Ports of Indiana Leadership

Ken Kaczmarek
- Commission Chairman
- Appointed in 2005
- Elected Chairman by peers 5 consecutive years

Rich Cooper
- Chief Executive Officer
- Hired as Chief Operating Officer in 2002
- Named Chief Executive Officer in 2005
Ports of Indiana Governance

- Organization was created by State Legislature in 1961
- Self-funded enterprise non-dependent on tax dollars
- Governor appoints 7 bipartisan members to serve as board of directors (*4 Republicans/3 Democrats*)
- Serve staggered 4-year terms
- Representatives from all three port regions
- Members elect chair, vice chair at annual meeting
- Business professionals with diverse background
- Years of experience valuable to CEO
Commission Meetings

- Commission meets six times per year
- All official business is conducted in public session
- At least 1 meeting in each port community
- Public testimony is encouraged
- Commissioners receive briefing book in advance
- Private Executive Sessions held before meetings
  - Discussion of leases, agreements, litigation, personnel
- Action items: Staff recommends course of action
- Designated commissioners vs. committees
Commissioner Perspective

Success of working relationship between the Board & CEO depends on:

- Clearly defined roles
  - Board establishes policy, approves strategy & budget
  - Management team runs the business
- Developing trust between Board/CEO
- Board speaks with one voice
Commissioner Perspective

Success of working relationship (cont.):

- Board should never bypass CEO & go to staff
- Delegating responsibility among commission
  - Elect officers once a year
  - Designated commissioner advises certain areas
- Lessons learned over time
  - No special interests
  - Longevity is key for ports
PORTS of INDIANA
3 PORTS - 2 WATERWAYS - 1 SYSTEM
www.portsofindiana.com

Connecting the World to America's Heartland

- Burns Harbor
- Jeffersonville
- Mount Vernon
Indiana: Crossroads of America

Indiana is...

- an emerging freight hub
- the median center of the U.S. population
- ranked in top 10 for 30+ logistics categories
- 1st in pass-through interstates
- 3rd in freight railroads
- 5th in truck tonnage
- 7th in U.S. waterborne shipping
- 15th in total foreign/domestic waterborne shipping
- one of largest steel producing regions in the world
Indiana’s Unique Port System

- 3 ports, 2 waterways, 1 system
- 1 Lake Michigan port
- 2 Ohio River ports
- Serving 3 different markets under a single centralized corporate leadership team
- Building strong synergies between ports
- Do not compete against each other
Indiana’s Unique Port System

- Only Great Lakes state to own/operate ports
- Annual economic impact of Indiana’s ports
  - 5.9 billion in economic activity
  - 42,000 total related jobs
- Every state $1 used to build the 3 ports has leveraged $15+ in additional investments
- 2,600 acres with 60+ tenant companies
- Primary cargo: steel, grain, fertilizer, coal, limestone, salt, project cargo, wind turbines
Port of Indiana-Burns Harbor

$200 million in steel shipments per year

Opened in 1970
Port of Indiana-Mount Vernon

8th largest U.S. inland port by ton-miles

Opened in 1976
Port of Indiana-Jeffersonville

One of fastest growing U.S. ports - added 20 companies since 1993

Opened in 1985
Board – Management

Key Strategies for Success

- Continuity & unity of board
- No special interests
- Longevity of staff is critical
  - Boards do impact staff longevity
- Structured communication procedures
  - Board to CEO
  - CEO to Board
  - Media
  - Customers
Maintain balance of corporate vs. politic
- Created by state code as “body both corporate & politic”
- Need close working relationship with government
- Need management autonomy without politics
- Must operate like a business – not government agency

Recruit/retain high caliber professional staff

Encourage governor’s staff to appoint business professionals to the board

Want to be perceived as business entity vs. political agency
Staff & Commissioner Communication

- Staff provides regular updates via email
- Executive session discussion at meetings
- Staff coordinates media communication
- Commissioners generally do not communicate to media
  - *Always speak with staff first*
- Organization must speak with one voice
Our Success Hinges on...

- Quality of our professional staff & board
- Their ability to work collaboratively to achieve our shared goals:

  To develop & maintain a world-class port system that operates as an agile, strategically-driven, self-funded enterprise dedicated to growing Indiana's economy.

  Because we want to be...

  the premier inland port system in North America by creating a sustainable competitive advantage for our customers and the State of Indiana.
It’s been our pleasure being with you here today.

- Ken Kaczmarek, Commission Chairman
- Rich Cooper, Chief Executive Officer

Information: www.PortsofIndiana.com