

Magdalene Grant

From: Rachel Dickon on behalf of Secretary
Sent: Friday, January 27, 2012 11:12 AM
To: Magdalene Grant
Subject: FW: U.S. Containerized Cargo FLOws - Response to NOI

From: Jack Ampuja [<mailto:jtampuja@hotmail.com>]
Sent: Sunday, January 15, 2012 11:49 PM
To: Secretary
Subject: U.S. Containerized Cargo FLOws - Response to NOI

I have of over 40 years of logistics management experience primarily with Fortune 500 firms. I was Director of Logistics at Tambrands - now part of Procter & Gamble - when that company did business in 140 countries. I also have taught Logistics at four universities. Currently I serve as Executive-in-Residence at Niagara University where I teach in the MBA program. I also teach in the online MBA program for University of Massachusetts. However, most of my time is spent as President of Supply Chain Optimizers LLC - a boutique consulting firm. Our clients include Nestle, Kraft Foods, Office Depot, Toy-R-U's and Target Stores. I speak on supply chain topics at various conferences ...approximately one hundred presentations in the past five years. I have previously testified as a transportation expert before the Congressional Sub-Committee on Transportation & Infrastructure.

In my consulting job I am constantly visiting companies throughout North America to discuss their supply chain efficiencies. Based on what I have heard, learned and observed I have concluded the following:

- US companies using Canadian ports do so because they can reduce total service cycle time: the Port of Montreal is closer to Europe than the Port of New York/New Jersey and both Vancouver and Prince Rupert are closer to Asia than Seattle/Tacoma. Time is much more important to companies than the \$150 they can save on HMT.
- There is a large unspent balance in the HMT fund. One has to wonder why we persist in collecting HMT when Congress hasn't spent the money that has already been paid by shippers.
- I know companies in western New York where I live which bring their freight through Vancouver by rail to Toronto and then by truck to western New York because it is much more efficient than going through either LA/LB or SeaTac. The freight will get to destination several days sooner and for lower total cost.
- Many companies have told me they don't like to have their containers come through US west coast ports due to slowdowns related to regular congestion issues which do not seem to occur at Canadian ports.

It seems to me that the question that should be addressed is how to make US ports more efficient so that we can lower costs and compete more effectively. Charging HMT on US bound shipments that come via Canada will do nothing positive in the long run.

Yours truly,

Jack Ampuja
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