



International Commerce & Mobility Forum

9 October 2024

ICM Forum 7 Meeting Minutes

ICM Forum #7, was held on October 9, 2024. The meeting focused on critical issues in international commerce mobility, supply chain optimization, and regional economic development.

Executive Summary

Bill Goins, the forum's convener and moderator, opened with an overview of how the International Commerce Mobility Forums (ICM) began. The meeting addressed several major topics, including the work of the Transportation Policy and Economic Competitiveness (TPEC) program, the potential for Minnesota to host Expo 2031, updates on a key study by the Metropolitan Airports Commission (MAC), containerized shipping through the Great Lakes, and ongoing efforts in freight optimization. Each segment of the meeting offered deep dives into both the challenges and opportunities for improving transportation and supply chain management in the region. A key point of discussion was the MAC study aimed at analyzing freight leakage to Chicago and opportunities to increase MSP's international market reach. Further discussions covered Minnesota's potential to host the Expo 2031 and the transformative effects it could have on infrastructure and economic growth. Several studies and initiatives, including a Freight Optimization Study led by Quetica, were presented, providing innovative solutions to long-standing transportation challenges. The session concluded with surveys and analysis from participants, highlighting stakeholder concerns and perspectives, with the next forum planned for January 2025.

Key Messages

1. The ICM Forums serve as a crucial platform for cross-sector dialogue on transportation and supply chain issues.
2. A significant challenge is Abbott's reliance on trucking air freight to Chicago, highlighting inefficiencies in the regional supply chain.
3. The TPEC program, managed by the University of Minnesota's Humphrey Institute, continues to focus on competitiveness and policy solutions for Minnesota's transportation and freight infrastructure.
4. Expo 2031, if hosted by Minnesota, presents a significant opportunity for economic development and infrastructure expansion.
5. The MAC study aims to understand freight leakage and optimize MSP's role in international freight distribution.
6. Containerized shipping from Duluth to Liverpool could alleviate supply chain issues while offering environmental benefits.
7. The Freight Optimization Study seeks to enhance supply chain efficiency through intermodal adjustments and AI-powered algorithms.
8. The ICM Forums emphasize the importance of data collection and analysis in shaping transportation policy and solutions.



Key Tasks

1. Educate stakeholders about key transportation and supply chain challenges in Minnesota.
2. Learn from the MAC study and present findings to identify international market opportunities for MSP.
3. Support promotion of Minnesota as host to the Horticultural Expo 2031 and track needed plans for infrastructure improvements.
4. Continue efforts to highlight the potential of containerized shipping from Duluth to the UK.
5. Continue to track the Freight Network Optimization Tool development effort to reduce supply chain bottlenecks in Minnesota.
6. Revise the strategic white paper on small studies to clarify its recommendations based on forum input.
7. Plan ICM Forum #8, scheduled for January 2025.

Regional Efforts

Bill Goins, the moderator, opened the forum with a brief history of the International Commerce Mobility Forums (ICM), explaining how they emerged from industry needs, particularly those of Abbott's Roseville facility. The Abbott facility transports 75 pallets nightly to Chicago, an issue that sparked broader discussions around regional freight transport inefficiencies. Goins emphasized that the forums are a public space where private, public, academic, and nonprofit entities can share insights on improving transportation and logistics. This collaborative approach has led to studies and initiatives, including a current Metropolitan Airports Commission (MAC) study examining freight transport from Minneapolis-Saint Paul (MSP) and the broader region.

Goins introduced SRF Consulting, which hosted the event, and thanked them for their hospitality. He also mentioned the potential disruptions in Florida due to an approaching hurricane, highlighting the interconnectedness of transportation networks across regions. The forum proceeded with participant introductions, setting the stage for in-depth discussions on key transportation issues affecting Minnesota and the broader Midwest.

Key Messages

1. The ICM Forum is a collaborative space for public, private, academic, and nonprofit stakeholders.
2. Abbott's reliance on trucking pallets to Chicago highlights inefficiencies in the regional supply chain.
3. A MAC study aims to address freight transport challenges in Minnesota.
4. Inter-regional events like hurricanes can disrupt transportation and supply chains, underscoring the need for resilient infrastructure.

Key Tasks

1. Encourage ongoing participation from diverse sectors in future ICM Forums.
2. Continue monitoring the MAC study for solutions to the Abbott freight issue.
3. Evaluate the impact of external factors, such as weather events, on transportation planning.

Expanded Discussion

The ICM Forums emerged as a response to inefficiencies in freight transport, particularly related to the Abbott facility's operations in Roseville. Each night, 75 pallets of goods are transported to Chicago for



international distribution, which poses significant logistical and economic challenges. These inefficiencies led to the creation of the ICM Forums, a public platform aimed at fostering dialogue between stakeholders from various sectors. The central question driving these discussions is: how much freight in this region is being trucked to Chicago for international air freight distribution, and what alternatives could be developed?

Goins highlighted that the Metropolitan Airports Commission (MAC) has taken this issue seriously, launching a study aimed at understanding the broader international market that could be served by MSP. This study, born out of the conversations in previous forums, will explore freight leakage to Chicago and potential ways to capture a larger share of the international air freight market at MSP. Goins underscored that the ICM Forum is not "owned" by any one organization but serves as a public platform for exchanging ideas and finding collaborative solutions. With representatives from consulting, government, nonprofit organizations, and academic institutions, the forum provides a unique space to discuss the region's transportation challenges in a safe, non-partisan environment.

TPEC and Supply Chain Data Needs

The forum transitioned to a discussion led by Frank Douma of the Humphrey Institute (HHI), who provided insights into the Transportation Policy and Economic Competitiveness (TPEC) program. TPEC was established by the Minnesota Legislature in 2013 to focus on the state's competitiveness in transportation policy, supply chain management, and freight infrastructure. Douma emphasized the need for robust data to support supply chain innovations, particularly in the med-tech sector, and urged participants to consider how the program's findings could be shared with legislators. Lee Munnich supported Douma's remarks, noting that TPEC had consistently attracted legislative funding and involvement. Goins then asked participants to think about effective ways to educate lawmakers on these pressing issues, especially around supply chain optimization and transportation infrastructure.

Key Messages

1. TPEC was established to enhance Minnesota's competitiveness in transportation and freight infrastructure.
2. Data collection is critical to solving supply chain and transportation issues.
3. Legislative support is essential to ensuring long-term solutions for transportation policy.

Key Tasks

1. Identify strategies for educating legislators about transportation and supply chain challenges.
2. Continue promoting the role of data in transportation planning and policy development.
3. Leverage TPEC's findings to foster med-tech industry growth in Minnesota.

Expanded Discussion

The Transportation Policy and Economic Competitiveness (TPEC) program, administered by the University of Minnesota's Humphrey Institute, has become a cornerstone in Minnesota's efforts to address transportation challenges. Since its inception in 2013, TPEC has tackled a range of issues, including supply chain inefficiencies, freight infrastructure improvements, and industry cluster development, with a particular focus on the state's med-tech sector.



International Commerce & Mobility Forum

October 9, 2024

ICM Forum #7

Date and Time	Wednesday, October 9, 2024 Networking: 2-3PM, (Central) ICM Forum: 3-5PM, (Central)
Location	In Person: SRF Consulting Group, 3701 Wayzata Blvd, Suite 100, Minneapolis, MN 55416 Virtual: A Zoom option will be shared with all in advance of the Forum

Special thanks to **SRF Consulting Group** for hosting our Forums!

Other ICM Forum sponsors include: **Global Wellness Connections & Government Analytica**

Agenda

Networking

2-3 PM	Opportunity for networking at SRF, starting at 2PM, prior to beginning the Forum at 3PM, (Central)
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ICM Forum

3PM	Welcome and strategic thoughts by Edina Mayor Jim Hovland. Mayor Hovland is an original member of the Global Wellness Connections, (GWC), founding leadership team
3:10PM	Greetings, strategic thoughts, and housekeeping items from our hosts, SRF Consulting Group, Todd Polum, President and CEO, Andy Mielke, SVP, and Justin Scott, Project Manager, SRF
3:15PM	Brief introductions of Forum attendees , (name, title and company/organization), led by Bill Goins, VP, Commerce Mobility, Global Wellness Connections, (GWC)

Key Updates

3:25PM	10 Years of the Transportation Policy and Economic Competitiveness, (TPEC) Program , update provided by Frank Douma, Director of State & Local Policy and Outreach, Humphrey School of Public Affairs, University of Minnesota
3:35PM	What does the success of bringing a World Horticultural Expo 2031 mean to the economic development of our Region and State? What role does a strong/vibrant transportation system play in our US Commerce application? Update by Wendy Meadley, CEO, Expo 2031 and David Loehr, Principal & Client Leader-DLR Group
3:45PM	ICM started with the question of "How much international air freight is being trucked to/from Chicago nightly?". Where are we at this time with this question? Update provided by Rex Edwards, Campbell-Hill Aviation



	Group; and Doug Banez, Hubpoint Strategic Advisors; (consultants for the MAC freight study)
3:55PM	An important update on another example of strategic thought leaders working together to build a trade route and new supply chain network". This proposed transportation/supply chain system would be between Minnesota, (Duluth), and Liverpool, (UK), via the Great Lakes and the Atlantic Ocean. This update will be presented by Jan Bauer, Consul, UK Government Office-Minnesota
4:04	Introducing "Innovating Cities: How Small Studies Can Create Big Ideas" - a strategic white paper on this subject Dr. John Pournoor)

TARGETED STRATEGIC TOPIC

4:05PM	<p><i>"What is the Freight Network Optimization Tool, (FNOT)", and why is this important to Minnesota?</i> presented by Mark Berndt, Lead Consultant, Quetica and Dr. John Pournoor, CEO, Government Analytica</p> <ul style="list-style-type: none"> • <i>Background on FNOT, Mark Berndt (20 minutes)</i> • <i>Facilitated Discussion & Feedback, John Pournoor (25 minutes)</i>
4:50PM	<p><i>Specific strategic update, "future brainstorming" and key next steps,</i> a conversation led by Bill Goins, VP of Commerce Mobility for the Global Wellness Connections, (GWC), regarding:</p> <ol style="list-style-type: none"> 1. What has been our key "starting" question since we began the ICM Forums: "How much international air commerce is moving via truck to/from Chicago?" is to be discussed in ICM Forum #8 regarding key next steps. Another key question is: Can containerization from the Port of Duluth support economic development and through modal conversion, improve environmental concerns for our Region? 2. From what we are learning about this key first question, what other transportation options and supply chain opportunities can this "grassroots" approach of public-private-academic-non-profit & consulting strategic thought leaders develop/solve for Minnesota and this Region, (such as the scenario presented in this ICM Forum regarding FNOT)?

Announcing ICM#8 Plans:

ICM Forum 8 is "tentatively" planned for the early December, 2024, or in the early-mid January, 2025, timeframe. Please stay tuned...as more details to follow!



Backgrounder on ICM Forums

What is our purpose of the ICM Forums?

We started the ICM Forum series with the key question of:

“How much International Air Freight is being trucked to/from Chicago, for placement on wide-body, upper deck freighters to a specific part of the world, (such as the Golden Triangle of Europe)?” We have also asked the question: “Why is this transportation/supply chain system utilized today for this Market?”

Through the ICM Forum series and each of your involvement, we believe we have a much better understanding of the current international air freight system, than when we started in early 2023.

In ICM Forum #1, we asked: what are the possible opportunities, constraints, limitations and options for enhancing and improving the movement of freight/commerce & cargo in and out of this Region?

In ICM Forum #2, we dove deeper: what is the data, interviews and information within the private sector companies, (shippers, 3PLs and freight forwarders), plus, research organizations that can help answer the question about the volume and value moving to/from Chicago for global movement?

In ICM Forum #3, we began to layout the framework for understanding what research is needed, (quantitative and qualitative), what funding is required, and to determine the answer to our very first question. We believe the answer to this question will come through the efforts of public-private-academic-non-profit and consulting strategic thought leaders and utilizing this framework with other transportation systems and supply chain options that will improve our overall State and Region.

In ICM Forum #4, we continued to focus on the research that will be required to determine if this Region has the capability to fill international upper deck, wide body air freighters once a week, three times a week, five times a week or more to move high value air cargo to/from the Golden Triangle of Europe.

In ICM Forum #5, we were introduced to the Consulting group, hired by the MAC, that will be tackling the question of “how much is being trucked to/from Chicago?”. This is significant as it will help us understand the potential for upper-deck, wide body aircraft, that was the first question the ICM Forums started with. In addition we were introduced by Cathy Petersen to some of the key challenges involving exporting and importing that we need to fully understand to make this transportation/supply chain option successful.

In ICM Forum #6, we started to move forward on laying out the scope of services needed to support changes to our supply chain options and continue to refine our strategic white papers, specifically, to determine the regional air cargo demand and facility requirements needed to support enhanced air cargo service between Minnesota and Europe, with eventual paths to other key locations around the world. In addition, we are beginning to understand the



Environmental Health and Equity subjects that are important to intermodal transportation in and out of Minnesota and this Region.

Through our combined efforts, we believe we can provide additional transportation/supply chain tools/options for our State and Regional economic development toolbox, support the efforts of finding improved environmental solutions to our carbon footprint, provide for cost saving options for our high-value inventory shippers/receivers and support the creation of good paying transportation and supply chain jobs for our State/Region.