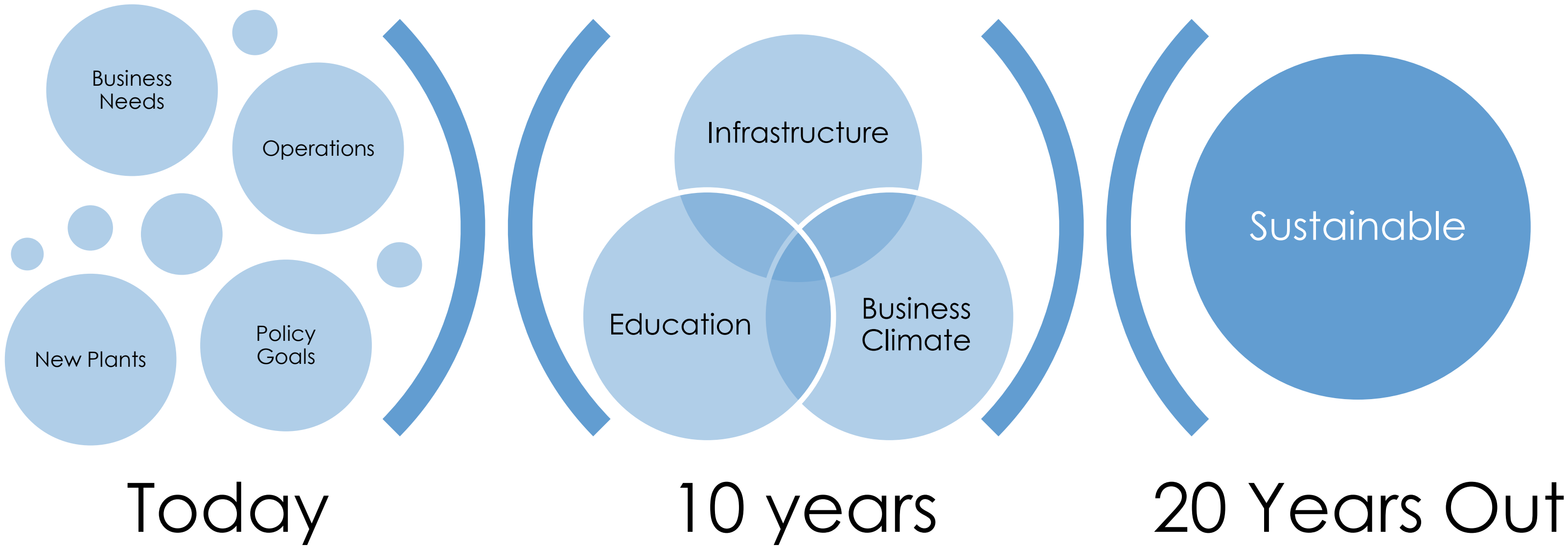
Future Challenges and Opportunities

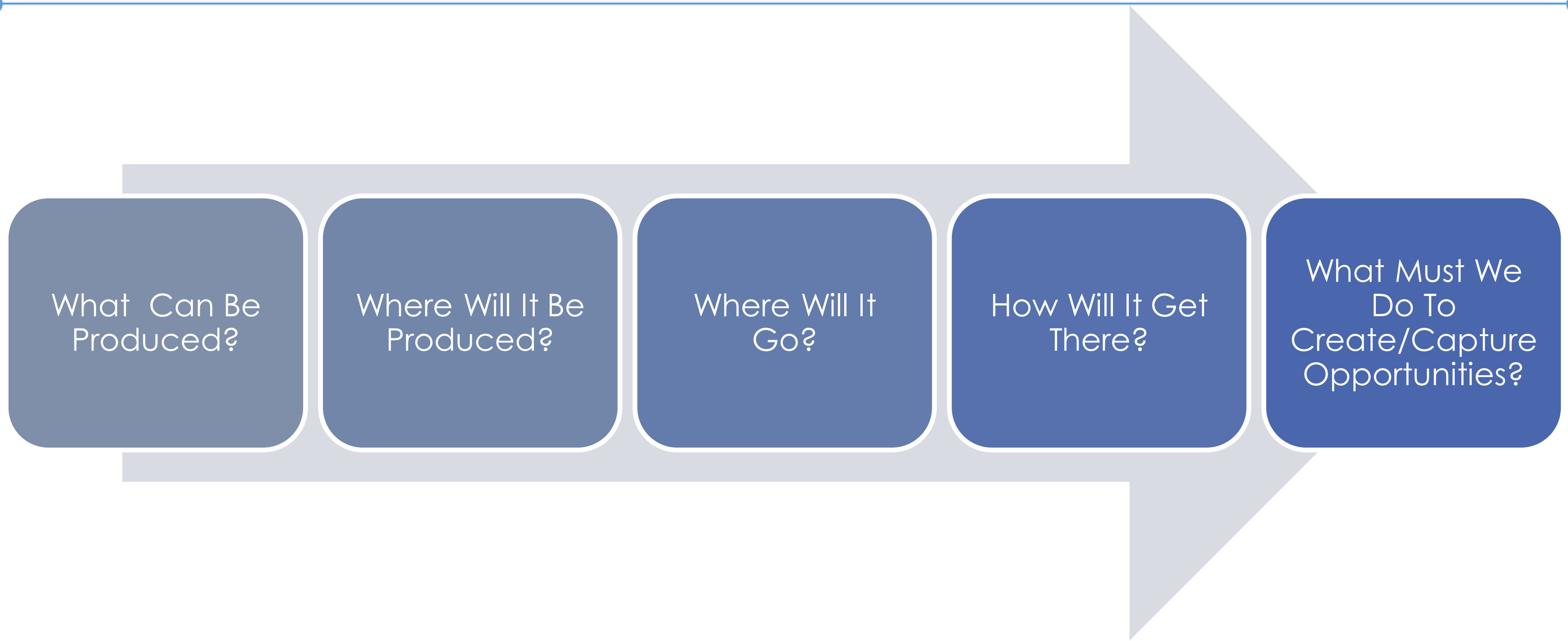
Future Predictions

- Increased traffic
- Increased demand for new capacity
- Increased maintenance
- Increased capital costs

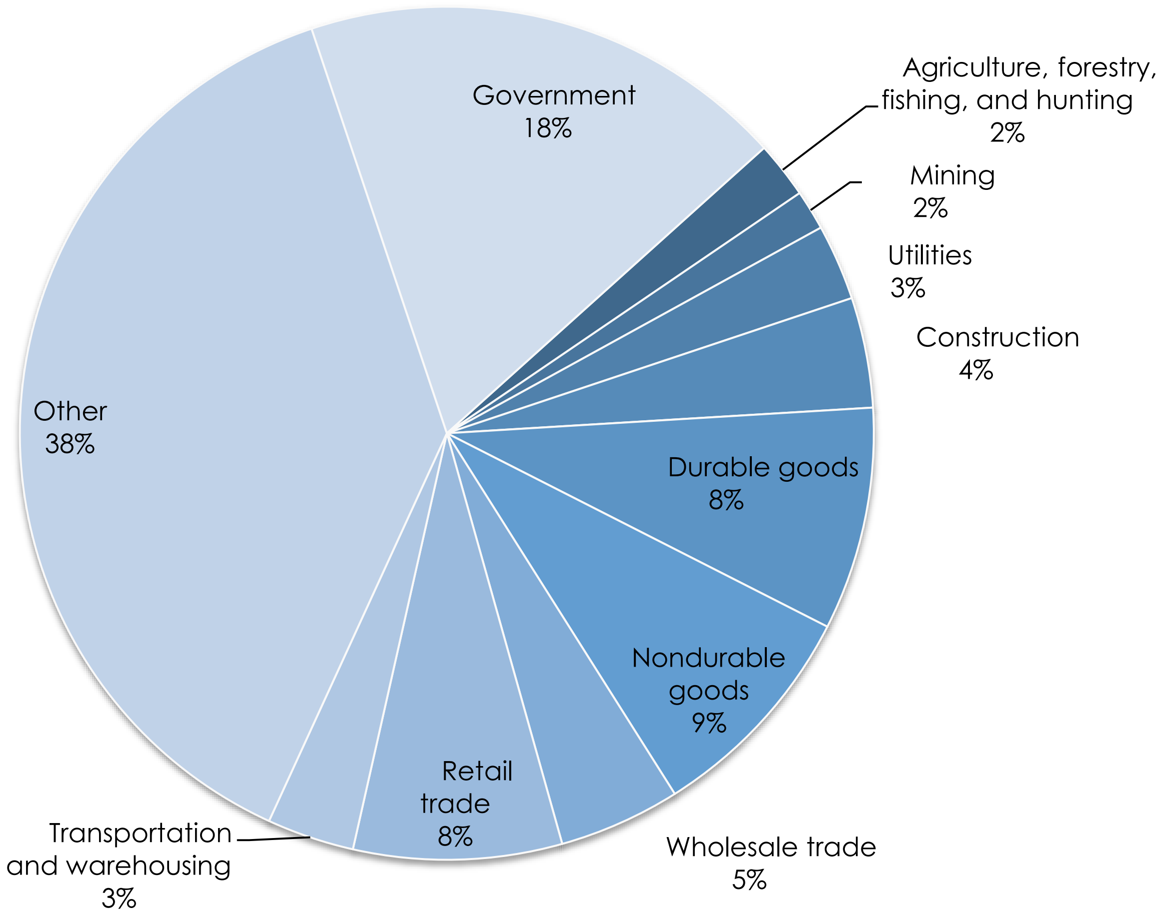
How Do We Shape the Future



Some points to consider- Infrastructure



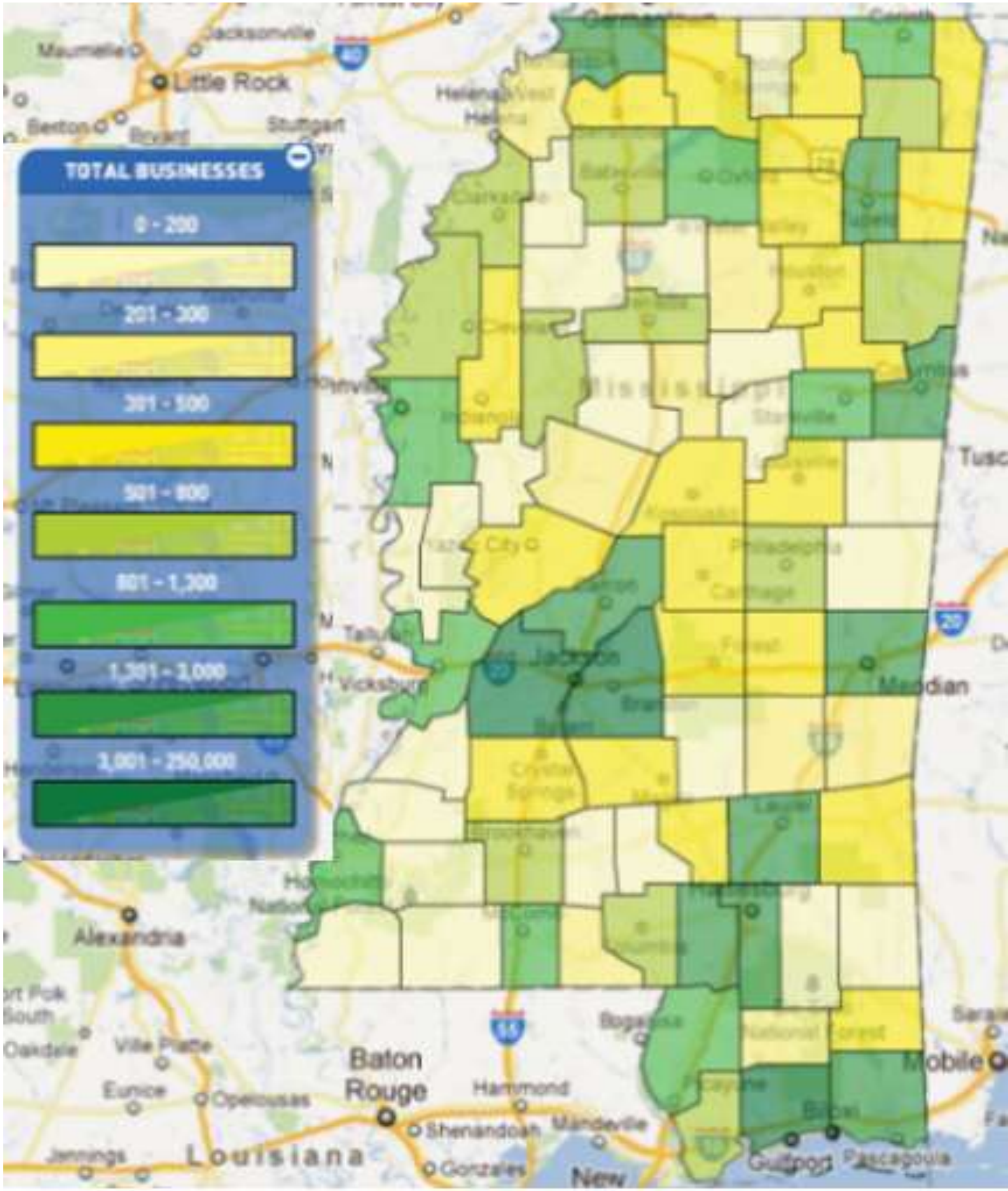
What Industries Drive the Mississippi Economy



What Will We Produce -2010 FAF

Within			From			To	
Commodity	Current $		Commodity	Current $		Commodity	Current $
Crude petroleum	$7,864		Articles-base metal	$6,840		Machinery	$9,222
Machinery	$6,448		Plastics/rubber	$6,047		Base metals	$8,867
Gasoline	$5,364		Electronics	$5,918		Pharmaceuticals	$7,271
Articles-base metal	$3,746		Machinery	$5,495		Gasoline	$6,006
Mixed freight	$3,272		Furniture	$4,527		Motorized vehicles	$5,821
All Commodities	$59,504		All Commodities	$75,899		All Commodities	$95,544

Where Will We Produce It?



Trends in Economic Development

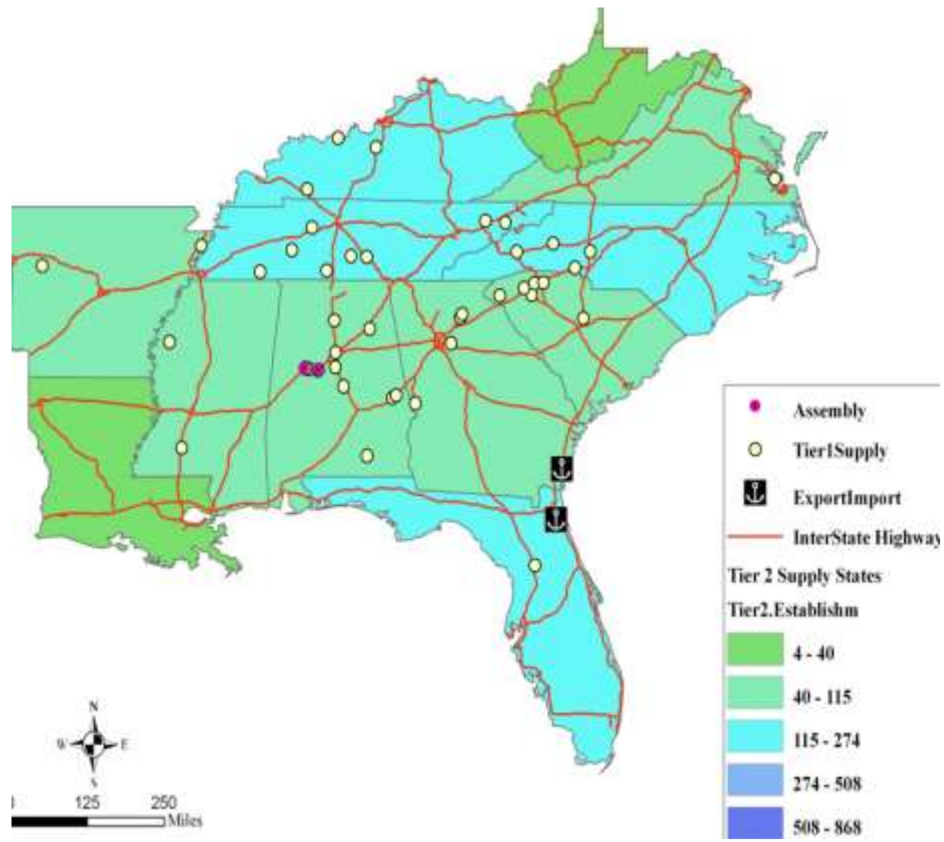
- Greenfield-Brownfield development
- Clusters versus Growth Poles
- Operational considerations
- Integrated Logistic Supply Chain Centers

Transport, Talent and Taxation Top Factor List

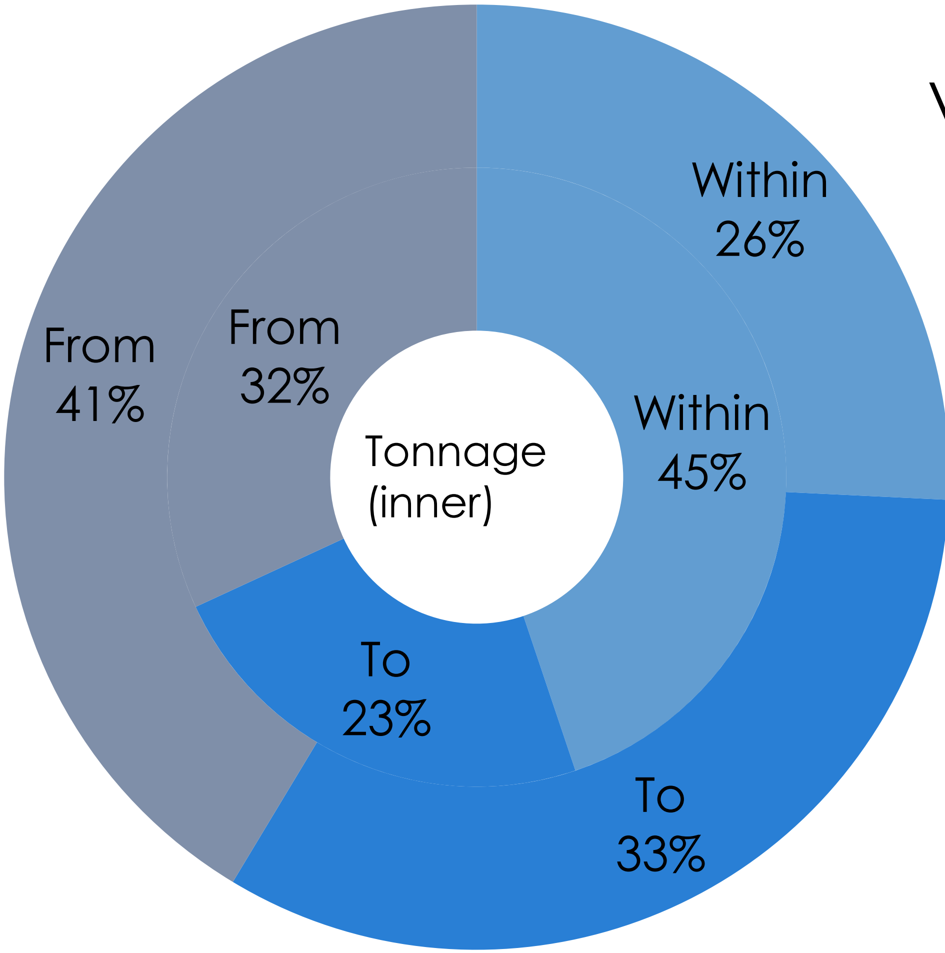
Site Selection's October survey of corporate real estate executives reveals which factors on average are most important to them when they are involved in location decision making.

1. **Transportation infrastructure**
2. **Existing work force skills**
3. **State and local tax scheme**
4. **Utility infrastructure**
5. **Land/building prices and supply**
6. **Ease of permitting and regulatory procedures**
7. **Flexibility of incentives programs**
8. **Access to higher education resources**
9. **Availability of incentives**
10. **State economic development strategy**

"The Job Creation /Logistics Message"



Where Will It Go? – 2010 FAF

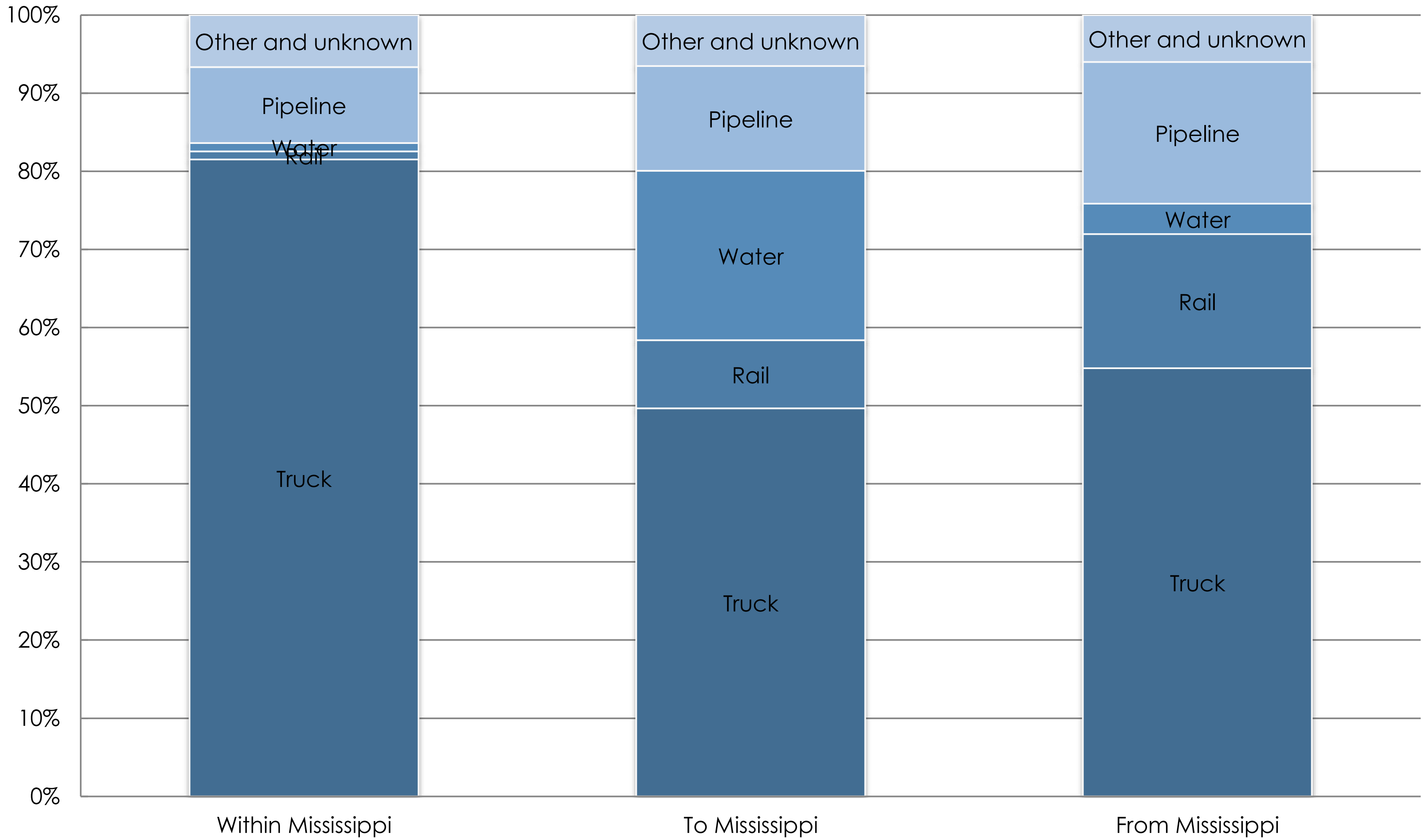


Value (outer)

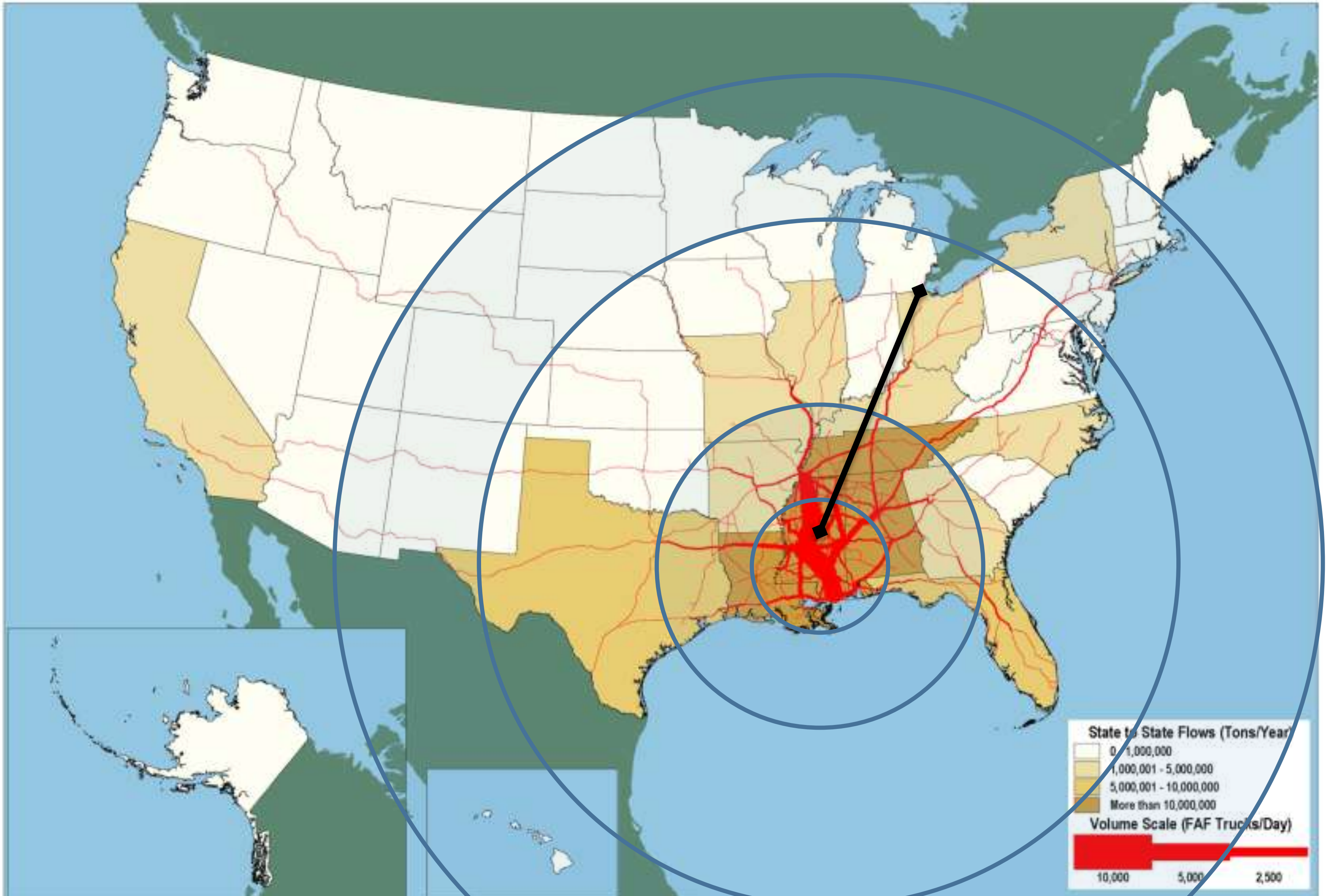
Globalization in Mississippi

- Foreign Direct Investment (BEA)
  - 2.7 percent of the state's total private-industry employment
- Exports
  - 5.1 % of Mississippi's total private-sector employment
- Mississippi's ports
  - 3% of State GDP

How Will It Get There – 2010 FAF



Major Flows by Truck To, From, and Within Mississippi: 2007



Note: Major flows include domestic and international freight moving by truck on highway segments with more than twenty five FAF trucks per day and between places typically more than fifty miles apart.
Source: U.S. Department of Transportation, Federal Highway Administration, Office of Freight Management and Operations, Freight Analysis Framework, version 3.1.2, 2011.

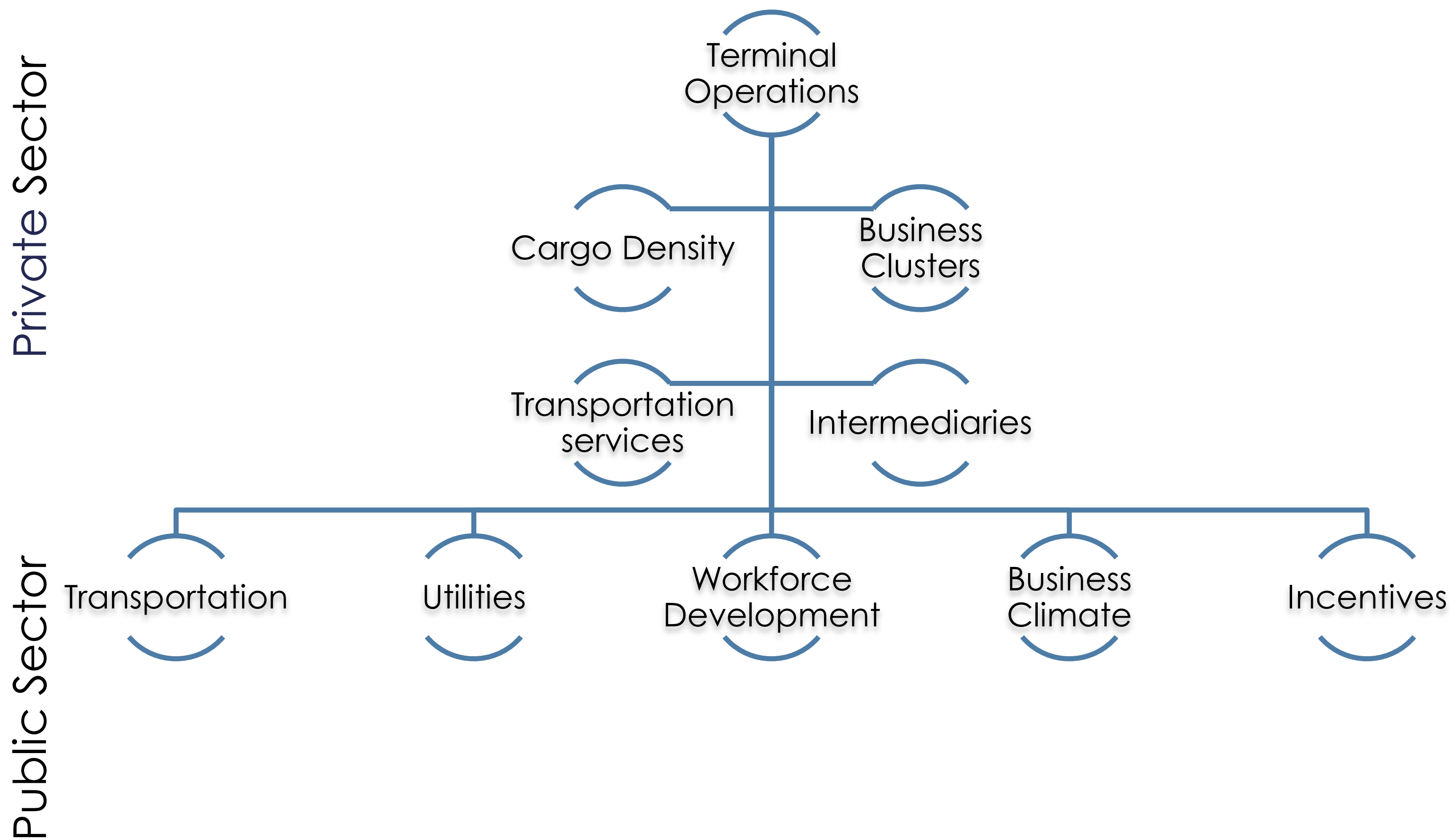
What Must We Do?

- What may change existing flows or create new markets?
- Can (will) WE/I get a piece of the pie?
- What can WE/I do to create opportunities?

What Will We Build/Operate?

- What is your market?
  - Expand or Cannibalize
  - Corridor – End or Middle
- What type of facility/services are needed?
  - What "Freight" is "Freight"
- Develop densities and services
  - Service Requirements
  - Drayage and equipment issues
  - Domestic and international
  - Shippers bear what costs?

Who is Responsible for What?



The Discussion is Important

- Connecting with global markets
- Regional transportation needs
- Economic Development (land use/access)
- Corridors – Federal, State
- Finding partners

But who is listening?

Without Planning This Would Have Been a Mess

Can Freight Compete Against Complete Streets?

See any trucks, railcars, barges or planes?

Some Considerations

What do "WE" want

- Relinking Transportation to industrial development
- Perception of value of capital stock
- Economic development = jobs

What must "WE" balance

- Everyone more engaged in parts of the debate
- System's use not fully understood
- "Others Have It" syndrome
- Scale and Densities
- Aging Infrastructure vs. Capacity
- Manage Expectations

> > > SAVE THE DATE < < <

FREIGHT IN THE SOUTHEAST

Moving Our Region's Business

Co-Sponsored by
Virginia Office of the Secretary of Transportation

March 14-16, 2012 – Norfolk, VA

For Registration or Exhibit & Sponsorship info contact,

Bruce Lambert

Institute for Trade and Transportation Studies (ITTS)

540-455-9882 • bruce@ittsresearch.org • www.ittsresearch.org