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PROEXAG

NON-TRADITIONAL AGRICULTURAL EXPORT SUPPORT PROJECT

**CONTAINER ALLOCATIONS: AN ANALYSIS OF THE
1987-1988 MELON SEASON FOR CENTRAL AMERICA AND PANAMA**

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**SUBMITTED TO:
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Guatemala City, Guatemala**

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I. DATES OF ASSIGNMENT

The assignment covered the period October 1987 through June 1988, coinciding with the Central American melon shipping season. Travel included fall 1987 meetings in Florida with representatives of ocean carriers, and a June 1988 trip to Guatemala, Costa Rica, Honduras, and El Salvador.

II. PURPOSE

As shown in the attached graph, U.S. fruit and vegetable imports from Central America have shown a steady increase during 1980-1986. The corresponding demand for refrigerated transport has caused a great deal of concern among current and potential exporters. For example, Honduran melon exporters' announced intentions in October 1987 for 30-70% increases were indicative of potential equipment shortages for the season.

Partly in response to similar concerns from Chemonics' client ROCAP, the PROEXAG project elected to undertake an effort to collect equipment supply and demand information to provide PROEXAG and prospective exporters with a critical mass of relevant information from which to decide if: a) sufficient equipment is available to cover projected equipment needs for the season; b) the demand justifies additional service; and c) alternative options exist.

III. SCOPE OF WORK

In light of the timing of the request, it was decided that a complete analysis of all agricultural exports requiring of refrigerated service was not feasible. The decision was made to focus on melons for the following reasons: a) melons are the region's second largest refrigerated export commodity (with bananas being first); b) melon exports are seasonal in nature and therefore potentially more susceptible to equipment shortages than year-round or higher-value commodities; and c) melons are exported from the four Central American countries included in the PROEXAG project (Honduras, Costa Rica, Guatemala, Salvador), plus Panama, and are priority crops under that project.

The following tasks were included as part of the scope of work: (item #5 having been added to the initial scope):

1. In coordination with the PROEXAG marketing specialist, conduct an initial assessment of refrigerated ocean container requirements for melons during the November 1987- May 1988 period. Contact export federations, high-volume shippers, and Central American carrier representatives to ascertain demand levels by shipper, country, and month.
 2. Identify, where possible, peak demand periods, and potential problem areas, including lack of sufficient equipment.
 3. Present information to existing ocean carriers (liner association and independents) to reconcile facts and figures, also utilizing information gathered in PROEXAG's transport service assessment.
 4. Identify potential equipment deficiencies and any areas requiring further investigation.
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5. Conduct a March mid-season assessment in Central America and Panama of actual shipments (containerloads) to date, and any shortages incurred.

6. Based on findings, develop recommendations for dealing with perceived deficiencies and bringing supply and demand into line with one another.

IV. PERSONS CONTACTED

Contacts were made with the following individuals and companies during the assessment:

A. Guatemala

Ricardo Frohmader, PROEXAG
Gordon Straub, USAID/Guatemala
Pirie Gall, ROCAP
Rick Clark, ROCAP
Paul Tuebner, ROCAP
Nancy Fong, ROCAP
Luis Marroquin, Transmares
Dag Ness, Navecon
Geoff Holbick, Sea-Land Service
Danilo Morales, CCT
Fernando Garcia Rivera, CCT
Salvador Franco, Sea-Board Marine
Jim Marsh, Frios
Haroldo Zaldivar, Gremial de Exportadores No-Tradicionales
Ricardo SantaCruz, Gremial de Exportadores No-Tradicional.
Fanny Estrada, Gremial de Exportadores No-Tradicionales
Chuck Chambers, Productos Frescos
Dale Krigsvold, United Brands
Ariel Espana, Promotora Agricola Basico Ltda.
Ricardo Alfaro Castillo, Agricola La Aurora
William Hubbell, CAPCO
Garret Denbleker, CAPCO
Fco. Javier Benedetti Morales, CAPCO

B. Honduras

Dan DeVito, Commercial Attache, U.S. Embassy
Medardo Galindo, FEPROEXAAH
Rolando Pretto, FEPROEXAAH
Ted Briggs, Ambassador, U.S. Embassy
Manuel Rocha, First Secretary, U.S. Embassy
Derald Smart, AgroInternacional
Rafi Nir, Shemesh-Agrotech International
Miguel Molina, Agropecuaria Montelibano
Guillermo Maradiaga, CREHSUL
Jesus Coto, PATSA (Chiquita)
Melido Reyes, Coagroval
Jose Maria Osorio, Agencia Maritima del Sur

IV. PERSONS CONTACTED (cont'd)

C. Costa Rica

Mario Guzman, CAAP
Alvaro Estrada, CAAP
Jose (Fidel) Tristan, Exporpak
John Brealey, Exportak
Valentin Quiros, Melones de Costa Rica
Luis Anchia, Jay Nichols
David Anderson, Del Monte
William Barbee, USAID/CAAP
Nestor Baltodano, Juno Marine
Tom Krajewski, Sea-Land Service
Mario Barbosa, FEDEPRICAP
Carlos Echeverria, FEDEPRICAP

D. El Salvador

Roberto Arbizu, FUSADES
Pedro Urquilla, FUSADES(formerly)
Mario Molina Batlle, FUSADES
Frank Skowronski, USAID/El Salvador
Francisco Canas Alvarenga, F.C. Alvarenga
Ricardo Alfaro, Agroexportadora
Alfredo Rodriguez, Agroiinternacional
Juan Jose Boyat, CAEXI
Jorge Castillo, Cape Melon
Nelson Antonio Castro, N. Antonio Castro
Jorge Cea, Jorge Cea
Salvatore Chiriatti, Salvatore Chiriatti
Mario Cantizano, El Rico
Rafael Trigueros, ExSalva
J.J. Gutierrez, J.J. Gutierrez
W. Valiente, La Yunta
A. Mejia, Antonio Mejia
Franklin Santiago Valle Recimos, Franklin Santiago Valle
Roberto Rivas, Trophy

E. Panama

Juan Varela, CONDEPRO
Max Jimenez, CONDEPRO
Manuel Haito, Del Agro
Francisco Antunez, Del Agro
Hilario Castillo, UCAPE
Ben Betesh, Rancho Vallejo
Alberto Navarro, Frutexpor

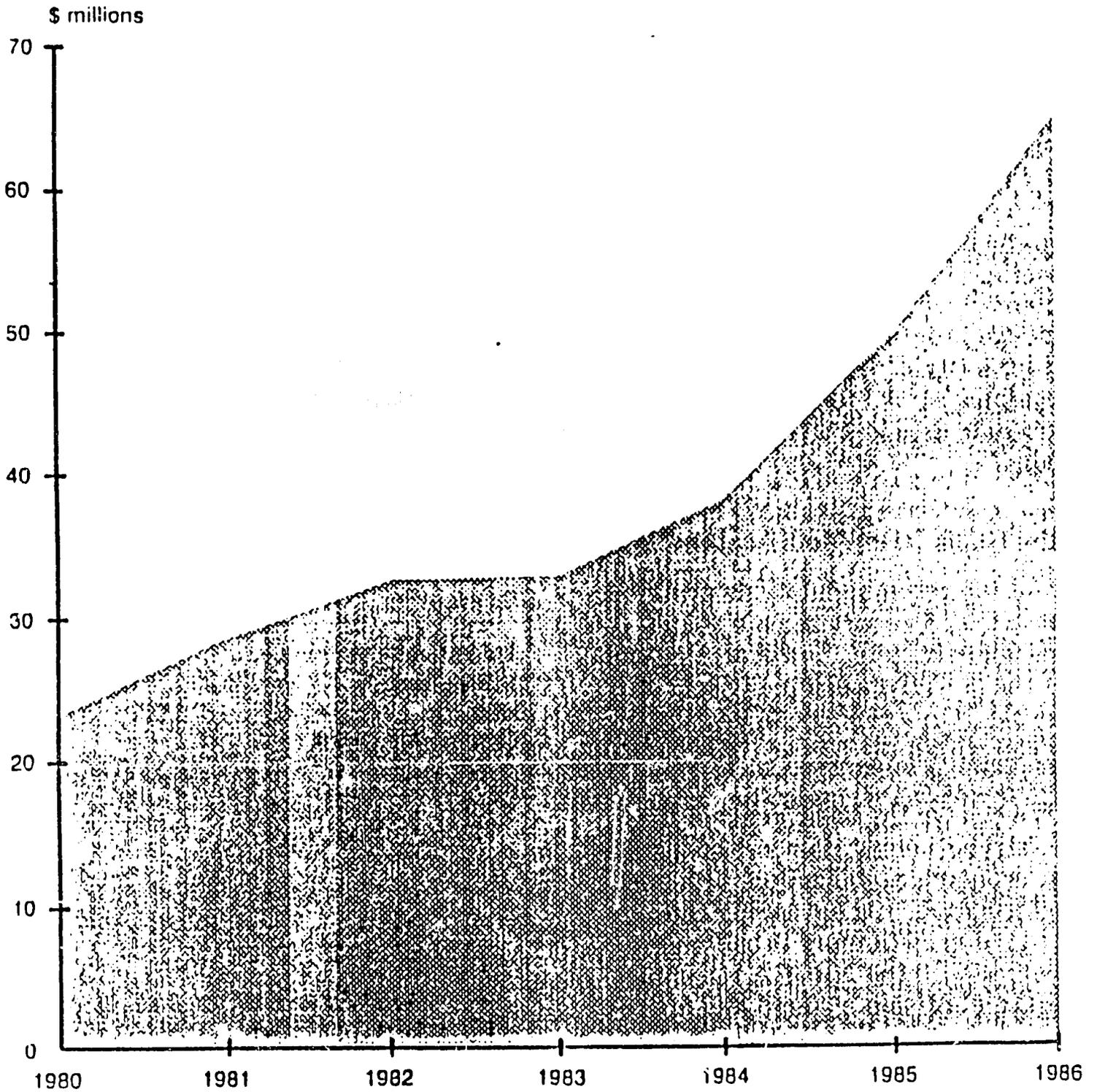
IV. PERSONS CONTACTED (cont'd)

F. United States

Larry Tinker, Chestnut Hill, SeaBoard Corp.
David Warren, Central American Produce
Jean Warren, Central American Produce
John Williams, Tavilla Marketing
Hiram Longfellow, Carben
A.J. Rigoli, Panama Gold
Roger Houck, Lindemann Produce
Richard Feldman, Lindemann Produce
Steve Smith, Turlock Fruit
Harold Brewer, Jay Nichols
William Jones, Jay Nichols
William Rauld, Fruit World Marketing
Bill Crocker, USDA/Market News/Washington
Jim Cunningham, USDA/Market News/Miami
Jose Perez-Jones, Seaboard Marine
Jose Sierra, Seaboard Marine
Ken Coleman, Seaboard Marine (formerly)
William Hamlin, Sea-Land Service
William Fetzer, Sea-Land Service
Amalia Quintero, Crowley Caribbean Transport
Alberto de Rojas, Crowley Caribbean Transport
Robert Remmer, Crowley Caribbean Transport
Hector Calderon, Crowley Caribbean Transport (formerly)
Fred Tienchen, Crowley Caribbean Transport (formerly)
Lorenzo Barcena, Crowley Caribbean Transport (formerly)
Roger Holsing, Del Monte
Raul Romero, United Brands (Chiquita)
David Ovens, United Brands (Chiquita)
John Campbell, United Brands
Rod Collins, NAMSCO
Kay Schroeder, Canadian Tropic Line
Hudson Warren, Tropical Shipping
Jim P. burn, Tropical Shipping
John Hyatt, Irwin Brown
John Saylor, Overseas Transport Corp.

CHART III

U.S. Fruit and Vegetable Imports from Central America, 1980-86^a



^aExcludes bananas.

V. FINDINGS

The methodology used to carry out the scope of work was as follows:

1. Preliminary Projections-- These figures were obtained in October 1987 by PROEXAG's marketing specialist either directly from the shipper or through PROEXAG's counterpart export federation in that country. Intent was focused on major shippers, with smaller exporters being included to the extent that the information was available. Original projections for Panama did not break out monthly figures by commodity, e.g., canteloupe, honeydew, watermelon. Projections shown in the Panama section of this report reflect commodity breakouts as provided later by shippers or receivers. Approximately 250 to 300 trailers were calculated for Costa Rica; these projections have been revised in the Costa Rica section to reflect monthly commodity breakouts. If original projections were second-hand, the shipper's revised figures were used in the country sections. Shipper-supplied revised projections were received from El Salvador in November, largely due to weather conditions. In maintaining consistency with the remainder of the data, the October shipper-provided projections were used. November information became part of the monitoring process.

2. Carrier Meetings-- In October 1987, separate meetings were held with Crowley Caribbean Transport(CCT), SeaBoard Marine, and Sea-Land Service. The PROEXAG study was discussed with the carriers and preliminary projections were shared. (Additional information on this meeting appears in the Carriers section under Regional Findings of this report).

3. Monitoring of Situation-- Factors that might influence achievement of original projections/timeframe were monitored from the field by PROEXAG's marketing specialist (weather, market prices, etc.). Stateside factors were tracked as well through industry publications. Some of these expected variances were communicated to the carriers to alert them of anticipated changes.

4. Modified Scope of Work-- Once the work commenced, a mid-season evaluation of shipments to date, and end-of-season analysis of actuals vs. projections was determined to be desirable. Political disturbances in Panama and Honduras in March precluded the possibility of carrying out a regional mid-season analysis, but a June end-of-season analysis was conducted in all countries except Panama (these figures were obtained via telephone/fax).

5. End-of-season Analysis-- The June 1988 field research provided personal contact with shippers and/or receivers to review their 1987-1988 exports, revise figures as necessary, and receive first-hand information regarding variances in actual exports versus projections. This information appears in spreadsheet format with annotated footnotes and commentary in the country and regional sections.

6. Carrier Meetings-- Following the June research, individual meetings were held with representatives from CCT, Sea-Land Service, and SeaBoard Marine during which preliminary findings were discussed, as well as potential changes for the next season.

7. Distribution of Report-- Sharing of the information among shippers, export federations, and carriers was considered to be of benefit to participants, in providing a) an explanation of variances in exports versus projections on a shipper level, country level, and regional level for the 1987-1988 melon season, and b) a useful planning tool for subsequent seasons.

Some points worth mentioning about the data contained in the report:

1. Shipper-provided Information-- Although statistics on actual shipments are available through government and private sources (U.S. Census and PIERS), the author elected to use shipper-provided data. Projection information and shipper commentary is not available from government sources.

2. Degree of Error-- Public statistics and shipper-provided information may not coincide exactly. Every effort was made to include major shippers, but some exports may not be reflected in the report. Some inconsistencies can be attributed to variance in load factors (e.g., different pieces of transport equipment ranging from 35' to 42' high-cube; palletized vs. floor-loaded cargo). Estimates used by shippers when converting projections based on case-count varied on honeydews from 1,000 cases/trailer to 1,600. Communication of any discrepancies in the data as found by shippers, receivers, or carriers are appreciated by the author.

3. Monthly Totals-- Monthly breakouts may vary from government statistics as well, depending on shipping day-of-week vs. arrivals, and shippers' personal record-keeping methods.

4. Commodities-- For definitional purposes, canteloupes were shown as one category and honeydews, tandedews, horey-mist, galias, mayan, and orange-flesh melons were grouped under the honeydew category. Watermelons were footnoted separately. If mixed loads were moved, they were similarly noted.

5. Footnotes-- Explanations of data are footnoted and are key to the interpretation of the results and broader understanding of the 1987-1988 season. Footnotes appearing next to country or regional totals are representative of one or more shippers, but are not necessarily representative of every shipper.

Country and regional findings are found in the next sections of this report in spreadsheet format as well as commentary. The author's comments reflect observations about the data (number of shippers, trends, problems, commodities, special cases, and projections for next season).

A. GUATEMALA

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A. GUATEMALA

PROEXAG's project offices are located in Guatemala City, which greatly facilitated contact with exporters (several maintain offices in the capital city, as well as in the countryside next to the production areas). Spreadsheets detailing specific shipper information are attached, as well as a Guatemalan summary sheet showing totals for shippers and the country. Guatemalan figures appear once again in the regional spreadsheet. Some additional comments are included below:

1. Guatemalan melons are grown in two main production areas, the south coast and Zacapa, and the season is often characterized by two planting cycles.

2. Melons are under several types of production, including overhead irrigation, aspersion, and ry cultivation. Water was a serious problem this past season, both in terms of rains, and reduced water allocations by the Guatemalan government, resulting in reduced plantings and some losses. Some exporters plan to use additional drip irrigation and overhead watering for next season, thus enabling them to partially control the water situation.

3. Four Guatemalan exporters moved approximately 975 trailers (40-foot) of melons. There were almost equal amounts of melons in the canteloupe and honeydew categories, with a few mixed trailers and some watermelons.

4. Melon shipments began as early as October 1987 (light volume), grew in November, dropped to their lowest in January, increased once again in February and March, were strongest in April, and dropped off in May.

5. Of the approximately 1,131 trailers originally projected in October, some 975 were indeed exported, indicating a variance of 156. The principle reasons for this variance were weather (lack of rains prior to the first cycle in October/November, heavy winds and sunburn in January) and production problems (some nematode and virus problems). Reduced plantings due to the weather situation further exasperated the situation. Lack of containers was not the main reason for the variances, but equipment was tight and sometimes unavailable in March/April, especially during the Easter week. Low market prices were cited by one shipper in late November/early December.

6. Some shippers experienced detentions by the FDA and delays due to inspections by APHIS. Some shippers indicated that they would favor pre-inspection or pre-clearance in Guatemala, if it could be worked out with USDA. Reduction in U.S. clearance time and delays were cited as the primary advantage.

7. Shippers tended to use all three liner association carriers (CCT, SeaBoard, and Sea-Land), although some indicated distinct preferences. Reasons for selecting a carrier varied as well--there were no obvious trends. Quality of equipment, availability of containers, frequency of service, and customer

GUATEMALA

well. Some had none, others had several, and one exporter stated that his percentage of claims to cargo shipped was the highest he had had in recent years. Shippers had both "cooked" and "frozen" loads; equipment malfunction was cited as principle cause. Multiple claims occurred aboard Sea-Land's vessel, the Captain Cook, which had experienced crew and operational problems.

8. More exporters will be palletizing their loads next season. In some cases, shippers pointed out that savings in labor costs to floor-stack cargo at origin was lost or passed on at destination, where ease of handling of less-than-trailer sales was important.

9. Despite some problems this season, Guatemalan exporters were generally pleased with the results of their outturns using the overland route through Mexico to the U.S. Interest is keen and looks to be increasing for next season.

10. Plans for next season in almost every case include increased production, ranging from 20-100% higher than this season's exports. Exporters will look to existing liner association carriers, independents, new carriers, and the overland trucking option to meet the demand. There is considerable interest in the feasibility of a refrigerated service from Guatemala's west coast to California (production areas are in close proximity to this area as well).

Melon Shipments, Projections versus Actuals, for 1987-88

Shipper		NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
		GUAT	ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	33	33	0	79	79	0	12	12	0	124	124
	PROJECTED	0	0	0	0	0	0	0	0	0	20	20	0	50	50	0	50	50	0	0	0	0	120	120		
	ACT-PROJ	0	0	0	0	0	0	0	0	0	-20	-20	0	-17	-17	0	29	29	0	12	12	0	4	4		
GUAT	ACTUAL	23	30	53	2	12	14	0	0	0	0	0	6	11	17	14	38	52	3	8	11	48	99	147 (20)		
	PROJECTED	10	20	30	12	25	37	0	0	0	0	0	0	30	30	0	35	35	0	0	0	22	110	132 (19)		
	ACT-PROJ	13	10	23	-10	-13	-23 (10)	0	0	0	0	0	6	-19	-13 (14)	14	3	17	3	8	11	26	-11	15 (10)(14)(15)		
GUAT	ACTUAL	21	12	33	3	18	21	7	10	17	0	0	14	12	26	51	66	117	1	2	3	97	120	217		
	PROJECTED	38	46	84	1	30	31	20	34	54	10	17	23	20	43	36	32	68	0	0	0	128	179	307		
	ACT-PROJ	-17	-34	-51 (10)	2	-12	-10 (11)	-15	-24	-37 (11)	-10	-17	-9	-8	-17 (10)(14)	15	34	49 (11)	1	2	3	-31	-59	-90 (10)(11)(14)		
GUAT	ACTUAL	31	50	81	10	16	26	26	0	26	72	0	72	69	16	85	128	40	163	1	28	29	337	150	487 (16)(22)	
	PROJECTED	20	50	70	42	50	92	50	0	50	50	0	50	75	65	140	65	65	130	10	30	40	312	260	572 (21)	
	ACT-PROJ	11	0	11	-32	-34	-66 (10)	-24	0	-24 (11)	22	0	22	-6	-49	-55 (11)	63	-25	38	-9	-2	-11	25	-110	-85 (10)(11)	
GUAT	888 T O T A L S 888	ACTUAL	75	92	167	15	46	61	33	10	43	72	0	72	89	72	161	193	223	416	5	50	55	482	493	975 (20)(22)
	PROJECTED	68	116	184	55	105	160	70	34	104	60	37	97	98	165	263	101	182	283	10	30	40	462	669	1131 (19)(21)	
	ACT-PROJ	7	-24	-17	-40	-59	-99	-37	-24	-61	12	-37	-25	-9	-93	-102	92	41	133	-5	20	15	20	-176	-156 (10)(11)(14)(15)	

(1) Projections based on second-hand information

(2) There were an additional 6 trailers of watermelons not shown in these totals

(3) Of this total, 313 containers moved on United Brands' own vessel

(4) Shipper's revised projections vs. original projections of 100 trailers total.

(5) There were an additional 89 containers among Proehsa (43), Intersula (17), Global Inter. (16), JJ Lopez (13), making a total of 141 containers for the season.

(6) No projections provided to PROEIA6

(7) Actuals based on second-hand information

(8) Didn't ship

(9) Revised November projections totalled 595 t/s

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(11) Production problems (renatodes, virus, over-watering, quality defects)

(12) Lack of experience (production, packing, varieties)

(13) Financial constraints or problems

(14) Lack of containers

(15) Low market prices

(16) Monthly breakouts not available

(17) Shipper's revised projections vs. original estimated projections of 821 t/s.

(18) Shipper-provided actuals. (Variance exists from export statistical sources)

(19) There were an additional 16 t/s of watermelon not included in figures.

(20) Includes 5 t/s of watermelons and 20 t/s of mixed load melons (honeydew and watermelon, honeydew and canteloupe)

(21) Does not include 10 t/s projected for Oct.

(22) Actuals do not include approx 4 t/s of canteloupe moved in Oct but do incl some watermelons.

(23) Actuals do not include watermelons (Dec-15 t/s; March-10 t/s)

(24) Actuals do not include watermelon (3 t/s), or 10 t/s honeydew to Europe in March.

(25) Actuals do not include watermelon (18 t/s) in Mar-April, or 3 t/s honeydew to Europe in March.

quat1

Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total			
GUAT		ACTUAL	0	0	0	0	0	0	0	0	0	0	0	33	33	0	79	79	0	12	12	0	124	124	
		PROJECTED	0	0	0	0	0	0	0	0	0	20	20	0	50	50	0	50	50	0	0	0	0	120	120
		ACT-PROJ	0	0	0	0	0	0	0	0	0	-20	-20	0	-17	-17	0	29	29	0	12	12	0	4	4

Commentary: Used overhead irrigation, some aspersion, some dry irrigation.

Guatemalan production planted later than El Salvador. Although less planted, yields were higher.

No FDA detentions; some APHIS insect problems.

Transport; used all 3 liner association carriers (CCT-26 tls, S/D-54 tls, S/L-23 tls.) No. claims.

Overland option: good experience this season, will continue next season.

Interested in west coast all-water route.

Loadability factors: approx 1600 cases/40'tl (depending on equipment). NY-destination cargo is stripped in south Florida and railed north for \$1000.

Contact:

Receivers:

Projections for 88-89 season: 175,000 boxes (110 tls honeydew)

quat2

Melon Shipments, Projections versus Actuals, for 1987-88

COUNTRY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total
GUAT	ACTUAL	23	30	53	2	12	14	0	0	0	0	0	0	6	11	17	14	38	52	3	8	11	48	99	147
	PROJECTED	10	20	30	12	25	37	0	0	0	0	0	0	0	30	30	0	35	35	0	0	0	22	110	132
	ACT-PROJ	13	10	23	-10	-13	-23 (10)	0	0	0	0	0	0	6	-19	-13 (14)	14	3	17	3	8	11	26	-11	15

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(14) Lack of containers

(15) Low market prices

(19) There were an additional 16 tls of watermelons not included in figures.

(20) Includes 5 tls watermelons, and 20 tls of mixed melons(cant-honeydew, watermelon-honeydew)

Commentary: Market conditions such in Nov-Dec, that 8-10 tls left in fields.

Water supply serious problem; planned 350 manzanas, but planted only 181. Although using some irrigation, Guatemalan govt would not allocate enough water. May go to more drip irrigation n

Transport: uses all 3 liner association carriers; 1 char (S/L vessel Capt. Cook). S/B equipment old and should be replaced. Shortage of containers during Easter week yearly occurrence.

Loads approximately 1200-1250 cases honeydew/40' hi-cube. Will go to more pallets next season.

Interested in overland option. Obtained permits this season.

Interested in west coast water route, particularly because parent company, Fisher Group, just bought California operation.

Commented about adverse effects of new Guatemalan declaration re national carrier usage; result is incremental tariff rate is passed through to exporters.

Uses customs broker, Larry Rzedler (Miami)

Uses EPA products (pesticides, fungicides)

Contact:

Receivers:

Projections for '88-'89 season: Plans to double production (estimated 300 tls), plant 6 varieties (cant, honeydew, sayan, canary, gr.tendrill, sickylee watermelon). Will ship via Carol or S/L to Europe.

Melon Shipments, Projections versus Actuals, for 1987-88

Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL												
	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total										
GUAT	ACTUAL	21	12	33	3	18	21	7	10	17	0	0	0	14	12	26	51	64	117	1	2	3	97	120	217									
	PROJECTED	38	46	84	1	30	31	20	36	54	10	17	27	23	20	43	36	32	68	0	0	0	128	179	307									
	ACT-PROJ	-17	-34	-51	(10)	2	-12	-16	(16)	-13	-24	-37	(11)	-10	-17	-27	-9	-8	-17	(10)	(14)	15	34	49	(11)	1	2	3	-31	-59	-90	(10)	(11)	(14)

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(11) Production problems (nematodes, virus, over-watering, quality defects)

(14) Lack of containers (during Easter week)

Commentary: Basico has three packing areas (Zacapa, Escuintla, and Retalhuleu). Zacapa production uses gravity irrigation, Escuintla uses humidity(dry farming), and Retalhuleu uses drip irrigation.

Although no cold storage is available, pre-cooling is used (ice) prior to loading and next season hydrocoolers are contemplated.

Actual shipments were lower than projections in the Zacapa area, during Nov and Dec, due to lack of water and some nematode problems.

On the south coast, virus and field problems led to losses or 80% of production during Jan and Feb.

March projections were not met due to retarded growth and maturity of fruit due to rains and cold weather.

During the second planting cycle, production increased in Zacapa, and better yields were obtained in La Fragua and Usulután. Estancia de la Virgen had nematode problems which reduced actual shipments.

On the south coast, particularly Retalhuleu, rains and lack of transport during the Easter Week, lowered production/shipments.

The Escuintla area experienced lower production due to lack of rains and mildew vellosa problems.

No FDA detentions.

Transport: Claims with all liner association and overland carriers, (equipment malfunction) except loads which moved on their own U.Brands vessel.

Although preference to use U.Brands vessel, equipment short and dependent on Konduran(PATSA) needs, so only 6 t/s of 217 total moved via U.Brands vessel.(Detailed breakouts submitted to PROEIAS)

Interested in overland option for next season, as well as west coast all-water route.

Contact:

Receivers

Projections for '88-'89 season: 450 t/s (50% increase), mainly canteloupes. (PROEIAS provided with detailed updates, since this)

Melon Shipments, Projections versus Actuals, for 1987-88

Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
	Cant	MD	Total	Cant	MD	Total	Cant	MD	Total	Cant	MD	Total	Cant	MD	Total	Cant	MD	Total	Cant	MD	Total	Cant	MD	Total	
EUAT	ACTUAL	31	50	81	10	16	26	26	0	26	72	0	72	69	16	85	128	40	168	1	28	29	337	150	487 (16)(22)
	PROJECTED	20	50	70	42	50	92	50	0	50	50	0	50	75	65	140	65	65	130	10	30	40	312	260	572 (21)
	ACT-PROJ	11	0	11	-32	-34	-66 (10)	-24	0	-24 (11)	22	0	22	-6	-49	-55 (11)	63	-25	38	-9	-2	-11	25	-110	-85 (10)(11)

- (10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)
- (11) Production problems (nematodes, virus, over-watering, quality defects)
- (16) Monthly breakouts not available (season totals correct, actual monthly breakouts may vary slightly)
- (21) Does not include 10 t/s projected for Oct.
- (22) Actuals do not include approx 4 t/s of canteloupe moved in Oct., but do include some watermelons.

Commentary: Growing conditions/weather contributing factor to variance in actuals vs. projections (drought, virus, weeds, soil, water). On south coast, shipped 75 t/s less than projected. Continued use/reuse of land makes it not as productive, and conducive to more problems. Transport: S/L made portable generator unit available to shippers (facilitated situation due to propane/diesel units). Sea-Land responsive in providing equipment service (except claims with vessel Capt Cook). Sea-Board's equipment deteriorating and in need of repair. CCT t/s are good. Receiver infers increase in claims (JI) due to malfunctioning equipment, especially in late March/early April. (most claims on S/L's Capt

- k). Moved 2 t/s overland (McAllen and Nogales); 1 was frozen. Market prices in one case less than accustomed to from S. Florida. Needs better controls. Remains interesting option. Break-bulk vessel considered unfeasible due to temperature variances (honeydew-45deg., canteloupe-35 deg., veg-low as 34 deg.) Also concerned about potential pest problems and APHIS/PPQ holds on large volumes, null.
- lin Shipper conducted in-house tests on BTU's produced by each commodity to determine maximum loadabilities conducive to container sizes. Problems with APHIS delays, fumigations, whole range of insects-- partial solution is more information at shipping point. Receiver interested in pre-clearance. Some FDA detentions.

Contact:

Receivers:

Projections for '88-'89 season: May move to another area in south coast, in addition to Zacapa. Projecting approximately 580 t/s (cant, honeydew, mayans, some watermelons)

B. HONDURAS

B. HONDURAS

Exporters were contacted in the capital city of Tegucigalpa as well as Choluteca. Spreadsheets detailing specific shipper information are attached, as well as a summary sheet for Honduras showing totals for shippers and the country as a whole. Honduran figures appear once again in the regional spreadsheet. Some additional comments are included below:

1. Honduran melon production is concentrated in the area in and around Choluteca and San Lorenzo, located close to the Pacific coast. The area is approximately 2-3 hours by car from Tegucigalpa, but around 12 hours by truck to Puerto Cortes, the main export port on the Caribbean coast.

2. Although some shippers use drip irrigation exclusively, dry cultivation is the predominant method of production. As most exporters plant during two separate cycles, rainfall is particularly important prior to the initial planting. Honduras experienced extreme drought conditions this past season, resulting in reduced plantings, use of alternate land areas, and, in most cases, either crop losses or reduced output.

3. Six of the principal melon exporters were responsible for about 1,325 trallers (40-foot). (Statistical sources reflect 120 fewer trailers). There were an additional 89 trailers from four other exporters who were not interviewed during the end-of-season analysis. Of this total, some 313 containers moved on United Brands' own vessel, the remainder moving with the liner association carriers (CCT, SeaBoard Marine, Sea-Land); a limited number moved via air.

4. In contrast to neighboring countries, Honduras shipped proportionately many more canteloupes than it did honeydews (almost a 5:1 ratio for the season, but during some months the ratio was much higher).

5. Shipments began in November 1987 and continued until May 1988, the months of December and April being the strongest shipping periods.

6. There were no FDA detentions for pesticide residues on any of the Honduran melons, and no delays for this reason. (Implications: had there been detentions, there might have been bottlenecks in container releases, potential for depressed prices, "missed markets," loss of customers and sales, and decline in customer confidence, which might affect future shipments.)

7. Shippers were generally interested in further exploring pre-clearance or pre-inspection possibilities for Honduras; major advantages seen were reduced potential delays at U.S. port of discharge, and potential cost savings (e.g., resolving pest problems at origin prior to shipping, or avoiding freight costs on cargo that might be rejected or require fumigation).

HONDURAS

8. Most exporters divided their shipments among the three liner association carriers (CCT, SeaBoard, and Sea-Land). One of the exporters is connected to Chiquita, and gave first preference to their own vessel (which is lifting bananas in Honduras), but also ships with the three commercial carriers. The same situation is true of AgroInternacional/Chestnut Hill, a subsidiary of SeaBoard Corporation, the parent company of SeaBoard Marine.

9. Of the three commercial ocean carriers, CCT and SeaBoard shared dominant market share in melon exports, with Sea-Land carrying a lesser share. Exporters' carrier preferences varied as did their reasons for selecting a particular carrier (availability of containers in response to request, quality of equipment, sales and operational personnel, sailing schedules). CCT placed a reefer mechanic in Choluteca, the major melon-producing area, throughout the season. This received positive response from the growers--having a problem-solver and "trouble-shooter" on-hand was perceived to be a benefit considering the long distances to the capital city and to the port. Although weekly sailings were available from Sea-Land, some shippers' perceptions were that its vessel called only every 15 days.

10. There does not seem to be an obvious trend regarding claims. Some of the small to medium shippers had few or no claims while the large shippers had as few as five trailers and as many as 14. Several of the claims occurred on Sea-Land's Captain Cook, which experienced operational problems and delays due to both vessel and crew problems in March/April. Also worth mentioning is that PATSA had no claims on its chartered vessel, the Puritan, but did have claims with all three of the commercial carriers, ranging from 8% to 21%. In most cases, the temperature recorders reflected that the reefers did not maintain the required temperature while on-board the vessels, resulting in "cooked" or "frozen" loads.

11. Regarding quality of equipment, some shippers noted that SeaBoard Marine's trailers were old and deteriorating. Some shippers received the CCT's new 42-foot, high-cube reefers, but indicated that these seemed to be used mainly in the high-value commodity of shrimp.

12. More shippers plan to palletize their loads next season.

13. Limited shipments moved via air, both cases resulting from lack of containers and the necessity to meet particular customers' demands.

14. None of the melons were trucked overland through Guatemala and Mexico during the 1987-1988 season; there is some interest to move some trial loads next season. The San Miguel route through El Salvador, although shorter, is considered to be risky due to the guerilla activity in the area.

HONDURAS

15. Explanations for the variances in actual exports versus projections varied from shipper to shipper on both the monthly and end-of-season figures. The most frequent reasons expressed were weather-related (lack of rains prior to the first cycle which resulted in delayed plantings, reduced plants, lower yields, prolonged or early harvests). Particularly hard-hit were those shippers who use "dry farming" and are dependent on the rains for adequate moisture. (PROEXAG/Chemonics did notify carriers of a potential shift/decrease from container demand from previously projected peaks in January). Other reasons than weather, even for those with greater controls over their water conditions through aspersion, gravity irrigation, or drip irrigation, included instances of lack of sufficient truckers, labor, changes in packinghouse management, changes in production areas due to the moisture situation, technical reasons, (e.g., overwatering leading to rapid absorption of fertilizers which produced oversized melons), and production problems, (e.g. virus). Generally speaking, sufficient equipment was not a problem, and not a contributing factor to the variances in exports versus projections. Equipment was tight in late March/April and late December, especially during the holidays. If exporters had reached their goals, equipment may well have been a problem.

16. For the next season, in nearly every case, exporters are planning to expand their total plantings/exports, some as much as 25-100% of their 1987-1988 projections (not their actual exports). Projections are for 2,200-2,500 trailers and could go as high as 3000. There will be an increasing shift to irrigation methods geared to greater controls over weather conditions, particularly by those severely affected this past season. When asked about potential transport prospects for covering the increased demand, shippers indicated a willingness to encourage existing carriers to increase their reefer allocations, but a dissatisfaction with current rate levels. If this is not possible, they might look for other alternatives, including a break-bulk or charter option (June/July study underway), a Pacific coast container service, or engaging the services of an independent container carrier. Two other points are worth mentioning regarding export expansion. First, unless United Brands substitutes its present vessel with another of greater capacity, PATSA will have to further increase its exports on the commercial carriers. Second, with AgroInternational/Chestnut's expansion plans, SeaBoard will likely give it first preference in terms of equipment; other shippers will have to look for options with the other carriers or pursue outside options. Finally, Honduran expansion plans should be viewed not only in terms of Honduras, but as well for the entire region, as expansion is forecasted for other melon growers as well.

HONDURAS Melon Shipments, Projections versus Actuals, for 1987-88

ENTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total
HOND	ACTUAL	0	0	0	6	0	6	36	0	36	10	0	10	0	0	0	0	0	0	52	0	52 (7)			
	PROJECTED	0	0	0	18	0	18	69	0	69	3	0	3	0	0	0	0	0	0	90	0	90 (11)			
	ACT-PROJ	0	0	0	-12	0	-12 (10)	-33	0	-33 (12)	7	0	7 (10)	0	0	0	0	0	0	-38	0	-38 (10)(12)			
HOND	ACTUAL	1	0	1	15	0	15	24	0	24	0	0	0	18	0	18	2	0	2	60	0	60			
	PROJECTED	2	0	2	25	0	25	25	0	25	10	0	10	20	0	20	2	0	2	92	0	92			
	ACT-PROJ	-1	0	-1	-10	0	-10 (10)	-1	0	-1 (10)	-10	0	-10 (11)	-2	0	-2 (11)	0	0	0	-32	0	-32 (10)(11)			
HOND	ACTUAL	11	0	11	45	49	94	15	50	73	53	45	98	24	0	24	142	48	190	296	222	518 (18)			
	PROJECTED	0	0	0	85	65	150	80	65	145	65	35	100	45	15	60	120	65	185	415	250	665 (17)			
	ACT-PROJ	11	0	11	-40	-16	-56 (10)	-65	-7	-72 (10)	-12	10	-2 (14)	-21	-15	-36 (14)	22	-17	5	-119	-28	-147 (10)(14)			
HOND	ACTUAL	33	12	45	60	22	82	18	6	24	3	1	4	33	12	45	10	3	13	157	56	213 (2)			
	PROJECTED	26	18	44	62	41	103	26	17	43	4	2	6	26	18	44	1	1	2	145	97	242			
	ACT-PROJ	7	-6	1	-2	-19	-21 (10)	-8	-11	-19 (10)	-1	-1	-2	7	-6	1	9	2	11	12	-41	-29 (10)			
HOND	ACTUAL	43	0	43	94	0	94	107	40	147	17	0	17	69	0	69	43	0	43	374	40	414 (3)			
	PROJECTED	63	0	63	92	0	92	175	69	244	43	9	52	24	0	24	31	0	31	420	78	506			
	ACT-PROJ	-20	0	-20 (10)	2	0	2 (10)	-68	-29	-97 (10)	-26	-9	-35 (10)	45	0	45	12	0	12	-54	-38	-92 (10)			
HOND	ACTUAL	0	0	0	12	0	12	7	0	7	6	0	6	9	0	9	73	0	73	145	0	145			
	PROJECTED	0	0	0	65	0	65	94	0	94	53	0	53	85	0	85	102	0	102	399	0	399 (4)			
	ACT-PROJ	0	0	0	-53	0	-53 (11)	-87	0	-87 (11)	-47	0	-47 (12)	-76	0	-76 (12)	-29	0	-29 (12)	-254	0	-254 (11)(12)			
HOND	### TOTALS ###	80	12	100	245	111	356	117	64	181	89	46	135	153	12	165	270	51	321	1067	318	1325 (3)(5)(18)			
	PROJECTED	91	18	109	430	175	605	337	91	428	186	46	232	260	33	293	256	66	322	1520	434	1954			
	ACT-PROJ	-3	-6	-9	-185	-64	-249	-220	-27	-247	-97	0	-97	-47	-21	-68	14	-15	-1	-513	-116	-629 (10)(11)(12)(14)			

(1) Projections based on second-hand information

(2) There were an additional 6 trailers of watermelons not shown in these totals

(3) Of this total, 313 containers moved on United Brands' own vessel

(4) Shipper's revised projections vs. original projections of 100 trailers total.

(5) There were an additional 89 containers among Proehsa (43), Intersula (17), Global Inter. (16), JJ Lopez (13), making a total of 1414 containers for the season.

(6) No projections provided to PROEIAS

(7) Actuals based on second-hand information

(8) Didn't ship

(9) Revised November projections totalled 595 tls

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(11) Production problems (nematodes, virus, over-watering, quality defects)

(12) Lack of experience (production, packing, varieties)

(13) Financial constraints or problems

(14) Lack of containers

(15) Low market prices

(16) Monthly breakouts not available

(17) Shipper's revised projections vs. original estimated projections of 821 tls.

(18) Shipper-provided actuals. (Variance exists from export statistical sources)

(19) There were an additional 16 tls of watermelon not included in figures.

(20) Includes 5 tls of watermelons and 20 tls of mixed load melons (honeydew and watermelon, honeydew and canteloupe)

(21) Does not include 10 tls projected for Oct.

(22) Actuals do not include approx 4 tls of canteloupe moved in Oct but do incl some watermelons.

(23) Actuals do not include watermelon (Dec-15 tls; March 10 tls)

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HONDURAS Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total
HOND	ACTUAL	0	0	0	6	0	6	36	0	36	10	0	10	0	0	0	0	0	0	0	0	0	52	0	52 (7)
	PROJECTED	0	0	0	18	0	18	69	0	69	3	0	3	0	0	0	0	0	0	0	0	0	90	0	90 (1)
	ACT-PROJ	0	0	0	-12	0	-12 (10)	-33	0	-33 (12)	7	0	7 (10)	0	0	0	0	0	0	0	0	0	-38	0	-38 (10)(12)

(1) Projections based on second-hand information

(7) Actuals based on second-hand information

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(12) Lack of experience (packing)

Commentary: Lack of rains, delayed planting, later harvest, and change in packing houses reduced totals.

Used dry cultivation this season; however, plans to use both dry cultivation and irrigation for '88-'89 season.

Transport: No claims; interested in west coast all-water route.

Contact:

Receivers:

Projections for '88-'89 season: 150 trailers (90% canteloupe, 10% honeydew and watermelon)

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HONDURAS Melon Shipments, Projections versus Actuals, for 1987-88

ENTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
HOND		ACTUAL	1	0	1	15	0	15	24	0	24	0	0	0	18	0	18	2	0	2	0	0	0	60	0	60
		PROJECTED	2	0	2	25	0	25	25	0	25	18	0	18	20	0	20	2	0	2	0	0	0	92	0	92
		ACT-PROJ	-1	0	-1	-10	0	-10 (10)	-1	0	-1 (10)	-18	0	-18 (11)	-2	0	-2 (11)	0	0	0	0	0	0	-32	0	-32 (10)(11)

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)
 (11) Production problems (nematodes, virus, over-watering, quality defects)

Commentary: Original area designated for production remained same, but planting cycle changed due to weather conditions (lack of rain). Was unable to plant in El Palenque and had to look for new areas. Low productivity and losses also due to drought in Chagolete and late rains. Both dry and irrigated areas experienced problems with severe winds. Largely attributable to climatic conditions, there were insect problems in some areas and severe nematode problems in others. Transport: One claim (partial load). Problems on Sea-Land's vessel Capt. Cook. Interested in west coast all-water route.

Contact:

Receivers:

Projections for '88-'89 season: Increase to 150 t/s of canteloupe. May palletize.

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HONDURAS Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total
HOND	ACTUAL	11	0	11	45	49	94	15	58	73	53	45	98	24	0	24	142	48	190	6	22	28	296	222	518 (18)
	PROJECTED	0	0	0	85	65	150	80	65	145	65	35	100	45	15	60	120	65	185	20	5	25	415	250	665 (17)
	ACT-PROJ	11	0	11	-40	-16	-56 (10)	-65	-7	-72 (10)	-12	10	98 (14)	-21	-15	-36 (14)	22	-17	5	-14	17	3	-119	-28	-147 (10)(14)

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(14) Lack of containers

(17) Shipper's revised projections vs. original estimated projections of 821 tls.

(18) Shipper-provided actuals. (Variance exists from export statistical sources)

Commentary: Due to lack of water, ACEMSA planted 75 cantaloupes vs. planned 280; although less acreage, yields were higher (1st planting cycle yields were low; 2nd second higher yields).
 Drip irrigation used almost exclusively. Shipper's opinion that Honduran growing areas superior to Guatemala's. However, experienced some shortage in Choluteca labor.
 Given up on AIB programs.

No FDA detentions.

Transport: Feb/March shortage with containers. Planning to investigate possibilities of charter container vessel in Miami, at end of June. Period covered is Nov. 20-May 5.

Used CCT, Sea-Board, and Sea-Land (used latter less as shipper's perception in sailing only every 2 weeks)

Shipper stated experience with truck driver shortage.

Already palletizing. Loadabilities of approx. 18 pallets (56 boxes each, of cantaloupe) per trailer. Loads about 950 cases honeydew/Sea-Land 33' container; and 1400 cases in CCT 42' hi-cube.

Expanding sourcing to El Salvador for next season; just finishing cooling facility (new toll booth on airport road).

Not interested in overland option; already have 2 leased cold storage facilities in south Florida.

Contact:

Receivers:

Projections for '88-'89 season: 680,000 boxes, (501 cantaloupe, 501 honeydew)

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HONDURAS Melon Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total
HOMA	ACTUAL	33	12	45	60	22	82	18	6	24	3	1	4	33	12	45	10	3	13	0	0	0	157	56	213 (2)
	PROJECTED	26	18	44	62	41	103	26	17	43	4	2	6	26	18	44	1	1	2	0	0	0	145	97	242
	ACT-PROJ	7	-6	1	-2	-19	-21 (10)	-8	-11	-19 (10)	-1	-1	-2	7	-6	1	9	2	11	0	0	0	12	-41	-29 (2)(10)

(2) There were an additional 4 trailers of watermelons not shown in these totals

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

Commentary: Variances in actuals vs. projections due to drought conditions (shipper uses dry cultivation and depends on winter rains)

Transport: Containers tight in Feb/March. If shippers had not had drought conditions and achieved their projections, there would have been a problem.

Felt CCT's trailers best maintained of carriers; mechanic available during season in Choluteca. Sea-Land has less frequent service (shippers' perception, although not accurate, is sailings every 2 wks).

Sea-Board has weekly service, but shipper feels S/B favors its subsidiary operation, AgroInternational, for trailers, thus making it less dependable (20% of 611 S/B t/s were AgroInt)

Five claims (3 on-board Sea-Land's Capt. Cook)

No FBA detentions.

Interested in pre-inspection, west coast all-water option, the Gulf (although somewhat restricted).

Not particularly interested in overland option, as San Miguel route felt to be dangerous. (Since interview, shipper has developed renewed interest in trial overland movements)

Contact:

Receivers:

Projections for '88-'89 season: Still unclear, growth expected and diversification in receivers likely.

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HONDURAS Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
		ACTUAL	43	0	43	94	0	94	137	40	147	17	0	17	69	0	69	43	0	43	1	0	1	274	40	414 (3)
HOND		PROJECTED	63	0	63	92	0	92	175	69	244	43	9	52	24	0	24	31	0	31	0	0	0	428	78	506
		ACT-PROJ	-20	0	-20 (10)	0	0	2 (10)	-68	-29	-97 (10)	-26	-9	-35 (10)	45	0	45	12	0	12	1	0	1	-54	-38	-92 (10)

(3) Of this total, 313 containers moved on United Brands' own vessel

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

Commentary: During first cycle, with lack of rains and resulting drought conditions, less area was planted (should have planted another 416 manzanas, 1.7 acres = 1 manzana)

Severe winds in second cycle and sun burned melons resulting in reduced yields.

Chiquita markets honeydew under honeydew label, mayan varieties under "honeymist" label, cantaloupe under "cantaloupe" label, and orange-flesh honeydew under "cantalene" (not sent this year).

No FDA detentions.

Transport: As part of United Brands, Honduran production (PATSA) is moved on any excess container capacity first with their own vessels. Vessel departs Honduras every 6 days; 3 days transit to G. Containers not moved via U.Brand's vessel, go with liner association carriers (CCT, Seaboard, Sea-Land). Of 414 t/s this season, 313 t/s (762) moved via U.Brands' own vessels, including 2 t/s to 101 t/s moved with liner association (CCT 62 t/s, S/B 19 t/s, S/L 21 t/s).

Equipment generally available, although CCT's new reefers used mainly for shrimp exports, S/B gives preference to subsidiary, S/L problems with Capt Cook vessel.

No claims problems on U.Brands' own charter vessel, but claims with each of outsiders, related to on-board problems, not between packinghouse and port of loading (temperature-related, frozen or 'c

Loadability factors based on approx 1000 cases (cant)/t/s; 1300 cases HB/t/s.

Interested in west coast all-water route, especially because Chiquita has new distribution point in California.

Not interested in overland ex Honduras; shippers feels not feasible due to short cut too dangerous through San Miguel, and alternate route too long.

Plantation Shipping option as originally proposed not attractive due to exclusivity requirement; Port Fourchon proposal worth listening to but Chiquita has no need for mtg.

Contacts:

Receivers:

Projections for '88-'89 season: Will palletize (17 pallets/40'), using 40" x 44" pallets (imported or local supply) to meet specs for Pompano cold storage shared with Buffone.

Expanding to El Salvador, will be managed through Guatemala office.

Planning for up to 918 t/s (690 cant, 138 HB). See later projections for update.

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HONDURAS Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
HOND		ACTUAL	0	0	0	12	0	12	7	0	7	6	0	6	9	0	9	73	0	73	38	0	38	145	0	145
		PROJECTED	0	0	0	65	0	65	94	0	94	53	0	53	85	0	85	102	0	102	0	0	0	399	0	399 (4)
		ACT-PROJ	0	0	0	-53	0	-53 (11)	-87	0	-87 (11)	-47	0	-47 (12)	-76	0	-76 (12)	-29	0	-29 (12)	38	0	38	-254	0	-254 (11)(12)

(1) Projections based on second-hand information

(4) Shipper's revised projections vs. original projections of 100 trailers total.

(11) Production problems (nematodes, virus, over-watering, quality defects)

(12) Lack of experience (production, packing, varieties)

Commentary: Use drip irrigation so drought conditions affecting other shippers less of impact.

Variances due to some lack of experience, technical problems (overwatering caused rapid absorption of fertilizers, causing large melons). Also changed packing houses three times during season.

Also experienced virus and post-harvest problems as result of watering.

Planted second cycle late, and although yields were good, there was less production due to smaller acreage planted.

No FDA detentions.

Projections based on 1000 cases/trailer.

As subsidiary of SeaBoard Corp., the parent company of Sea-Board Marine, AgriInternational is vertically-integrated operation, with their own people in south Florida.

Transport: due to relationship to Sea-Board Marine, trailer shortage less of issue. Overland option consequently of less interest.

Contact:

Receivers:

Projections for '88-'89 season: Now have field experience, packinghouse under construction. Don't expect to palletize. Will export cucumbers, canteloupe, pickles, strawberries, snap-peas, citrus, and shrimp.

Plan to expand to 300,000 cases (300 t/s). (separate attachment)

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C. COSTA RICA

C. COSTA RICA

Exporters were contacted in their San Jose offices. Since Costa Rica's export intentions were originally estimated, every effort was made in discussions with exporters and some of their receivers to obtain monthly projections used in their planning as well as their final export figures. Although Costa Rica has fewer melon exporters than the other Central American countries, collection of data was delayed because one of the major receivers was purchased by Del Monte during the June/July 1988 period. Acquisition negotiations were underway during the author's trip to Costa Rica and exporters' information was not available until the acquisition was completed.

Spreadsheets detailing specific shipper information are attached, as well as a summary sheet for Costa Rica showing totals for shippers and the country. Costa Rican figures appear once again in the regional spreadsheet. Some additional comments are included below:

1. Costa Rica's melon export season did not begin until January 1988 (a later cycle than those of its northern Central American neighbors), and continued into May 1988. February, March, and April were the strongest months and about equal in exports.

2. Three Costa Rican exporters shipped approximately 417 trailers (40-foot) of melons (cantaloupe, honeydew, cassaba, galia, crenshaw, yellow tendril, and orange-flesh) to the United States. An additional 21 trailers of watermelon were shipped. Almost equal amounts of cantaloupe were shipped in proportion to the remaining varieties. There were also some shipments to Europe.

3. Approximately 417 trailers were shipped of the 445 projected for the season. The principal reasons for this variance were weather (early rains); production problems (quality control due to early picking of melons, red mites in Feb-March); and lack of experience (use of hybrid cantaloupe varieties). Lack of containers was not a problem, although operational problems with Sea-Land's vessel Captain Cook resulted in reprogramming of trailers with other carriers which call Costa Rica every ten days. In addition to the three liner association carriers, (CCT, SeaBoard, and Sea-Land), Juno Marine also offers reefer service.

4. Some shippers used only the liner association carriers, while others used all four carriers. Tariff rates for melons are less with the independent carrier, Juno Marine, than with those published by the liner association.

5. Domestic transport costs remain a concern to shippers. There have been some local meetings among shippers, carriers, and representatives of the Costa Rican government at the ministerial level to address these issues.

6. Palletization is common in Costa Rica, although some loads are floor-loaded.

COSTA RICA

7. No shipments moved overland via Central America and Mexico to the States during the 1987-1988 season, nor is it a consideration for the 1988-1989 season.

8. A west coast all-water option continues to be of interest to shippers.

9. Projections for next season include expansion for most shippers--20% in the case of one; the others also plan to expand but exact projections were not yet available.

10. With the purchase of one of the receivers by Del Monte, excess capacity on-board their current Atlantic and Pacific vessels will present a transport option to the U.S. during the 1988-1989 season that was not utilized during this past season.

11. An additional group of shippers from the Guanacaste area will export melons next season. The group is currently being organized and projections are not available as yet.

Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
CRIC	ACTUAL	0	0	0	0	0	0	0	0	36	21	57	20	13	33	49	21	70	13	0	13	118	55	173		
	PROJECTED	0	0	0	0	0	0	0	0	33	15	48	33	15	48	33	15	48	13	13	26	112	58	170 (6)(16)		
	ACT-PROJ	0	0	0	0	0	0	0	0	3	6	9	-13	-2	-15 (12)	16	6	22	0	-13	-13 (11)	6	-3	3 (11)(12)		
CRIC	ACTUAL	0	0	0	0	0	0	15	22	37	33	30	63 (24)	24	2	26	23	11	34	4	2	6	99	67	166 (24)	
	PROJECTED	0	0	0	0	0	0	15	14	29	33	31	64	33	9	42	33	9	42	0	0	0	114	63	177	
	ACT-PROJ	0	0	0	0	0	0	0	8	8	0	-1	-1 (10)(11)	-9	-7	-16 (10)(11)	-10	2	-8	4	2	6	-15	4	-11 (10)(11)	
CRIC	ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	55	55	0	23	23	0	0	0	0	78	78 (25)		
	PROJECTED	0	0	0	0	0	0	0	7	7	0	28	28	0	28	0	28	28	0	7	7	0	98	98		
	ACT-PROJ	0	0	0	0	0	0	0	-7	-7	0	-28	-28 (10)	0	27	27 (10)	0	-5	-5 (10)	0	-7	-7	0	-20	-20 (10)	
CRIC	888 TOTALS 888	ACTUAL	0	0	0	0	0	0	15	22	37	69	51	120	44	70	114	72	55	127	17	2	19	217	200	417 (24)(25)
	PROJECTED	0	0	0	0	0	0	15	21	36	66	74	140	66	52	118	66	52	118	13	20	33	226	219	445 (6)(16)	
	ACT-PROJ	0	0	0	0	0	0	0	1	1	3	-23	-20	-22	18	-4	6	3	9	4	-18	-14	-9	-19	-28 (10)(11)(12)	

- (1) Projections based on second-hand information
- (2) There were an additional 6 trailers of watermelons not shown in these totals
- (3) Of this total, 313 containers moved on United Brands' own vessel
- (4) Shipper's revised projections vs. original projections of 100 trailers total.
- (5) There were an additional 89 containers among Proehsa (43), Intersula (17), Global Inter. (16), JJ Lopez (13), making a total of 1414 containers for the season.
- (6) No projections provided to PROEYAG
- (7) Actuals based on second-hand information
- (8) Didn't ship
- (9) Revised November projections totalled 595 tls
- (10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)
- (11) Production problems (nematodes, virus, over-watering, quality defects)
- (12) Lack of experience (production, packing, varieties)
- (13) Financial constraints or problems
- (14) Lack of containers
- (15) Low market prices
- (16) Monthly breakouts not available
- (17) Shipper's revised projections vs. original estimated projections of 821 tls.
- (18) Shipper-provided actuals. (Variance exists from export statistical sources)
- (19) There were an additional 16 tls of watermelon not included in figures.
- (20) Includes 5 tls of watermelons and 20 tls of mixed load melons (honeydew and watermelon, honeydew and canteloupe)
- (21) Does not include 10 tls projected for Oct.
- (22) Actuals do not include approx 4 tls of canteloupe moved in Oct but do incl some watermelons.
- (23) Actuals do not include watermelons (Dec-15 tls; March-10 tls)
- (24) Actuals do not include watermelon (3 tls), or 10 tls honeydew to Europe (Jan-2 tls, Feb-6 tls, Mar-2 tls)
- (25) Actuals do not include watermelon (18 tls) in Mar-April, or 3 tls honeydew to Europe in March.

crical

Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total
CRIC		ACTUAL	0	0	0	0	0	0	0	0	36	21	57	20	13	33	49	21	70	13	0	13	110	55	173
		PROJECTED	0	0	0	0	0	0	0	0	33	15	48	33	15	48	33	15	48	13	13	26	112	58	170 (6)(16)
		ACT-PROJ	0	0	0	0	0	0	0	0	3	6	9	-13	-2	-15 (12)	16	6	22	0	-13	-13 (11)	6	-3	3 (11)(12)

(6) No projections provided to PROETAS

(11) Production probs (quality defects)

(12) Lack of experience (production, packing, varieties)

(16) Monthly breakouts not available last Oct, working with hybrid varieties of canteloupes; difficult to project.

Commentary: Honeydews were of landew variety; canteloupes of hybrid varieties, some new, and therefore more difficult to project(second year of experience)

Market prices were good (Texas freezes helped), but some quality control problems; picked too early due to rains. Growers were taken to U.S. supermarkets to see their product.

Transport: used 3 liner assoc carriers; negotiated rate early on. Equipment availability not a problem; vessel Capt. Cook was, (other carriers call C.R. every 10 days, so some probs in re-programming

Domestic transport costs in C.R. of concern; meetings being held at ministerial levels.

Camara de Exportadores concerned about pesticide issues; some inter-agency action taking place as well to avoid potential problems.

Contact:

Receivers:

Projections for '88-'89 season: Plan to palletize canteloupes, but honeydew questionable as it weights out before cubing out.

Has available packing space for CAMP melon venture; requires advance projections.

Expects to increase 20%

crca2

Melon Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
CRIC		ACTUAL	0	0	0	0	0	0	15	22	37	33	30	63 (24)	24	2	26	23	11	34	4	2	6	99	67	166 (24)
		PROJECTED	0	0	0	0	0	0	15	14	29	33	31	64	33	9	42	33	9	42	0	0	0	114	63	177
		ACT-PROJ	0	0	0	0	0	0	0	8	8	0	-1	-1 (10)(11)	-9	-7	-16 (10)(11)	-10	2	-8	4	2	6	-15	4	-11 (10)(11)

(10) Weather (winds)

(11) Production problems (red mites)

(24) Actuals do not include watermelon (3 tns), or 10 tns honeydew to Europe (Jan-2 tns, Feb-6 tns, Mar-2 tns)

Commentary: Moved canteloupes, orange-flesh, yellow tendril, tandem, cassaba, crenshaw, an galia melons.

There were approximately 52 tns of watermelons projected.

Affected by attack of red mites and strong winds in Feb-March.

Transport: Uses all carriers (Sea-Board, CCI, Sea-Land, Juno). Claims due to equipment malfunction.

Palletizes loads, per 40' ti loads (cant-800 cases, honeydew-1200 cases, watermelon-500 cartons)

Contact:

Receivers:

Projections for '88-'89 season: Increase probable, projections uncertain.

crta3

Melon Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total
CRIC		ACTUAL	0	0	0	0	0	0	0	0	0	0	0	35	35	0	23	23	0	0	0	0	78	78	(25)
		PROJECTED	0	0	0	0	0	0	7	7	0	28	28	0	28	0	28	28	0	7	7	0	98	98	
		ACT-PROJ	0	0	0	0	0	0	-7	-7	0	-28	-28 (10)	0	27	0	-5	-5 (10)	0	-7	-7	0	-20	-20 (10)	

(10) Weather (rains)

(25) Actuals do not include watermelon (18 tls) in Mar-April, or 3 tls honeydew to Europe in March.

Commentary: Affected slightly by unusual showers during Feb-March, early start of rainy season in April.
 Transport: used Sea-Land, CCI, Sea-Board, Junc. Some claims due to equipment malfunction.
 Palletizes loads. Per 40' tl, loads (cant-800 cases, honeydew-1200 cases, watermelon-500 cartons)

Contacts:

Receivers:

Projections for '88-'89 season: Looks to expand; projections being finalized.

64

D. EL SALVADOR

D. EL SALVADOR

Salvadoran shippers were contacted in June in San Salvador (not far from some of the coastal production areas). The author worked in close consultation with PROEXAG's counterpart export federation, FUSADES. Spreadsheets detailing specific shipper information are attached, as well as a summary sheet on El Salvador showing totals for shippers and the country as a whole. Salvador's figures appear once again in the regional spreadsheet. Some additional comments are below:

1. Contract-growing is common in El Salvador. In comparison to other Central American countries, El Salvador has more shippers, but their volumes are generally less than elsewhere.
2. Unique in its geographic location, El Salvador has no Caribbean coast like its neighbors. Melons are trucked from production areas on its Pacific coast to the eastern port of Santo Tomas, Guatemala. The three liner association carriers (CCT, SeaBoard, and Sea-Land) offer refrigerated service to the U.S. from Santo Tomas, and through-bills-of-lading from El Salvador to the U.S.
3. Several Salvadoran exporters opted this past season to ship their melons via the overland route through Mexico. This option was viewed favorable in that it lowered freight costs and total transit, in some cases enabling cargoes to reach mid-west and west coast markets that otherwise might not have been possible. This transport option looks to increase for the 1988-1989 season.
4. Melons are under several types of production, the most common of which are dry farming and gravity irrigation. As dry farming is heavily reliant on moisture, El Salvador was substantially affected by drought conditions.
5. Some 15 Salvadoran exporters shipped 412 containers of melons in comparison with their October projections of 858 trailers. These projections were revised downwards to about 600 trailers in November, based on shippers' reevaluations and the drought conditions.
6. Due to the drought, shipments did not begin until December, and variances in projections versus actual exports were greatest in December and January, due to late/reduced planting and the dry conditions. El Salvador usually has some rain into early November; this past season, the rain stopped September 21, resulting in extremely dry conditions that were further complicated by high winds in January. One shipper stated that these were the worst winds since 1977, and even with wind-breaks, many losses were sustained. These conditions brought on virus problems as well, affecting in some cases second-cycle production.
7. There were sufficient ocean containers, aided in part by the overland option.

EL SALVADOR

8. Although there were no FDA detentions, some shippers did experience delays due to APHIS inspections. Some shippers indicated that they would favor pre-inspection or pre-clearance in El Salvador, if it could be worked out with USDA. (This possibility is being further explored by the agricultural attache)

9. Shippers tended to use all three liner association carriers and some used the overland truck route through Mexico. There is considerable interest in the feasibility of a west coast all-water route to the U.S. from Acajutla.

10. Despite their having reached less than 50% of their goals for the 1987-1988 season, Salvadoran shippers finished the season in a market with good prices, which seems to have stimulated many to increase their projections for next year. Although projections were not available for all shippers, there were numerous cases of shippers who intended to triple production of what this past season's projections had been. There is a concerted effort to move toward techniques which might better control production and quality, including more drip irrigation, cold storage, and pre-cooling facilities. Applications for financing are evidence of some of these cases. Nevertheless, the numbers are cause for pause and caution, particularly when considering that expansion plans are underway throughout the Central American region. (See attached map showing production areas and current/planned capabilities.)

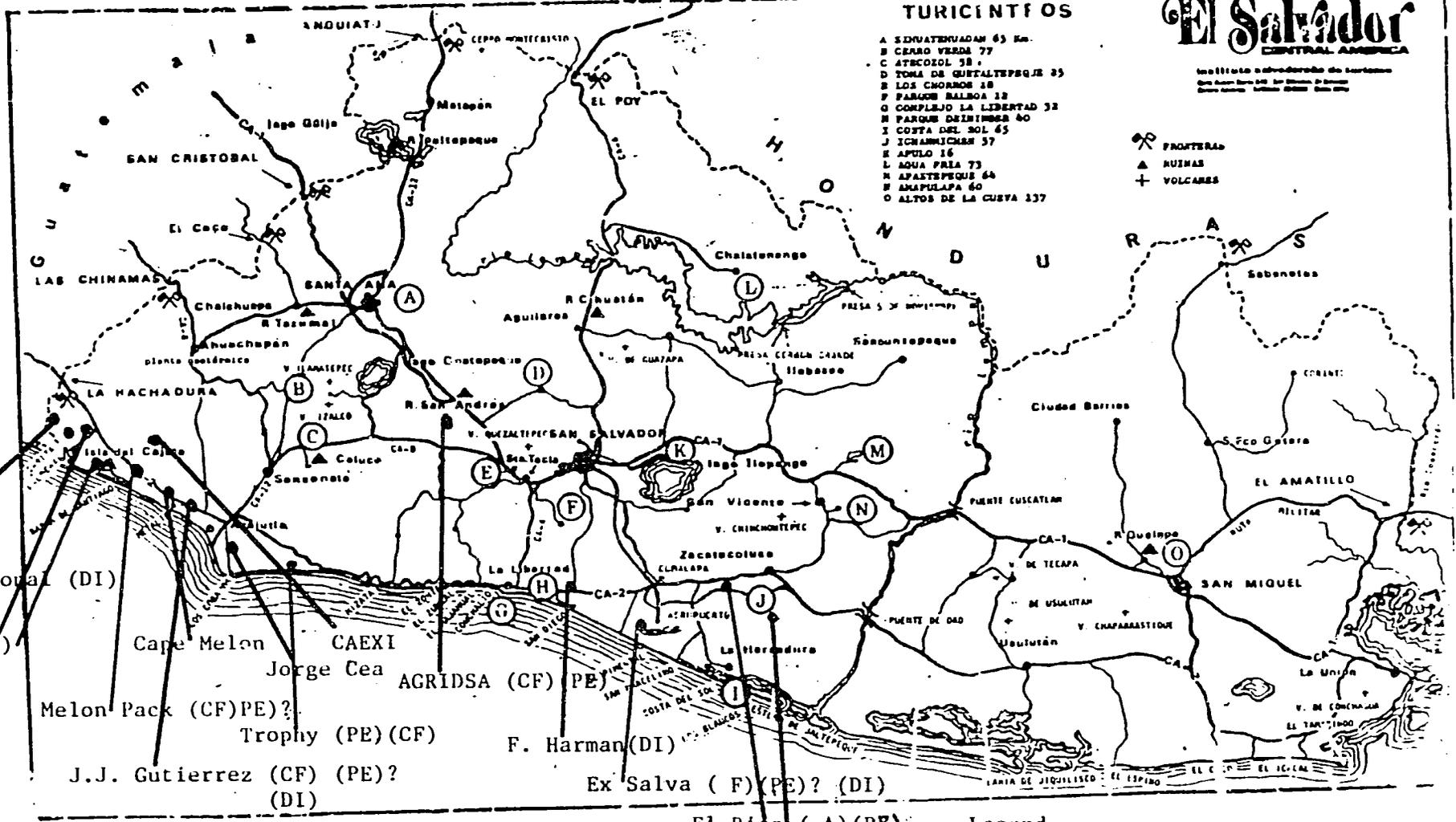
TURICENTOS

El Salvador
CENTRAL AMERICA

Escala: 1:500,000
 Datos: 1960-1965
 Fuente: Instituto Geográfico de El Salvador

- A SIQUATEHUACAN 65 Km.
- B CERRO VERDE 77
- C ATECOZIL 58 v
- D TOLA DE GUATELAPESQUE 25
- E LOS CHORROS 18
- F PARQUE BALBOA 12
- G COMPLEJO LA LIBERTAD 32
- H PARQUE DE INIMBA 40
- I COSTA DEL SOL 65
- J ICHAMICAMAN 37
- K APULO 16
- L AGUA FRIA 73
- M APATEPEQUE 64
- N AMAPULAPA 60
- O ALTOS DE LA CUEVA 137

- ⊗ FRONTERAS
- ▲ RUINAS
- + VOLCANES



- Casvel (A)
- AgroInternacional (DI)
- R. Alfaro (CF)
- Max Magana
- Cape Melon CAEXI
- Jorge Cea AGRIDSA (CF) (PE)
- Melon Pack (CF) (PE)?
- Trophy (PE) (CF)
- J.J. Gutierrez (CF) (PE)?
- (DI)
- F. Harman (DI)
- Ex Salva (F) (PE)? (DI)
- El Rico (A) (PE)
- Cardoza (DI)

Legend

- DI = Drip Irrigation
- A = Aspersión
- CF = Cold Storage
- PE = Pre-cooling

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1967-68

ENTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL				
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total		
SALV	ACTUAL	0	0	0	0	31	31	0	16	16	0	0	0	0	1	1	0	0	0	0	0	0	0	0	48	48	
	PROJECTED	0	0	0	0	40	40	0	60	60	0	30	30	0	0	0	0	0	0	0	0	0	0	0	130	130	
	ACT-PROJ	0	0	0	0	-9	-9 (11)	0	-44	-44 (11)	0	-30	-30 (10)	0	1	1 (10)	0	0	0 (10)	0	0	0	0	0	-82	-82 (10)(11)	
SALV	ACTUAL	0	0	0	0	1	1	0	12	12	0	5	5	0	23	23	0	4	4	0	0	0	0	0	45	45	
	PROJECTED	0	0	0	0	30	30	0	30	30	0	10	10	0	10	10	0	20	20	0	0	0	0	0	100	100 (11)	
	ACT-PROJ	0	0	0	0	-29	-29	0	-18	-18 (10)	0	-5	-5 (10)	0	13	13 (10)	0	-16	-16 (11)	0	0	0	0	0	-55	-55 (10)(11)	
SALV	ACTUAL	0	0	0	2	0	2	13	0	13	15	0	15	0	0	0	0	0	0	0	0	0	0	0	30	30	
	PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (6)	
	ACT-PROJ	0	0	0	2	0	2	13	0	13	15	0	15	0	0	0	0	0	0	0	0	0	0	0	30	30	
SALV	ACTUAL	0	0	0	10	0	10	27	0	27	0	0	0	1	0	1	12	0	12	0	0	0	0	0	50	50	
	PROJECTED	0	0	0	30	0	30	70	0	70	5	0	5	10	30	40	10	30	40	0	0	0	0	0	125	60 185 (11)	
	ACT-PROJ	0	0	0	-20	0	-20 (10)	-43	0	-43 (10)	-5	0	-5 (10)	-9	-30	-39 (10)	2	-30	-28 (10)	0	0	0	0	0	-75	-60 -135 (10)	
SALV	ACTUAL	0	0	0	0	0	0	7	0	7	0	0	0	0	0	0	0	0	0	12	0	12	19	0	19		
	PROJECTED	0	0	0	0	0	0	7	0	7	0	0	0	0	0	0	12	0	12	12	0	12	31	0	31 (11)		
	ACT-PROJ	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-12	0	-12 (10)	0	0	0	-12	0	-12 (10)		
SALV	ACTUAL	0	0	0	0	0	0	7	0	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	7 (7)	
	PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (6)	
	ACT-PROJ	0	0	0	0	0	0	7	0	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	7	
SALV	ACTUAL	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0	0	0	0	4	0	4	12	2	14	14 (7)	
	PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (6)	
	ACT-PROJ	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0	0	0	0	4	0	4	12	2	14	14	
SALV	ACTUAL	0	0	0	0	5	5	0	7	7	0	11	11	0	3	3	0	4	4	0	0	0	0	0	0	30	30
	PROJECTED	0	0	0	0	30	30	0	13	13	0	4	4	0	4	4	0	15	15	0	0	0	0	0	0	66	66 (11)
	ACT-PROJ	0	0	0	0	-25	-25 (10)	0	-6	-6 (10)	0	7	7 (10)	0	-1	-1	0	-11	-11	0	0	0	0	0	-36	-36 (10)	
SALV	ACTUAL	0	0	0	0	3	3	1	4	5	0	1	1	0	1	1	0	4	4	0	0	0	0	0	0	9	13 22
	PROJECTED	0	10	10	0	34	34	0	24	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	70	70 (11)
	ACT-PROJ	0	-10	-10 (10)	0	-31	-31 (10)	1	-22	-21 (10)	0	1	1 (11)	0	1	1	0	4	4	0	0	0	0	0	0	-57	-48 (10)(11)
SALV	ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (7)	
	PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (1)(6)	
	ACT-PROJ	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (8)	
SALV	ACTUAL	0	0	0	0	20	20	0	4	4	0	0	0	0	4	4	0	0	0	0	0	0	0	0	0	36	36
	PROJECTED	0	0	0	0	24	24	0	12	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	36	36
	ACT-PROJ	0	0	0	0	-4	-4	0	-8	-8	0	0	0	0	4	4	0	0	0	0	0	0	0	0	0	0	0
SALV	ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	PROJECTED	0	0	0	0	15	15	0	15	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	30 (11)
	ACT-PROJ	0	0	0	0	-15	-15	0	-15	-15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-30	-30 (8)
SALV	ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (7)	
	PROJECTED	0	0	0	0	15	15	0	15	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	30 (11)
	ACT-PROJ	0	0	0	0	-15	-15 (10)	0	-15	-15 (10)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-30	-30 (10)

salvl

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV	ACTUAL	0	0	0	0	31	31	0	16	16	0	0	0	0	1	1	0	0	0	0	0	0	0	0	48	48
	PROJECTED	0	0	0	0	40	40	0	60	60	0	30	30	0	0	0	0	0	0	0	0	0	0	0	130	130
	ACT-PROJ	0	0	0	0	-9	-9 (11)	0	-44	-44 (11)	0	-30	-30 (10)	0	1	1 (10)	0	0	0 (10)	0	0	0	0	0	-82	-82 (10,11)

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(11) Production problems (virus)

Commentary: Sources from both El Salvador and Guatemala, so production timed. Uses some gravity irrigation, aspersion, overhead irrigation.

Virus problems in December, January, so concern to seed second cycle. Worst winds since 1977, even with windbreakers, resulting in losses.

No FDA detentions; some APHIS problems (insects) on CCT.

Transport: CCT (48 t/s), Seaboard (27 t/s), Sea-Land (1 t/s), overland (111). No claims. Interested in overland and west coast water service. Railing melons to N.Y. from S. Florida (\$1800, incl strip)

Contact:

Receivers include:

Projections '88-'89: 225,000 cases of HD.

salv2

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	1	1	0	12	12	0	5	5	0	23	23	0	4	4	0	0	0	0	45	45
		PROJECTED	0	0	0	0	30	30	0	30	30	0	10	10	0	10	10	0	20	20	0	0	0	0	100	100 (1)
		ACT-PROJ	0	0	0	0	-29	-29 (10)	0	-18	-18 (10)	0	-5	-5 (10)	0	13	13 (10)	0	-16	-16 (11)	0	0	0	0	-55	-55 (10,11)

(1) Projections based on second-hand information

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(11) Production problems (virus)

Commentary: Planted later, due to lack of rains, which meant harvest delayed for first cycle. Second cycle came earlier.

Entire areas lost due to severe winds in January, February, and March. Also affected somewhat by virus.

Going to increased use of drip irrigation

No FDA detentions.

Transport: not interested in overland; claims (1 tl, Sea-Land, also left 2 tls in Sto Tomas) interested in west coast water service. Probably interested in pre-clearance.

Contacts:

Receivers:

Projections for '88-'89: 500,000 cases, or about 300 tls (10% cant, 90% hd).

SALV3

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

ENTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL					
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total			
SALV		ACTUAL	0	0	0	2	0	2	13	0	13	15	0	15	0	0	0	0	0	0	0	0	0	0	0	30	0	30
		PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (6)	
		ACT-PROJ	0	0	0	2	0	2	13	0	13	15	0	15	0	0	0	0	0	0	0	0	0	0	0	30	0	30

(6) No projections provided to PROEIA6

Commentary: Had not originally projected to ship (is freight forwarder/customs broker).
 Transport: very interested in overland option.

Contact:

Receivers:

Projections for '88-'89 season: 30 tics of canteloupe.

SALV4

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	10	0	10	27	0	27	0	0	0	1	0	1	12	0	12	0	0	0	50	0	50
		PROJECTED	0	0	0	30	0	30	70	0	70	5	0	5	10	30	40	10	30	40	0	0	0	125	60	185 (1)
		ACT-PROJ	0	0	0	-20	0	-20 (10)	-43	0	-43 (10)	-5	0	-5 (10)	-9	-30	-39 (10)	2	-30	-28 (10)	0	0	0	-75	-60	-135 (10)

(1) Projections based on second-hand information in October; revised downward to 100 tls in November.

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

Commentary: Used humidity cultivation during first cycle, gravity irrigation or aspersion second cycle.

Tremendous winds second cycle resulting in losses, some small farmers sold locally instead of exporting.

No FDA detentions.

Transport: 1 claim (overturned trailer on overland trip); also moved 7 shipments by air. Interested in overland option to McAllen and west coast water service, depending on price.

Contact:

Receivers:

Projections for '88-'89 season: Will probably go to 300 tls (230 cantaloups, 70 hd)

61

SALVS

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

ENTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	0	0	7	0	7	6	0	0	0	0	0	0	12	0	12	19	0	19		
		PROJECTED	0	0	0	0	0	0	7	0	7	0	0	0	0	0	0	12	0	12	12	0	12	31	0	31 (1)
		ACT-PROJ	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-12	0	-12 (16)	0	0	0	-12	0	-12 (10)

(1) Projections based on second-hand information

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

Commentary: hurricane-like winds destroyed 40 melons of one cooperative.

Transport: No claims; interested in overland option and west coast water service.

Contacts:

Receivers:

Projections for '88-'89 season: 225 tls (135 canteloupe and 90 hd, at least)

11

SALV6

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	0	0	7	0	7	0	0	0	0	0	0	0	0	0	0	0	0	7	0	7 (17)
		PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (6)
		ACT-PROJ	0	0	0	0	0	0	7	0	7	0	0	0	0	0	0	0	0	0	0	0	0	7	0	7

(6) No projections provided to PROETAG

(7) Actuals based on second-hand information

Contact:

Receiver:

Projections for '88-'89 seasons not available

SALV7

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total
SALV		ACTUAL	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0	0	4	0	4	12	2	14 (7)	
		PROJECTED			0		0		0		0		0		0		0		0		0	0	0	0 (6)	
		ACT-PROJ	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0	0	4	0	4	12	2	14	

(6) No projections provided to PROEING; shipper revised Oct projections of 15 tns downward to 6 tns in November.

(7) Actuals based on second-hand information

Commentary: No contact made with shipper.

Contact:

Receivers:

Projections for '88-'89 season: Not available

116

SALVB

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total	Cant	HB	Total
		SALV	ACTUAL	0	0	0	0	5	5	0	7	7	0	11	11	0	3	3	0	4	4	0	0	0	0
	PROJECTED	0	0	0	0	30	30	0	13	13	0	4	4	0	4	4	0	15	15	0	0	0	0	66	66 (1)
	ACT-PROJ	0	0	0	0	-25	-25 (10)	0	-6	-6 (10)	0	7	7 (10)	0	-1	-1	0	-11	-11	0	0	0	0	-36	-36 (10)

(1) Projections based on second-hand information in October; revised downward in November from 66 to 39 trailers.
 (10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

Commentary: Lack of rains between September and November reduced yields. December rains also did some damage.
 Used humidity production
 No FDA detentions for melons; had some APHIS problems with chilis, as unaware of non-enterability
 Transport: interested in overland (now has permit); also interested in west coast water route/
 Possible interest in pre-clearance.
 Has pending F&EA case with Texas International, further complicated by double-bond requirement.

Contact:

Receivers:

Projections for '88-'89 season: 80 trailers of orange-flesh and green flesh honeydew. Plans 45 manzanas of drip irrigation.

SALV9

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	3	3	1	4	5	0	1	1	0	1	9	0	4	4	0	0	0	9	13	22
		PROJECTED	0	10	10	0	34	34	0	26	26	0	0	0	0	0	0	0	0	0	0	0	0	0	70	70 (I)
		ACT-PROJ	0	-10	-10 (10)	0	-31	-31 (10)	1	-22	-21 (11)	0	1	1	0	1	9	0	4	4	0	0	0	9	-57	-48 (10)(11)

(I) Projections based on second-hand information; October projections revised downward from 70 tls to 15 tls in November.

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(11) Production problems (nematodes)

Commentary: Lack of humidity; rains stopped third week of September.

Uses dry farming and aspersion.

Contacts:

Receivers:

Projections for '88-'89 season: 200 tls (HD and cant), based on second-hand information.

SALVIO

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

ENTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (7)
		PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (11)(6)
		ACT-PROJ	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (8)

(1) Projections based on second-hand information in November.

(6) No projections provided to PROETAG in October

(7) Actuals based on second-hand information

(8) Didn't ship

Commentary: Connected with Israelis (Rafi Nir) in Honduras.

Contact:

Projections for '88-'89 season: 200 tls of canteloupe

SALV11

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

ENTR	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	20	20	0	4	4	0	0	0	0	4	4	0	8	8	0	0	0	0	36	36
		PROJECTED	0	0	0	0	24	24	0	12	12	0	0	0	0	0	0	0	0	0	0	0	0	0	36	36 (11)
		ACT-PROJ	0	0	0	0	-4	-4 (10)	0	-8	-8	0	0	0	0	4	4	0	8	8	0	0	0	0	0	0 (10)

(1) Projections based on second-hand information

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

Commentary: December rains ruined part of crop

Second cycle production not part of original projections

Uses humidity cultivation and aspersion; planning to put in drip irrigation.

Planning pre-cooling facilities and cold rooms for '88-'89 season.

No FDA detentions.

Transport: used overland this season, interested for next season due to transit/rate. No claims with carriers. Interested in west coast all-water route.

Interested in pre-clearance.

Contact:

Receivers:

Projections for '88-'89 seasons: 80 t/s (30% cant, 70% HD)

9

SALV12

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total
SALV		ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		PROJECTED	0	0	0	0	15	15	0	15	15	0	0	0	0	0	0	0	0	0	0	0	0	30	30 (1)
		ACT-PROJ	0	0	0	0	-15	-15	0	-15	-15	0	0	0	0	0	0	0	0	0	0	0	0	-30	-30 (8)

(1) Projections based on second-hand information

(8) Didn't ship

Commentary: Cut back October projections to zero in November; didn't plant.

Contact:

Receivers:

Projections for '88-'89 season: unknown

16

SALV13

EL SALVADOR Bean Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (7)
		PROJECTED	0	0	0	0	15	15	0	15	15	0	0	0	0	0	0	0	0	0	0	0	0	0	30	30 (1)
		ACT-PROJ	0	0	0	0	-15	-15 (10)	0	-15	-15 (10)	0	0	0	0	0	0	0	0	0	0	0	0	0	-30	-30 (10)

(1) Projections based on second-hand information; October projections reduced to 15 tls in Nov.

(7) Actuals based on second-hand information

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

Commentary: Lack of rains for one of crops, resulted in reduced yields.

Contact:

Receivers:

Projections for '88-'89 season: Not available.

16

SALVIA

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CNTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	0	2	2	0	2	2	0	1	1	0	0	0	0	0	0	0	0	0	0	5	5 (7)
		PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (6)
		ACT-PROJ	0	0	0	0	2	2	0	2	2	0	1	1	0	0	0	0	0	0	0	0	0	0	5	5

(6) No projections provided to PROETAG

(7) Actuals based on second-hand information

Commentary: Decision to ship came once into season, interested in overland.

Contact:

Receivers:

Projections for '88-'89 season: Not available.

597

SALVIS

EL SALVADOR Melon Shipments, Projections versus Actuals, for 1987-88

CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
SALV		ACTUAL	0	0	0	15	32	47	4	45	49	0	4	4	0	0	0	0	0	0	0	6	6	19	87	106 (7)
		PROJECTED	0	0	0	8	32	40	8	32	40	8	32	40	8	32	40	4	16	20	0	0	0	36	144	180 (1)
		ACT-PRDJ	0	0	0	7	0	7 (10)	-4	13	9 (10)	-8	-28	-36 (11)	-8	-32	-40 (11)	-4	-16	-20	0	6	6	-17	-57	-74 (10)(11)

(1) Projections based on second-hand information

(7) Actuals based on second-hand information

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(11) Production problems (quality defects)

Commentary: Lack of rains, resulting drought, sunburn, and reduced planting affected yields.

Some defective melons, netting problems.

Transport: trailers moved overland.

Contact:

Receivers:

Projections for '88-'89 season: 250 tls of canteloupe and honeydew (based on second-hand information)

54

E. PANAMA

E. PANAMA

Although a mid-season evaluation and end-of-season trip to Panama were not made due to the current political situation in Panama, the author was able to communicate with shippers and receivers by telephone and facsimile to obtain relevant information to complete the regional study. Spreadsheets detailing specific shipper information are attached, as well as a summary sheet for Panama showing totals for shippers and the country as a whole. Panama's figures appear once again in the regional spreadsheet. Some additional comments are included below:

1. Some of Panama's production is located not far from the capital city, but is concentrated in the more-distant area of Chitre.

2. Six Panamanian exporters moved approximately 818 trailers of melons (cantaloupes, galias, and honeydews) to the U.S. There were about 40 additional trailers of watermelons.

3. Some of the exporters contract for shipment, others are grower/shippers, and yet others are in a joint-venture arrangement with their U.S. buyers.

4. Melon shipments began as early as November for one shipper but most exports began in December. Financing was difficult in some cases and affected production start-up and harvest. Shipments continued into May, with February, March, and April being the strongest months.

5. Some 818 trailers were exported in comparison with the projected figures of 1,221 trailers, a variance of 403. Although there was drought in October/November, weather was not the major reason for the variances. Financing was cited in almost every case as a major constraint, both prior to and during the season, and the banks were closed during some periods. Planting was delayed in some cases, and others cut back on total acreage due to limited funds. Market prices were generally good, except during part of December. Virus was a problem for some, in part due to inability to cope with the crisis financially. The political crisis in February and March led to port strikes, unstable service, cessation of harvesting due to lack of containers, and insufficient cold storage to handle the volumes. This led to quality control problems when the product did not hold up.

6. In March, when the U.S. lifted both the CBI and GSP duty-free privileges for Panama, import duties were assessed as follows: honeydews at 8.5%, cantaloupes at 20%, and watermelons at 30%. (Melons from other Central American countries enter the U.S. duty-free.)

7. The ocean carriers serving Panama with refrigerated service to the U.S. include: CCT, SeaBoard (rate agreement carriers), and the independent Juno Marine. Freight rates from Panama are in the range of \$4,500-5,000/trailer, higher than those of Costa Rica, Honduras, Guatemala, or El Salvador.

56'

PANAMA

8. Freight rates, labor costs, import duties, financing, and other production costs combined make Panama's landed costs the highest in the region.

9. Due to distance, overland transport is not an option.

10. During March, and due to the disruption in ocean service, shippers had to turn to moving some melons via air with commercial carriers or via charter. (Utilized Eastern's wide-body jets; Air Panama's landing rights were suspended in the U.S.)

11. Refrigerated cargo is "pulped" for temperature prior to loading in Panama, a practice not observed in every country, but prompted due to claims during previous years.

12. Some drip irrigation is used, but gravity irrigation is also prevalent. Pallets are used by some but not all shippers.

13. Shippers sense that the transport situation is stabilizing and service next season will not repeat this year's experience.

14. Projections vary substantially; some shippers expect to triple output, others are expecting no changes, some are deeply concerned about financing. In one case, a shipper is looking at Costa Rica for alternate/additional production due to the factors that limited his exports this past season.

Melon Shipments, Projections versus Actuals, for 1987-88

CNY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL					
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total						
PAN	ACTUAL	0	0	0	0	5	5	0	10	10	0	23	23	0	48	48	0	26	26	0	0	0	0	112	112	(19)		
	PROJECTED	0	0	0	0	20	20	0	58	58	0	53	53	0	106	106	0	60	60	0	0	0	0	297	297			
	ACT-PROJ	0	0	0	(13)	-15	-15	(11)	(12)	0	-48	-48	(11)	(12)	0	-58	-58	(14)	0	-34	-34	(14)	0	0	0	0	-185	-185
PAN	ACTUAL	0	0	0	0	0	0	0	6	6	0	49	49	0	119	119	0	24	24	0	0	0	0	198	198			
	PROJECTED	0	0	0	0	10	10	0	34	34	0	40	40	0	68	68	0	25	25	0	0	0	0	179	179			
	ACT-PROJ	0	0	0	(13)	-10	-10	(13)	0	-30	-30	(14)	0	9	9	0	51	51	0	-1	-1	0	0	0	0	19	19	(13)(14)
PAN	ACTUAL	15	0	15	0	50	50	0	30	30	0	30	30	0	70	70	0	50	50	0	20	20	15	250	265	(23)		
	PROJECTED	0	0	0	0	82	82	0	48	48	0	54	54	0	94	94	0	58	58	0	0	0	0	336	336			
	ACT-PROJ	15	0	15	(13)	-32	-32	(10)	(13)	0	-18	-18	(10)	0	-24	-24	(14)	0	-8	-8	0	20	20	15	-86	-71	(10)(13)(14)(15)	
PAN	ACTUAL	0	0	0	0	0	0	0	4	4	0	42	42	0	62	62	0	80	80	0	10	10	0	198	198			
	PROJECTED	0	0	0	0	70	70	0	99	99	0	48	48	0	43	43	0	12	12	0	0	0	0	274	274			
	ACT-PROJ	0	0	0	(13)	-70	-70	(11)	(13)	0	-95	-95	(11)	0	-17	-17	0	68	68	0	10	10	0	-76	-76	(11)(13)(14)		
PAN	ACTUAL	0	0	0	0	0	0	0	0	0	0	3	3	0	31	31	0	11	11	0	0	0	0	45	45			
	PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(6)	
	ACT-PROJ	0	0	0	0	0	0	0	0	0	0	(13)	0	3	3	0	31	31	0	11	11	0	0	0	0	45	45	(13)
PAN	ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	PROJECTED	0	0	0	0	0	0	0	14	14	0	39	39	0	71	71	0	11	11	0	0	0	0	135	135			
	ACT-PROJ	0	0	0	(13)	0	0	0	-14	-14	0	-39	-39	0	-71	-71	0	-11	-11	0	0	0	0	-135	-135	(8)(13)		
PAN	888 T O T A L S 888	ACTUAL	15	0	15	0	55	55	0	50	50	0	147	147	0	330	330	0	191	191	0	30	30	15	803	818	(19)(23)	
	PROJECTED	0	0	0	0	182	182	0	253	253	0	234	234	0	384	384	0	166	166	0	0	0	0	1221	1221	(6)		
	ACT-PROJ	15	0	15	0	-127	-127	0	-205	-205	0	-87	-87	0	-54	-54	0	25	25	0	30	30	15	-418	-403	(6)(10)(11)(12)(13)(14)(15)(19)		

- (1) Projections based on second-hand information
- (2) There were an additional 6 trailers of watermelons not shown in these totals
- (3) Of this total, 313 containers moved on United Brands' own vessel
- (4) Shipper's revised projections vs. original projections of 100 trailers total.
- (5) There were an additional 89 containers among Proehsa (43), Intersula (17), Global Inter. (16), JJ Lopez (13), making a total of 1414 containers for the season.
- (6) No projections provided to PROETAG
- (7) Actuals based on second-hand information
- (8) Didn't ship
- (9) Revised November projections totalled 595 tls
- (10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)
- (11) Production problems (nematodes, virus, over-watering, quality defects)
- (12) Lack of experience (production, packing, varieties)
- (13) Financial constraints or problems.
- (14) Lack of containers
- (15) Low market prices
- (16) Monthly breakouts not available
- (17) Shipper's revised projections vs. original estimated projections of 821 tls.
- (18) Shipper-provided actuals. (Variance exists from export statistical sources)
- (19) There were an additional 16 tls of watermelon not included in figures.
- (20) Includes 5 tls of watermelons and 20 tls of mixed load melons (honeydew and watermelon, honeydew and canteloupe)
- (21) Does not include 10 tls projected for Oct.
- (22) Actuals do not include approx 4 tls of canteloupe moved in Oct but do include some watermelons.
- (23) Actuals do not include watermelons (Dec-15 tls; March-10 tls).
- (24) Actuals do not include watermelon (3 tls), or 10 tls honeydew to Europe (Jan-2 tls, Feb-6 tls, Mar-2 tls)
- (25) Actuals do not include watermelon (18 tls) in Mar-April, or 3 tls honeydew to Europe in March.

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Melon Shipments, Projections versus Actuals, for 1987-88

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CMTY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL				
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total					
PAN		ACTUAL	0	0	0	0	5	5	0	10	10	0	23	23	0	40	40	0	26	26	0	0	0	0	112	112	(19)
		PROJECTED	0	0	0	0	20	20	0	50	50	0	53	53	0	106	106	0	60	60	0	0	0	0	297	297	
		ACT-PROJ	0	0	0	(13)	0	-15	(11)	0	-40	(11)	0	-30	(11)	0	-50	(14)	0	-34	(14)	0	0	0	0	-185	(11)(12)(13)(14)(19)

(11) Production problems (nematodes, virus, over-watering, quality defects)

(12) Lack of experience (production, packing, varieties)

(13) Financial constraints or problems.

(14) Lack of containers

(19) There were an additional 16 t/s watermelon not included in figures.

Commentary: Sources from 4 growers(50/50 joint venture); varying levels of experience.

Financing serious problem prior and during season, banks closed during some periods.

Feb/March political crisis led to port strikes, unstable service, cessation of harvesting due to lack of containers, and further complicated by U.S. trade sanctions in March removing GSP and CBI duty-free privileges.

Current duties on melons to U.S.: HD(0.5%), Canteloupes(20%), Watermelons (30%).

Virus was also serious problem, in part due to inability cope with crisis financially.

HD above included 21 t/s galia melons, (15 shipped to Europe).

Delivered costs: 10/case(HD), 611/case(canteloupe)

Transportation: Fruit pulped by carriers prior to loading ex Panama. Few claims, but many instability of situations/service by CCT and SeaBoard resulted in losses to shippers.

Ships in 42' t/s. All figures above based on 42' trailers (2 pallets over than 40'). Loads 1452 cases HD/42', (22 pallets of 66 cartons each) and 960 cases cant/42', (22 pallets, 44 cartons each)

Contacts:

Receivers:

Projections for '88-'89 season: Nov(cant-0, HD-0), Dec(cant-6,HD-0), Jan(cant-6,HD-10), Feb(cant-6,HD-100), Mar(cant-6,HD-170), Apr(cant-6,HD-120), May(cant-0,HD-0)

Will plant about 250 hectares; 300,000 cartons (plastic with drip irrigation), remain conventional gravity method.

Some shippers, but some modifications in growers.

Transport service appears to be stabilizing.

Melon Shipments, Projections versus Actuals, for 1987-88

ENTRY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total
PAN	ACTUAL	0	0	0	0	0	0	0	6	6	0	49	49	0	119	119	0	24	24	0	0	0	0	198	198
	PROJECTED	0	0	0	0	10	10	0	36	36	0	40	40	0	68	68	0	25	25	0	0	0	0	179	179
	ACT-PROJ	0	0	0	(13)	0	-10	-10	(13)	0	-30	-30	(14)	0	9	9	0	-1	-1	0	0	0	0	19	19

(13) Financial constraints or problems.

(14) Lack of containers

Commentary: Planting delayed due to lack of financing.

U.S. imposed trade sanctions on Panama, lifting the duty-free privileges of BSP and CB1, resulting in import duties on melons.

Transport: due to political situation, carriers changed schedules, which reduced number of containers, thus increasing amount of fruit in packinghouse-- shelf-life reduced, (lack of cold storage), and quality problems.

Panama's melon freight rates higher than other C.A. countries. Service to U.S. east coast only; no overland option.

Contacts:

Receivers:

Projections for '88-'89 season: Will ship, although volumes uncertain.

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pan]

Water Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total			
PAN	ACTUAL	15	0	15	0	50	50	0	30	30	0	30	30	0	70	70	0	50	50	0	20	20	15	250	265 (23)
	PROJECTED	0	0	0	0	82	82	0	48	48	0	54	54	0	94	94	0	50	50	0	0	0	0	336	336
	ACT-PROJ	15	0	15 (13)	0	-32	-32 (10)(13)(15)	0	-18	-18 (10)	0	-24	-24 (13)	0	-24	-24 (14)	0	-8	-8	0	20	20	15	-84	-71 (10)(13)(14)(15)

(10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)

(13) Financial constraints or problems.

(14) Lack of containers

(15) Low market prices

(23) Actuals do not include watermelons (Dec-15 (13); March-10 (14))

Commentary: Financing problems throughout the season; further complicated by U.S. lifting Panama's GSP and CDI duty-free privileges, which resulted in import duties on the melons.

Market prices were good, except during part of December.

There was drought during October and November.

Transport: There were sufficient trailers in Dec. through Feb., but in March, due to the disruption in service caused by the strikes and political situation, shippers had to turn to air charters.

CCT and Seaboard's freight rates ex Panama have increased in recent years to a range of \$4500-4500/11, higher than those of C.Rica, Honduras, Guatemala, El Salvador, and the Dominican Republic, affecting its competitor Juna Marine's service from Panama, and lower freight rates, has helped exert some pressure on the rates. Equipment somewhat old, however.

Contact:

Receivers.

Projections for '88-'89 season: interested in possibly expanding to C.Rica, primarily for cost reasons. Has spoken with CANP re 200 hectares. Plans not definite for Panama or C.Rica.

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Melon Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	Cant	HD	Total	
PAN		ACTUAL	0	0	0	0	0	0	4	4	0	42	42	0	62	62	0	80	80	0	10	10	0	198	198	
		PROJECTED	0	0	0	0	70	70	0	90	90	0	48	48	0	45	45	0	12	12	0	0	0	0	265	265
		ACT-PROJ	0	0	0 (13)	0	-70	-70 (11)(13)	0	-84	-84 (11)	0	-6	-6 (14)	0	17	17	0	68	68	0	10	10	0	-67	-67 (11)(13)(14)

- (11) Production problems (quality defects)
- (13) Financial constraints or problems.
- (14) Lack of containers

Commentary: Product quality did not hold up, some quality control problems due to instability in vessel service.
 Financing came late, had to cut back in total area planted.
 Transport: Disrupted service due to strikes, political situation (cash-only basis). June Marine cut out 1 vessel; S/B and CCT slowed down service calls but never stopped calling Panama.
 June Marine about \$30/ton less than S/B and CCT, amounting to about \$430 differential.

Contact:

Receivers:

Projections for next season: uncertain.

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Melon Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
		Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total	Cant	MB	Total
PAN		ACTUAL	0	0	0	0	0	0	0	0	0	3	3	0	31	31	0	11	11	0	0	0	0	45	45
		PROJECTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (6)
		ACT-PROJ	0	0	0	0	0	0	0	0	0	3 (13)	3	0	31	31	0	11	11	0	0	0	0	45	45 (13)

(6) No projections provided to PROEING

(13) Financial constraints or problems.

Commentary: Market prices good; financing was problem.

Transport: Never 22 tte via Eastern Airlines in March/April (Air Panama's landing rights were suspended).

Contacts:

Receivers:

Projections for '88-'89 season: Unclear; financing will still remain a problem.

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Melon Shipments, Projections versus Actuals, for 1987-88

CITY	Shipper	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL			
		Cont	MB	Total	Cont	MB	Total	Cont	MB	Total	Cont	MB	Total	Cont	MB	Total	Cont	MB	Total	Cont	MB	Total	Cont	MB	Total	
PAN		ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		PROJECTED	0	0	0	0	0	0	14	14	9	39	39	0	71	71	0	11	11	0	0	0	0	135	135	
		ACT-PROJ	0	0	0	(13)	0	0	0	-14	-14	0	-39	-39	0	-71	-71	0	-11	-11	0	0	0	0	-135	-135 (0)(13)

(0) Didn't ship

(13) Financial constraints or problems.

Commentary: Didn't export; formerly exported to Squillante & Zimmerman.

Contacts:

Receivers:

Projections for '88-'89 season: Unknown.

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F. REGION

F. REGIONAL FINDINGS

In addition to the country information included in this report on Guatemala, Honduras, Costa Rica, El Salvador, and Panama, there are a number of reasons for examining the region as a whole, including:

a) same or related varieties of melons are grown and exported to the U.S. from each of these countries;

b) similar growing conditions and susceptibilities may exist from one country to another (weather, viruses, west coast production);

c) U.S. receivers may source supplies from more than one country;

d) exporters "compete" to a certain extent for transport space, not only among themselves within one country, but with other melon exporters and exporters of other refrigerated commodities from throughout the region (ocean carrier deployments include multiple port calls by the same vessel); and

e) planning, related to other suppliers' capabilities, is critical to the individual exporter's success (implications on availability of transport as well as potential impact for market prices).

Ocean Transportation

In the fall of 1987, the author accompanied the PROEXAG marketing specialist to meet individually with the three liner association carriers (CCT, SeaBoard, Sea-Land). While defending their pricing structures for the longer term, their immediate concerns, and those of the PROEXAG project, were frequency, capacity, and quality of service, especially in view of expected heavy periods of movement from Central America. Preliminary projections collected by PROEXAG were reviewed in the discussions and found to be consistent with those obtained by the carriers through their respective sales organizations. The carriers mentioned having met with a delegation of Honduran shippers and their doubts about ability to meet container demands for the 1987-1988 season.

1. Crowley Caribbean Transport (CCT)-- Part of the Crowley group, and sister company of AMTRANS, CCT is a roll-on, roll-off carrier and has concentrated its deployments in South America, Central America, and the Caribbean. Within Central America, CCT calls the Caribbean ports in Panama, Costa Rica, Honduras, and Guatemala, and services El Salvador via overland from Guatemala.

CCT recently acquired 200 new high-cube refrigerated trailers, bringing their fleet to about 1,000 reefers (some of the 200 are replacing old units, so the net increase is less). Some 70% of trailers used in the 1987-1988 season were to be hi-cubes which have a capacity to hold about 1,100 canteloupe cases versus the conventional size of about 930, and 1,600 cartons of honeydew versus 1,300 for conventional trailers.

REGIONAL FINDINGS

Plans included positioning a larger vessel, the Stena Trader in the north Central America zone, serving Puerto Cortes and Santo Tomas, with a capacity to carry about 67 reefers per week from Central America to Port Everglades. Allocations by country were estimated to break out to about 30/week from Guatemala, 30/week from Honduras, and 7/week from El Salvador. Service from Panama and Costa Rica is on a 10-day basis, with about 20 reefers allocated per country per sailing.

During peak season, the Costa Rica and Panama vessel would make an extra port call in the northern zone to pick up additional cargoes. Every 12 days, a vessel would call Lake Charles, with overnight delivery of cargo to New Orleans the following day.

CCT's orientation was very much toward the larger shipper, although specific mention of the smaller exporters was not made. A weekly service from the north zone of Central America is satisfactory with the given that other carriers also offer the weekly service; otherwise fruit is subject to ripening between vessel calls. The south zone, Panama and Costa Rica, might have this problem. El Salvador's allocations could restrict exports in view of container availability.

CCT executives addressed some issues for PROEXAG's attention. Santo Tomas de Castilla's port facilities are deteriorating. Carriers continue to pay a FLOMERCA charge, although this entity no longer exists. Carriers pay up to \$400 per trailer to position empties into Puerto Cortes; if the government of Honduras and port authority were receptive to lowering these charges, certain savings could be passed off to the exporters in the form of rate reductions. There is a shortage of APHIS inspectors in Port Everglades, leading to night inspections, potentially unnecessary fumigations, delays related to identification of pests via Washington, D.C. (Port Everglades is not under Miami jurisdiction, but Jacksonville's, so pests are sometimes sent to the Smithsonian for identification.)

2. SeaBoard Marine-- All three carriers have weekend departures from Central America; however, SeaBoard expected to have a second ship beginning December 19 with weekly departures early in the week. A third vessel was contemplated to handle additional volumes projected by AgroInternational/Chestnut Hill, another SeaBoard Corporation subsidiary.

SeaBoard allocated about 100 refrigerated positions per week from north Central America (Guatemala, Honduras, and El Salvador combined; melons and other reefer products). Another ship with 125 positions would serve Costa Rica and Panama every 10 days.

REGIONAL FINDINGS

3. Sea-Land Service-- A large lift-on, lift-off carrier with world-wide service, Sea-Land calls Costa Rica, Guatemala, Honduras, and El Salvador (the latter via Guatemala) in Central America with service to the U.S. ports of Port Everglades and New Orleans. Sea-Land stopped serving Panama in January 1986. Its Central American service and reefer allocations are closely tied to its Caribbean and Puerto Rican services, particularly in terms of positioning containers and chassis.

Originally a 35-container company, Sea-Land is modifying its reefer fleet by stretching its 35-footers to 40 feet, replacing some equipment, substituting some diesel and propane units with electric units, and utilizing generator sets. As the loadability factors are less in the 35's, this made them less desirable given the choice for a larger piece of equipment. The liner association has changed the melon rates to a per/case basis which has somewhat remedied this problem, although during times of heavy movement and lack of containers, the larger piece of equipment remains most desirable, and most compatible with the over-the-road domestic transport in the U.S. Similarly, propane is difficult to refuel in the field (most production areas are located considerable distance from supplies). The company has facilitated this in some cases with generators or plugs. Sea-Land's service contract with Del Monte, for some 65-70 weekly reefers from Guatemala to the States, greatly reduces its capacity to offer containers to other shippers (space limitations on-board ship.) (Note: midway through the melon season, the service contract expired, thus allowing additional capacity.)

Sea-Land offered weekly service to Port Everglades and a 10-day service to New Orleans, which during peak melon movements implies a twice-weekly service from north Central America. Almost all reefers are positioned into Central America as empties.

Regional Exports

The regional summary spreadsheet detailing totals for Costa Rica, Guatemala, El Salvador, Honduras, Panama, and the region as a whole is attached. It should be stressed that the footnotes are important to the document, but may represent one shipper or more than one shipper. Some additional comments are included below:

1. In terms of projections, Honduras projected the highest demand for melon trailers, followed by Panama, Guatemala, El Salvador, and Costa Rica.

2. In terms of actual exports, Honduras utilized the most trailers, followed by Guatemala, Panama, Costa Rica, and El Salvador. (Notes: many of El Salvador's moved overland; more than 300 trailers moved on United Brands vessel from Honduras.)

3. Costa Rica was closest in meeting its projected volumes.

4. Honeydew, mayan, tamdew, orange-flesh, galia, yellow tendril, and cassaba melons as a group moved in greater volumes from the region than did canteloupes. Analysis by country shows this not necessarily to be the case.

REGIONAL FINDINGS

5. Excluding watermelons, in excess of 4,000 trailers of melons moved from Central America and Panama to the U.S.

6. Melon movements began in October 1987 and finished in May 1988.

7. Across the region, the single most important reason that shippers did not reach their projected volumes was due to weather. Drought conditions were severe on the Pacific coast of Honduras, Guatemala, and El Salvador, bringing about late/reduced planting, sometimes lower yields and some virus problems most seriously affecting the first cycle. This situation was worsened by high winds. Costa Rica also had weather problems, but early rains during the month of February. Panama's biggest problems focused on financing and the February/March political situation which disrupted service, harvesting, and contributed to quality control problems. Besides Panama, lack of containers in the other Central American countries was not the significant factor in explaining the variances between projections and actuals. Equipment was tight particularly around the holiday periods around Christmas and Easter.

8. FDA detentions seemed to be unique to Guatemala; however, almost all the countries experienced some delays due to APHIS inspections.

Monitoring of Situation

Although a mid-season evaluation was not feasible, PROEXAG's marketing specialist monitored conditions throughout the season, and industry developments were followed in the U.S. by the author. These included: depressed honeydew and mayan prices in early December; modifications in peak container demand periods due to weather conditions, financing, and political instability; virus or pesticide residue problems experienced in Central America or by its competitors; changes in expected volumes from other supply countries, including Mexico; and impact of February freeze on Texas production.

Projections for 1988-1989 Season

Some preliminary projections were furnished by shippers during the end-of-season interviews. The following comments are based on those discussions:

1. Based on favorable market returns for the 1987-1988 season, almost all exporters are contemplating expansion plans, ranging from 10%-300%. Container equipment and depressed market prices could be potential problems.

2. Container availability was not the major factor in shippers not having achieved their projected volumes. If shippers had reached their goals, equipment and space would have been a critical factor.

REGIONAL FINDINGS

3. There will be increased capacity for the 1988-1989 season as a combination of more reefers available from the liner association carriers, additional services from north Central America by Juno Marine and NAMSCO, and increased overland capacity. Even with these increases, there may be shortages if projections remain the same.

4. Melon rates were not increased as part of the liner association's August 1, 1988 general rate increase. Rate levels look to remain stable, unless port charges or bunker increase.

5. Some Central American shippers are organizing shippers' associations to negotiate rates and enhance their position in terms of economies of scale for the industry.

6. U.S. Customs inspections, largely due to narcotics traffic from Latin America, increased during 1987. It appears that this will not decrease, and in some cases may imply fully stripped containers, increased costs to shippers, and delays at ports.

7. The FDA will be increasing its monitoring of imported produce.

8. Delays associated with APHIS inspections at U.S. ports of discharge may be reduced through a pre-clearance program which is presently being studied.

9. In addition to canteloupe and honeydew shipments, some trial shipments of seedless watermelons may be undertaken next season. Some of these may move overland via Mexico.

10. Although no U.S. consumption figures are available on canteloupes, U.S. per capita consumption of fresh fruits and vegetables has increased dramatically in recent years. Honeydew consumption has increased from .96 lbs in 1970 to 2.68 lbs. per capita in 1986.

11. United Brands plans expansion of its melon shipments for the next season. Unless there are changes in deployments or current carrying capacity, their Central American suppliers will have to ship an increasing percentage with the commercial carriers. Del Monte has acquired one of the major melon receivers which may mean a shifting of some or all of its melon trailer volumes from commercial carriers in Costa Rica to its own vessels which depart from Moin on the Atlantic coast and Puerto Caldera on the Pacific coast.

12. The liner association carriers may have different deployments from this past season. Sea-Land has combined its services into one service, calling Port Everglades and New Orleans, but has allocated additional reefers as part of its corporate program. CCT's deployments are uncertain; south Central America hinges to a certain degree on southbound freight, particularly the military cargoes. SeaBoard Marine's deployments appear to be the same, but subject to confirmation. Approximately 25% of SeaBoard's fleet will be substituted with new units.

REGIONAL MELON SHIPMENTS, '07-'08 SEASON

CITY	NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			APRIL			MAY			TOTAL		
	CANT	HD	TOTAL	CANT	HD	TOTAL	CANT	HD	TOTAL	CANT	HD	TOTAL	CANT	HD	TOTAL	CANT	HD	TOTAL	CANT	HD	TOTAL	CANT	HD	TOTAL
DUMI	75	92	167	15	46	61	33	10	43	72	0	72	09	72	161	193	223	416	5	50	55	482	493	975 (20)(22)
	60	116	184	55	105	160	70	34	104	60	37	97	90	165	263	101	182	283	10	30	40	462	649	1131 (19)(21)
	7	-24	-17 (10)	-40	-59	-99 (10)(11)	-37	-24	-61 (11)	12	-37	-25	-9	-93	-102 (10)(11)	92	41	133 (11)	-5	20	15	20	-176	-156 (10)(11)(14)(15)
HOND	80	12	100	245	111	356	117	64	181	09	46	135	153	12	165	270	51	321	45	22	67	1007	310	1325 (3)(5)(110)
	91	18	109	430	175	605	337	91	428	106	46	232	200	33	233	256	66	322	20	5	25	1520	434	1954
	3	-6	-9 (10)	-105	-64	-249 (10)(11)	-220	-27	-247 (10)(11)	-97	0	-97 (10)(11)	-47	-21	-68 (11)(12)	14	-15	-1 (12)	25	17	42	-313	-114	-629 (10)(11)(12)(14)
SAM	0	0	0	27	95	122	59	91	150	15	22	37	9	32	41	20	20	40	16	6	22	146	266	412
	0	10	10	38	220	258	85	203	288	13	76	89	10	76	94	26	81	107	12	0	12	192	666	858 (9)
	0	-10	-10 (10)	-11	-125	-136 (10)(11)	-26	-112	-138 (10)(11)	2	-54	-52 (10)(11)	-9	-64	-53 (10)(11)	-6	-61	-67 (10)(11)	4	6	10	-46	-400	-446 (8)(10)(11)
PRM	15	0	15	0	55	55	0	50	50	0	147	147	0	330	330	0	191	191	0	30	30	13	803	818 (19)(23)
	0	0	0	0	102	102	0	255	255	0	234	234	0	304	304	0	166	166	0	0	0	0	1221	1221 (6)
	5	0	15 (15)	0	-127	-127 (10)(11)(12)	0	-205	-205 (10)(11)(12)	0	-87	-87 (11)(13)	0	-54	-54 (14)	0	25	25 (14)	0	30	30	15	-410	-603 (8)(10)(11)(12)(13)(14)(15)(19)
CRICA	0	0	0	0	0	0	15	22	37	69	51	120 (24)	44	70	114	72	35	127	17	2	19	217	200	417 (24)(25)
	0	0	0	0	0	0	15	21	36	66	74	140	66	52	118	66	52	118	13	20	33	276	219	445 (6)(16)
	0	0	0	0	0	0	0	1	1	3	-23	-20 (10)(11)	-22	10	-4 (10)(11)	3	9 (10)	4	-10	-14 (11)	-9	-19	-20 (10)(11)(12)	
TOTALS	170	104	282	287	307	594	224	237	461	245	266	311 (24)	295	316	811	555	540	1095	83	110	193	1867	2000	3947 (3)(5)(10)(19)(20)(22)(23)(24)(25)
	159	144	303	523	682	1205	507	604	1111	325	467	792	382	710	1092	409	547	996	55	55	110	2400	3209	5609 (6)(9)(16)(19)(21)
	19	-40	-21 (10)(13)	-236	-375	-611 (10)(11)(12)	-283	-367	-650 (10)(11)(12)	-80	-201	-281 (10)(11)	-87	-194	-281 (10)(11)	106	-7	99 (10)(11)	20	55	83 (11)	-333	-1129	-1662 (8)(10)(11)(12)(13)(14)(15)(19)

- (1) Projections based on second-hand information.
- (2) There were an additional 6 trailers of watermelons not shown in these totals
- (3) Of this total, 313 containers moved on United Brands' own vessel
- (4) Shipper's revised projections vs. original projections of 100 trailers total.
- (5) There were an additional 89 containers among Proehsa (43), Intersula (17), Global Inter. (16), JJ Lopez (13), making a total of 1414 containers for the season.
- (6) No projections provided to PROEING
- (7) Actuals based on second-hand information.
- (8) Didn't ship.
- (9) Revised November projections totalled 595 tls
- (10) Weather (lack of rains, late planting, reduced/no planting, sunburn, winds)
- (11) Production problems (nonalados, virus, over-watering, quality defects)
- (12) Lack of experience (production, packing, varieties)
- (13) Financial constraints or problems
- (14) Lack of containers
- (15) Low market prices
- (16) Monthly breakdowns not available
- (17) Shipper's revised projections vs. original estimated projections of 821 tls.
- (18) Shipper-provided actuals. (Variance exists from export statistical sources)
- (19) There were an additional 16 tls of watermelon not included in figures.
- (20) Includes 3 tls of watermelons and 20 tls of mixed load melons (honeydew and watermelon, honeydew and canteloupe)
- (21) Does not include 10 tls projected for Oct.
- (22) Actuals do not include approx 4 tls of canteloupe moved in Oct but do incl some watermelons.
- (23) Actuals do not include watermelons (Dec-15 tls; March-10 tls)
- (24) Actuals do not include watermelon (3 tls), or 10 tls honeydew to Europe (Jan-2 tls, Feb-6 tls, Mar-2 tls)
- (25) Actuals do not include watermelon (18 tls) in Mar-April, or 3 tls honeydew to Europe in March.

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G. RECOMMENDATIONS/NEXT STEPS

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VI. RECOMMENDATIONS/NEXT STEPS

Based on findings during the 1987-1988 analysis, the following steps are recommended:

1. Distribution of the report to all interested parties. (Only PROEXAG and its export federations should receive the complete and confidential report; shippers, receivers, and the carriers should receive the modified report in which shippers names and contacts have been taken out.)

2. Based on review of the report, shippers should take stock of preliminary projections by other shippers in their own country and throughout the region in making their 1988-1989 planting decisions.

3. If possible, revised projections should be obtained by PROEXAG. Shippers now familiar with the exercise, and interested in the results, have indicated a willingness to share this information.

4. The formation of shippers' associations should be stimulated to facilitate rate negotiations as well as potential purchasing power of imported inputs, such as pallets, fertilizers, etc. These same groups should be encouraged to respond to the FMC's solitication for public feedback on the Shipping Act.

5. Time/volume rates should be explored, building on the preliminary findings as well of the USAID/Honduras financed charter study.

6. In light of preliminary projections for next season, increased freight capacity should be actively pursued.

7. Carriers, both ocean and overland, are urged to make their intentions known to shippers, in terms of deployments, rate levels, and availability of equipment. Too little information obtained too late leaves shippers with only two options--not to ship, or absorb the difference through their profit margin. Sales personnel are encouraged to visit with shippers more often, to learn of intentions and changes in varieties. Operational personnel are encouraged to visit shippers' facilities prior to the season shipping period to acquaint shippers with use of their equipment. Where possible, reefer maintenance personnel should be stationed at the production sites, particularly those located at considerable distance to the capital cities or ports.

8. Carriers' reefer allocations are usually made by country and vessel, but not necessarily by commodity. Vessel deployments and capacities, and reefer fleet size are also configured, as is the ability to position the equipment. For this reason, precise supply/demand figures related to allocations for melons are difficult to calculate. Some analysis should be given, however, to growth patterns and reefer utilization by other commodities which round out the Central American reefer market. The composite picture will further indicate potential shortages.

9. Pre-clearance should be explored prior to commencement of season. Costs associated with this service may have to be worked out in shipper/receiver contracts of sale.