

Port of Monroe



PREPARING FOR AGRICULTURE TRANSPORT

MICHIGAN SOYBEAN COMMITTEE STARTS NEW ALLIANCE TO EXPAND GREAT LAKES SHIPPING

By Tom Ewing

In December, the Michigan Soybean Committee hosted the inaugural meeting of a new trade-focused group called the Great Lakes Alliance for Sustainable Shipping (GLASS).

The original idea for the new group and conference came from Michigan soybean farmers. However, the intent is to focus on a broader range of issues beyond infrastructure and services for agricultural transport, according to Hanna Campbell, market development director with the Michigan Soybean Committee.

The agenda for the first meeting, which was held December 12 in Dearborn, Michigan, included participation from soybean farmers, agricultural exporters, shipping companies and government officials. Topics addressed at the conference included advanced biofuels, environmental issues, partnerships and developing a roadmap for the group's work in 2025, which should have been finalized by end of January.

One goal for the first meeting was to open the door for collaboration between Midwest farmers and the Great Lakes shipping industry. GLASS' initial focus is on four major work areas.

- Economic vitality: Increased shipping on the Great Lakes will bolster more than 100 ports and provide new regional economic opportunities.
- Agricultural prosperity: Expanded use of the Great Lakes-St. Lawrence Seaway will also increase export efficiency and present new and expanded markets for farmers.
- Environmental stewardship: Decarbonization protects

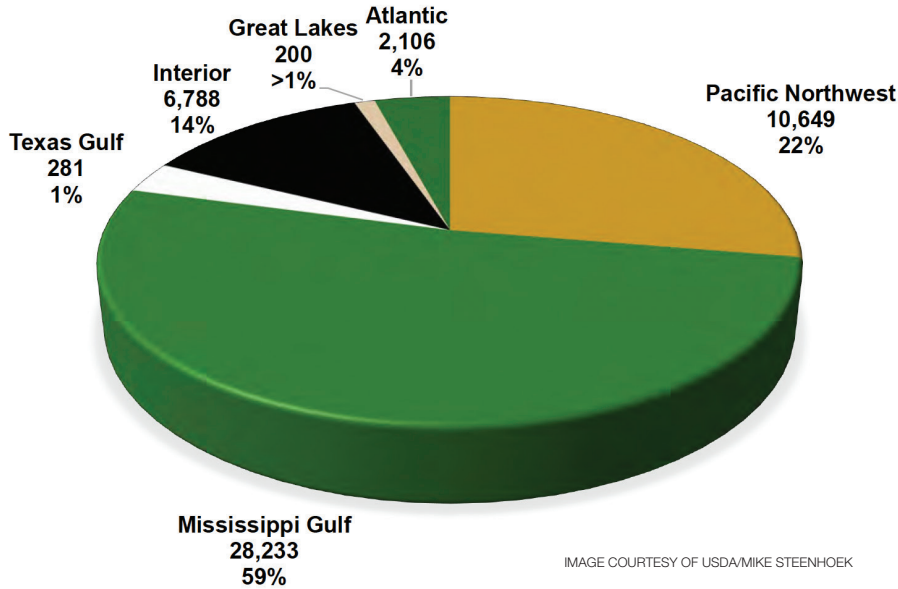


IMAGE COURTESY OF USDA/MIKE STEENHOEK

“By understanding the different commodities in Michigan and how they move, we can create new trade routes that will complement—not compete with—existing business on the Great Lakes.”

—Sam Hankinson, *Port Development Coordinator, Port of Monroe*

waterways and reduces the environmental impacts of moving freight.

- Infrastructure development: Equipment and infrastructure need consistent maintenance and updating so that vessels don't face extended delays.

The Current Picture

There are many different teams pulling together on this, from agriculture organizations to ports to state and federal transportation officials. Mike Steenhoek, executive director of the Soy Transportation Coalition, a multi-state group focusing on national and international transport issues, based in Ankeny,

Iowa, highlighted the proportional volume of soybeans shipped via major U.S. waterways and ports during the conference.

For Great Lakes shipping, at least with soy, the only direction is up. Steenhoek stated that the expansion of Great Lakes shipping would reduce dependence elsewhere. He cited low water in the Mississippi, which has created issues for shipping over the last few years. Since Pacific ports are a long way away, export expansion among Great Lakes ports would offer new logistical and economic opportunities.

As an example, Steenhoek referenced the opening of the DeLong Company agriculture maritime export facility at Port Milwaukee, one of the first on the Great Lakes-St. Lawrence Seaway System to handle agricultural commodities via truck, rail and international vessels. When it opened in July 2023, soybean exports were just planned. Now, Steenhoek said, the port is already exporting small amounts of soy products.

Containers and Containerization

Tony Fisher and Jeff Scharf, deputy administrator and associate administrator, respectively, for the Great Lakes St. Lawrence Seaway Development Corporation (GLS), highlighted the corporation's 2025 strategic vision at the conference.

- Strengthening North American exports
- Promoting containerization
- Enhancing partnerships and expanding global outreach
- Stabilizing trade and reducing costs

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At the end of November, in a letter to Congressional leadership, Adam Tindall-Schlicht, former administrator of GLS, summarized work on the 2025 vision. The letter covered a number of topics important for the GLS Office of Trade and Economic Development (OTED). Tindall-Schlicht referenced meetings between Great Lakes and United Kingdom officials that focused on containerization and a range of cargo, from agriculture to steel.

Another focus is developing five Great Lakes ports – Duluth, Burns Harbor, Toledo, Port of Monroe and Cleveland – to be part of a container shipping network that could offer supply chain redundancy and resiliency, cargo diversification and increased Great Lakes utilization. Tindall-Schlicht's letter referenced discussions “currently taking place with several European freight forwarders to support services into Michigan and Indiana.”

Sam Hankinson, port development coordinator at the Port of Monroe, attended the GLASS conference, where he highlighted the port's \$30 million in investments from federal, state and local sources to construct a new container-handling facility, invest in renewable energy and new roll-on, roll-off capabilities.

One factor for the Port of Monroe is the presence of a coal-fired power plant at the facility. The fees associated with coal shipments are important for the port's overall budget. The plant is scheduled to close in 2032, impacting the port's bottom line. This imminent closure is behind the drive for the port's activity now to diversify its cargo base and attract new businesses.

“By understanding the different commodities in Michigan and how they move, we can create new trade routes that will complement—not compete with—existing business on the Great Lakes,” Hankinson said. “We envision a future where Michigan agricultural products are being moved through the port in containers.”

Hankinson said port officials are working to understand agricultural markets in Michigan and how the port can create value for local farmers. He also said the port understands shipments on vessels might be limited by the Great Lakes-St. Lawrence Seaway versus larger vessels that call at coastal ports. “At Monroe, we talk about ‘value

DeLong Agricultural Maritime Export Facility



over volume,” he said. “Monroe exports might not be enough to load a ship to full Seaway draft, but if we can offer containerized solutions for processed agricultural products that are higher in value, that could be a real win for our port. Containerization of Great Lakes ports opens opportunities to move higher-value cargo via the marine mode.”

Another development initiative

highlighted at GLASS is an in-state memorandum of understanding (MOU) between the Indiana State Department of Agriculture (ISDA) and Ports of Indiana. Ian Hirt, cargo development representative with Ports of Indiana, provided details about the MOU at the conference. The MOU, which expires on April 30, calls for developing new trade lanes, improved cargo-handling and the updating of software and traffic manage-

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ment systems. Container shipping, particularly for agriculture and Indiana's hardwood industry, is a top focus.

Hirt told GLASS participants that the MOU has helped state officials approach a range of issues, from marketing to breaking down inter-governmental silos to fostering ideas among business development groups.

The MOU, he said, served as the basis for valuable inter-agency work, including joint trade missions. ISDA and Ports of Indiana are now both part of a new Indiana container task force focused on shipping Indiana agricultural products through the state's ports and rail connections. "A top goal," Hirt said, "is to open a marine container terminal at our Burns Harbor facility, and we are on pace to have this up and running in 2026. We are working hard to make sure that Indiana agricultural products are one of the commodities moving through this facility."

Discussions are underway on whether the MOU will be extended. "An MOU lays the groundwork for developing partnerships, and we're happy to consider a continuation of any MOU if it meets the goals and needs of

all partners," said Jody Peacock, CEO of Ports of Indiana.

Drew Sherman, international trade director at ISDA, noted the importance of agriculture in Indiana. "Improving and maintaining efficient and affordable transportation continues to be top of mind for ISDA," he said. "We will continue to engage with Ports of Indiana and other partners on this topic, and we remain open to conversations to renew the MOU."

An Outside Perspective

In preparing for the GLASS conference, Campbell explained that soy farmers in Michigan, through meetings with counterparts in Pennsylvania, were made aware of new initiatives and capabilities for agricultural shipping at the Port of Philadelphia. It was suggested that lessons from Philadelphia might transfer to Great Lakes ports.

Dominic O'Brien, senior marketing manager at the Port of Philadelphia, shared some of the facility's statistics.

- It's the global leader in food cargoes, handling \$3.5 billion in produce in 2023 and a total of \$6.9 billion in food and associated products,

including cocoa beans and reefer and forest products.

- Container growth rate, since 2015, is 74 percent.
- Port officials highlight a quick "gate velocity" for containers, an important logistical measure.
- It's big ship ready, docking vessels of more than 16,000 TEUs.

O'Brien also pointed out that the port has empty containers ready for exports and extensive intermodal services, including rail, which is critical for success.

He also noted the challenges to containerization. A port's ability to handle containers requires new and different cranes, which cost about \$15 million each, reconfigured layout spaces and new cargo-handling equipment. Foundations and docks and piers may need to be reinforced for weight.

Ultimately, O'Brien said that all regional partners, from truckers and port officials to the railroads and state and federal officials, have to work together. "You need to get a regional team working together," he said, adding that a port will succeed because of the communities that get behind that effort. ■




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