

PORT PARTNER

Imperial Sugar Company – Yesterday and Today

The Revolutionary War ended sixty-seven years earlier and the Civil War began eighteen years later. Sam Houston was in his second term as President of the Republic of Texas. Texas had won its independence from Mexico seven years earlier and only minor skirmishes were still occurring along the Mexican border. Texans were beginning to settle down to the job of building a life and economy for their fledging territory.

Among the thousands of immigrants swarming into the Texas frontier in the 1820s was a young man from Rhode Island named Samuel May Williams who became secretary to Stephen F. Austin. Williams raised money to support the war of independence against Mexico and as partial payment for his services, he was granted land. There, in 1840, on land that became known as his “Oakland Plantation” (the present-day site of Imperial Sugar Company), Williams planted sugar cane. Mule-powered mills were built to grind the sugar cane and squeeze the sweet juice from the cane stalks to make syrup.

In 1843, the Williams’ sugar crop on Oakland Plantation and the crops of other nearby farms were large enough to justify a commercial raw sugar mill on the property. The mill became the birthplace of Imperial Sugar and served as the early home of the fledging business.

Sugar first moved through the Port of Galveston in the mid-1840’s when “213 hogsheads of sugar and 327 barrels of molasses” were exported from the dock in Galveston.

In 1853, the mill and plantations were sold to B.F. Terry and W.J. Kyle who both had accumulated fortunes from the California Gold Rush. They changed the name to Sugar Land and began buying up adjoining plantations. Within five years, their 12,500-acre Sugar Land Plantation was one of the largest in the state.

Production of sugar declined during the Civil War and most of the mills became badly run down. In 1882, Terry and Kyle heirs sold portions of the plantation to Col. Edward H. Cunningham of San Antonio and his partner Col. Littleberry Ellis who grouped the plantation with others. By 1875 they had invested over \$1 million in new buildings and machinery and built another raw sugar mill called the “Imperial” mill.

In 1907, the Kempner family bought the sugar mill, refinery and all of the land in the area. W.T. Eldridge was made full-time manager and partner of the Sugar Land properties.

Imperial’s operation on the docks in Galveston began as sugar cane as a crop declined in southern Texas and disappeared from the agricultural scene, and it became necessary to import foreign sugar. By 1926, Imperial relied entirely on imported sugar.

Sugar arrived at the Port of Galveston at three different piers in 330 lb. sacks which workers unloaded by hand. In 1956, the whole industry began handling sugar cargoes in bulk. The first bulk warehouse in Galveston was built at Pier 38.

Today, the Galveston facility handles cane sugar only and receives 95% of the product from Louisiana plantations. The fields are flash-burned to remove the leaves and leave the cane stick standing. The canes are cut in 18" sections called billets, taken to the mill and sent through a crusher machine to extract all the juice. The by-product, the crushed cane, is used to fuel the boilers to keep the mill running. The juice is run through filters for impurities and boiled to a certain temperature until crystallized. When the crystals get to a certain size they are dumped through a centrifuge to spin off excess water and run through dryers, making the raw sugar.

When arriving at the Imperial Sugar Import Terminal at the Port of Galveston, a ship or barge loaded with raw sugar is unloaded using a mechanized system. The buckets of two gantry cranes remove the bulk sugar at a rate of 10,000 to 11,000 lbs. for each bucket load. Conveyors then carry the raw sugar to the top of the warehouse where it is dumped into the storage area for loading into hopper cars to be railed to the Sugar Land refinery.

At the Sugar Land facility, the raw sugar is completely melted down to a liquid state. It is run through four different filter and screen processes that develop the raw sugar into a completely crystal-clear liquid syrup which is dumped into tanks and boiled under vacuum to a certain temperature that allow it to crystallize. The boiling continues until the crystals are a certain size. Again, the product is put in centrifuges to spin off the excess water and put into dryers. The result is refined white sugar.

Then the excess molasses is put into tanks and is sold as liquid sugar to customers like Dr. Pepper, M&M Mars and others.

The Port Terminal Manager of the Galveston Facility is Carl Helms, appointed to the position in 1995. Helms has been with Imperial since 1975. Today Imperial's Galveston facility employs six full time associates and one part-time employee. On ship day, up to thirty longshoremen work unloading sugar.

"We have the fastest discharge rate in the U.S. right here at this facility," stated Helms. "We can unload river barges at a rate of 790 tons an hour and ocean barges at over 900 tons an hour.

"We are the largest sugar company in the U.S. and control 33% of the sugar market," added Helms.

The Sugar Land refinery produces the most labels of the other refineries in the corporation. They package for HEB, Kroger, and Parade, just to name a few.

"Our sole purpose is as an import facility for the Sugar Land refinery," stated Helms. "Most refineries have their import facility in close proximity. We don't have that luxury. We have to operate in a proficient manner because we have extra costs of railing the product to the refinery. We are always looking at our operations to maximize efficiencies."

To enhance productivity, approximately seven years ago, the corporation changed the way that the raw sugar was transported to the refinery. Traditionally boxcars holding 80 tons of sugar

were used for delivering the product. The Galveston operations maximized operations by switching to hopper cars that hold 100 tons of sugar. Hopper cars are loaded from the top and unloaded through spouts in the bottom that allowed for curbed costs in the unloading and loading operation.

Suderman Contracting Stevedore has been the stevedore for the sugar operations in Galveston since the turn of the century and still handles the operation at the Pier 35/36 warehouse today.

Imperial was a privately owned cane sugar refinery until 1988 when Imperial Sugar acquired publicly-held Holly Sugar Corporation, a beet processor headquartered in Colorado Springs. With that acquisition, Imperial Sugar more than doubled in size and became a marketer of both cane and beet sugar. Imperial acquired Spreckels Sugar Company of California on 1996 and Savannah Foods & Industries of Savannah Georgia, the second largest sugar refinery in the industry in 1997. Thus, Imperial Sugar Company became the largest processor and refiner of sugar in the United States.