

Ports of Indiana-Burns Harbor

FIRING ON ALL CYLINDERS

By Symone C. Skrzycki

'Steel country':

The Ports of Indiana is a statewide port authority created in 1961 as a self-funded enterprise (Burns Harbor officially opened in 1970). Along with two other Indiana ports (located in Jeffersonville and Mount Vernon), it provides international connections via water, rail and highway.

Today, the Port of Indiana-Burns Harbor – which spans approximately 600 acres on the southern shore of Lake Michigan – is home to 28 companies. It supports 33,000 jobs and has an economic impact of more than \$4.3 billion per year.

"It truly is in the steel capital of the world," Peacock remarks. "It handles a large volume of steel products — be it steel coils, billets, wire, rods. It also handles a lot of raw materials or byproducts that come from the steelmaking process."

But steel companies are only one piece of the port's story.

"The reason this port is one of the busiest on the Great Lakes is because we have such a great group of companies that are industry leaders – be it steel handling, agriculture, grain, fertilizer (and others). We have a diverse mix of businesses that are world class when it comes to handling cargo and providing efficient port services."

Lucky number 700:

Peacock contends that Indiana's location 700 miles away from an ocean isn't a challenge - it's a distinct advantage.

"We allow companies to ship and receive cargo in the heartland of the country by water," he emphasizes. "You can bring an ocean vessel all the way into Indiana and the Great Lakes, and that's a tremendous competitive advantage for Indiana compared to other states."

'Barging' in:

The port offers year-round access to the Gulf of Mexico through the Ohio and Mississippi rivers, among the busiest waterways in the world.

Peacock says the waterways provide a way to carry large volumes of cargo efficiently.

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Management: Jody Peacock, vice president, Ports of Indiana

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com/poi/burnsharbor

"One barge can hold over 1,500 tons and, in some cases, up to 1,750 tons," he explains. "That means a 15-barge tow down the inland river system can hold the same amount of cargo as over 1,000 trucks.

"That's the essence of why ports work: You can move 1,000 (truckloads) of cargo (as an example) with one towboat. It may not be as quick as a truck, but it will be more efficient, cheaper in many cases, and better for the environment and safety. Obviously, you can't operate a port without all (modes) coming together, but there are significant advantages to be realized by moving large volumes of cargo by water."

Nautical numbers:

In 2014, the port had an unprecedented volume of shipments. Total tonnage topped 10 million (a 30% increase from the previous year).

"That's certainly a major milestone and pretty gratifying for us to see the continued growth there," Peacock declares.

"Steel was a primary driver. This was the highest steel volume we had since 2006. It more than doubled last year's tonnage. To see a major cargo double year after year just doesn't happen very often in the industry."

Highlights from the record-breaking year:

- Steel shipments jumped more than 115%
- Grain shipments were up nearly 160%; road salts soared more than 200%
- There was a 35% increase in ocean vessels
- The port had a nearly 25% increase in river barges moving through the Illinois/Mississippi river system





The Port operates as a preferred hub for large specialty cargos such as wind turbines. Among the jobs: Handling 29 beer fermentation tanks, each with over a 20,000-gallon capacity, for a Chicago brewery.



Cargill Brings Food, Service to the Table

Ryan McCoy is proud to work at Cargill, a leading provider of food, agriculture, financial and industrial products and services that is celebrating its 150th anniversary this year.

"Even though we're such a large global producer in the industry, it's a very close-knit, family-owned business," reflects McCoy, a plant manager. "We're involved in all facets of the food supply chain. It feels like we touch so many people worldwide."

Cargill is the largest agricultural tenant at the Port of Indiana-Burns Harbor, where it originates corn, soybean and wheat from local producers for transport via rail, truck, barge and ship into the global marketplace.

"The Burns Harbor facility is very unique and dynamic in (providing us with the) ability to ship by any mode of transportation," he comments.

A few morsels about Cargill's operations at the port:

- The company commissioned and loaded its first ship in June 1981
- It has 14 silos for grain storage, with 7.2 million bushels of storage capacity
- · 12 employees are based at the facility

At the Port of Indiana-Burns Harbor and globally, community outreach dominates the company culture through the Cargill Cares program.

Employees are encouraged to donate two hours each month to volunteer activities – on Cargill's time. McCoy appreciates the opportunity to coach his daughter's sports teams.

"It's really encouraging to stay involved with your family and to keep that work-life balance where your family is part of your career," he emphasizes.

Additional Cargill Cares efforts in Northwest Indiana have included supporting plans to build a community garden in Portage and working with a local parks department on clean-up programs.

"It's staggering – the millions of dollars the Cargill family spends worldwide," McCoy marvels. "Those dollars touch the communities we all work in. That's Cargill's focus: to make sure the programs touch the communities our employees are involved in and live in."

RESOURCES: Ryan McCoy, Cargill, at www.cargill.com

Navigating success:

Bringing businesses together that provide complementary services is a key strategy.

"One company may bring in a steel coil to the port, take it off the water, split it and then someone across the street will galvanize it. (Next) across the street, someone will cut it," Peacock relates. "That works in agriculture too.

"Our ports are very focused on developing synergies within industries where we can bring like-minded companies together. ...
They don't have to get material (elsewhere). If they can get it from next door, their transportation costs are essentially zero."

Heavy-haul roads offer additional ways to lower costs.

"Not only are you in close proximity to your customer, but you have the benefit of heavy-haul roads. We say no weight limits, for all practical purposes. They can use heavy-haul trucks to move four coils of steel, for instance, but if they go out on a state highway or interstates, they can only carry one coil at a time."

Big wheels keep on turning:

Peacock notes that while the port remains known for its steel production, it's becoming a destination for heavy-lift cargo – large dimensional specialty pieces that may include (to name a few) beer tanks, wind turbines and components for power plants.

"We had a fuel processing unit taken from Oklahoma and transported to Ohio (via



barge last fall. The shipment, which also included a heavy-haul trailer, weighed a combined 885,000 pounds). "When you have something that large, you have to consider your bridge clearances, overpasses, weight limits, permits for roadway travel, etc."

The unit was transported at night with a police escort over a pre-certified highway route from the port to its Ohio destination.

All hands on deck:

Peacock's take on the people "behind the port?"

"We truly want to be seen by the companies we work with as business partners. That's really a key focus for the Ports of Indiana – develop long-term partnerships with the companies at our ports so we can provide them with a sustainable competitive advantage to help grow the Indiana economy."