

JOIN US IN MINNESOTA



MINNESOTA'S TRANSPORTATION AND DISTRIBUTION



BUILD WHAT MATTERS IN
MINNESOTA
JoinUsMN.com

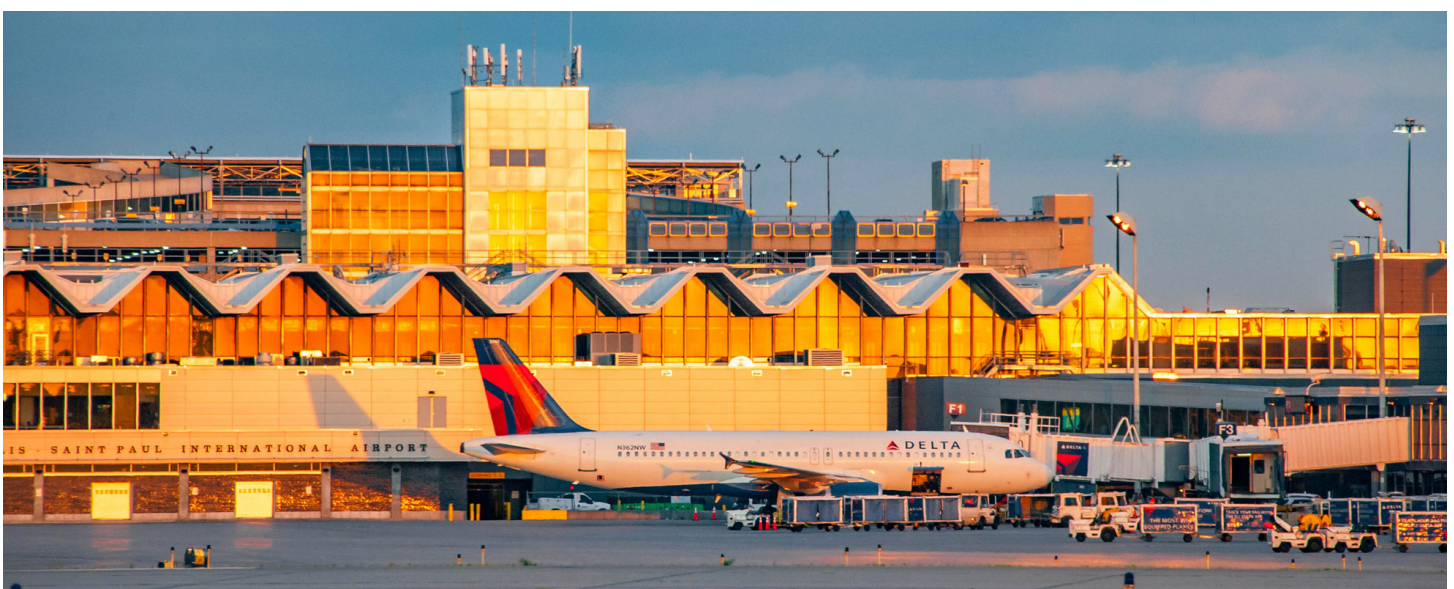
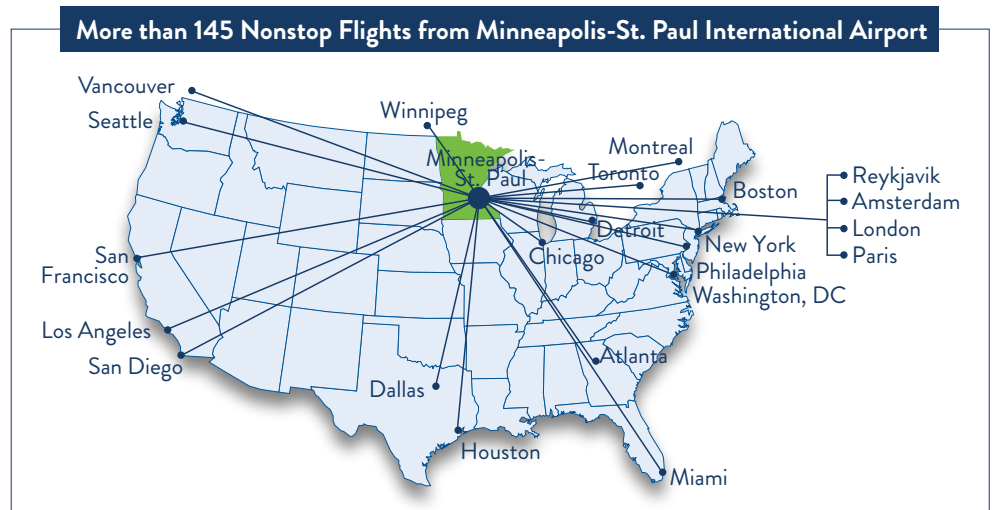
MINNESOTA'S INFRASTRUCTURE

Minnesota provides easy access to markets across the continent and abroad with its north-central location. Shipping is convenient because we have eight commercial ports – including four ports on Lake Superior and four on the Mississippi River. We also have excellent rail and road networks. Over 50% of the U.S. population is within a day's truck drive.

The state is home to 18 Fortune 500 companies. Prominent companies such as 3M, General Mills, Land O'Lakes, Hormel Foods, Polaris Industries, Target, Cargill, C.H. Robinson and Toro are headquartered in the state due in part to our robust transportation network.

AIR TRANSPORTATION

- Minnesota offers **commercial air service in the Twin Cities, Duluth, Rochester and six other cities across the state.**
- The Minneapolis-St. Paul International Airport **serves 136 nonstop destinations, including 118 domestic and 19 international markets.** International destinations include Amsterdam, Paris, Mexico City, Caribbean and Canadian cities. We are confident that the Minneapolis-St. Paul International Airport will offer more non-stop destinations in coming months as we return to pre-pandemic travel.
- In 2021, the Minneapolis-St. Paul International Airport was ranked **third best in North America** by J.D. Power.

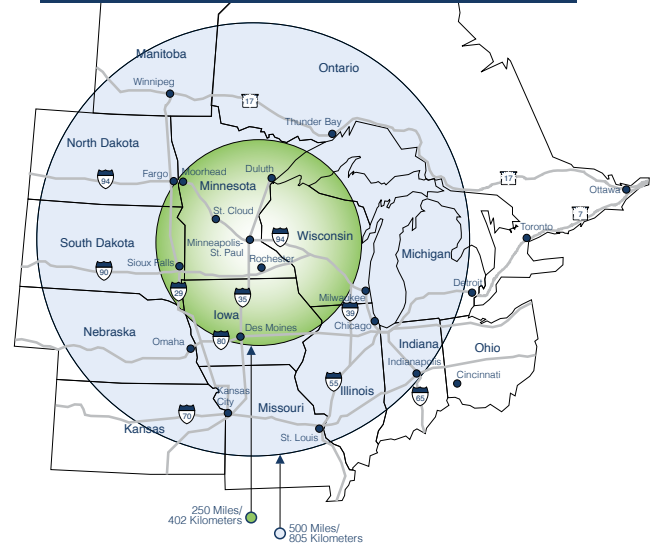


LAND TRANSPORTATION

Minnesota has three major interstate highways (I-35, I-94 and I-90) and the fifth largest road system in the nation to facilitate surface transportation.

- **The state has 4,420 miles of freight-railroad operated by 21 companies.** Four class I freight rail lines and 3,500 class I rail miles integrate Minnesota with the US and Canadian rail systems. BNSF, Canadian Pacific, Union Pacific and Canadian National Rail all operate intermodal facilities in Minnesota. Industry moves one-fourth of its freight by rail in Minnesota.

By locating in Minnesota, your business will have access within a day's truck drive to nearly 950,000 businesses and over 45 million customers.



MINNESOTA INFRASTRUCTURE

INTERSTATE HIGHWAYS

3 Minnesota has three major interstate highways – I-35, I-94 and I-90 – and the 5th largest road system in the nation. Nearly 400 million tons of freight are transported annually on Minnesota roads. Our extensive road network – and convenient north-central location – make it easy to move products anywhere in the country.

COMMERCIAL AIRPORTS

9 Nine commercial airports serve the state's major commercial and metropolitan areas. Minneapolis-St. Paul International (MSP) has 167 nonstop destinations to 137 domestic and 30 international markets. It ranks as the second most on-time airport of its size in the world (2019) and has three ranked as the best airport of its size in North America (2016, 2017, 2018). Airports in border cities of neighboring states also serve regional needs.

CLASS I RAILROADS

4 Rail accounts for one-quarter of the freight moved in Minnesota. The state has nearly 4,500 miles of freight railroad operated by 21 companies. Four Class I freight rail lines – with over 3,500 Class I rail miles – are integrated with the U.S. and Canadian railway systems. Commuter rail and light rail transit lines serve the Minneapolis-St. Paul metropolitan area.

COMMERCIAL PORTS

8 Minnesota has easy access to key waterways – including the Great Lakes and Mississippi River. Three ports on Lake Superior transport an average of over 50 million net tons of freight per year. And, the Mississippi River System, which spans about 200 miles, includes four port areas, and transports an average of over 14 million net tons of freight per year.

FOREIGN TRADE ZONES

3 Minnesota has three Foreign Trade Zone (FTZs) – Minneapolis/St. Paul, Duluth and International Falls – which can help businesses minimize duty payments and accelerate global supply chains. These zones have magnet sites, usually located at ports of entry or in industrial parks. Businesses can use a magnet site or can apply to establish an FTZ subzone or usage-driven site anywhere in the state.

WATER TRANSPORTATION

Minnesota is also well connected to key waterways. Three ports on Lake Superior transport over 50 million tons of freight per year and four port areas on the Mississippi River transport an additional 14 million tons of freight per year.



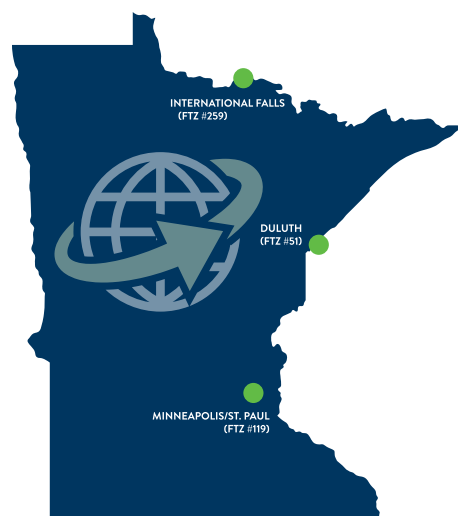
- The largest of these ports is the Port of Duluth-Superior:
 - Located at the westernmost tip of Lake Superior, the Port of Duluth-Superior is North America’s farthest-inland freshwater seaport.
 - Twenty privately owned bulk cargo docks and an award-winning general cargo terminal populate the working waterfront, along with a marine fueling depot, a shipyard with dry docks, multiple tug and barge services, plus an intermodal cargo terminal.
 - Duluth-Superior is a diversified multimodal shipping hub, offering global cargo transport through the Great Lakes-St. Lawrence Seaway, free-flowing major highways and direct Class I rail service to the East, West and Gulf Coast.
 - Duluth-Superior was rated the No. 1 port in North America for overall service by the Railway Industrial Clearance Association (RICA). Additionally, Duluth Cargo Connect earned worldwide Port/Terminal Operator of the Year honors from Heavy Lift & Project Forwarding International in 2019.
 - Approximately 800 vessels and 35 million short tons of cargo move through the Port of Duluth-Superior each year, making it the Great Lakes’ largest tonnage port and one of the nation’s top 20. The port supports nearly 8,000 jobs and contributes \$1.4 billion in business revenue to the regional economy.

FOREIGN TRADE ZONES

A Foreign Trade Zone (FTZ) can improve a business’ bottom line by helping minimize duty payments and accelerating global supply chains. It is a defined physical area within the United States that – for customs entry purposes – is treated as if it’s outside U.S. borders. Companies may use FTZs for storage and distribution activities or for production.

FTZs are not new; they’ve been around since 1934. The U.S. Foreign-Trade Zones Board grants authority to local entities to establish and maintain FTZs.

Minnesota has three FTZs – in Minneapolis/St. Paul, Duluth and International Falls – which, together, include six magnet sites. FTZ magnet sites are open to multiple zone users and are usually located at ports of entry or in industrial parks. Businesses can use a magnet site or can apply to establish an FTZ subzone or usage-driven site anywhere in the state.



WHAT ARE THE BENEFITS?

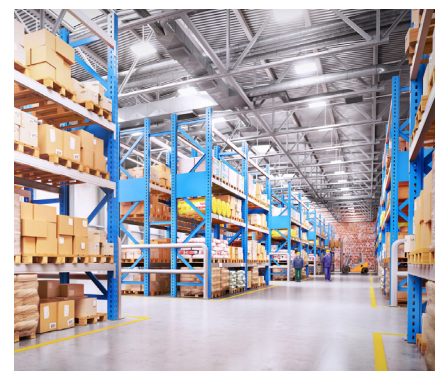
FTZs can help U.S. companies compete globally by reducing, deferring or eliminating duty payments and by making distribution easier and more profitable. Benefits include:

- Duty exemption on re-exports
- Duty deferral on imports until they leave the zone
- Relief from inverted tariffs
- Savings on merchandise processing fees through weekly entries
- Streamlined logistics
- Duty elimination on waste, scrap and yield loss

DISTRIBUTION AND WAREHOUSING

INDUSTRIES AND GROWTH

In 2021, Minnesota had over 32,300 jobs in freight-focused transportation, including 11,100 in local trucking transportation. The state’s warehousing and storage industries accounted for over 13,200 jobs, with a notable 65% 5-year growth rate for jobs in general warehousing and storage. This increase was likely driven by Amazon’s growing footprint in the Twin Cities region; since 2016, the company has opened two facilities in Shakopee and Lakeville and announced plans for additional facilities in St. Cloud and Woodbury. Other notable expansions include Lineage Logistics, which in March 2022 announced plans for a 235,000-square-foot cold storage facility in the city of Luverne in southwest Minnesota, and FedEx, which in January 2022 announced plans for 217,000-square-foot logistics facility in Willmar.




Local Trucking Transportation & Warehousing Industries (NAICS)	2021 Jobs	5-Year Job Growth Rate (2016-2021)
General Freight Trucking, Local (484110)	7,185	8%
Specialized Freight (except Used Goods) Trucking, Local (484220)	3,976	-3%
Specialized Freight (except Used Goods) Trucking, Long-Distance (484230)	2,183	1%
General Warehousing and Storage (493110)	12,457	65%
Refrigerated Warehousing and Storage (493120)	570	-6%
Farm Product Warehousing and Storage (493130)	90	17%
Other Warehousing and Storage (493190)	128	-43%

KEY COMPANIES

Company	Establishment Type	Location
Anderson Trucking Service	Distribution	St. Cloud
Amazon	Distribution	Shakopee, Lakeville (St. Cloud & Woodbury announced)
Bay & Bay Transportation	Distribution	Eagan
CH Robinson	Third Party Logistics	Eden Prairie
Dart Transit	Third Party Logistics	Eagan
GlobalTranz	Third Party Logistics	Minneapolis
Lake Superior Warehousing	Multimodal	Duluth
Murphy Warehousing	Multimodal	Minneapolis

INDUSTRY RESOURCES

Resource	Description	Website
University of Minnesota’s Center for Transportation Studies	Academic center for research and education	https://www.cts.umn.edu
Minnesota Freight Advisory Committee	Partnership between the MN Dept. of Transportation & businesses	https://www.dot.state.mn.us/ofrw/mfac



**BUILD WHAT MATTERS IN
MINNESOTA**
JoinUsMN.com



mn EMPLOYMENT AND
ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT DIVISION

Minnesota Department of Employment and Economic Development

332 Minnesota Street, Suite E200 | St. Paul, MN 55101

651-259-7432 | Economic.Development@state.mn.us

JoinUsMN.com