



Chile has made investors nervous, but Camanchaca is giving them second thoughts. Photo: Camanchaca

Will Camanchaca help Chile win some trust?

The company's plans for a partial Oslo listing may help investors build confidence in Chile.

September 29th, 2017 12:14 GMT Updated September 29th, 2017 12:20 GMT

Despite the recent run of fantastic profits from Chile's largest salmon companies, an undeniable fact remains: investors don't trust this industry.



With volcanoes and algal blooms and disease outbreaks plaguing the industry over the past several years, you can't blame investors for being nervous every time public salmon companies post news to the Santiago Stock Exchange.

Last month, one investor at the IntraFish Seafood Investor Forum in London warned that Chile is "immature, even if it's coming back."

That's why the news that Camanchaca is now planning to list a third of its salmon business on the Oslo Stock Exchange was so exciting for Chile: it indicates the businesses there can evolve.

Camanchaca has been sitting in the back seat alongside other mid-size companies over the years, but it's employed a strategy of slow, steady expansion that could eventually put it in the company of the industry's two giants, Multiexport and AquaChile.

And it's accomplished this growth in a surprising way – by partnering with others.

Camanchaca has leased concessions to competitors in the past, signed commercial partnerships with competitors in key markets such as China, distributed salmon from competitors in the United States, and has been a leading force in the creation of the Global Salmon Initiative (GSI).

Remarkably, in my time speaking with the Chilean salmon industry, I've never heard a single complaint about what the company is doing. That doesn't mean it is perfect, but it does show Camanchaca has made friends along its journey to the top.

Its growth plans are aggressive -- it will farm nearly 60 percent more than what it's harvesting today in just a few years, while peers stick to a low-stocking scheme to avoid penalties and farming restrictions.

What it seems to come down to for Camanchaca is focus. Ricardo Garcia, CEO of the company, said it clearly: "The most strategic question for a company is: What have you decided not to do? We want to be the best in salmon farming."

So, will Camanchaca be the company that heals the wounds and mends the financial world's perception of Chile as a profitable salmon industry?

It might. The listing – if successful – would catapult the company to what Garcia ambitiously says is an "unbeatable" position.

Garcia told me he came to Europe to show investors the potential of his company and its unique position. And, of course, he disagreed with the earlier assessment of Chile's maturity.

"I don't think Chile is immature as an industry," he said. "Some players haven't done the right moves and that is going to cost them, but some others are taking the right steps."

Hopefully Camanchaca shows the industry that focusing on long-term plans works better than blindly stocking for the short-term gain, and maybe it can help convince investors that Chile can indeed thrive despite its adversities.

Send your comments to Lola Navarro.

For more seafood news and updates, follow us on Facebook and Twitter or sign up for our daily newsletter.