## **BizTimes Milwaukee**

Milwaukee, Wisconsin

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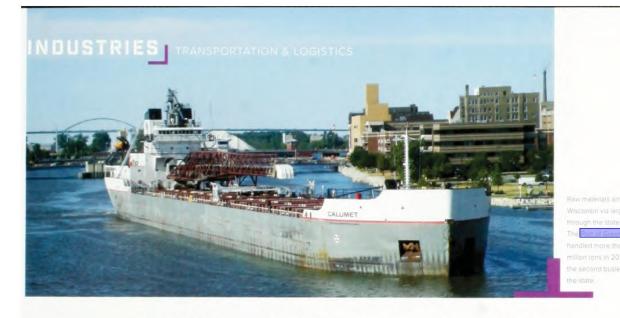
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## TRANSPORTATION INDUSTRY KEEPS BUSINESSES MOVING

BY MARYBETH MATZEK

ransportation and logistics play an integral role in the success of Waupaca Foundry. With sites in Marinette, Indiana and Tennessee, the Waupacabased company relies on the Port of Green Bay, railways and over-the-road trucking services to make sure it has the raw materials necessary to produce its iron castings and ship them to customers across the country and around the world.

"There are so many facets when it comes to transportation. Companies use a variety of methods," said John Bozec, senior vice president and general manager of bulk for Schneider National, a Green Baybased transportation and logistics company and one of the largest truckload car-



riers in North America, "Our loads are pretty evenly split between bringing in raw materials to a business and then moving finished goods to consumers."

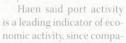
While some of those raw materials, such as paper pulp, are produced in Wisconsin, the majority enter the state via the Great Lakes ports or by rail.

The Port of Green Bay primarily receives inbound

The Port of Green Bay primarily receives inbound commodities, with the largest shipments being limestone (which is used by both the paper and agriculture industries), cement, liquid asphalt and salt, said Port

manager Dean Haen. What happens after the product arrives depends on the material.

"Limestone is processed right away and then leaves the area by railcar," Haen said. "Other products get trucked out to where they need to go. Georgia-Pacific has its own dock and handles all its own products as they come in."





nies order fewer raw materials when there is less demand.

"We had a huge year in 2014 – it was our best since 2007 – and it really showed the economy was coming back strong," he said. "We're awaiting 2015 final figures, but we were down from 2014. We still took in at least 2 million tons, though, which is a lot."

In both size and activity, the Port of Milwaukee is the state's largest, bringing in an estimated 2.4 million tons annually. In 2014, the number of foreign vessels arriving at the Port increased by more than 20 percent, said Port director Paul Vornholt. Steel and grain saw big gains over 2013, with the Port handling the second largest tonnage of steel in its history.

"Many factors affect the volume of cargo that moves through Milwaukee's port," he said. "The global economy,

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currency exchange rates, friendly competition among Great Lakes ports and competing modes of transportation all play roles in international shipping trends."

Bringing in large items through the state's ports helps businesses since it lowers transportation costs. Vornholt said. If businesses could only move items via rail or truck, overall transalways used teams of two drivers for our B2C customers so products could reach their destination more quickly."

Another way Schneider seeks creative solutions is through intermodal transport – pairing up with carriers such as railroads. Some products, like liquids and chemicals, may be mainly transported via rail, Schneirials necessitates warehousing. While some companies, such as Fox River Dock Company in Green Bay, remove and store recently arrived raw materials from shipping vessels, others like WOW Logistics store cheese in refrigerated warehouses closer to their retail destinations while they properly age.

Many large retailers have their own

Moving large quantities of goods and mate-

Many large retailers have their own warehouses. Amazon runs a regional distribution center from a massive facility along Interstate 94 in Kenosha County, while Wal-Mart, the world's largest retailer, has operated a large warehouse in Beaver Dam since 2007. Dollar General is building a new distribution center in Janesville, with the city beating out several other Midwest sites. The center will open by the end of the year and serve more than 1,000 Dollar General stores in the upper Midwest.

The overall growth of e-commerce and the addition of distribution centers in Wisconsin is good news for the state's trucking industry. Bozec said.

"E-commerce continues to grow and more customers want to be in that space, so that means moving products differently," he said. MI

"There are so many facets when it comes to transportation. Companies use a variety of methods."

- John Bozec, senior vice president, Schneider National

portation prices would be higher, he added.

While only large items can be moved economically right now on the Great Lakes, Haen predicts that in 15 to 20 years shipping containers will be used. That would make it more economical to ship smaller loads by water.

"I think we're definitely moving in that direction," he said.

In Milwaukee, both the Union Pacific Railroad and the Canadian Pacific Railway serve the port, providing direct pier delivery and necessary switching services. That connection between railways and ports is vital since it helps heavy cargo reach their destinations.

Wisconsin has 3,600 miles of rail tracks, moving an estimated 80 million tons of cargo annually. When it comes to moving products via the railway, Canadian National is the top carrier across northern and east-central Wisconsin, while BNSF has a busy line that runs parallel to the Mississippi River in the western part of the state and Wisconsin & Southern Railroad moves products and materials through southern and southeastern Wisconsin, including the busy Milwaukee market.

Once manufacturers are done making a product, trucking companies usually step in to help the goods get to consumers. To customers, "urgency" is the key word, said Schneider's Bozec.

"Customers are seeking to balance their inventories and want us to innovate and be creative in getting products as quickly as possible to their destination, while still paying important attention to safety," he said. "For example, during the holiday season we

der's bulk unit delivering the products the final few miles to their destination. The process also works in reverse, with rail providers hauling Schneider trailers.

"That option gives truck-like service to a customer, but with rail's cost-effective appeal for moving large cargo," Bozec said. "By using that service, it gives companies one less thing to worry about."

## THE NAME'S THE THING

Brown County and airport leaders voted in late 2015 to change the name of Austin Straubel International Airport to Green Bay-Austin Straubel International Airport to help market it to travelers. The Federal Aviation Administration is in the process of approving the name change, but it should be complete before next fall. Austin Straubel was a World War II hero from Green Bay.

It will be the second Wisconsin airport to change its name in as many years.

Outagamie County Regional Airport changed its name to Appleton International Airport in 2015, Officials approved the name change so travelers could more readily identify where they were flying into, said Pat Tracey, the airport's marketing manager.

"When people fly into somewhere, they want to be able to find it on the map. You can't find Outagamie County easily on a map, but you can find Appleton," he said.

The airport also adopted the "international"



WW II hero Austin Straubel's name will remain wher Green Bay changes its airport's name to the Austin Straubel-Green Bay International Airport.

part of its name by gaining approval to have a U.S. Customs and Border Protection station that can handle private aircraft with up to 20 passengers and cargo.