



Too Little, Too Much: Navigating Drought and Flooding Challenges. The National Perspective

2024 National Waterways Conference

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Charting the Course

- ① Polaris Analytics and Consulting
- ① Commodity Supply Chain
 - ✓ The 4-Rs
 - ✓ Supply Chain Framework for Commodities
- ① Too Little, Abounding Examples
 - ✓ Mississippi River
 - ✓ Rhine River
 - ✓ Panama Canal
 - ✓ Madeira and Amazon Rivers
- ① Questions and Discussion

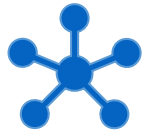
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Anchoring Your Future



Commodity Supply Chain

The 4-Rs of the Agri Supply Chain



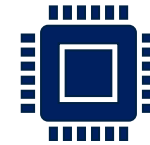
Reliable

Established and integrated network



Resilient

Multiple options from Farm to Market



Resourceful

High volume, throughput, and efficient



Redundant

Plug and participate system

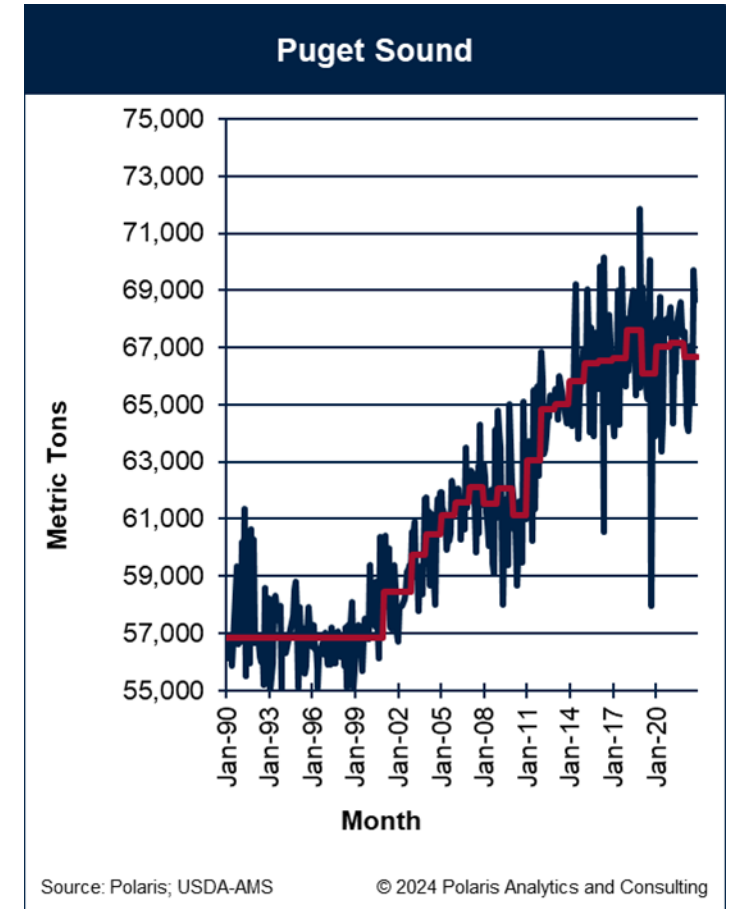
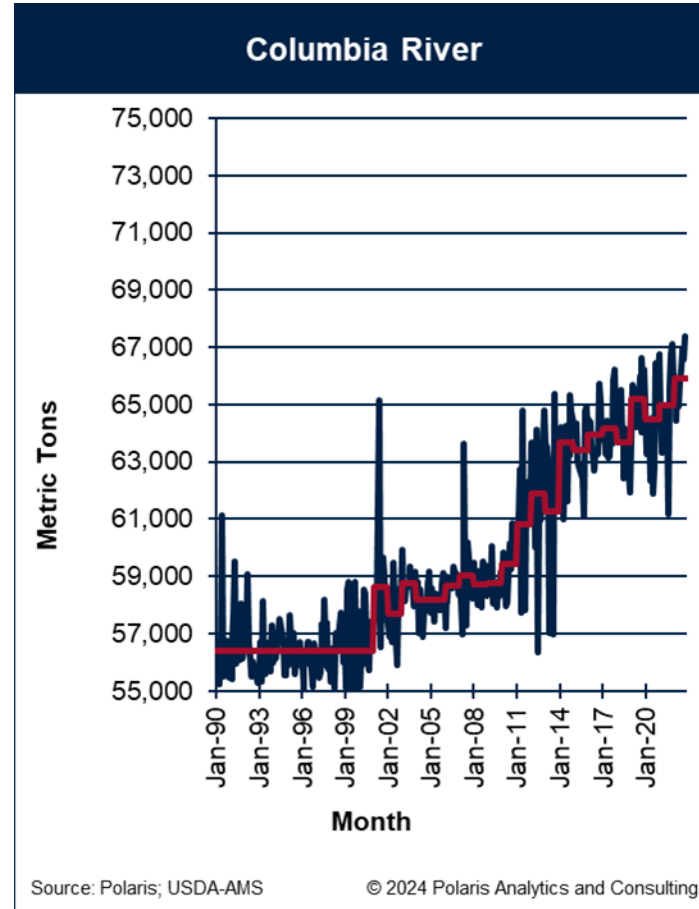
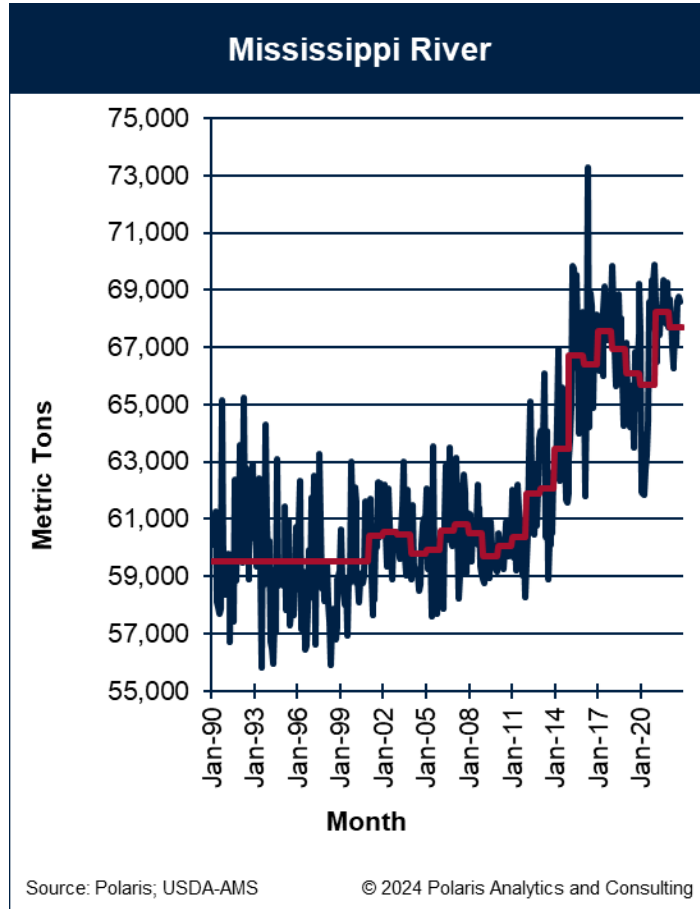
Supply Chain Framework for Commodities

- ① Disruption in supply chain leads to reduced transport capacity
 - ✓ Need more capacity to move same volume
- ① Reduced transport capacity leads to higher freight rates
- ① Higher freight rates leads to lower net revenue
 - ✓ Higher costs passed onto consumer
 - ✓ Whereas farmers absorb the impact through weakened basis
- ① Competitiveness bolstered elsewhere
- ① Local and regional economies negatively impacted with lost economic activity

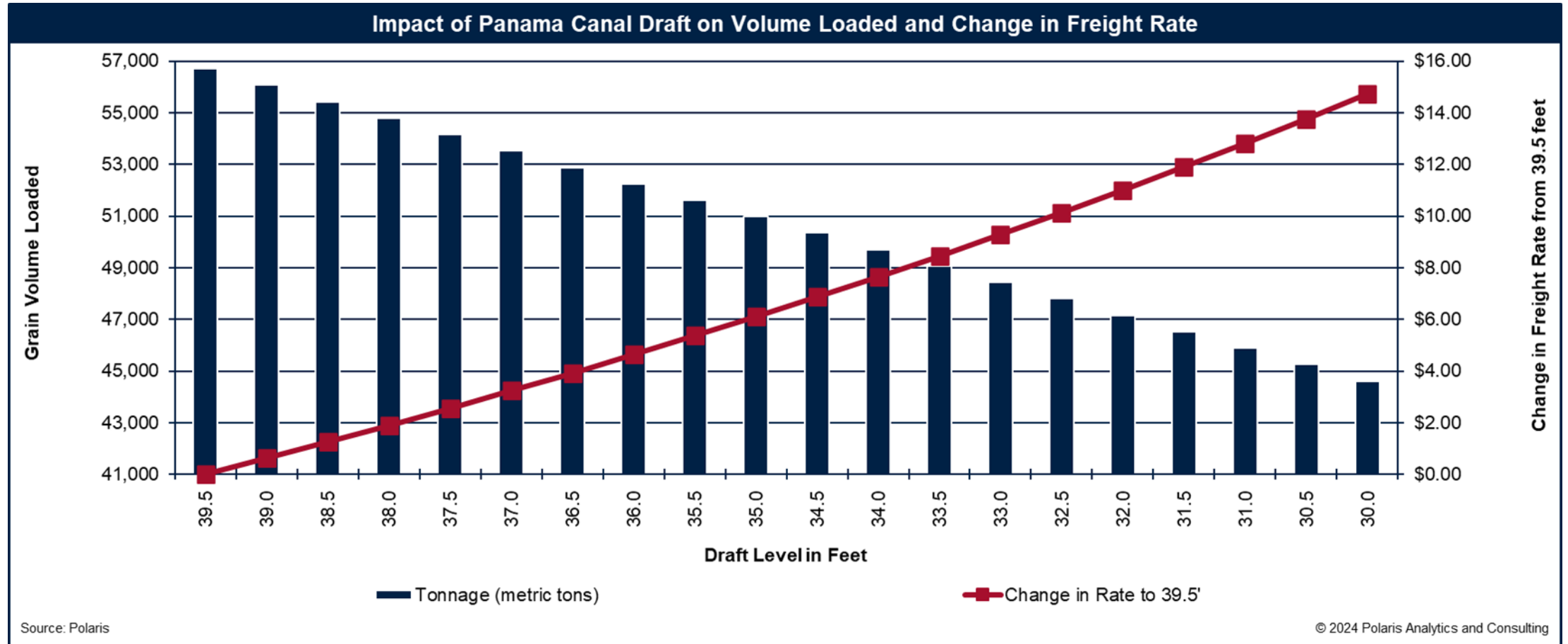


Too Little, Abounding Examples

Average Monthly Vessel Grain and Soybeans Loadings above 55,000 metric tons by Port Region

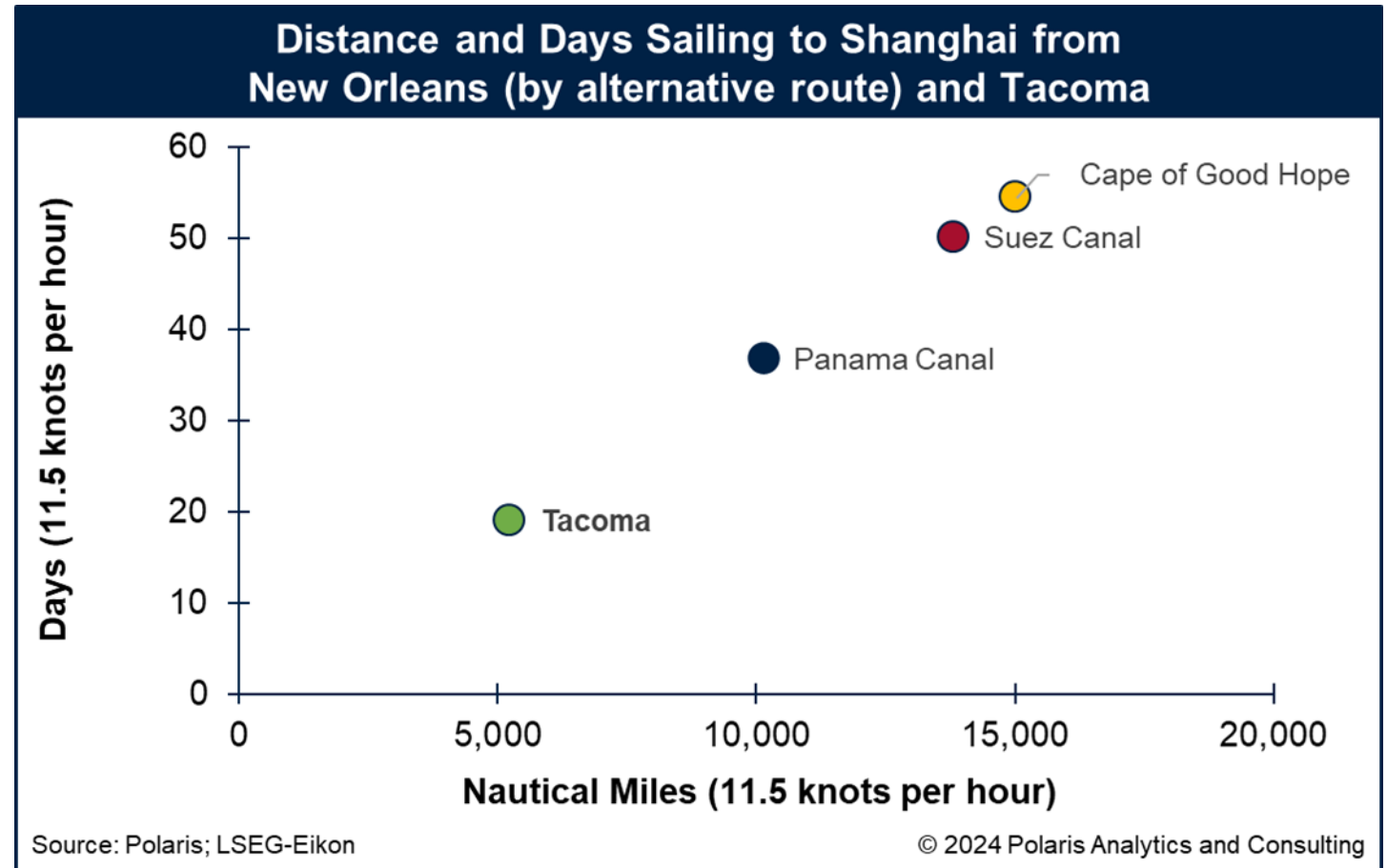


Panama Low Water Impact to Vessel Loadings and Drybulk Freight Rates

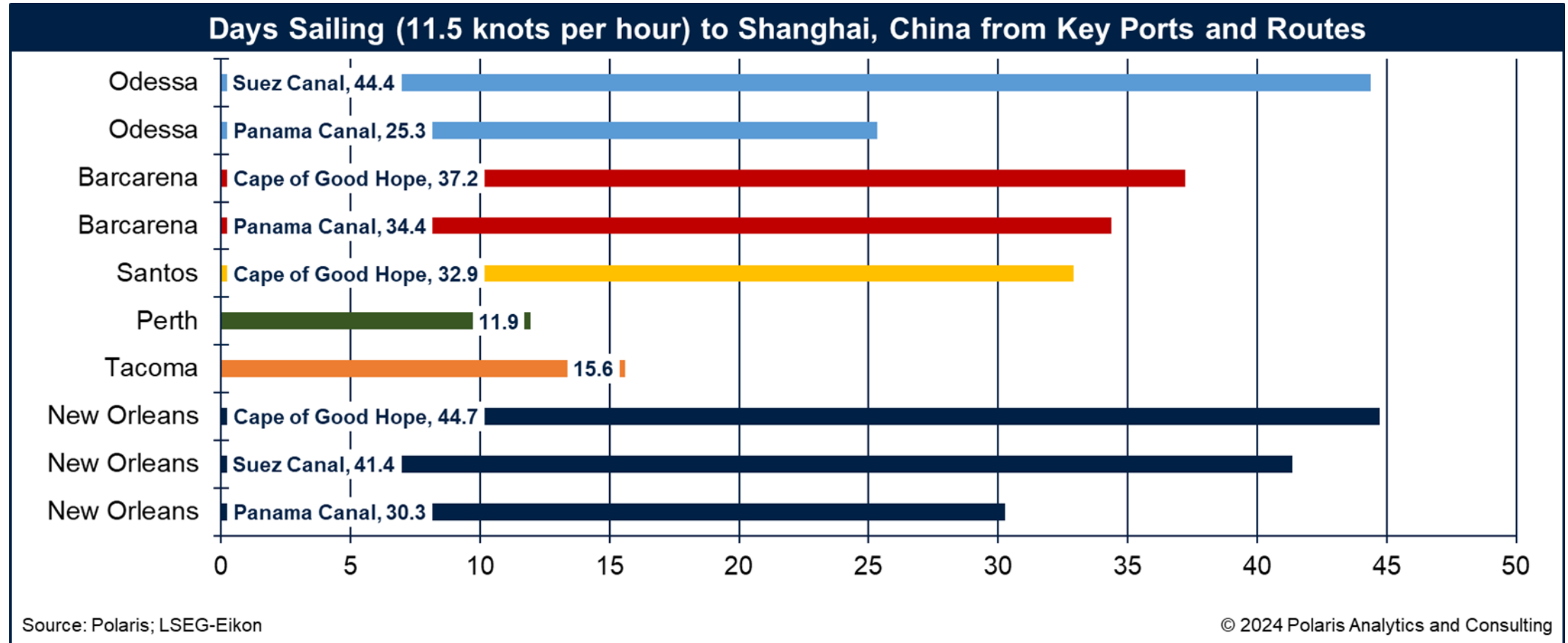


Routing U.S. Soybeans and Products to China from New Orleans, LA and Tacoma, WA

- Ⓜ Many considerations on routing grain and commodities from United States
- Ⓜ New Orleans
 - Ⓜ Panama Canal
 - Ⓜ Suez Canal
 - Ⓜ Cape of Good Hope
- Ⓜ Pacific Northwest
 - Ⓜ Puget Sound
 - Ⓜ Columbia River
- Ⓜ Container



Days Sailing (11.5 knots per hour) to Shanghai from Key Grain Loading Areas and Routings



Wrap Up

- 🚢 Commodity supply chain integrated with deep tentacles
- 🚢 While U.S. logistics face challenges, options to market make a difference
- 🚢 Water levels make or break commodity flows, commodities flow like water taking the path of least resistance
- 🚢 Keep **4-Rs** of agri supply chain in perspective
 - ✳️ **Reliable – Established and integrated network**
 - 🏠 **Resilient – Multiple options from Farm to Market**
 - 📦 **Resourceful – High volume, throughput, & efficient**
 - ✂️ **Redundant – Plug & Participate system**



Contact Information

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KEN ERIKSEN

Managing Member and Strategic Advisor



Education

Washington State University

- *Master of Arts
Agricultural Economics*
- *Bachelor of Science
Agribusiness*

Green River Community College

- *Associate of Arts*

Work Experience

- *Polaris Analytics and Consulting*
- *S&P Global*
- *IHS Markit*
- *Informa Economics*
- *Sparks Companies, Inc.*
- *USDA-NASS*
- *USDA-AMS*
- *Washington State University*
- *Pacific Maritime Association*

Areas of Expertise

- *Strategy*
- *Due Diligence*
- *Market Analysis*
- *Competitive Analysis*
- *Feasibility*
- *Risk Management*
- *Commodity Flows*
- *Supply Chain*
- *Transportation and Logistics*
- *International Trade*
- *Economic Impact*

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Services and Activities

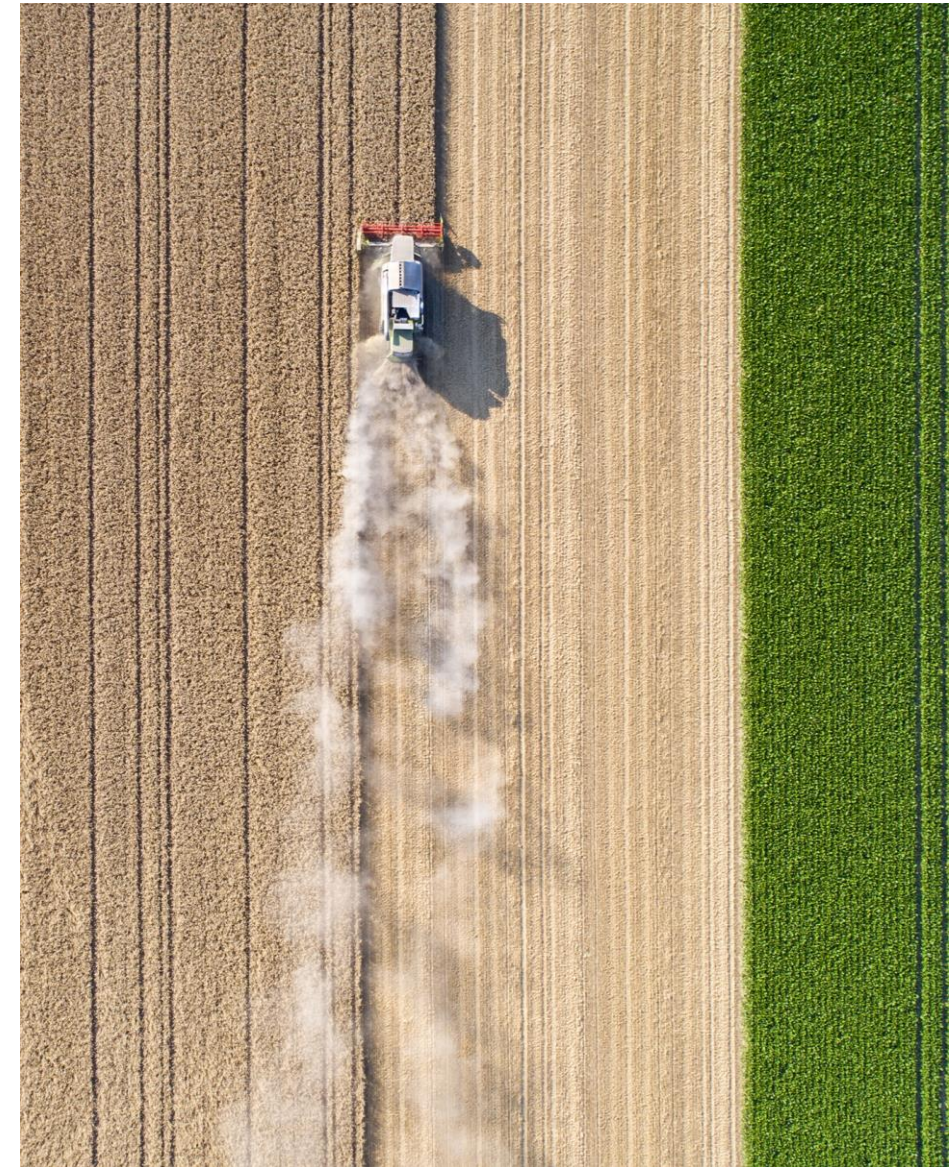
- 🚢 Strategic Planning
- 🚢 Feasibility and Market Studies
- 🚢 Competitive and Policy Analysis
- 🚢 Global Commodity Flows
- 🚢 Capacity Utilization
- 🚢 Due Diligence
- 🚢 Economic Impact
- 🚢 Data Compilation and Delivery
- 🚢 Expert Witness, Testimony and Legal Support
- 🚢 Public Speaking, Training and Events
- 🚢 Publication and Media Engagement



Polaris Analytics and Consulting

Sectors

- 🚢 Supply Chains
- 🚢 Infrastructure
- 🚢 Transportation and Logistics
- 🚢 Energy, Renewables and Biofuels
- 🚢 Inputs - Crop Protection and Nutrients
- 🚢 Grains, Oilseeds and Feedstocks
- 🚢 Livestock and Proteins
- 🚢 Perishables
- 🚢 Handling and Storage Systems
- 🚢 Processing and Food Manufacturing



Polaris Analytics and Consulting

Clientele

- Ⓢ Commercial, Private and Public
- Ⓢ Commodity and Industry Associations
- Ⓢ Non-Profit Organizations
- Ⓢ Government, federal, state and local
- Ⓢ Non-Government Organizations
- Ⓢ Teaming Arrangements
- Ⓢ Sub-Contracting
- Ⓢ Publication and Media



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Approach Taken

Keep the **Horizon** in Perspective

- 🚢 **At the Horizon** – what is the present situation
- 🚢 **On the Horizon** – what can be seen, where are the opportunities and roadblocks
- 🚢 **Over the Horizon** – what is not seen that requires understanding and solution offerings to achieve strategic outcomes over the horizon

