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# Port officials to meet with shipping execs in Asia

Jacksonville Business Journal - by Tony Quesada Staff writer

JACKSONVILLE -- Call it the Jacksonville Port Authority's Far East version of "Meet the Parents."

Roy Schleicher, the port's senior director of trade development and marketing, will be among a group of port officials visiting Asia June 4-12. No Asian shipping line has a direct sailing between Jacksonville and the Far East, but Schleicher said the port has been talking with U.S.-based representatives of several Far East carriers about establishing one. He said the port is ready for the next step of meeting with those companies' top leaders at their headquarters.

"Now's our time to go to the home offices," Schleicher said. "With the Far East, you have to build a relationship. That's why we're going over there. Those companies' people in the United States know who we are, but we have to get those on the other side of the ocean to be comfortable with us."

The group plans to meet with officials from up to 10 shipping lines in China, Japan, South Korea and Taiwan, said Ben Massa, the port's director of northeast marketing and sales.

"Our goal is to get a transpacific and transatlantic carrier within the next two years," said Massa.

Regardless of how impressed Asian shipping executives might be with the Jacksonville port's efforts getting them to send ships here will depend on convincing them that those ships will return full of cargo.

"The recurring question that comes up relative to our ports is what exports do we have to send back on the ships that come in?" said **Jim Valenti, CEO of World Trade Group LLP**, a consulting firm specializing in helping companies do business in China. "When you're trying to encourage foreign shippers to call on your port, you have to show what can go out. We have not been able to do that."

Massa said his group understands that imperative and has analyzed shipping data from last year to address it. For example, of U.S. exports that moved between Charleston, S.C., and Miami in 2003 87 percent is "friendly to Jacksonville," Massa said, meaning that the cities from where shippers are already sending goods to Asia are closer to Jacksonville or have access to modes of transportation that make Jacksonville at worst equal to other ports where cargo is moving from.

Chief among those other ports is Savannah, Ga., which Massa said dominates the Southeast market for shipping directly to the Far East.

"They have them all," Massa said, referring to the Asian ocean carriers that call on Savannah regularly. "I'd venture to say that's 60 percent to 70 percent of their container business."

Schleicher said Savannah's lead over Jacksonville in the Asian shipping market stems from differing strategies the two ports pursued about seven years ago. Savannah pushed the Far East market, while Jacksonville worked to carve out its hefty share of the Caribbean and Latin America, he said. By tonnage, 77 percent of exports shipped from the port authority's cargo terminals goes to Puerto Rico, with Brazil a distant second at 4.3 percent.

Today, with China's 1.3 billion people and their steadily rising personal income helping make the Far East the fastest-growing consumer market, Asia is the continent U.S. ports want to do business with.

"You're seeing double-digit growth in the Far East, especially China," Schleicher said. "Growth in Latin America is much smaller."

Although convincing Asian carriers that shippers are ready to export from Jacksonville is key, Massa said he sees another topic posing a more difficult test of persuasion.

"A bigger obstacle is the depth of the water" in the Jacksonville shipping channel, Massa said. The channel's recently dredged 41-foot depth is sufficient to establish a dedicated route, he said, but port officials must "show them our commitment to making 45 feet happen," a major port initiative.

The concern, Massa said, is that shipping lines will not be interested in coming to Jacksonville if they think they won't be able to send ships with deeper drafts.

"The harbor deepening is critical to our success," he said.

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