



# International Commerce & Mobility Forum

28 June 2023

## ICM #3 Meeting Minutes

**Format:** Hybrid

**Attendees:** Approximately 70 (in-person and virtual)

**Purpose of the Meeting:** To discuss key topics related to international commerce mobility, focusing on infrastructure, logistics, supply chain optimization, and sustainability.

### Key Discussion Points:

- Overview of the federal infrastructure bill's relevance to the forum's focus areas.
- Discussion on Minnesota's export supply chain transportation gaps and strategic recommendations for revitalization.
- Examination of air freight opportunities and challenges, particularly in comparison to Chicago's O'Hare airport.
- Deliberation on the demand and infrastructure requirements for direct air service from MSP to Europe.
- Presentation of the 2021 MAC Air Cargo Assessment and its implications for air cargo expansion at MSP.
- Insights into the Minnesota Freight Optimization Project and its potential economic and operational benefits.
- Discussion on the importance of data-driven decision-making in international air cargo logistics.
- Introduction of the concept of Air Cargo Community Systems by Kale Logistics Solutions for enhancing efficiency and security in air cargo.

### Notable Contributions:

- **Dr. John Pournoor (CEO, Government Analytica):** Discussed the federal infrastructure bill and presented a strategic white paper on Minnesota's logistics needs.
- **Libby Ogard (President, Prime Focus):** Led a discussion on identifying the core problems in achieving efficient cargo transport and infrastructure support.
- **Brian Peters (Metropolitan Airports Commission):** Shared insights on air cargo conditions and growth opportunities at MSP.
- **Tim Sexton (MnDOT):** Spoke on sustainability and international transportation enhancements relevant to MnDOT.
- **Tessa Enns (Project Manager, MnDOT):** Described the Minnesota Freight Optimization Project.
- **Amar More (CEO, Kale Logistics Solutions):** Discussed innovations in air cargo logistics and the benefits of digitalization.
- **Jan Bauer (UK Consul):** Outlined a strategic plan for an international commerce system via seaway linking Duluth and Liverpool.

### Next Steps:

- Formation of an Analytics Resource Team to support Minnesota's export supply chain analysis.
- Pilot studies for exploring rapid export routes from Minnesota to Liege, Belgium, and Liverpool, UK.



- Continuation of discussions and research to support the case for direct air service from MSP to Europe.
- Further exploration and potential implementation of Air Cargo Community Systems for efficiency in logistics.

**Next Meeting Details:**

ICM Forum #4 is planned for mid-to-late September or early October, with specifics to be confirmed.

**Closing Notes:**

Appreciation expressed for the active participation and valuable insights shared. Attendees are encouraged to provide feedback and suggestions for the upcoming forum.



## Detailed Meeting Notes

Mayor Jim Hovland of Global Wellness Connections (GWC) opened the conference with a welcome and strategic remarks regarding the importance of these ICM Forums.

Then Bill Goins, the ICM Forum organizer and VP of Commerce Mobility, for the GWC, introduced Todd Polum, CEO of SRF and Andy Mielke, VP of SRF to add their thoughts as the Forum hosts. This was followed with a round of introductions, both attendees in the conference room and on Zoom, with about 70 participants in person and virtual attending.

The first speaker was Dr. John Pournoor, CEO, Government Analytica, who talked first about what is in the federal infrastructure bill. Many of the elements are keys to what most Forum participants are working on. The bill contains everything from electricity grids to pipeline, from seaports to railroads to airports, as well as a group of new laws affecting infrastructure.

Dr. Pournoor presented a strategic white paper handout, that was developed for the conference and is titled: "Bridge Minnesota's Export Supply Chain Transportation Gaps." This white paper is intended to support identifying Minnesota's Logistics needs through data-driven infrastructure investment, scenario planning and analysis. This strategic white paper included three key recommendations for Minnesota's supply chain revitalization:

- 1). Form an Analytics Resource Team
- 2). Pilot 1: Explore Minnesota-Liege, Belgium route as a rapid export route to the EU.
- 3). Pilot 2: Explore Minnesota-Liverpool, UK, route as a rapid export route to the UP and EU.

The strategic white paper is provided for those that have not seen this:

Dr. Pournoor was followed by comments/input from Jeff Grenier, (of FedEx), Todd Polum, Bill Goins, Mark Berndt (of Quetica), and Brian Peters from the Metropolitan Airports Commission (MAC). Several pointed out that O'Hare, the main airport in Chicago, was having challenges handling all the air freight activity that changes in supply chains were fostering. And we are not alone in studying the international air freight opportunities, said some; airports such as Lambert in St. Louis, are aiming at the Chicago market. But, as Brian Peters of the MAC reminded everyone, Chicago has 34 different international airlines while we have only a few.

The next speaker was Libby Ogard, who is President of Prime Focus. She led a stimulating discussion titled: "What is the Problem We are Trying to Solve?" Her outline included key topics: Sustainability, Economic Development, Economic Competitiveness, Network Capacity, Supporting Infrastructure, Private Sector Support and Sufficient Demand. Her presentation is provided:

Libby asked the question: "Is there sufficient demand for direct service to/from Europe out of MSP? Do we have the facilities, the stakeholder commitment, the resources in the amount we need? And, the key question: "What's in it for ME?", as in air carriers, freight forwarders, airports, shippers/receivers, or economic development neighborhoods? If we can define the current air cargo system, she went on, that should include the master plans, the current connections to services, and a trained workforce to support any expansion.

Brian Peters of the Metropolitan Airports Commission, (MAC), volunteered to share with this group, the 2021 MAC Air Cargo Assessment which has been intended to baseline existing air cargo conditions, forecast future growth and identify high level opportunities to expand air cargo options at MSP. Brian



sent this Assessment to all following the Forum, but, we are including the full study and presentation in this recap if needed:

The next speaker was Tim Sexton, Assistant Commissioner, Sustainability, Planning and Program Management at MnDOT. Tim spoke about why researching and solving these important subjects are relevant to MnDOT. These topics that are being discussed in the ICM Forums are dealing with Sustainability needs for our present and future transportation systems, plus, providing Minnesota companies with improved International transportation and supply chain options.

Tim Sexton was followed by Tessa Enns, Project Manager for MnDOT who described in some detail the Minnesota Freight Optimization Project that the Minnesota Legislature has authorized and funded to the tune of \$1 million. Tessa said the project will yield to economic development and intermodal transportation operational benefits within a couple of years.

Lee Munnich, who is a retired researcher and lecturer from the Humphrey School at the University of Minnesota, (plus, Lee has been a valuable contributor to the GWC), emphasized the use of research data to support questions about international air cargo, specifically, the value/volume of what's being shipped, where to/from and at what cost.

Stephano Smars, the Trade and Investment Commissioner for Wallonia, Belgium, (based in Chicago and a multi-year partner of GWC work), said that he is very pleased with the progress that the International Commerce Mobility Forums are making and the team in Europe, (specifically at the Liege Airport, LGG), are ready and willing to work with the results of a volume/value study that could lead to international air freight, upper-deck, wide-body flights from/to MSP and LGG.

Kristin Guild, Director of Business Bridge at Greater MSP, has been leading the efforts for Greater MSP, (with funding from a Federal grant), with a focus on Supply Chain Resiliency/Sustainability and Supply Chain Diversity for this Region. Kristin is anticipating that these two Supply Chain studies will be completed by early this fall.

Amar More, the CEO of Kale Logistics Solutions, (and from seven times zones away for this Forum), and Donna Mullins, Vice President, (from Atlanta, GA, but, joining us today from London), talked about the next generation of Air Cargo Community Systems, which Kale started in North America. In other parts of the globe, Kale has helped India become the sixth largest in air cargo movement around the world. As Amar described, the international air cargo industry has been challenged by too much paperwork (that clogs up the system with numerous signature requirements, copies, and all kinds of documents), truck congestion, a general lack of harmonized processes, a lack of data security and compliance, plus a lack of real-time visibility for shipments. The solution, he said, is to link all airports through digital corridors, into a streamlined system. Amar's presentation is shown below:

Jan Bauer is the Consul representing the United Kingdom's government office in the U.S. for Minnesota. Jan laid out a strategic plan for an international commerce system via seaway that would connect Duluth, MN, (which is already a major seaport in the US), via the St. Lawrence seaway, then via the Atlantic Ocean, that would link with Liverpool, UK, and provide a supply chain network to other parts of the EU. She concluded with a study and slide presentation that the Port of Duluth was 50 percent underutilized. Data from a study that the UP Government commissioned, supports using Duluth for an international trade center, she said. Advantages would include faster trips to destinations, lower supply chain costs, and primarily a serious reduction in carbon emissions, which is becoming



more and more important. Jan's presentation is provided:

Charles Edwards, VP at Strategic Aviation Solutions International, (SASI), concluded the ICM Forum #3 with a "call to action". He stated that many people who control the freight shipped today do not think the current international airport system is adequate for the future. The e-commerce method of shipment has taken over and their goal is to get products to any user within 72 hours anywhere in the world. Any system that can make this vision real is providing a major improvement. Minnesota may be well positioned to prosper for this change. But "you cannot sit back and wait and hope," he said. As a Region, you really have to act now and work out some of the problems over time.

Bill Goins thanked the group for their input, involvement and guidance. Plus, Bill told the group that there would be an International Commerce Mobility, (ICM) Forum #4, in the mid-to-late September or early October timeframe.

Please let Bill and Curt Johnson, (thanks again Curt for your great job of taking notes), know of any changes, additions or corrections to this recap. Also, suggestions/recommendations for next steps and topics for ICM #4 are most welcome.