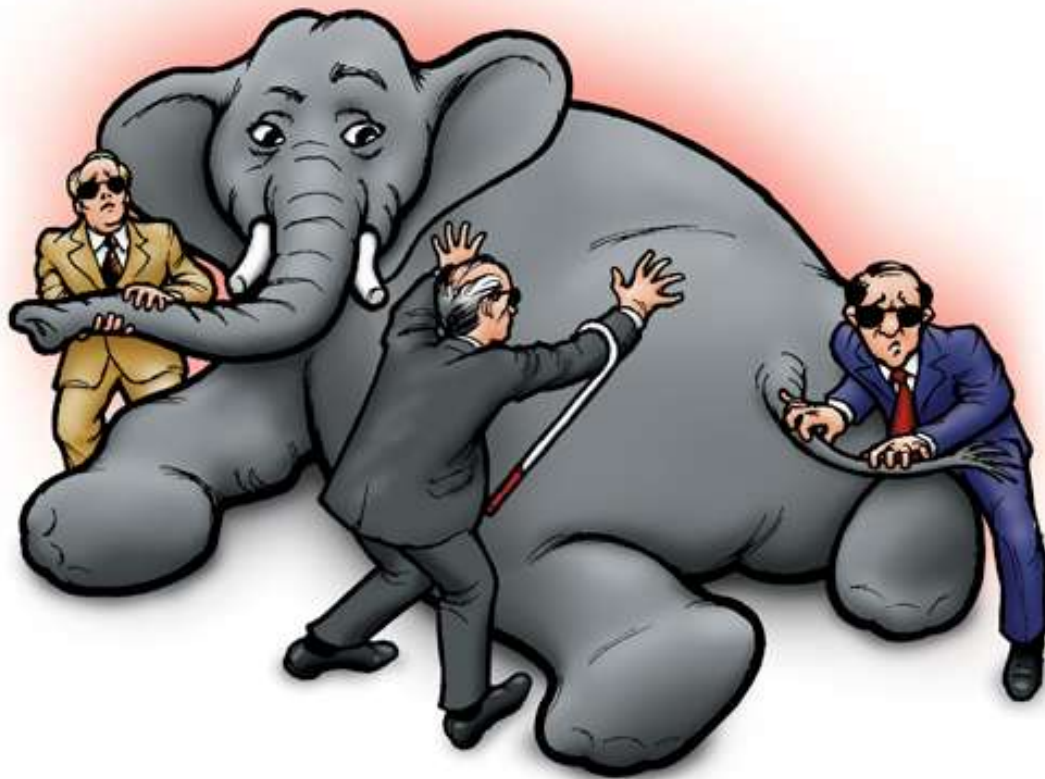


Dryports in the United States

“Describing an elephant”



What Is ITTS?

- Evolved from LATTs Studies
- 12 State Departments of Transportation
- “Forward Thinking” on freight planning and policy needs

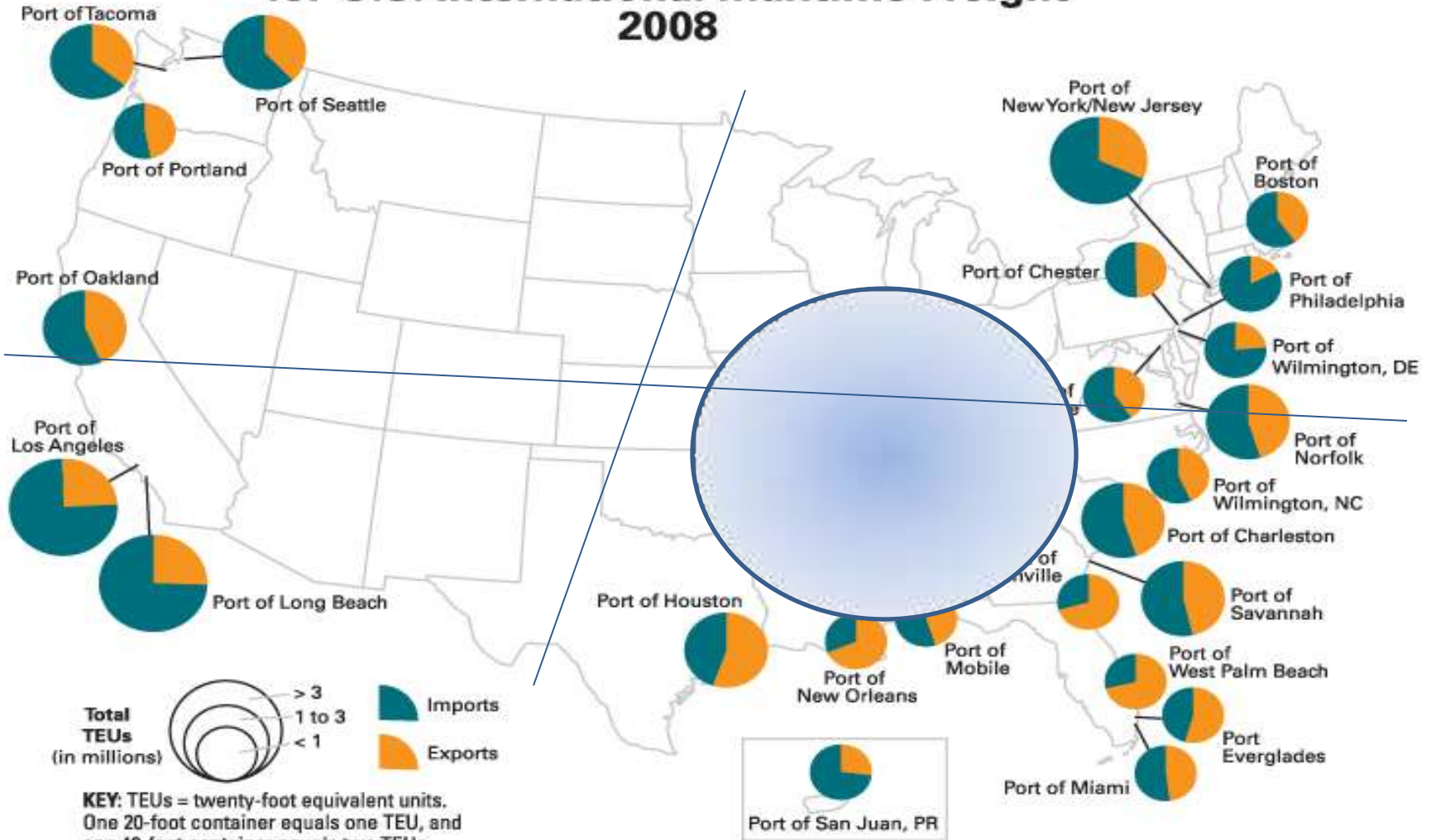


Intermodal Rail Traffic

- Started in 1980's
- Fastest Growing Segment
- Domestic and International
- Dedicated services for certain shippers
- Different sized terminals
- Private Operators



Top 25 Container Ports for U.S. International Maritime Freight 2008



NOTE: The data in this figure include only loaded containers in U.S. international maritime activity and cover U.S. imports, exports, and transshipments. Therefore, the trade levels will be greater than those reported from U.S. international trade statistics, which exclude transshipments. The data also exclude military shipments.

SOURCE: U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics, based on data from U.S. Department of Transportation, Maritime Administration, which are drawn from The Journal of Commerce, Port Import Export Reporting Service (PIERS), available at www.marad.dot.gov, as of March 30, 2009.

What is an Intermodal Corridor?

- Different terms: Trade or traffic lane or route
- Will be multijurisdictional
- May have multimodal options
- Mixed users (carriers/shippers) on corridor
- Connectivity and access are critical
- Mix of local, regional, international traffic





Everyone wants logistics!

Who Are the Players?

Private

- Shippers
- Carriers
- Developers



Public

- State, local, national
- Civic Groups



Private Sector Role in Intermodalism



Railroads

- Privately owned
- Focus on density
- “Big corridor” focus
- Economic Developers
- See federal funds as partners
- Want consistency

Shippers

- Services are assumed
- Don't tell me your problems
- Intermodalism is part of supply chain
- Their logistics costs are not based on your services alone -options

Public Sector Role in Intermodalism



Agency

- Most operate as landlords
- Not planning agency
- Economic Development “Catalysts”
- Transparency and merit based
- Performance metrics

Political

- Civic Pride and Competition
- Election cycle versus life cycle
- Accountability
- Conflicts over local objectives
- Willing for Public Private Partnerships

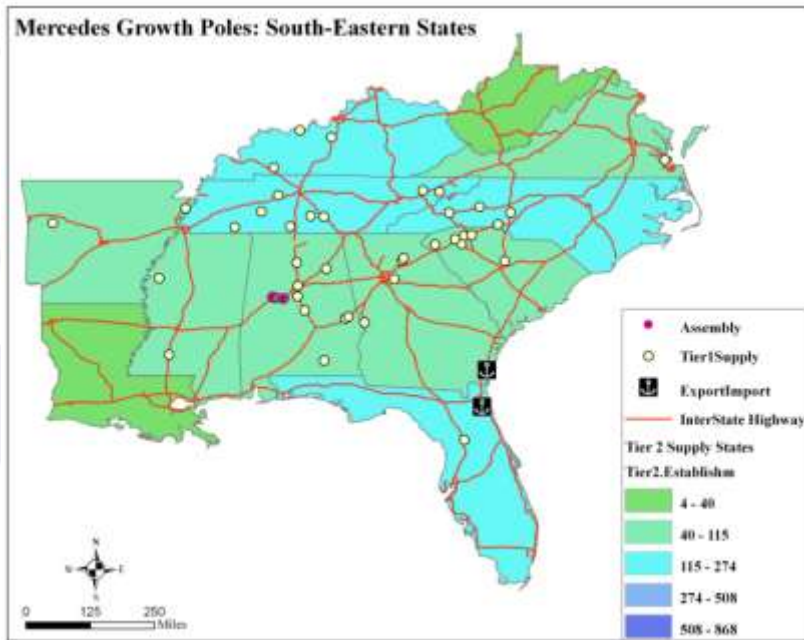
What will you build/operate?

- What is your market? Expand or Cannibalize
- What type of facility/services are needed?
- Develop densities and services
 - Service Requirements (cargo or regulatory)
 - Drayage and equipment issues
 - Domestic and international
 - Shippers bear costs?
- Financing and debt settlement
- The “Champion” – In or Out?



Mercedes Benz Supply Chains for Alabama

- FDI trends not understood
- Supply chains stretch beyond project area
- Imports/exports more important to site

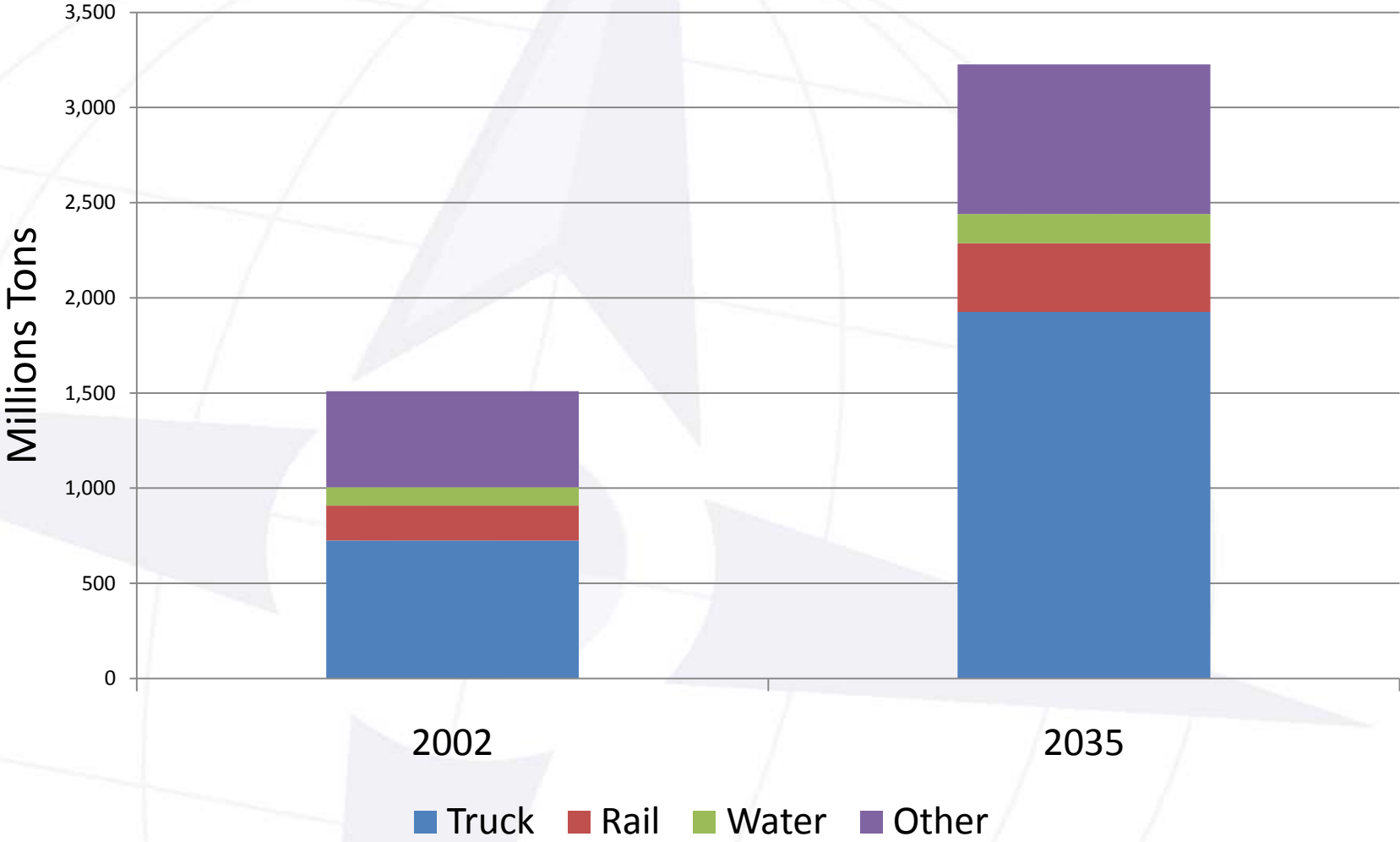




**An “emerging” debate on
infrastructure**

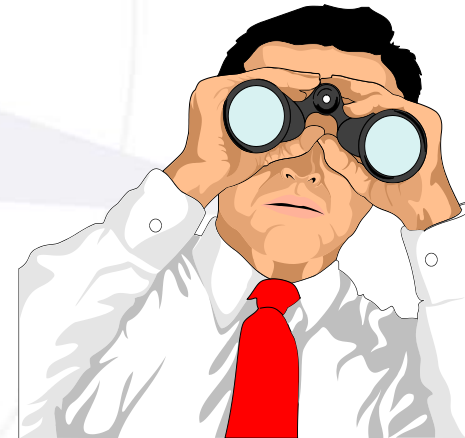
Forecast of Freight in Southeast

2002-2035 (source: FAF)



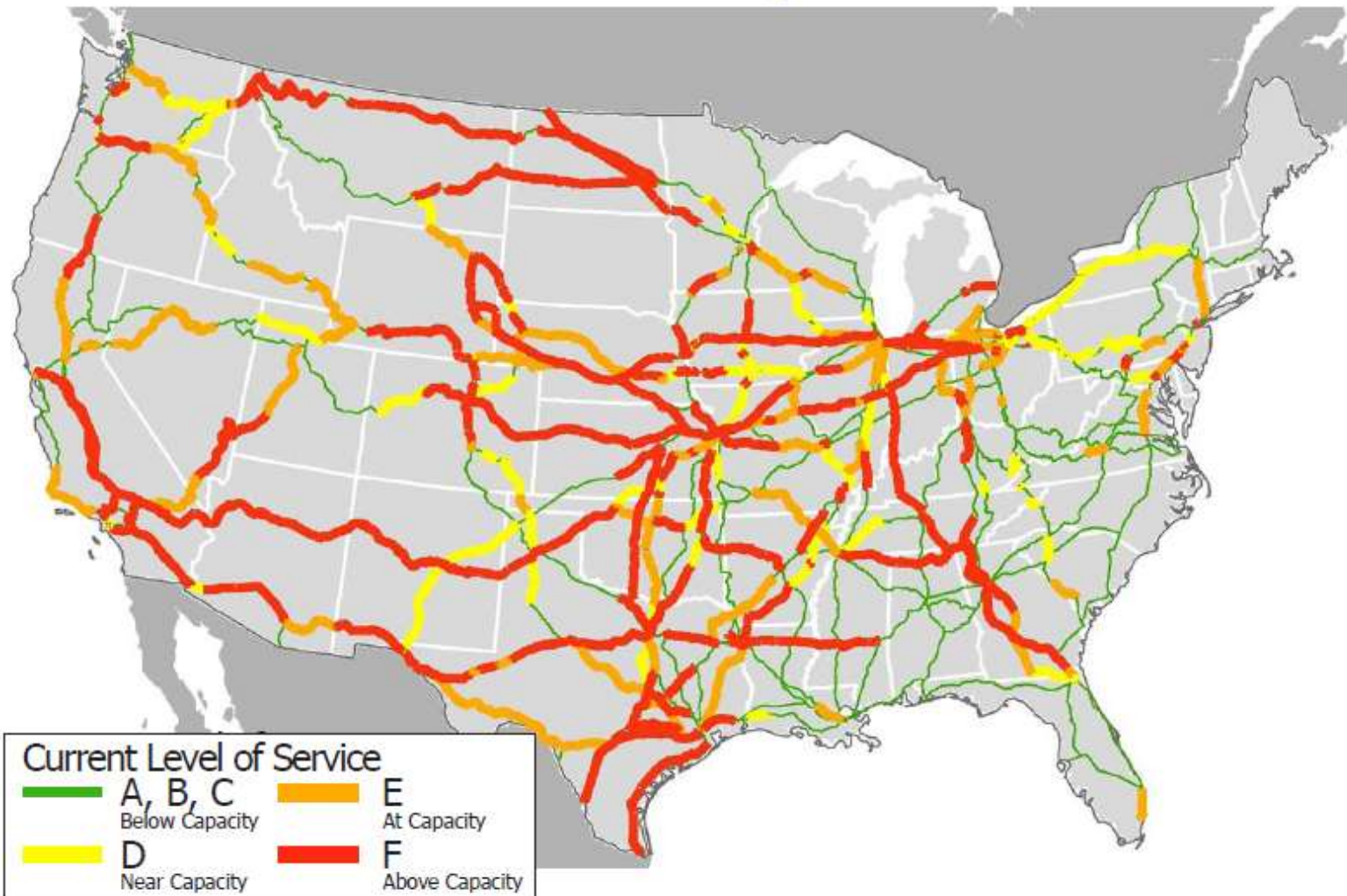
Corridors will be more important in the future

- Panama Canal Expansion
- Emerging corridors/hubs
- Densities critical in determining new sites
- More intermodal locations may develop
- Will we choke on congestion first?
- Legacy concerns



Railroad Bottlenecks: 2007-2035

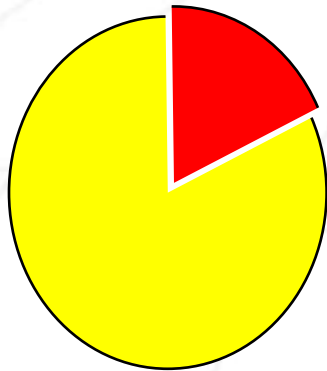
(National Rail Freight Infrastructure Capacity and Investment Study)



20 Year Needs Estimates

LATTS Strategic System

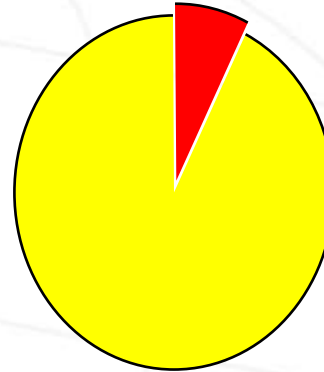
TOTAL 20-YR NEEDS ESTIMATE



\$92 Billion

■ Latin America
■ Other

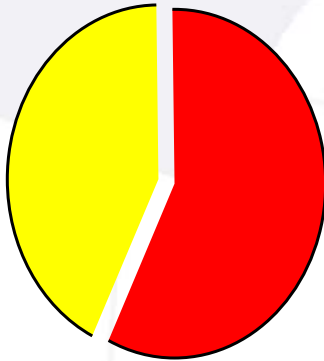
20-YR HIGHWAY NEEDS ESTIMATE



\$67 Billion

■ Latin America
■ Other

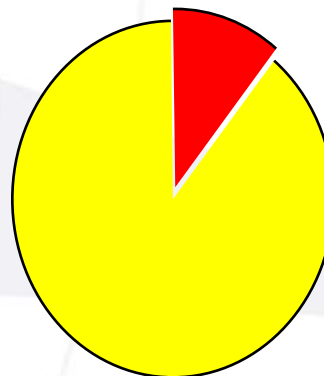
20-YR PORT NEEDS ESTIMATE



\$22 Billion

■ Latin America
■ Other

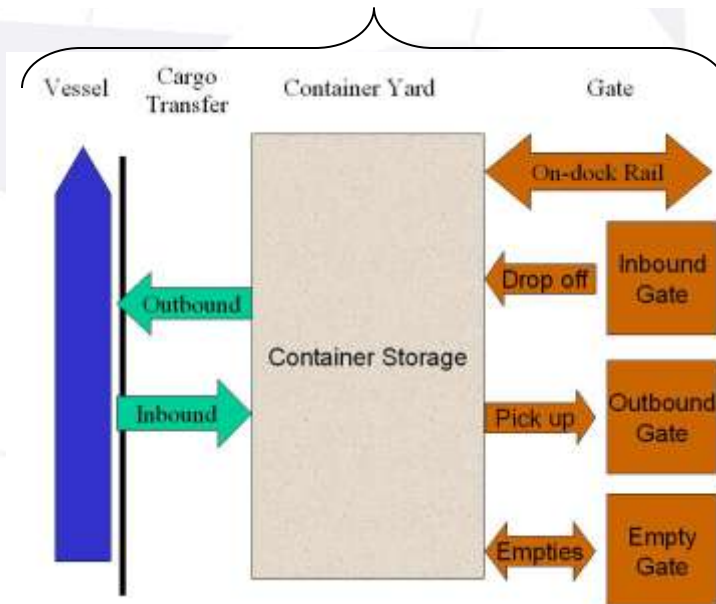
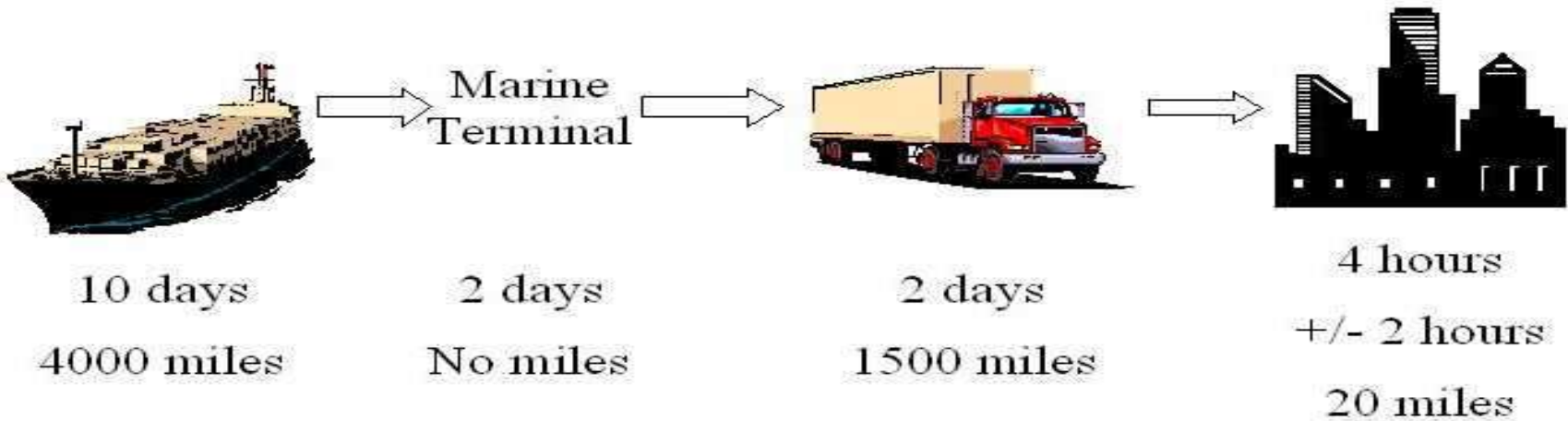
20-YR AIR CARGO NEEDS ESTIMATE



\$3.3 Billion

■ Latin America
■ Other

Where is the National Priority?



Benefits of discussion on dryports

- Connecting ports and hinterlands
- Connecting exports to trade markets
- Discussion of regional transportation needs
- Finding partners
 - Railroads, barges, public, private sector
- But who is listening?
 - Shippers
 - General Public
 - Public Decision Makers



Dryport Partnership Challenges?

- Mixing Federal and State and Private Funds
- Grade Crossings - clearances
- Modal interchanges
- External Pressures
 - Reregulation (rates)
 - Positive Train Control (operations)
 - “Cap and Trade” (cargo mix)
 - Security
- Balancing Expectations
- “Do no harm” to modal “balance” or create unfair advantages

Can Dryports be a part of a Freight Strategy?

- Balance with international/ coastal flows
- Recognize multimodal corridor tradeoffs exist
- Work with states/cities for truck congestion
- Multiagency planning, data, analysis
- Efficiency versus equity
- “3I’s” - Infrastructure, Information, Institutions



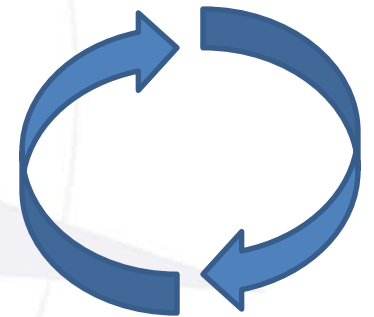
Heartland Intermodal Corridor

Scan, Sept 2010



One Summary...

- If you are hinterland and network deficient
 - Desire partners
- If you have potential partners
 - Desire terminal/intermodal transfer services
- If you have intermodal services
 - Desire connectivity
- If you have connectivity,
 - Desire ongoing profitable relationship



Thank you

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**FREIGHT IN THE
SOUTHEAST** 
Moving Our Region's Business



Feb 9-11, 2011

Charlotte, NC

Smartrivers

Sept 13-16, 2011

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