The Great Lakes St. Lawrence Seaway System

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CANADIAN INTERNATIONAL FREIGHT FORWARDERS ASSOCIATION
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Agenda

 An Overview of the St. Lawrence Seaway and Great Lakes system
 Market Product
 Highway H₂O
 Shipping Simplified
 Investing for the Future
The St. Lawrence Seaway: System Overview
An Overview: The Great Lakes / Seaway System

- Your gateway to…...and from the heartland of North America

227,000  Jobs in US and Canada

$35B  In business revenue

$5B  Contributions in federal, state and provincial taxes

$14B  In employment wages annually

We like to call it……Hwy H₂O
An Overview

The St. Lawrence Seaway

DULUTH, MINNESOTA
on Lake Superior

distance = 2,038 nautical miles (2,342 statute miles or 3,700 kilometres)

sailing time = 8.5 days
An Overview

- A ship carrying 30,000MT can transit a lock in about 45 minutes

Lock Operation

**SEAWAY FACTS AND FIGURES**

- 1959: Opened to deep draft navigation
- The Great Lakes St. Lawrence Seaway System is the world’s longest deep draft commercial waterway

**WELLAND CANAL**
- 8 Locks
  - (8 Canadian)

**MONTREAL TO LAKE ONTARIO**
- 7 Locks
  - (2 U.S. + 5 Canadian)

**21 MILLION GALLONS**
- Each Seaway lock holds approximately 21 million gallons (79 million liters) of water, equivalent to roughly 30 Olympic-sized swimming pools

**LOCK DIMENSIONS**
- LENGTH: 233.5 m (766 ft.)
- WIDTH: 24.4 m (80 ft.)
- WATER DEPTH: 9.1 m (30 ft.)
The St. Lawrence Seaway: Market Product
Over 150 million people in North America live within an 8 hour drive of a major port on the Great Lakes / Seaway System
Domestic
- Largely single segment of Bulk Traffic moving inter Great Lakes and the upper Seaway.
- Aggregates/Coke/Iron Ore/Grain

International
- Diversified mix of traffic moving Internationally
  - Breakbulk
  - Bulk
  - Project Cargo
  - Containers

Approximately 40 million metric tons shipped annually
Approximately 10 million metric tons of import export cargo shipped annually.
Market

Carrier Fluidity

• **On average 30 Ocean Carriers (Salty’s) are servicing the Great Lakes weekly**

![Graph showing Ocean Vessels in Great Lakes 2015 Weekly Report]
### Market

- 60% load to load capacity

### Carrier Operators

- North America - 57%
- Europe - 34%
- Asia - 8%

#### International Carrier System Transits Year End 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Vessel Transits</th>
</tr>
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<tbody>
<tr>
<td>2014</td>
<td>447</td>
</tr>
<tr>
<td>2015</td>
<td>437</td>
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The Cleveland-Europe Express is the only direct, scheduled vessel service that moves containerized and non-containerized cargo between the Great Lakes and Europe, through the Port of Antwerp.
The St. Lawrence Seaway: Highway H₂O
Highway H₂O

Mission

Deliverables

Highway H₂O is an alliance of transportation stakeholders in the Great Lakes / Seaway System region, working to
• develop business
• deliver greater awareness about the System locally and internationally.

Working with its members and partners in a stewardship capacity, Highway H₂O leverages
• its collective knowledge about the System
• offers innovative services and incentive programs
• ensure the System remains a competitive gateway into the future.
The St. Lawrence Seaway:

SHIPPING SIMPLIFIED
SLSMC Marketing

- Extend Market Awareness of the Seaway beyond traditional promotion
  - Direct Market Development with new and existing users of system
  - A neutral connector between the “opportunity” and the stakeholder
  - A supplement to Port, Carrier, Stevedore marketing efforts/team – not a replacement

The role of market development is to **act as a catalyst** for business growth for the entire seaway and great lakes system
• An example of the Port of Milwaukee in the mix for load center:

Origin: Port of Marghera, Italy
Freight Forwarder Boiler move request

Wagenborg
FEDNAV
BBC
Port of Milwaukee

CP Rail
Union Pacific
Transport Providers
Destination Beulah ND

Opportunity → Freight forwarder requests assistance in establishing supply chain options to move a boiler from Italy to North Dakota

Market Development
- Advocate → Raise awareness, Port of Milwaukee as a distribution hub for boiler
- Solicit carriers, determine interest and request rate offering from Port of Marghera to Port of Milwaukee
- Facilitate stevedore interaction with freight forwarder to establish port handling costs
- Extend the marine supply chain:
  - Network reach → Introduce rail service options (Port to end customer)
Growing our Business….Maintaining our *Existing Cargo* and Attracting *New Cargo* :

Since March 2008, our Toll Structure has been modified to offer Business Incentives

- A 20% Reduction on tolls for cargo qualified as New Business
- A 10% Volume Incentive for Existing Cargo Customers
- Additional 20% Incentive for New Services
- Introduction of Gateway Incentive
  - Private confidential contract for business shift of volume to Highway H₂O route v existing gateway
The St. Lawrence Seaway: Investing in the Future
• Capital investments being made in port and terminal facilities and waterway infrastructure total (US$ 2.9 billion).
Investments

- Capital investments being made in port and terminal facilities infrastructure total (US$ 1.7 billion).

$1.2B Ports and Terminals investments with $0.5B future commitments
Capital investments being made in waterway infrastructure total (US$ 1.1 billion).

$0.6B

Waterway Infrastructure investments with $0.5B in future commitments
• *Capital investments being made in new vessel (domestic and international) total* (US$ 4.1 billion).

$4.1B

New vessels for Domestic and International carriers whom service the Seaway
Investments

- Hands Free Mooring

- Remotely operated

- Attract more vessels in order to diversify our cargo base

- Reduce barriers to system by lowering crewing requirements for lock transits / minimize overtime

- Enhance crew safety and productivity

- Eliminates carriers need to install seaway fittings
Thank You

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