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FOND DU LAC AREA ASSOCIATION OF COMMERCE

Building community and commerce

OFFICE OF THE SECRETARY
FEDERAL MARITIME COMMISSION

14-Dec-11

Ms. Karen V. Gregory
Secretary
Federal Maritime Commission
800 North Capitol Street, NW
Washington, DC 20573-0001

Subject: Docket No. 11-19, *U.S. Containerized Cargo Flows – Response to NOI*

Dear Madam Secretary:

The Fond du Lac Area Association of Commerce is submitting these comments in response to the Federal Maritime Commission's Notice of Inquiry on factors that may cause or contribute to the shift of cargo destined for the U.S. inland from U.S. to Canadian and Mexican seaports.

The Fond du Lac Association of Commerce is a member-based organization whose mission is to assist and promote free enterprise. With over 900 companies as active members, our members represent virtually every size and type of business and collectively they employ over 35,000 Wisconsin residents.

Trade between the United States and Canada, as well as the ability to choose from among a variety of North American ports for imports and exports, are essential to the success of the businesses we represent. As a northern state and a leader in manufacturing products, it is vital that our businesses have ready access to seaports without unnecessary cost.

Numerous Wisconsin companies and thousands of Wisconsin jobs depend upon cost-effective rail access to U.S. and Canadian ports on the West Coast, not only to deliver inputs for their production, but also to reach their global export markets. The selection of ports and shipping lanes is extremely competitive, and after careful consideration, many Wisconsin companies choose to ship by way of the Canadian ports. The *Chippewa Falls Intermodal Terminal*, which opened this year, is an example of how important seamless and cost-effective access to Canadian ports is to our State.

There may indeed be legitimate concerns as to how the U.S. Harbor Maintenance Tax is collected and distributed, among the various U.S. seaports, but this is a domestic U.S. issue. The Federal Maritime Commission allegations of potential unfair competition from Canadian seaports are unwarranted, and should the Commission consider or recommend unjustified protectionist measures, such measures would lead to unnecessarily higher costs at the border and would have a devastating impact on the Wisconsin economy and jobs.

It is important to understand that Wisconsin sells more to Canada than it does to its next six export markets combined. Nearly a third of all Wisconsin foreign-bound goods are sold to Canada and that figure does not include Wisconsin produced goods that pass through Canadian ports destined for other foreign markets. In addition, there are an estimated 156,500 jobs in Wisconsin that depend on Canada-Wisconsin trade. So the last thing the Badger State needs is for the FMC to make recommendations that could drive up costs for Wisconsin businesses and threaten jobs.

Thank you for the opportunity to comment on this issue. Please include this letter in the public docket for this proceeding.

Sincerely,

Joseph R. Reitemeier C.C.E.
President & CEO