

March 16, 2021

Subject: SB2245

Mr. Chairman and Members of the House Appropriations Committee,

My name is Cherie Harms. I am here in support of the SB 2245 for the intermodal assistance program.

I am the president and one of the owners of Leonardite Products based out of Williston North Dakota. We mine and processing an oxidized lignite. We expect over 50% of our sales in 2021 will be outside of the United States.

The ability to utilize the intermodal site, as it is currently functioning, has been an incredible breakthrough for our company. In January of this year, I contacted Rail Modal in Minot. I called out of desperation as we had been waiting over three months to ship an order of two 40-foot containers to Thailand. I was told by Rail Modal we could have containers at our plant the very next day.

Since the first week in February we have shipped over 13 40-foot containers with Rail Modal. The cost to send these containers is generally half of what we were quoted from the shipping companies we used previously.

Based on the shipping rates we are able to get from Minot, we were able to reopen conversations leading to purchase orders with two new customers. These two customers will double our total business in 2021.

Over 17 years ago when conducting the North Dakota Trade Office initial exporter assessments, one of the first things we learned was the competitive disadvantage North Dakota exporters faced partly due to proximity to ports and because of the lack of incoming

freight. As a business owner, I found that to be painfully true. Those of us in Northwestern North Dakota have an additional challenge since incoming traffic to the Bakken fluctuates.

We are well aware that this site was not intended to support Leonardite Products. We are neither agriculture or oil in nature yet will diversify the type of companies serviced by the Minot intermodal site. There may be more like us in the state waiting for an opportunity.

As legislators you understand the economic advantage of exporting primary sector businesses. Exporting brings in new money to the North Dakota and the country.

Support of a Minot intermodal system, recommended by BNSF, with operators of proven success, will be boon to the North Dakota's economy.

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