

Intermodal Freight Update

Matt Umhoefer
WisDOT Freight Program Officer

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Overview

- Background
- Subcommittee Goals and Members
- Importance to Wisconsin
- Final Report
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 - Factors Affecting Intermodal Shipping
 - How Intermodal "Comes Together"
 - Limits
- Intermodal Summits
- Next Steps



Background

- What is “intermodal?”
 - The Intermodal Association of North America (IANA) defines *intermodal* service as: “The movement of cargo in shipping containers or trailers by more than one mode of transportation.”
 - Cargo is also transferred between modes in packages or in bulk and these are called *multi-modal* or *transloading* operations.
 - These terms should not be used interchangeably.



The key element: Standardized Containers

Background

- Recurring issue among WisDOT partners and stakeholders
- Wisconsin State Freight Plan
 - *Nine new policies*
- Spring 2017 FAC meeting
 - *Vote by FAC members*
- Subcommittee announced at fall 2017 FAC meeting



Subcommittee Goals

- “Identify current and future opportunities and challenges to connect Wisconsin industries to world markets through the increased efficiency of containerized shipping”



Subcommittee Members

- Canadian National Railway
- League of Wisconsin Municipalities
- Logistics Council of Milwaukee
- Port of Milwaukee
- Wisconsin Agri-Business Association

- UW-Madison
- UW-Superior
- Wisconsin Department of Agriculture, Trade and Consumer Protection
- Wisconsin Department of Transportation
- Wisconsin Economic Development Corporation

November
2017



- Aim Transfer & Storage
- Canadian National Railway
- Canadian Pacific Railway
- The DeLong Company
- Hapag-Lloyd (America)
- JUSDA USA
- Lake States Lumber Association
- League of Wisconsin Municipalities
- Logistics Council of Milwaukee
- Menards
- Port of Green Bay / Wisconsin Commercial Ports Association
- Port of Milwaukee
- Union Pacific Railroad
- Wisconsin & Southern Railroad
- Wisconsin Agri-Business Association
- Wisconsin Manufacturers & Commerce - Co-Chair

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- UW-Oshkosh Small Business Development Center
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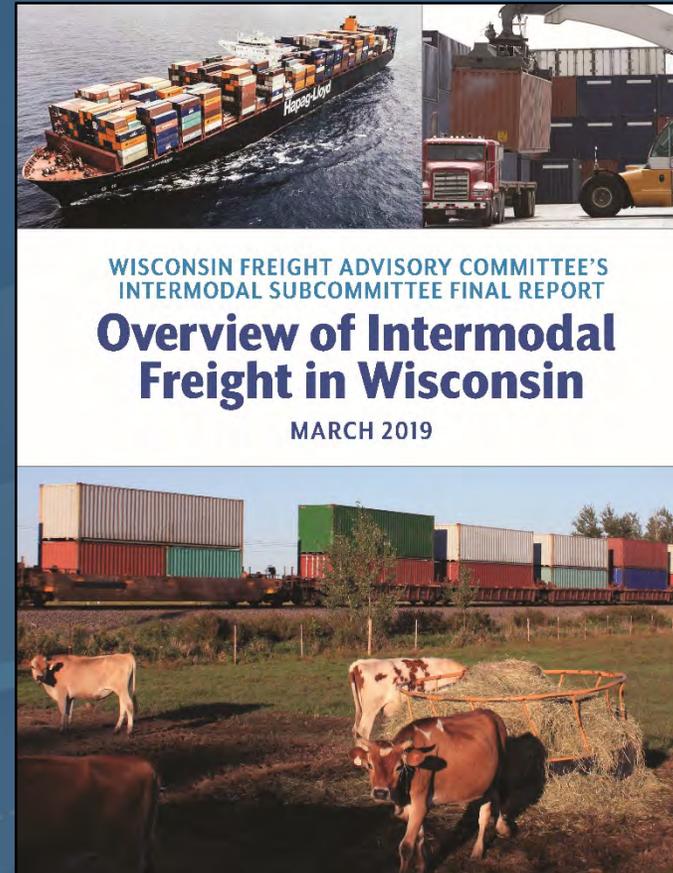
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Importance to Wisconsin

- Global trade by container rising 5-6% per year for decades
- Many of the top U.S. exports moved by container are grown or manufactured in Wisconsin
- Wisconsin's two active intermodal facilities perform important functions for the regions they serve, but with limited volumes and ability to expand
- Major shippers in eastern Wisconsin effectively forced to use Chicago-area terminals
- **BOTTOM LINE:** A new intermodal facility will increase Wisconsin's attractiveness to prospective importers and exporters, can save shippers money, and will reduce congestion and pressure on highways

Final Report

- Approved March 15, 2019
 - wisconsindot.gov/intermodal
- Findings presented to Cabinet-level officials throughout state government, as well as sector associations (as invited)



Member Organizations



Survey Takeaways

- Reinforces results of 2017 Metropolitan Milwaukee Association of Commerce Survey
- Based solely on survey responses, by 2023...
 - ~ 135k TEUs inbound to Wisconsin from overseas
 - ~ 53k TEUs outbound from Wisconsin to overseas
 - ~ 20k 53' equivalents inbound to Wisconsin from North America
 - ~ 49k 53' equivalents outbound from Wisconsin to North America

Factors Affecting Intermodal Shipping

- International Maritime
 - IMO 2020; Neo-Panamax
- Domestic Maritime
 - Container-On-Barge Concepts
- Coastal Port Facilities
 - Larger Vessels; Dock Congestion
- Inland Ports and Terminals
 - Grain Transloading



Factors Affecting Intermodal Shipping

- Railroads
 - Precision Scheduled Railroading
- Trucking
 - Chassis Availability; Turnaround
- Economic and Trade Issues
 - Trade Policies
- Technology
 - E-Tail/Warehouse Clusters



How It Comes Together

- Alignment needed amongst three cornerstone sectors
 - Import/Export Shippers
 - Steamship Lines
 - Railroads
- Partnerships to balance trade lanes
 - Volumes/Demand
 - Container Ownership
 - Import/Export Ports

Limits of the Report

- The Subcommittee report suggests regions of the state that may be favorable to development of intermodal terminals, but...
- Actual site selection and development must be determined by local officials working with transportation service providers



November 2019 Intermodal Summits

- “Orchestration” of information sharing
 - Milwaukee - hosted by MMAC - November 5th
 - Appleton - hosted by The New North - November 11th
- Focus
 - Importance from economic development & transportation perspectives
 - Transportation service providers’ business models
 - How can shippers aggregate their demand into a “critical mass”
- Both events very well attended



Next Steps

- Wisconsin DOT and other state agencies stand ready to assist, but projects must be led by local officials and the private sector
- State government can...
 - Sponsor federal grant applications
 - Help connect local officials and the private sector
 - Provide infrastructure assistance, as allowed by statute
 - ...and potentially other actions

Questions?

