Bruce Lambert
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Why the Southeast Matters?

Demographics
Workforce
Greenfield Sites
Intermodal Network
Economic Development Efforts
Joe Hollingsworth, Jr.

1. The South becomes even more competitive in the world economy
2. South shifts from manufacturing to service sector which improves manufacturing
3. Migration continues as the South becomes “land of opportunity”
4. South develops knowledge based economy
5. South leads way in education reform
6. Contiguous counties around major metropolitan areas will be the action in the south
7. South becomes practically the only location for automotive plants
Comparison of Freight Dependency between the US, Southeast, 2010

US Average
- Consuming: 17.5%
- Producing: 18.3%

Southeast Average
- Consuming: 19.6%
- Producing: 18.8%
SASHTO States Outperformed US in ... (%Change 2000-2010)

- **Manufacturing**
  - United States: 21.3%
  - Southeast: 23.5%

- **Logistics**
  - United States: 34.9%
  - Southeast: 38.3%

- **All Industries**
  - United States: 47.2%
  - Southeast: 50.8%
Growth in Total Exports (07-11)

US  29%
Southeast  41%
The Automotive Industry has a Southern Face

- Northern- US Firms
- Southern – Foreign Firms
Foreign Direct Investment - Thousand Jobs (2010)

- Transportation needs vary
- Like to locate near “neighbors”
- Tend to use more import sourcing
The Result... More stuff moving in the Southeast

Annually

- Everyone - consumes 50 tons of stuff (2 Trucks)
- 11,000 ton-miles (driving between LA and Charleston 5 times!)
- 9% of US GDP spent on logistics
DOT’s have two questions they need to answer concerning freight:

1. How do I help my businesses grow
2. How do I offset “through” cargo on my network
Planning for Freight - Today

- To-From State: 34%
- Through Freight: 33%
- Within State: 33%

- More modal balance
- Largest trading partners are neighbors

- Mostly Trucks: Tend to be heavier products
- Rural-urban flows
- Urban-urban flows

All Modes
All cargos
Discretionary routing

Largest trading partners are neighbors
Logistics Parks and Economic Development

- What type of facility?
- Trackage and Terminals
- Develop densities
- Need partners
### Planning for Tomorrow

<table>
<thead>
<tr>
<th>Internal - What do I need to know today to help my businesses tomorrow?</th>
<th>External - What external factors will influence traffic through my system</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Rural truck S&amp;W</td>
<td>• Export traffic?</td>
</tr>
<tr>
<td>• Intermodal terminals</td>
<td>• Panama Canal</td>
</tr>
<tr>
<td>• Permitting</td>
<td>• Nearshoring – Inshoring?</td>
</tr>
<tr>
<td>• Land use decisions</td>
<td>• Energy policy</td>
</tr>
</tbody>
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Potential Changing Hinterlands from the Panama Canal?
Corridors will be more important in the future

- Intermodal/ inland ports developments
- Economic Growth Poles/Clusters
- Emergence of National Logistics Hubs
- Changing Urban and Rural demographics
- How do you plan for the unknown
Trucks in Little Rock in 24 Hours
Regional Operations are no laughing matter...

Lost productivity for all involved!!
Where does congestion influence operations?
Multimodal – Through Traffic Issues

- Need to consider modal interchanges
- No funding for alternative modal routing frameworks
- Local TS&W permits
- Need to understand how system works to fully address transportation needs
MAP-21 Freight Provisions

- National Freight Policy
- Establishment of a National Freight Network
- Critical Rural Freight Corridors
- National Freight Strategic Plan
- Freight Transportation Conditions and Performance
Note: Highway & Rail is additional highway mileage with daily truck payload equivalents based on annual average daily truck traffic plus average daily intermodal service on parallel railroads. Average daily intermodal service is the annual tonnage moved by container-on-flatcar and trailer-on-flatcar service divided by 365 days per year and 16 tons per average truck payload.

The Southeast depends upon Freight
Freight does not recognize political boundaries by infrastructure lanes
Federal Policy moving to support efficiency, not equity, in transportation spending
Regional collaboration demonstrates value to Federal, State and Locals

Me + You = More
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