

## ▶ ITTS CALENDAR

This list highlights upcoming conferences related to transportation that may be of interest to the ITTS member region. For any corrections or suggestions, please contact Bruce Lambert at [bruce@ittsresearch.org](mailto:bruce@ittsresearch.org).

🌐 ITTS participation or speaking engagements

🌐 **January 10-14, 2016**  
**TRB 95th Annual Meeting**  
 Washington, D.C.

**August 27-30, 2016**  
**2016 SASHTO Annual Meeting**  
 White Sulphur Springs, West Virginia

**May 01-04, 2016**  
**NATMEC: Improving Traffic Data**  
**Collection, Analysis, and Use**  
 Miami, Florida

## Trans-Pacific Partnership (TPP) Trade Agreement

*Continued from cover*

On a state level, every state is engaged with trade with the TPP nations. The top import states in 2014 were Georgia, Florida and Kentucky, while the largest export states were Louisiana, Georgia, Florida, and Kentucky.

It is generally believed that free trade agreements lead to more alignment between countries concerning broad economic/business activities and a corresponding surge in foreign direct investment and trade. Given the current condition of the world's markets, especially the cooling of the Chinese economy and slower growth in the developing world, it will be interesting to see how trade patterns increase due to the mature trade patterns that already exists among the larger economies within the TPP trade block.

While plenty of discussions have raged about the terms of the agreement concerning property rights, environmental stewardship, or other portions of the TPP, one should consult the Office of the United States Trade Representative for more information on the TPP agreement (<https://ustr.gov/tpp/>)

The agreement remains unadopted by the U.S., as the President must submit the agreement for Congressional approval. ■

## News Update

*Continued from cover*

Cabinet discussed how Kentucky organized the National Performance Management Research Data Set (NPMRDS) to their network. Nicole Katsikides, FHWA Office of Freight Management and Operations, discussed the NPMRDS data and freight performance measures. Thomas Hill, Florida Department of Transportation, discussed how his office is incorporating Bluetooth data into the state's traffic analysis efforts.

🌐 Finally, the President signed the Fixing America's Surface Transportation (FAST) Act and with the call for comments concerning the US DOT's National Freight Strategic Plan, the ITTS member states will continue to discuss the implications on their freight planning activities.

>>> SAVE THE DATE <<<

FREIGHT IN THE  
SOUTHEAST

Moving Our Region's Business





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**Louisiana Department  
 of Transportation**

April 11-12, 2016 – New Orleans, LA

For Registration or Exhibit & Sponsorship info contact,  
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Trade between ITTS States and TPP Partners, in millions \$US						
Description	Imports			Exports		
	2012	2013	2014	2012	2013	2014
TOTAL ALL STATES	81,599	86,620	82,803	80,523	79,520	82,168
Arkansas	1,938	1,873	1,839	3,180	3,026	2,958
Florida	17,892	19,950	17,852	12,912	12,539	12,475
Georgia	16,918	17,217	18,689	13,693	13,817	14,413
Kentucky	12,935	14,716	15,400	11,888	12,362	12,757
Louisiana	8,731	8,620	7,021	18,216	17,086	17,511
Mississippi	6,681	7,336	5,559	4,088	4,639	4,333
Missouri	6,733	7,887	7,514	7,367	7,292	8,377
Virginia	6,922	6,363	6,170	6,181	6,100	6,706
West Virginia	2,849	2,658	2,759	2,998	2,659	2,638



# INSTITUTE FOR TRADE AND TRANSPORTATION STUDIES

PROMOTING REGIONAL AWARENESS FOR IMPROVING FREIGHT TRANSPORTATION VOL 7 • ISSUE 2 • DECEMBER 2015

## NEWS UPDATE

🌐 Since last newsletter, ITTS has been engaged in various tasks with the member states. The Arkansas State Highway and Transportation Department hosted the ITTS summer work plan meeting. We discussed using freight data for analysis the first day, and the second day, the member states finalized the work plan elements. We finished with each state reporting on their freight activities.

🌐 I participated in several meetings, such as speaking at the Florida Transportation Data Symposium, the Commodity Flow Survey Workshop in D.C. and the review of the National Freight Cooperative Planning Program.

🌐 ITTS also signed a contract with CDMSmith to develop a regional sketch planning model for the ITTS region. Called SHIFT (Southern Highway Interactive Freight Traffic) model, the tool will be available for ITTS member states later this month.

🌐 ITTS also arranged several webinars for the member states. Daniel Hulker, Kentucky Transportation

*Continued on page 4*

## INSIDE THIS ISSUE

Lambert's Lagniappe .....	2
What are ... Trucking and Freight Guides .....	2
Shipments of Temperature Controlled Cargo .....	3
Regional Calendar .....	4

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# Trans-Pacific Partnership (TPP) Trade Agreement

In October, twelve nations reached an agreement concerning the conditions of the Trans-Pacific Partnership (TPP) agreement. The twelve nations, Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam, negotiated a series of wide sweeping provisions ranging from trade, to intellectual property rights, the environment and labor policies. (The underlined countries previously negotiated trade agreements with the United States.) In many cases, the stated goal of most trade agreements are to provide a common rule of law for businesses across markets while providing opportunities to promote jobs at home.

For the U.S., trade with the eleven partner nations amounted to \$726 billion dollars in exports and \$882 billion in imports for 2014. As expected, the largest trading partners between the U.S. and the TPP are Canada, Mexico and Japan, which received 85% of the exports from the US to the TPP members, while contributing 88% of the TPP partners' import traffic into the US.

For the ITTS members, trade with the TPP region is also dominated by Mexico and Canada, while total trade with Malaysia is roughly equal to the total trade with Japan. In fact, the majority of Malaysian imports arrive in the Southeast, driven by a surge of machinery arriving into Virginia.

*Continued on page 4*

**Table 1. Trade Between the U.S., ITTS Region and the TPP Member States**

	US		ITTS States	
	Exports	Imports	Exports	Imports
Total Trade	1,620,532	2,345,187	249,438	323,592
Total TPP Trade	726,494	881,906	82,168	82,803
Australia	26,582	10,670	2,818	926
Brunei	549	32	25	13
Canada	312,421	346,063	35,167	23,751
Chile	16,515	9,491	3,605	3,784
Japan	66,827	133,939	8,650	16,620
Malaysia	13,068	30,448	947	27,074
Mexico	240,249	294,157	20,617	3,076
New Zealand	4,258	3,980	533	285
Peru	10,054	6,079	3,461	1,461
Singapore	30,237	16,463	5,397	1,116
Vietnam	5,734	30,584	947	4,697



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The Institute for Trade and Transportation Studies provides research data and expert opinions to its members concerning the effects of commercial freight movements on domestic and international activities, with reference to infrastructure and transportation needs, and safety implications.

The ITTS members include the:

Arkansas State Highway and Transportation Department

Florida Department of Transportation

Georgia Department of Transportation

Kentucky Transportation Cabinet

Louisiana Department of Transportation and Development

Mississippi Department of Transportation

Missouri Department of Transportation

Virginia Department of Transportation

West Virginia Department of Transportation

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## ▶ LAMBERT'S LAGNIAPPE

*la-gniappe* |lan'yap|:  
something given as a bonus or extra gift.

Oftentimes, we talk about holiday travel and how that influences people's travel plans. Travel has long been associated with the holidays, as reflected in the song "No place like home for the holidays", or movies (Planes, Trains and Automobiles). And as more intelligent systems exist, people are seeing transportation as one that can be managed. So while traffic is a given, most people are willing to endure the burden of travel in anticipation of fellowship and the promise of a holiday feast.

For most people, Thanksgiving and Christmas dinners are the highlight of the gathering of families and friends, but it is not necessarily a cheap meal. The American Farm Bureau estimated that the cost of a standard Thanksgiving meal equaled \$50. This standard dinner, based on an estimate derived from a survey of national stores, included turkey, bread stuffing, sweet potatoes, rolls, peas, cranberries, pumpkin pie and beverages. (Of course, I would substitute a pecan pie



for the pumpkin pie, but that's a personal preference.)

Most people don't raise turkeys or pumpkins. We should be thankful that farmers produce an abundance of food, so we can specialize in other things. But have you considered how much your food travelled to get to your home? For example, Minnesota is the largest producer of turkeys, while most pumpkins are grown in Illinois and sweet potatoes in North Carolina. So while your thanksgiving dinner travelled across the U.S. to get to your local grocery, transportation represented a small portion of the overall cost of the meal. According to the USDA "Food Dollar" Study, only 3.3 cents of every dollar spent on food can be attributed to transportation services.

So this year, not only should you marvel at the feast before you, celebrating the efforts of the host, but remember both you and your food travelled "over the river and through the woods". ■

## What are... Trucking and Freight Guides

There are several different ways to describe the importance of trucking and freight to the U.S. economy. We could focus on jobs, trucking's share of total freight movement, the number of trucks operating on the roads, or even the economic activity of the sector. In all cases, transportation statistics only represent the sum of many different decisions made by various people throughout the supply chain. And sometimes, I find myself returning to the basic questions: "What is freight?" and "How does it work?" As such, I have found looking at various publications aimed at the general public helpful.

For example, as a fan of the reality show "Shipping Wars" I discovered "The Ultimate Freight Guide" on the UShip website. The guide outlines some basic principles, such as "freight basics", "freight pricing", "how to ship freight", and "how to choose a carrier". Knowing the relationship between these components maybe helpful to someone who is deciding to purchase freight services.

At the same time, one may want a better understanding concerning how trucks operate. The Transportation Research Board published "Trucking 101: An Industry Primer" (Number E-C146) in 2010, largely for a non-technical audience. Other groups have developed similar guides for various modes or industries, each with its own unique insight into some aspect of freight shipments. For example, the American Association of Port Authorities created several infographics on port needs. The importance of education to non-technical audiences will always remain challenging, although freight transportation represents one of the critical areas when discussing the future of the nation's infrastructure.

As I have learned from discussing the importance of freight shipments, it is often easy to forget that transportation decisions are based upon people's willingness to pay for a service. But one thing I know, I am always willing to see how others have approached describing freight, since not all transportation decisions are based on the condition of the roadway! ■

## Shipments of Temperature Controlled Cargo

When considering freight, we often think about all freight shipments in generic terms, but there are so many specialized sectors in transportation that are often overlooked. For example, one such category is temperature controlled cargo. While most people think of shipping frozen products, this may also extend to shipments of products that require a certain temperature such as fresh fruits or vegetables, dairy products, or medicines.

According to the 2012 Commodity Flow Survey, there were over 668 million tons of temperature controlled shipments in the U.S., valued at over \$1.6 trillion dollars. While a large portion of those products were agricultural products, there were significant volumes of nonfood products that were shipped as temperature controlled. The bulk of these were carried by truck, while other modes, such as air, rail and even water carried some temperature controlled cargos. For the ITTS member states, each state had significant movements of temperature controlled cargos.

But looking at transportation needs, these shipments, required some firm to provide this specialized transportation. According to FleetSeek, 2500 trucking firms within the ITTS member states operated some temperature controlled vehicles. As expected, Florida, with its large fruit industry, supports the largest number of refrigerated trucking companies, but other states, such as Missouri and Georgia, which have significant meat and poultry production, also possess a large number of temperature controlled fleets. (The information was provided by the New Orleans Regional Planning Commission's Southeast Louisiana Clean Fuel Partnership, a US Dept. of Energy-designated Clean Cities Coalition utilizing Fleet Owner's FleetSeek.)

By fleet type, most of the firms operated "For Hire" fleets, which dominated the general freight, refrigerated solids, and agricultural commodity groupings. Roughly one third were classified as private fleets, which operate largely within a larger company, and dominated the food products, retail/wholesale categories and services categories.

Part of my interest in the refrigerated cargo stemmed from the recent Commodity Flow workshop held in Washington, D.C. as well as my general interest in food shipments (which is what got me started in transportation in the first place). At the workshop, the Bureau of Transportation discussed the release of a microdata set and other data enhancements that were made during the 2012 survey, which

included the addition of the temperature controlled data.

While the CFS remains the principal primary database on multimodal shipments in the U.S., the project team is reviewing recommendations for the 2017 CFS. I am sure they would love your feedback and suggestions on how to further improve the CFS. Otherwise, you could join me at TRB as I moderate "Perspectives on the Future of the Commodity Flow Survey: Findings from the Commodity Flow Survey Workshop", Wednesday 2:30 PM- 4:00 PM in the Convention Center, Salon A. ■

Geographic area name	Value (\$ million)	Tons (thousands)	Ton-miles (millions)	Average miles per shipment (number)
United States	1,620,164	668,225	213,293	204
Arkansas	23,790	9,648	2,717	133
Florida	63,279	26,543	11,571	346
Georgia	52,748	16,458	5,734	230
Kentucky	14,896	8,376	1,948	156
Louisiana	23,575	23,890	10,915	137
Mississippi	12,785	7,697	2,674	208
Missouri	33,913	15,704	3,836	170
Virginia	26,344	11,203	2,680	128
West Virginia	5,745	1,844	620	108

Standard Industry Classification Code	AR	FL	GA	KY	LA	MO	MS	VA	WV	Grand Total
Agricultural Commodities	10	58	13	7	3	17	12	8		128
Building Materials	1							1		2
Bulk Commodities		2	2	1		1	1			7
Construction or Mining	2	6	1	1		1	3	4	1	19
Food Products	37	141	120	45	47	72	37	65	11	561
General Freight	48	354	158	30	17	106	46	71	11	841
Heavy Hauling		1				1				2
Household Goods		1				1				2
Mfg & Processing	2	6	6	1	1	3	2	2		23
Petroleum Prod. / Distribution		2	1							3
Petroleum Products					1					1
Public Utility		2				1		1	1	5
Refrigerated Solids	49	218	119	24	16	94	28	44	5	597
Retail / Wholesale	5	24	15	2	6	8	2	8	2	72
Services	15	79	26	7	2	15	12	17	3	176
Tank Truck		1								1
Unspecified	5	31	11	2		11		5	1	66
Grand Total	173	926	472	120	93	331	143	226	35	2503