

# Growth follows second carrier into port

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The Port of Milwaukee's intermodal container operation is on track for continued growth, boosted by the arrival of a second shipping firm that has generated competition.

The port's revenue from container service operations rose 12 percent in 2011, following a 5 percent jump in 2010, according to port officials.

The growth of the port's intermodal container operation has been spurred by the attraction of an additional ocean carrier, Haifa, Israel-based Zim Integrated Shipping Services Ltd., which began operating at the port in April 2011.

"Zim has aggressive goals (in Milwaukee)," said Jason Stenglein, senior trade development representative at the port.

Zim joined Hamburg, Germany-based Hapag-Lloyd, one of the largest container shipping lines in the world, in providing intermodal container service at the Port of Milwaukee.

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**Jason Stenglein**  
Port of Milwaukee

"It has created more competition, but each company has its own market that it serves and has customers that are very loyal," port director Eric Reinelt said.

Having multiple carriers increases options for customers, he said.

The container operation has benefited in large part from products being imported to and exported

from China and other areas of the Far East, Reinelt said.

Having the container yard at the port provides customers with an advantage because shipments can be loaded from the trains and onto trucks in short order, said Betty Nowak, marketing manager at the port.

"It's a rarity. We're the only Great Lakes port with a container yard," Nowak said.

The Chicago area has a massive container operation, but the yards are located away from the port, she said.

The Port of Milwaukee offers an attractive alternative to the busy Port of Chicago's container operations, which also has factored into the growth, Reinelt said.

Officials at the Port of Milwaukee are making the case when marketing the port that it is more cost-effective to move cargo to and from Milwaukee than Chicago for various reasons, including



SCOTT PAULUS

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short turnaround times for trucks that transport products, and rising fuel prices and tolls, all of which add to the price of moving goods, Reinelt said.

"There's a direct cost savings," he said.

Trucking companies serving customers in eastern Wisconsin can make as many as three runs from the Port of Milwaukee in one day, compared with just one from Chicago, in most cases, Reinelt said.

## COMPETING WITH CHICAGO

The Port of Milwaukee's operations are dwarfed by Chicago, but Milwaukee officials are pushing to continue to grow the intermodal container operation with the intent of luring some

business away from Chicago, Stenglein said.

"We're still a very small player, but the potential is huge," he said.

The Port of Milwaukee's intermodal container yard covers 4 acres along the inner harbor at Jones Island. The port's container services are linked to the Far East through the Port of Vancouver in Canada, which saves shippers from paying the U.S. harbor maintenance tax. The container yard also is linked to Montreal for shipments moving across the Atlantic Ocean from various ports in Europe.

"We have seen an increase in the movement of cargo to Milwaukee," said Jim Dolan, a Chicago-based international sales manager for Canadian Pacific Railway, which serves the Port of Mil-

waukee.

Products being exported by container from the Port of Milwaukee include scrap metal, grain and logs, Reinelt said. A vast array of finished goods arriving from the Far East and Europe account for the cargo entering the port.

Infrastructure improvements, including the repaving of roads leading into the port, also will benefit the container operations, Reinelt said.

The Port of Milwaukee provides "much greater flexibility and ease in managing deliveries," said Sandi Siegel, executive vice president and owner of M.E. Dey & Co., a Milwaukee-based international freight-forwarding company.

M.E. Dey has an office in Chicago but often touts the Port of Milwaukee as a preferred option to its customers.

"Chicago is where the volume is, but we're an advocate of the Port of Milwaukee," she said. "It's a nice advantage for shippers."

The day-to-day intermodal container operations are handled by Milwaukee Intermodal, a tenant of the Port of Milwaukee. Milwaukee Intermodal pays the port a set fee for each container that enters or leaves the port, Reinelt said. The port has an operational partnership with Milwaukee Intermodal, which also co-markets the port.

The port is looking to bring in more shippers over the next few years to further boost business, Reinelt said.

"If we can get two or three more carriers, it will be a more intense competitive situation and everyone will benefit through better prices and service," Reinelt said.

Port officials also have been working to get more customers to use the service.

"There's been a lot of knocking on doors," Reinelt said.