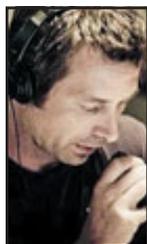


# Trains and boats and planes

The title of the 1966 Dionne Warwick hit, "Trains and Boats and Planes," may sum up the most important element of the Bakken. To put it in other words, distribution — getting your product or service to market. You can have all the energy, grain or ideas in



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the world, but without the system to distribute, they sit on the shelf. Distribution is so critical I have often heard publishers at newspaper conferences comment offhandedly that they are really in the distribution business.

One person who understands the importance and prestige of getting things from point A to point B is Curtis Shuck, director of economic development and facilities, Port of Vancouver USA. He has a unique view into distribution since the Port of Vancouver USA is a global hub of ocean-bound and river shipping lanes, interstate highways and national rail lines. They are a public entity, governed by three officials elected by the port district they serve.

"Vancouver, Wash., so not to be confused with our counterpart north of the 49th parallel," Shuck said. "Interestingly enough, we were first so we refer to Vancouver British Columbia as 'Vancouver Jr.'"

The Port of Vancouver USA just celebrated its 102nd anniversary and are looking forward to many more. Shuck said the port is geographically the most inland port in Washington, also the state's third oldest and third largest port.

"(It's) 106 river miles up the Columbia River from the Pacific Ocean," Shuck said. "We are the furthest deep water port in the state."

When talking supply chains, traditional routes run east to west. Some run north to south, but the majority of the major supply arteries in the United States run east to west. Looking east, the closest established infrastructure to

the Bakken is Minneapolis, due to companies like 3M and General Mills. This historical trend of distribution has the Twin Cities area currently seeing some major Bakken bankroll.

"Minneapolis is playing an amazing role in the development of this oil field and the North Dakota economy," Shuck said. "I think that is fantastic. Those partners are critical in everyone's shared success."

The ability for towns to create a load center concept is one of those foundational layers to growth, and many communities have been making investments and upgrades. These investments by communities and the rail industry are signs that make Shuck believe the west coast has an equally important role in the Bakken.

"What's happening is there is a shift in the supply chain the way goods and services are moving," Shuck said. "With the expansion and boom that's going on in Asia right now, there's been a huge focus and shift to the railroad with grain, for instance."

Shuck continued with his example with grain that would originate in the Mississippi River Basin. Then it would be shipped to the Pacific Coast Corridor by rail, which is a newer trend. Then it would go to the world market. He said the increased rail use has shifted over the past eight years in both agriculture and energy.

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***"We are moving from a construction and operation relationship to a business development relationship now."***

— Curtis Shuck, Director of economic development and facilities, Port of Vancouver USA

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North Dakota is very familiar with the Port of Vancouver USA, since their main staple is agriculture products. The Port of Vancouver USA accounts for approximately 16 percent of the to-

tal United States wheat shipments, according to Shuck.

"We've been moving North Dakota grain for over 75 years through our facility," Shuck said. "Our grain elevator just completed a \$100 million expansion. We are looking forward to even more North Dakota grain in the future."

Over the past five years, energy has captured quite the market share in the shipping business and Shuck has seen it first hand. This cross-over of agriculture and energy has created more of a synergy on some levels, rather than competition, according to Shuck.

"I think what's happening, at least my take on it, is the improvements of supply chains," Shuck said. "I think where most of that synergy comes is in using the same supply chains and connections."

Shuck continued saying most of the supply chain is complete and was pioneered by the agriculture industry. He continued saying the next level of rail evolution is occurring and the overall economy will benefit.

"Rail is the most efficient way of transporting commodities and goods hands down, no doubt about it," Shuck said.

He also said communities like Belle Fourche, S.D., who are constructing an industrial rail spur to funnel loads from multiple companies into one site are on track with the rail industry model.

"I think what Belle Fourche is doing in terms of their industrial rail park is exactly in line with the rail road strategy," Shuck said. "The railroads would much rather serve an industrial park with 15 businesses off one switch versus 15 switches off the mainline. That's really the new model and those folks in Belle Fourche ought to be commended."

Shuck is excited about future opportunities with Asia and North Dakota, so much so the Washington state based organization has opened a field office in Williston.

"We've got that staffed now and are going to see a lot more activity with us now in the mid-continent region," Shuck said. "Not only expanding our ag footprint, but also our energy side."

When asked about their relationship with the railroad industry, Shuck said it might be the most important relationship they have.

"The Port of Vancouver's relationship with the rail, specifically BNSF Railway, is a partnership of epic proportions," Shuck said. "We have engaged in a \$275 million dollar expansion project for our internal rail terminal network that we wouldn't have even considered if we didn't have a strong partnership with a mainline carrier."

Shuck said they are expanding their terminal capability while working with the railroad, eight other states and four Canadian provinces to develop a corridor coalition to increase supply chain operations.

"We are moving from a construction and operation relationship to a business development relationship now," Shuck said. "Obviously with the shift of shipping crude by rail, a lot of fun things are happening in the energy industry right now."

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Jason Spiess is a multi-media journalist and host of *Building the Bakken Radio*. *Building the Bakken Radio* can be heard in Bismarck on SuperTalk KLXX 1270AM on Sundays at 10am CT. To see if your listening area carries the radio program or see the entire *Building the Bakken Media Network*, visit [www.buildingthebakken.com](http://www.buildingthebakken.com). Spiess can be contacted at [jason@buildingthebakken.com](mailto:jason@buildingthebakken.com).

