produces 75% of the world's cocoa beans.

The Europeans triggered the proliferation of cocoa bean production by exporting cocoa trees from Central America to their other colonies in around the world, as long as they were located within 20 degrees south of the equator the sweet spot for cocoa production. The Ivory Coast and Ghana are particularly well suited for growing high quality cocoa beans and as a result cocoa production became the mainstay of small family farms where comparative labor and land costs are lower. To increase yields and support the farmers, the cocoa industry has been aggressively promoting sustainability to the farmers.

CHOCOLATE CONSUMERS

Europeans consume twice the amount of chocolate as Americans and account for nearly 50 percent of all chocolate consumed. On average Europeans eat 24 pounds of chocolate per capita annually and there is no gender gap in who devours chocolate. But Americans buy 58 million pounds of chocolate for Valentine's Day, shelling out about \$345 million for chocolate confections, more than triple what they spend for chocolate candy for Halloween.

Comparatively, Asia hasn't yet developed a passion for chocolate but it's beginning to as its economies grow. In 2008, the chocolate consumption in China was about 3.5 ounces/person, nearly half of that of India. Both offer huge potential for growth. Market projections suggest the Asian market will grow within a decade to 20 percent of the world chocolate market.

World CONSUMPTION of cocoa: 2008/09

- Europe – 49.32%
- North America – 24.22%
(US only – 20.19%)
- Asia and Oceania – 14.49%
- South America – 8.68%
- Africa – 3.28%

Annual per capita CONSUMPTION of chocolates: 2008

- Germany – 11.39 kg
- Switzerland – 10.77 kg
- United Kingdom – 10.31 kg
- Norway – 9.8 kg
- Denmark – 8.57 kg
- Belgium – 6.8 kg
- Australia – 5.96 kg
- US – 5.09 kg
- Brazil – 2.48 kg
- Japan – 2.15 kg

Net world Cocoa EXPORTS: 2008/09

- African region – 76.8%
- Asia and Oceania – 16.9%
- Americas – 6.19%

Top 5 countries, Net world Cocoa EXPORTS: 2008/09

- Ivory Coast – 37.01%
- Ghana – 19.16%
- Indonesia – 15.33%
- Nigeria – 8.71%
- Cameroon – 7.03%

Net world Cocoa IMPORTS: 2008/09

- Europe – 58.87%
- America – 27.25%
- Asia and Oceania – 12.12%
- Africa – 1.7%

Top 5 countries, Net world Cocoa IMPORTS: 2008/2009

- United States – 20.96%
- Germany – 13.20%
- Belgium – 6.28%
- United Kingdom – 5.63%
- France – 5.47%



The Port's largest **cocoa bean** shipment ever came from the Ivory Coast



RECORD-BREAKING CARGO — *M/V Atlantic Tramp, above, made her maiden voyage to the United States in 2010 filled with \$60 million worth of cocoa beans (in 283,360 140-pound bags), which were harvested in the Ivory Coast, destined for Camden International Commodities Terminal in Camden, New Jersey, and headed from there for Blommer Chocolate Co. in Pennsylvania.*

COCOA SHIPMENTS RETURN — *Cocoa bean shipments from the Ivory Coast resumed at the Port's terminals in May after a four-month stoppage attributable to political unrest in that country. Jeff Wheeler, president of the International Commodities Terminal in Camden, noted that the South Jersey Port handles about 40% of all U.S. cocoa bean arrivals.*

Cocoa reigns at SJPC

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the candy makers including Mars and Hershey.

In addition to increasing cocoa bean import, CICT is looking to increase the value add services it offers to its chocolate processing customers, creating more jobs and opportunities for the South Jersey region.

In its current business model, CICT imports and warehouses the beans, debags them and cleans the beans for bulk shipment.

"We're looking to expand the business to the next level which would be processing the beans into nibs, which is really the heart of the bean, and the next step before it is processed into chocolate liquor," said Wheeler. "The processors want to concentrate more on processing

the chocolate and less on cleaning, sorting and prepping the bean for processing. That is an opportunity that we can grow into over time."

For now, there's another ship loaded with cocoa beans from West Africa to be unloaded.



Port security

Security Requirements

Know before you GO...

BEFORE YOU ARRIVE at any of the SJPC facilities, you need some facts. A full list can be found on SJPC's website, southjerseyport.com, but the following are some basics.

Know the current MARSEC Level at SJPC's Balzano and Broadway Terminals. The security management team at the facilities includes Executive Director Kevin Castagnola; Facility Security Officer Jay Jones who is also deputy executive director; and Security Captain Lou Malatesta.

The SJPC has the right to deny entry to anyone. SJPC uses Gate Access Lists to verify authorized access to vessels. The responsible party for each vessel must submit a Gate Access List via fax prior to the vessel's arrival, weekdays from 8 AM - 5 PM.

Access to facilities, like border searches, carries implied consent to search all vehicles and persons. Anyone who refuses will be denied access.

All who enter SJPC facilities must possess and present an approved valid photo ID which include state driver's licenses, Seaman Cards, military, federal,

state or local government cards, port IDs.

Persons seeking un-escorted access must possess, in addition, a valid TWIC. An SJPC approved TWIC Escort must accompany all non-TWIC holders. SJPC provides TWIC escort training programs.

A valid state-issued driver's license is required for operating any motor vehicle within the terminals.

No weapons, firearms, alcohol or illicit drugs are allowed within the facilities.

There will be no unauthorized:

- boarding of vessels
- photography or videography
- access to any area designed as "RESTRICTED SECURE"

- parking on dock apron or next to or between cargos

All entries are logged by time, date, name, tag #, TWIC/Escort status and receipt confirmation of Visitor Security Responsibilities.

All cargo and vessel stores entering and/or leaving the port must have supporting documentation.

Everyone has a civic duty to report suspicious persons and activity to SJPC at 856-757-4978 at the Balzano Terminal and 856-

Screening of personnel, vehicles, cargo, and deliveries will be conducted in accordance with the current MARSEC level.

IN FULL COMPLIANCE

On February 28, 2013, the U.S. Coast Guard, Sector Delaware Bay, conducted the annual Maritime Transportation Security 105 compliance inspection for the South Jersey Port Corporation's Balzano Marine Terminal and Broadway Terminal. The USCG concluded SJPC to be in full compliance with federal security regulations. During the security inspection, the U.S. Coast Guard also performed the annual Designated Waterfront Facility 126 compliance inspection for the Balzano Marine Terminal and found the terminal to be compliant with the regulations. SJPC maintains this federal safety compliance certification in order to be able to receive certain types of HAZMAT cargoes.



757-4956 at the Broadway Terminal. If the persons or activity could be considered life threatening, contact 911 immediately.

Levels of alert are identified by US Coast Guard MARSEC levels:

- Level 1 - normal
- Level 2 - heightened threat
- Level 3 - threat is probable or imminent

Screening of personnel, vehicles, cargo, and deliveries will be conducted in accordance with the current MARSEC level.

All traffic and safety signs must be obeyed.

Only authorized personnel and vehicles are permitted in our warehouses.

SJPC security personnel patrol 24/7 and other enforcement agencies also have access to SJPC facilities.

All questions must be directed to SJPC at 856-541-8500.

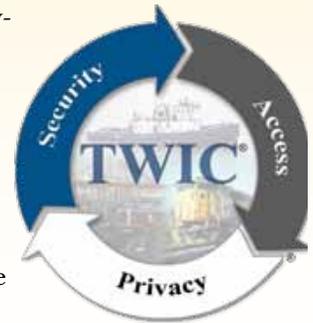
Short-term renewal proves popular with TWIC holders

THE TRANSPORTATION SECURITY Administration's new three-year Extended Expiration Date (EED) TWIC has proved so popular that the TSA has been overwhelmed with applications. The TSA is now asking that only those workers whose cards expire within four months should apply for the EED at this time. The TSA's contractor is actively working to remedy the busy signals and long waits to speak to a representative.

Workers whose cards expire within four months or who have lost a card and need an immediate replacement regardless of the lost card's expiration date should call the TWIC Help Desk at 1-866-DHS-TWIC (1-866-347-8942).

Beginning in 2008, anyone granted access into the Balzano or Broadway Terminal has had to possess a Transportation Worker Identification Credential (TWIC), issued through the Transportation Security Administration, or make arrangements to be side-by-side escorted. The federal TWIC requirement impacts everyone, from employees, to longshoreman, to truck drivers and even vendors who call at the port.

Five-year TWIC cards cost \$129 with a renewal cost \$105. The shorter renewal (three years) card costs \$60. The new EED TWIC is a one-time temporary extension option intended to provide convenience and cost-savings to workers in advance of the deployment of TWIC readers. Obtaining an EED TWIC is totally optional. The normal TWIC renewal requires two visits to an enrollment center and payment of the full fee. The EED TWIC requires only one visit to an enrollment center and the reduced fee. A majority of the TWIC cards issued at the onset of the program began to expire at the end of 2012.



SJPC AND STATE POLICE HOLD DRILL AT PORT

In coordination with the New Jersey State Police, Port staff developed a drill which was carried out in late spring. The exercise was similar to past "show of force" drills, took place at both the Balzano and Broadway Terminals and satisfied MTSA compliance requirements.

STAFFER ATTENDS CYBER TERRORISM SYMPOSIUM

Deputy Executive Director Jay Jones attended the State of New Jersey Cyber Terrorism Symposium, hosted by the New Jersey Office of Homeland Security and Preparedness, in May. The agenda included a cyber terror briefing, National Level Exercise briefing and a tabletop exercise.

MOBILE TRAILERCAM AT PMT

A mobile trailercam has been activated at the Paulsboro Marine Terminal. The camera operated by remote access takes photographs 24 hours a day. The photos can be used to show progress or weather, and have been proven useful already. The trailercam survived Superstorm Sandy with no problem.

Updates

News from around the port and the world



SPREADING THE WORD— South Jersey Port representatives and Gloucester County staff welcomed guests to the TIGER III Partnership Signing Event at the developing Paulsboro Marine Terminal at the end of October. Shown here are Deb Selitto from Gloucester County and Jay Jones from the Port. More than 150 people attended the event and most took a look at the information provided at the table.



AMERICAN INSTITUTE FOR INTERNATIONAL STEEL

SJPC's Executive Director Castagnola will represent the Port at the 62nd annual dinner of the AIIS in New York at the end of November.

Mr. Castagnola is the chairman of the AIIS Ports Committee and is a strong advocate for steel throughout the maritime industry.

For over 50 years, the AIIS mission has been to promote free trade and economic growth in steel. The Institute accomplishes its mission through advocacy, networking, communications and education.

BREAKBULK CONFERENCE IN HOUSTON

The 2012 Breakbulk Americas Conference was held in Houston this year and Executive Director Castagnola and Deputy Executive Director Jones represented the South Jersey Port at the event, talking to clients, spreading the word about the SJPC ports' many advantages for shippers and handing out materials to conference attendees. The more than 4,500 people registered for this conference showed a more positive attitude toward the economy than had been demonstrated in several previous years, according to SJPC's representatives.

ALL ABOARD

The SNJDC's Annual Economic Development Waterfront Tour of the Delaware River offers attendees an ideal opportunity for a narrated update of current and projected projects along the Camden/Philadelphia waterfronts and is one of the largest networking opportunities for both members and non-members. This year, South Jersey Port's Jay Jones narrated the excursion, pointing out the projects under way on both sides of the river, all of which add to the economic vitality of the Delaware Valley region.

SJPC also took part in the 7th Annual Tri-County Economic Development Summit, An Opportunity for Success, held September 28 at The Westin Hotel & Conference Center, in Mt. Laurel, NJ.



Chamber of Commerce Southern New Jersey *Where business grows*

PANEL

SJPC's Executive Director Castagnola joined other executives at the Adventure Aquarium in Camden in December on a panel discussing the future of ports and the waterfront for the Chamber of Commerce Southern New Jersey branch.



PORT BUSINESS PARK NEWS

STATE METALS has extended its lease with the South Jersey Port Corporation. State Metal Industries, Inc. (SMI) is a state-of-the-art producer of specification aluminum ingot for the die cast, foundry and steel industries. ISO 9001-2000 Certified and LME Registered, SMI operates 24/7 at its four-acre facility at the SJPC business park.

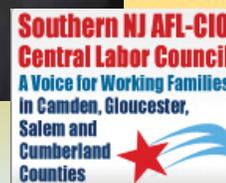
CAMDEN COUNTY CORRECTIONS requested a one-year lease renewal for their space at Broadway Terminal. The SJPC Board approved the request; the renewal is effective December 1, 2013.



SJPC DIRECTOR HONORED BY LABOR COUNCIL —

SJPC Director Carl Styles was honored by the Southern New Jersey Central Labor Council, AFL-CIO, with the George E. Norcross Humanitarian Award for his dedication to community service. The Rev. Styles is the business manager of Laborers Local 77 in addition to being the spiritual leader of a Camden church, which also honored him for the 20 years

of leadership he has provided to the church and its congregation.



Breaking news

After the storm — A partner in working toward recovery

OUR TERMINALS dodged the intense wrath of Super-storm Sandy and are positioned to handle the anticipated influx of rebuilding materials New Jersey and the region will need for recovery efforts.

“We in New Jersey have a well-known attitude, an indomitable spirit that Governor Christie has called upon,” observed Executive Director Castagnola. “It’s not false bravado. It’s a well-earned confidence that we can take the best shot from anyone or anything, even Superstorm Sandy, and still win. New Jersey is going to rebuild and the South Jersey Port’s terminals, tenants and team will help to make it happen.”

New Jersey took the brunt of Sandy, the worse storm ever to hit the United States. Huge swaths of New Jersey were flooded, thousands of homes destroyed, tens of thousands of New Jerseyans dislocated, power lines cuts to millions and property damage estimated at \$50 Billion.

“Our South Jersey Port termi-

nals were far more fortunate,” said Castagnola. “Throughout the entire storm, our terminals were up and running. Cargoes were safe. Facilities withstood the elements although we did experience about \$150,000 in roof damage. We’ll fix it. We were fortunate compared to other ports, especially in the New York/North Jersey port which had to close down for days.”

Now New Jersey and the region are in a rebuilding process. “That will require massive amounts of construction materials from concrete and steel to plywood and lumber and we’re ready to help,” Castagnola said. “We’re the number one plywood port in the United States and so we can anticipate increased tonnage in plywood and other construction materials. We’re prepared to help in any way that we can.”

The SJPC, a quasi-state agency, is a resource available to the State for the rebuilding effort.

From Antwerp to Camden to Pennsylvania

In December the M/V Fuga arrived at SJPC's Balzano Marine Terminal to discharge 192 mining shields destined for mines in Pennsylvania.

THESE SPECIALIZED, HYDRAULIC MINING roof supports, shown lined up at Balzano Marine Terminal in these three photos, were loaded in Antwerp and weigh 27 short tons each. Mining shields are used in a mining operation called the longwall method. In longwall mining, the coal is mined by a rotating cutting drum that moves back and forth along a lengthy coal face called a longwall. The severed coal falls into a conveyor system for transport out of the mine. During the mining, a series of steel shields or props called mining shields, like giant piano keys, support the mine roof and protect the operator. The safety of miners is enhanced greatly with longwall mining because they are always protected by the steel canopies of the mining shield. Additional shipments of mining shields are expected to arrive throughout the year.





PORTOCALL



SPRING 2013

SOUTH JERSEY PORT CORPORATION

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Camden NJ 08103

www.SouthJerseyPort.com

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