



INSTITUTE FOR TRADE AND TRANSPORTATION STUDIES

PROMOTING REGIONAL AWARENESS FOR IMPROVING FREIGHT TRANSPORTATION

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NEWS UPDATE

🌐 The month of March was relatively quiet (from a travel perspective), but I did make a speech at Mississippi State University on the Globalization of Mississippi and its implication for the State. The presentation is posted on the ITTS website, including an audio recording of the presentation.

🌐 I have been working with Transport Research Institute, Edinburgh Napier University, on the relationship of intermodal facilities to ports. This includes a paper on dryports that will be presented at the IAME conference. I will begin organizing a tour of US intermodal facilities for one of the researchers this September.

🌐 Chris Voelker, a recent graduate of the University of New Orleans, began work as an unpaid intern for ITTS, until he heads off to graduate school this fall. He is helping with the transcription of the ITTS Conference into a summary document.

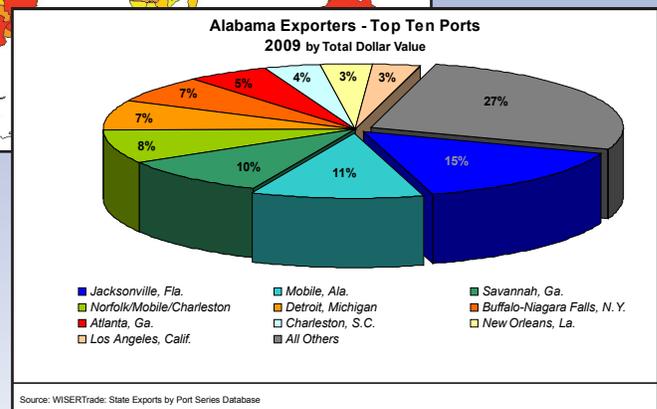
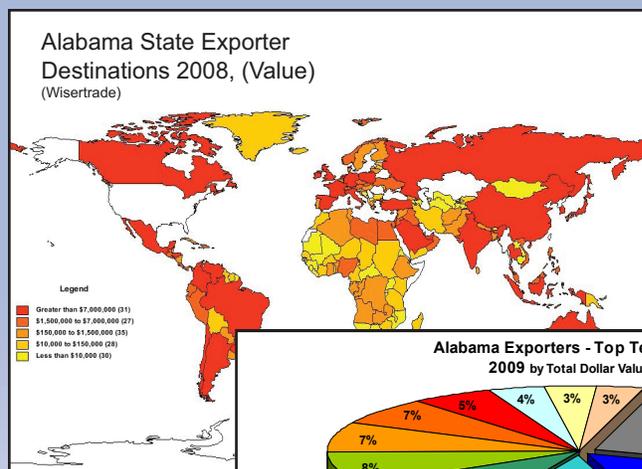
🌐 April will be busy. I have several speeches and conferences coming up (see the calendar), and I hope to catch up with most of you soon!

State Presentation Materials

Over the past year, I made several presentations on the role of globalization in the Southeast. (You can view these presentations at <http://www.ittsresearch.org/ITTSPresentations.html>.) While globalization is a complicated process, there are three ways that States are engaged in international trade that directly support infrastructure needs. One, States are involved attracting foreign direct investment to their state. Secondly, States are involved in supporting businesses who are engaged in export activities. Finally, States actually have gateways (airports and ports) that support international trade. Clearly, globalization transformed the region, but there remain gaps in understanding the implications on system infrastructure at the same time. Having a series of charts and graphs on globalization and freight activities for each state in the ITTS region may be useful (at least to me when I have to give another speech!).

ITTS developed a series of PowerPoint slides and materials on globalization tailored for each state. All the material is posted so that anyone can incorporate the information for your own research or speeches (pending of course, you give ITTS some credit!) The presentation for each state is posted at <http://www.ittsresearch.org/Latts2-State-Summaries.html>. I am available to discuss with you concerning how to use these materials in your presentations.

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Source: WISERTrade: State Exports by Port Series Database

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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 Alabama Department of Transportation, the Arkansas State Highway and Transportation Department, the Florida Department of Transportation, the Georgia Department of Transportation, the Kentucky Transportation Cabinet, the Louisiana Department of Transportation and Development, the Mississippi Department of Transportation, the North Carolina Department of Transportation, the Puerto Rico Department of Transportation and Public Works, the South Carolina Department of Transportation, the Tennessee Department of Transportation, the Virginia Department of Transportation, and the West Virginia Department of Transportation.

Please share this newsletter with your friends and coworkers. Any comments, suggestions, or additions should be sent to Bruce Lambert at 540-455-9882 or bruce@ittsresearch.org.

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► LAMBERT'S LAGNIAPPE

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

I have been reading different books on the history of food, such as the *History of the World in Six Glasses*, and the *Moveable Feast*, as well as books on the Age of Exploration. All of these echo the theme that transportation, culture and new opportunities created transformational prosperity over time, but not in a single moment.

When it comes to trade today, most Americans really don't understand how businesses engage in global markets. The US is a large exporting nation in goods and services, although we tend to link globalization to imports and job loss. This perception gap is troubling, as everyone wants jobs and opportunities, but this will occur over time when energy, commitment and sacrifice are sustained.

One of the latest disconnects between wish and reality is the call to increase exports from the U.S. under the National Export Incentive Program. Clearly, I strongly support this goal. And the expansion of financing programs for exporters (securing financing is a critical piece for any international transaction) addresses a large challenge.

But there are risks and unknowns. From an export perspective: export promotion assumes that there will be markets willing to purchase our goods, in some cases, new markets that have not been explored. The US remains

unwilling to sign pending free trade agreements, while the rest of the world continues to find new trading relationships, especially China. While other countries want to purchase our products when they are also seeking to promote their exporters? From a US business perspective: what type of exports will be supported: Agricultural, manufacturing, or services, or is the focus only on small firms? Also, despite more funding, will firms be willing to commit the time and accept the risks associated with international trade? From a jobs perspective: When will new industries expand to hire export workers and what retraining may be required? From an industry perspective, do we have the equipment and terminals to physically handle such a program?

To promote exports, we have to think differently about international trade. But there is a glaring omission in this initiative. The Secretary of Transportation is not on the President's Export Promotion Council nor is there a commitment to improving ports, airports, roadways, etc. Clearly, a doubling of exports could contribute to localized congestion along these roads, and the investment needs in ports and airports would have to be addressed. Too bad the road to prosperity still has potholes, and that is no April Fool's joke. ■

What is... Hopper Dredge

Dredging is done for many reasons: such as for maintenance purposes (to maintain a channel that is already dredged to a certain dimension), for widening or deepening a channel, or to develop material for capital improvement projects. Dredging may also require the removal of debris or rocks from a channel or shoaling or other materials that may restrict safe navigation. All dredge operations require picking up material and moving it to a discharge point. The difference in the material to be removed will lead to different dredger types, such as a cutter head for rocky bottoms. Clearly, lighter materials, such as sand or some muds, are easier to dredge than gravels, which will put more pressure on the dredge's pumps.

A trailing suction dredge, normally referred to as a hopper dredge, is a self propelled vessel that fills up its hold (or hopper) with spoil collected while dredging. Hopper dredgers actually operate like a large vacuum cleaner, with a trailing suction pipe that terminates in a draghead. The draghead, to which different blades or water jet systems, can be mounted, simply serves to efficiently allow material to flow into the suction pipes.

Once the hopper dredge is full, it sails to its disposal site. The cargo may discharge the suspended material (as a slurry) by dumping the cargo from the bottom of the vessel through various doors, through valves and pumps, or simply sidecast the spoil from the vessel.

Hopper dredgers tend to work best in open water, where they are more efficient handling lighter sediments, which is typical of most coastal port dredging needs. ■

State Presentation Materials

Continued from cover

Here is the current listing of slides available for each state (I used Alabama as the example.)

Using the 2008 Preliminary Data from the Freight Analysis Framework, one presentation contains the following slides:

- Total Freight Transportation in the State
- 2008 Alabama Trade Partners (domestic and international)
- 2008 Modal Flows within Alabama
- 2008 Modal Flows from Alabama
- 2008 Modal Flows into Alabama
- 2008 Top Commodities within Alabama
- 2008 Top Commodities from Alabama
- 2008 Top Commodities to Alabama
- Forecasts of Transportation for the State 2008-2035 by mode
- Forecasts of Transportation for the State 2008-2035 by value

International Trade in the State of Alabama

There are two different sets in this PowerPoint presentation. The first focuses on exporters from each state, while the second is transportation through the region's gateways (ports and airports). As the origin of shipment information is used to estimate exports by State firms, it may lead to inland states seeing less reported exports than one would expect, and larger volume of exports in gateway states. This reflects the location of the exporter, and not the source of production. To make ensure the distinction is made, the line charts are for the origin of shipments. The bar charts represent trade through the region's gateways.

- Exporters - Top Commodities by Value
- Exporters - Top Destinations by Value
- Exporters - Top Ten Ports (facilities used to connect to State exports to international markets)
- Exporters - Shipments by Mode (mode use to depart the U.S.)
- Trend in Export Activity, 1997-2009
- Gateway Traffic - Top Export commodities by Value
- Gateways Import Traffic - Top Import Commodities by Value
- Gateway - Total Traffic Volume, 2003-2009

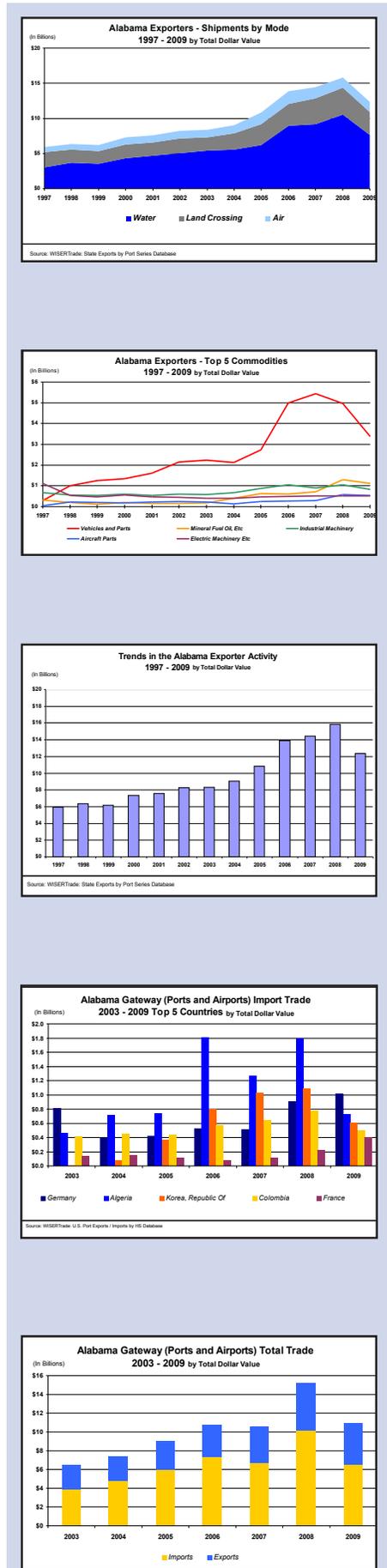
The third set of slides has general state information related to international trade:

- Transportation in the Alabama Economy
- Alabama Exports and State GDP
- Demographic of Alabama Exporters
- Exports by Metropolitan Statistical Area in Alabama
- Foreign Trade Zones 2007
- Foreign Investment in Alabama

Finally, the updated 2002 Freight Analysis Framework maps on trucking flows are posted here. These maps display three different transportation flows: domestic traffic, traffic moving to and from the gateways, and a combined total traffic, in both a high resolution pdf and a lower resolution jpg.

Recently, I made a presentation at Mississippi State on the role globalization (you can view that presentation at <http://www.ittsresearch.org/ITTS-Presentations.html>). On the same page, there is another PowerPoint presentation, with speaker's notes, on the role of trade corridors. This presentation is fairly generic and is designed to be modified or changed to fit your specific needs.

I will be slowly adding more state freight related templates and state related freight slides in the future, so any comments or recommendations regarding the materials would be appreciated. If you have any state specific research you wish to highlight or share, I would be delighted to add a link on the state profile pages to your work. ■



▶ 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

🌐 ITTS speaking engagements

April 20-22, 2010

**Critical Commodities Conference
New Orleans, LA**

For more information, please visit <http://www.aiis.org> or email j.baldwin@sailsla.com, landry@portno.com, phelps@aiis.org, or jopp@aiss.org. (The 2009 conference information is posted at <http://www.criticalcommoditiesconference.com>)

April 25-28, 2010

PORTS™ 2010 (COPRI/ASCE and PIANC)

Jacksonville, FL
<http://www.portsconference.org>

May 4 - 6, 2010

AAPA Harbors, Navigation and Environment Seminar and GreenPort Americas 2010

Charleston, South Carolina
<http://www.aapa-ports.org/Programs/seminarschedule.cfm?itemnumber=17155>

May 6-7, 2010

Warrior Tombigbee Waterway Association Annual Meeting
www.warriortombigbee.org

May 10-14, 2010

PIANC MMX Congress
Liverpool, England
<http://www.piancmmx.org.uk/>

May 19-21, 2010

Fourth International Conference on Financing Surface Transportation in the U.S.--Forging a Sustainable Future - NOW!

New Orleans, LA
http://www.trb.org/Calendar/Blurbs/Fourth_International_Conference_on_Financing_Surfa_162154.aspx

🌐 **May 19-20, 2010**

Toward Better Freight Transportation Data: A Research Road Map

Irvine, California
<http://guest.cvent.com/EVENTS/Info/Summary.aspx?e=2c259ebe-9421-441f-b095-cddaa1404884>

🌐 **May 19-23, 2010**

2010 AASHTO Spring Meeting

Natchez, MS
<http://www.transportation.org/meetings/260.aspx>

May 26-27, 2010

The Coalition for America's Gateways and Trade Corridors

Washington, DC.
Registration is free, but you must RSVP to agildea@blakey-agnew.com

May 26-28, 2010

CNREP 2010 (Challenges of National Resource Economics and Policy)

New Orleans, LA
<http://www.cnrep.lsu.edu/2010/Agenda.html>

June 3-5, 2010

International Freight Forwarders & Customs Brokers Association of New Orleans (IFFBANO)

32nd Annual Conference
Marriott Grand Hotel, Point Clear, Alabama
<http://www.iffcbano.org/conference.htm>

June 7-8, 2010

Southern Growth Policies Board
Lexington, Kentucky
Driving the Next 20 Years:
Creating the New Automotive Industry in the South
<http://www.southerngrowth.com/conference/conf.html>

June 6-9, 2010

TRB Environment and Energy Workshop
Raleigh, NC
<http://onlinepubs.trb.org/onlinepubs/conf/2010/EnvironmentEnergySummit.pdf>

▶ TRADE PROFILE ... Russia Federation



Since the collapse of the Soviet Union, Russia's economy has undergone tremendous changes, including more engagement in international trade and instituting market reforms. The market reforms that began in the 1990s lead to many privatized industries, and while concerns over corruption exist, that created a strong platform for economic growth, despite lingering concerns over private property rights. The Russian economy is still very dependent upon natural resources: lumber, petroleum, natural gas and agriculture. The collapse of the world's economy, especially declining petroleum prices, hurt the Russian economy in 2008 and 2009, with severe contractions in the industrial production. It appears that the Russian economy is showing signs of stabilization based on recently reported strong growth during the second quarter.

Most of Russia's trade involves the European Union, as Russia is the largest exporter of natural gas and a major petroleum exporter. Total trade between the United States and Russia has grown over the past few years. In 2009, total U.S. Russian trade amounted to \$22.5 billion, and despite the severe drop in 2009, volumes are still double the levels from 2003.

U.S. imports from Russia amounted to \$18 billion, of which a large portion (72%) was petroleum products. The other leading commodities are rare earths and metals (Russia is one of the largest gold producers), iron and steel products, and aluminum.

U.S. exports, which amounted to \$5.3 billion, were lead by shipments of office machinery and computers, other industrial machinery, and meats (mostly poultry).

For the Southeastern U.S. in 2009, the region received \$4.3 billion in import trade (again lead by petroleum products) while exporting \$1.7 billion. The leading export product from the Southeast was meats (mostly poultry products) that move on reefer vessels. However, since January of this year, Russia has severely limited imports of U.S. poultry products. ■

