



Another Strong Shipping Season, Reason for Optimism

By Dean Haen, Brown County Port and Resource Recovery Director

A good economy, new markets, high water levels. Those are a few of the reasons the Port of Green Bay posted solid tonnage numbers in 2019. Those are also a few reasons that the Port is optimistic looking forward to the 2020 shipping season. Total cargo shipments in 2019 reached 2,254, 674 in the Port of Green Bay, the highest tonnage total in 12 years and 8% above the total cargo shipments through the Port in 2018.

While much has changed for the Port since 2007, the biggest common factor is the robust economy. Shipping through the Port of Green Bay reached 2.32 million tons as the economy sailed along in 2007. The Port recorded more than 1 million tons of coal shipments in 2007. In 2019, with the low cost of natural gas, manufacturers and others have moved away from coal and coal shipments have shrunk to 407,000 tons, a drop of about 62%.

In 2007, the port was also moving fuel oil, tallow, liquid asphalt and pig iron. Fuel oil was being used for home heating and industrial use while tallow, the animal fat from rendering animals was exported internationally for soap production, cosmetics and perfumes. Tallow now stays domestic for bio-diesel production. Liquid asphalt was imported for making asphalt cement in 2007. Today, liquid asphalt is still imported for the same purpose but is now moved by truck and train rather than waterborne transportation. In 2007, pig iron was imported from Canada and Brazil for our regional foundries in the production of metal products such as brake drums and manhole covers. While pig iron is still used in the region, recycled steel cans and scrap metal have lessened the need to import pig iron from distant markets.

The changes in 2019 that contributed to the increasing tonnage include the import and export of petroleum products (gasoline, diesel and ethanol) that did not occur in 2007. The closure of the West Shore pipeline and U.S. Venture's original interest in exporting petroleum products to the east coast have contributed to this significant change. With the pipeline closure, the Port and regional are fortunate U.S. Venture built its Port facility as it continues to export Wisconsin-made ethanol to the east coast. They have, however, moved from exporting diesel and gasoline to importing those products to meet the demand in the region. The efficiency of moving goods by ship has kept fuel costs in the region lower than it would be if petroleum products were shipped by truck or train.

It's important to note that the economy was as good in 2007 as it is now in Northeast Wisconsin. During both time periods, wood products (lumber, wood pulp, wetlap and others) moved by water into the region. When the economy has down in between these periods, little or no wood products were shipped through the Port. That is certainly a clear indication that shipments of wood products through the Port of Green Bay occur when the economy is doing well.

As we look at the just completed shipping season and compare it to 2018, the shipment of petroleum products and limestone continued to lead the way. Domestic petroleum product imports increased to 132,630 tons, while foreign imports of petroleum products hit 94,167 tons. Exports of petroleum products also increased significantly last year. As for limestone, total domestic imports topped 608-thousand tons, while foreign imports of limestone reached nearly 75-thousand tons.

The numbers from the recently-completed shipping season has the shipping industry looking forward to the start of another shipping season in spring. There's no doubt that the water levels on the Great Lakes will have an impact on shipping, to what extent is the real question at this point.

###

Dean Haen is the Director of the Brown County Port and Resource Recovery. The Port of Green Bay exists to enhance the prosperity of the people of Northeast Wisconsin by providing facilities and infrastructure able to effectively and efficiently move commodities and goods across the nation. For more information about the Port of Green Bay, visit: www.portofgreenbay.com.