Future Challenges and Opportunities
Future Predictions

- Increased traffic
- Increased demand for new capacity
- Increased maintenance
- Increased capital costs
How Do We Shape the Future

Today
- Business Needs
- Operations
- New Plants
- Policy Goals

10 years
- Infrastructure
- Education
- Business Climate

20 Years Out
- Sustainable
Some points to consider:

- Infrastructure

What Can Be Produced?
Where Will It Be Produced?
Where Will It Go?
How Will It Get There?
What Must We Do To Create/Capture Opportunities?
What Industries Drive the Mississippi Economy

- Government: 18%
- Durable goods: 8%
- Nondurable goods: 9%
- Retail trade: 8%
- Wholesale trade: 5%
- Transportation and warehousing: 3%
- Other: 38%
- Construction: 4%
- Utilities: 3%
- Mining: 2%
- Agriculture, forestry, fishing, and hunting: 2%
- Transportation and warehousing: 3%
## What Will We Produce - 2010 FAF

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Current $</th>
<th>From</th>
<th>Current $</th>
<th>To</th>
<th>Current $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude petroleum</td>
<td>$7,864</td>
<td>Articles-base metal</td>
<td>$6,840</td>
<td>Machinery</td>
<td>$9,222</td>
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<tr>
<td>Machinery</td>
<td>$6,448</td>
<td>Plastics/rubber</td>
<td>$6,047</td>
<td>Base metals</td>
<td>$8,867</td>
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<tr>
<td>Gasoline</td>
<td>$5,364</td>
<td>Electronics</td>
<td>$5,918</td>
<td>Pharmaceuticals</td>
<td>$7,271</td>
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<tr>
<td>Articles-base metal</td>
<td>$3,746</td>
<td>Machinery</td>
<td>$5,495</td>
<td>Gasoline</td>
<td>$6,006</td>
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<td>Mixed freight</td>
<td>$3,272</td>
<td>Furniture</td>
<td>$4,527</td>
<td>Motorized vehicles</td>
<td>$5,821</td>
</tr>
<tr>
<td>All Commodities</td>
<td>$59,504</td>
<td>All Commodities</td>
<td>$75,899</td>
<td>All Commodities</td>
<td>$95,544</td>
</tr>
</tbody>
</table>
Where Will We Produce It?
Trends in Economic Development

- Greenfield-Brownfield development
- Clusters versus Growth Poles
- Operational considerations
- Integrated Logistic Supply Chain Centers
“The Job Creation /Logistics Message”
Where Will It Go? – 2010 FAF

- From 41% To 23%
- From 32% To 33%
- Within 26%
- Within 45%
- Tonnage (inner)
- 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

- **Within Mississippi**:
  - Truck: 70%
  - Water: 30%

- **To Mississippi**:
  - Truck: 70%
  - Pipeline: 30%

- **From Mississippi**:
  - Truck: 20%
  - Pipeline: 80%
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.

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?

Private Sector
- Terminal Operations
  - Cargo Density
  - Transportation services
  - Intermediaries

Public Sector
- Transportation
- Utilities
- Workforce Development
- Business Climate
- Incentives
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
FREIGHT IN THE SOUTHEAST
Moving Our Region’s Business

March 14-16, 2012 – Norfolk, VA

For Registration or Exhibit & Sponsorship info contact,
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