



US-UK Seaway Utilization Project

Project Highlights



United Kingdom
Government Office



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Meeting with Governor Walz - June 2021

Invited to UK for Mission – Discussed Duluth Port Use



Duluth Port Authority hosted roundtable - Oct 2022

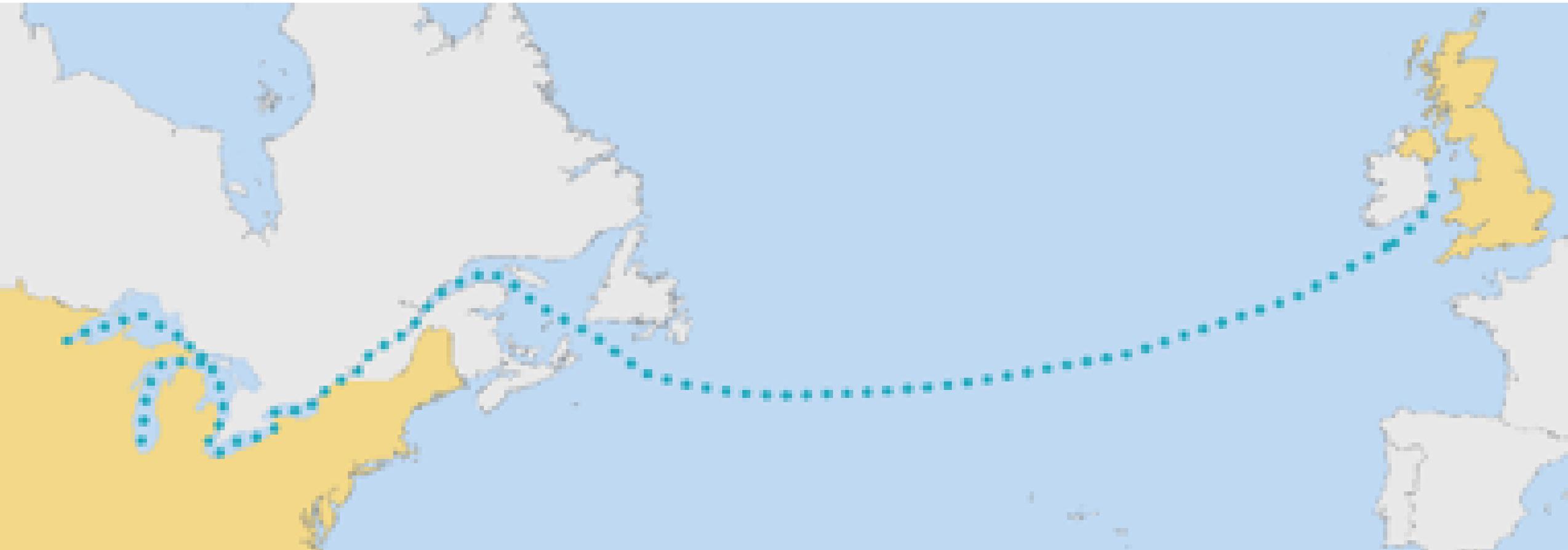
Consul General Gogbashian, Senator Klobuchar, Duluth Mayor Larson



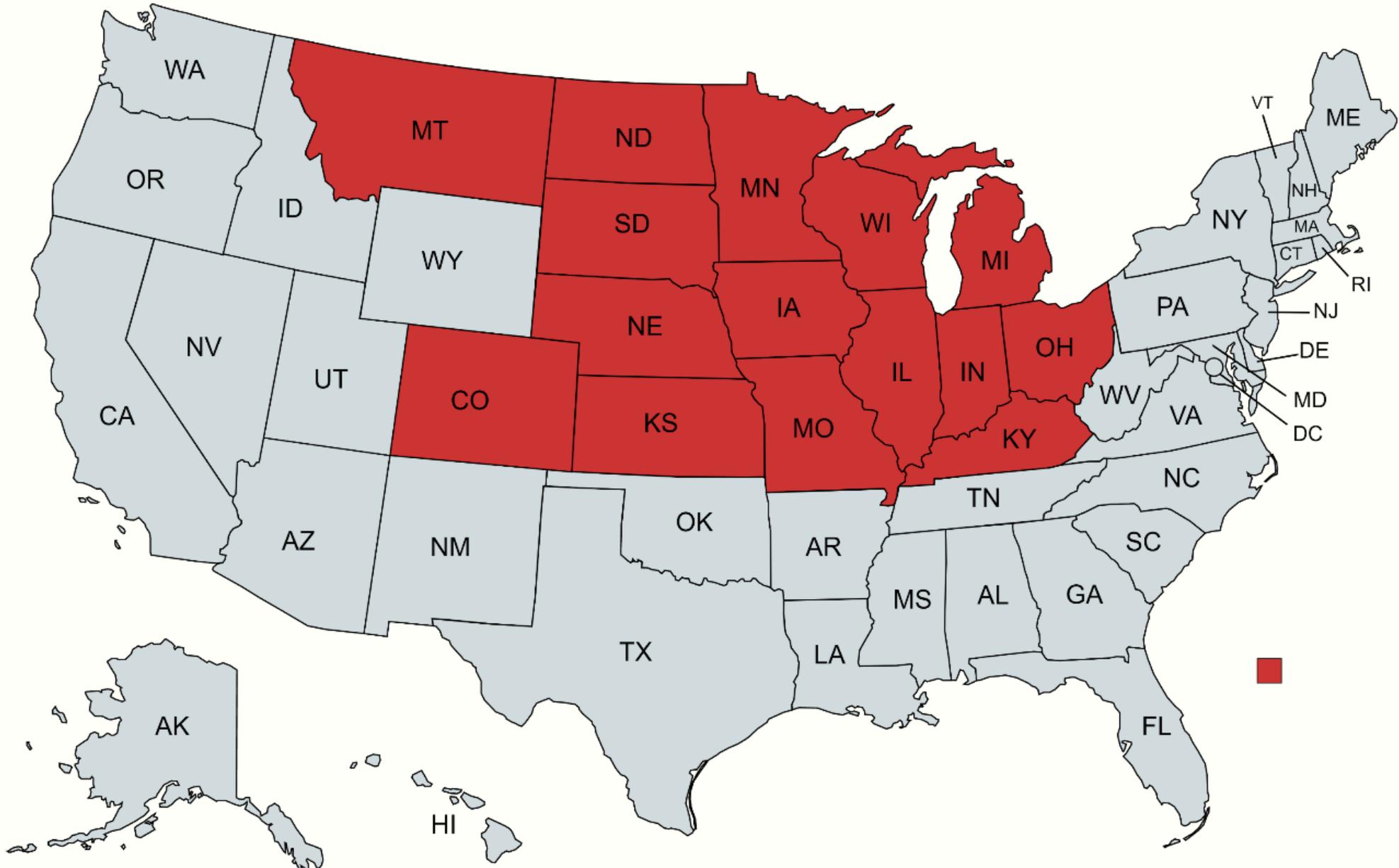
Commissioned Flow of Goods report

The St. Lawrence Seaway (SLS) provides a direct maritime connection

Develop regular trade route for UK-US goods via the Great Lakes SLS



Flow of goods to & from 15 states



Project Context

1. **Great Lakes ports are historically under-utilized. Duluth port is nearly 50% underutilized**
2. **Supply chains around coastal ports have been impacted by congestion, back-ups and reliability issues.**
3. **Data identifying trade flows to build on a greater share of US-UK trade utilizing the SLS/Duluth.**



UK Ports: Liverpool & Manchester

Liverpool and Manchester stand out as an area of opportunity for multiple reasons:

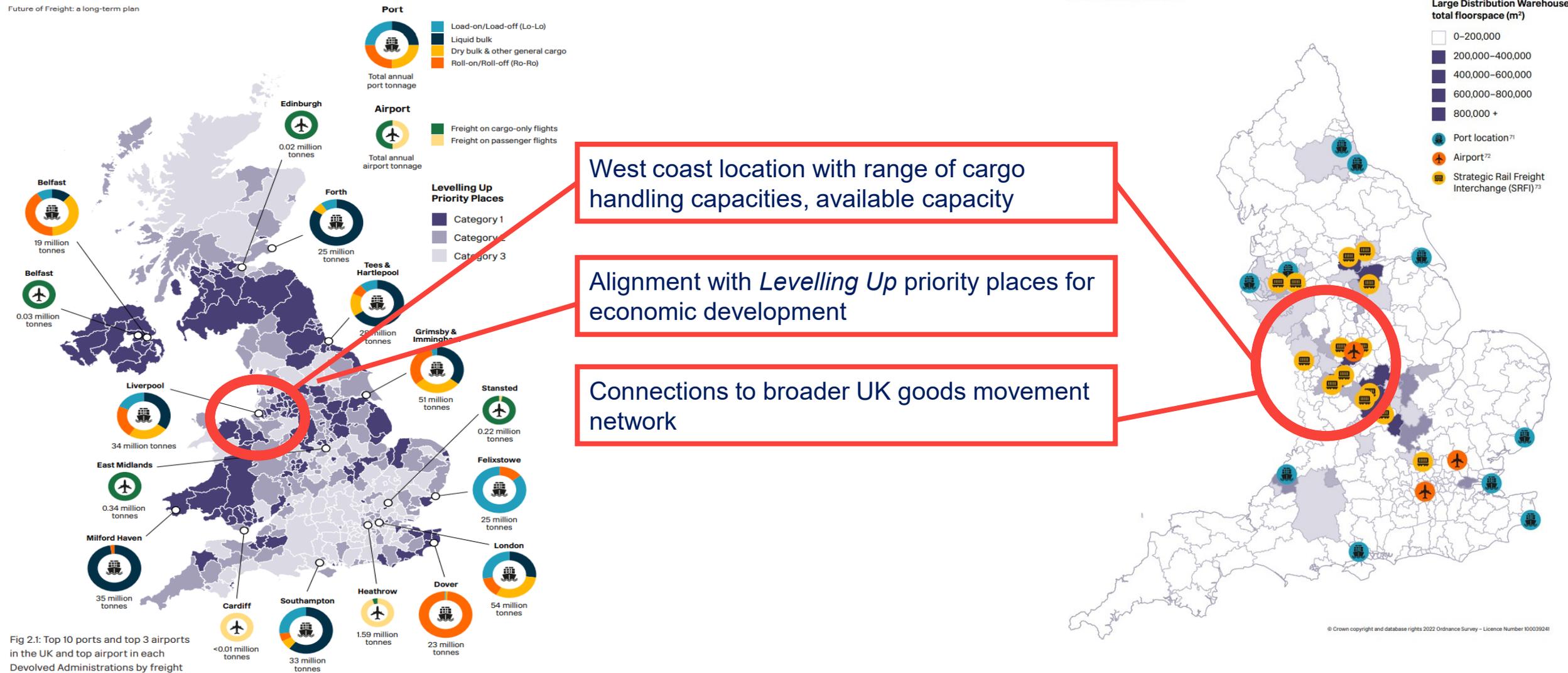


Fig 2.1: Top 10 ports and top 3 airports in the UK and top airport in each Devolved Administrations by freight tonnage (2019), alongside UK government Levelling Up Priority Areas.

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Top 10 port locations and top 3 airports in England by tonnage and Strategic Rail Freight Interchanges, alongside total Large Distribution Warehouse floorspace⁷⁴ by local authority.

LIVERPOOL & MANCHESTER DISTRICT

Handi-max ships can navigate the Manchester waterway



Selling Points of Great Lakes Shipping

Supply chain reliability and climate change challenges are driving new selling points for Great Lakes ports:

➤ Supply Chain insurance policy

- Capture/attract a portion of a company's cargo
- Provide an alternate routing
- Solution to Great Lakes' seasonal closures

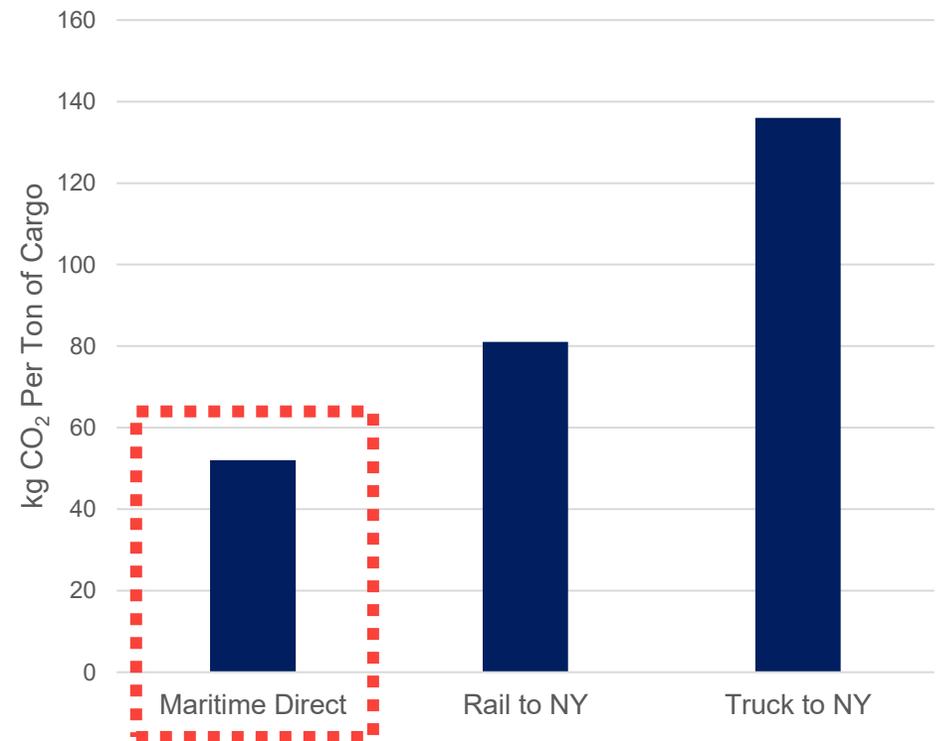
➤ Improved door-to-door Travel Times

- Days 14 days Duluth to UK
- Verses 30-45 days to east coast and over

➤ Carbon Emissions Reductions

- 40-60% CO₂ reductions, depending on mode & route (truck or rail)

**Supply Chain Emissions Rates,
Duluth to/from Liverpool**



Next Steps

A key opportunity supporting the creation of relationships between UK shippers (and freight forwarders) and US Shippers and Great Lakes ports

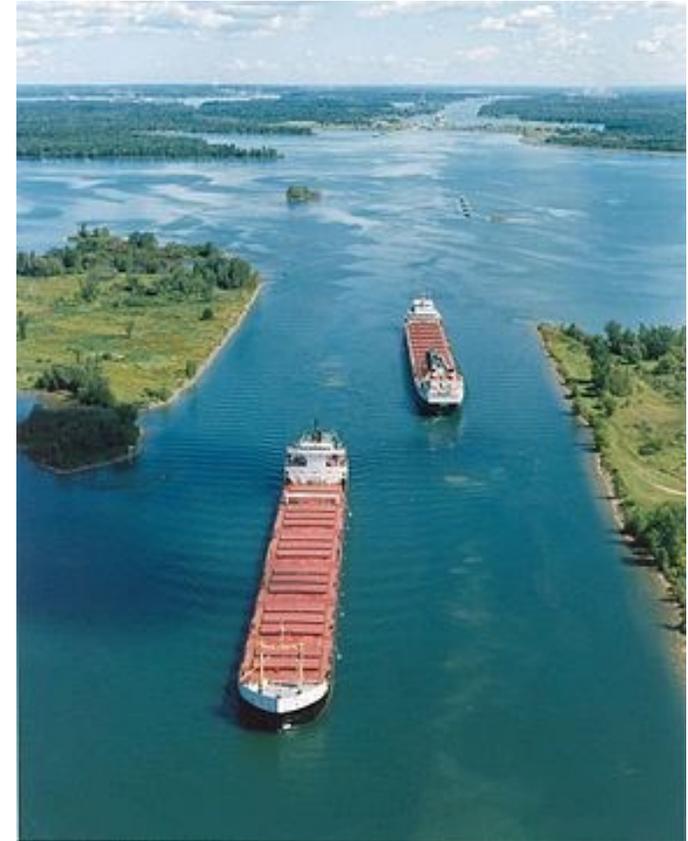
➤ **Funding bid for roundtables series & MN mission to UK in Feb 2024**

➤ **Identify UK industry associations and shippers of interest**

- Use cargo types identified above, geography identified by DfT, Datamyne
- Start identifying industries and companies that trade with the US, and are receptive to the Great Lakes value prop:
 - Have time-sensitive cargo
 - Need higher visibility into their supply chains
 - May be willing to shift a portion of their supply chain; or don't have enough volume to get preferred pricing on ocean trips

➤ **Make introductions between ports and shippers**

➤ **Explore scheduled service subsidies**



 ➤ **Second funding bid for June 2024 - UK mission to Duluth**



Conclusion

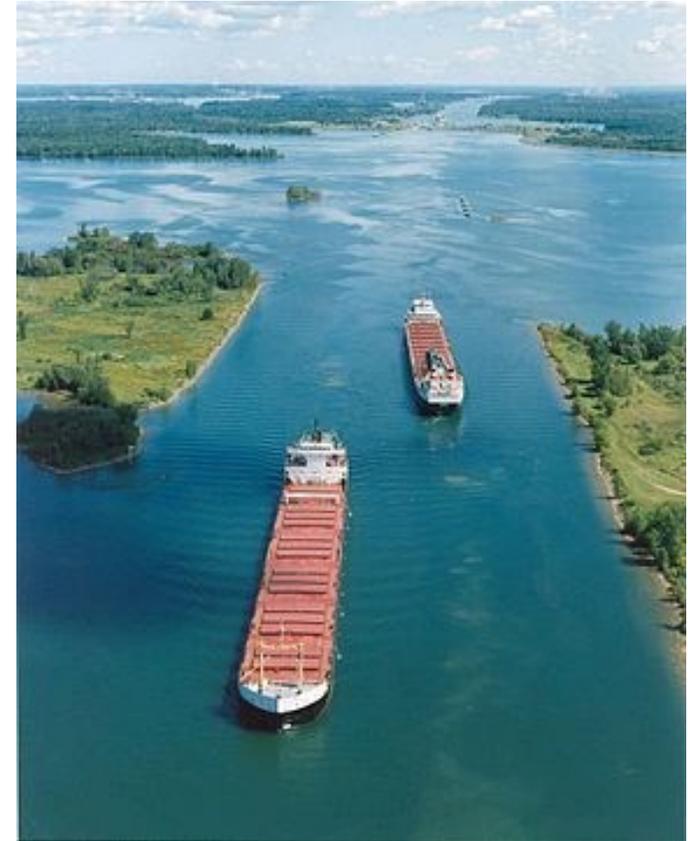
Together with the UK Government, can inform and facilitate the relationship building needed to route additional UK trade through Great Lakes ports

- Great Lakes ports offer access to major US geographic areas, but are historically under-utilized
- Opportunities for US-UK trade re-orientation to the Great Lakes are focused on select set of manufactured, semi-finished, and natural resource materials
- Great Lakes' ports value proposition is focused on tailored, high-quality service options, as well as travel time and emissions benefits.
- Converting trade flows to Great Lakes ports requires tailored relationship-building to overcome the challenge of shippers' of lack of awareness, and risk-aversion
- The UK Government can support trade development through facilitated relationship-building and data development

Next Steps

A key opportunity supporting the creation of relationships between UK shippers (and freight forwarders) and US Shippers and Great Lakes ports

- **Funding bid for roundtables series & MN mission to UK in Feb 2024**
- **Identify UK industry associations and shippers of interest**
 - Start identifying industries and companies that trade with the US, and are receptive to the Great Lakes value prop:
 - Have time-sensitive cargo
 - Need higher visibility into their supply chains
 - May be willing to shift a portion of their supply chain; or don't have enough volume to get preferred pricing on ocean trips
- **Make introductions between ports and shippers**
- **Bring exporter and importers together on both sides**
- **Apply for 2nd round of funding- June 2024 - UK mission to Duluth**





Thank You!



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