Freight And Infrastructure

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Everyone wants stuff!!

Every day
- 60 million tons of freight worth $40b

Annually – Every American needs...
- 50 tons of stuff
- 11,000 ton-miles

What Does It Cost
- 9% of US GDP spent on logistics
- 5% of Govt. Spending is Infrastructure
How Does One Look at Freight Activity?

- Inventory Functions
- Engineering
- Operational Reliability
- Economical and Financial
- Safety and Security
- Markets
- Jobs

Tell me the Story!!!
Total Freight Transportation in Arkansas - 2010

275,161 Thousand of Tons

$239,380 Current Millions
Comparison of Freight Dependency: US, Southeast, Arkansas (2011)

Share Based on Estimated Industry Clusters, NAICS Code
Arkansas Needs Infrastructure to Connect Its markets

Note: Major flows include highway segments with truck tonnage of more than 140,000 tons per year, between places more than 50 miles apart. 140,000 tons is equivalent to approximately twenty four trucks per day.

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.

Ton Miles of Truck Shipments by State for 2002

Arkansas
Florida
Georgia
Kentucky
Louisiana
Mississippi
Virginia
West Virginia

- Within/Local
- To/From
- Through
2,000 Trucks After 24 Hours Though Little Rock
So Why Freight… and Why Now?
Freight Access and Mobility May Create Transformative Opportunities
“The Job Creation /Logistics Message”
How Do We Respond?
MAP-21 Freight Planning Provisions

- National Freight Policy
- Establishment of a National Freight Network
- Critical Rural Freight Corridors
- National Freight Strategic Plan
- Cost Sharing Formulas
- Freight Transportation Conditions and Performance
- Freight State Plans
- Freight Advisory Groups
Other “Freight” Activities

- WRDA
- State Rail Plans
- Hours of Service – Regulation
- Fleet Fuel – Greening
- Truck Parking
- Truck Size and Weight
- TIGER Program
- Federal Data Programs
Policy Challenges

- No New $
- States driving discussions on transportation infrastructure
- Demonstrate Returns
- Who should invest where in the “system”?
If I gave Arkansas one dollar...

What would the State buy?
Spending on Broad Transportation Categories by State and Local Governments in Arkansas, 1992-2009

- Sea and inland port facilities
- Parking facilities
- Air transportation (airports)
- Highways - Capital Outlays
- Highways-Non Capital Outlays
Share of State and Local Government Expenditures Spent on Transportation (non transit)

- 1992: 9.00%
- 2000: 7.47%
- 2009: 6.37%
“Will Transportation Shape Arkansas’ Economy?”
Planning for Freight - Today

More modal balance
Largest trading partners are neighbors
Need to move along corridors

Through Freight
- All Modes
- All cargos
- Discretionary routing

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

To-From State

Largest trading partners are neighbors
Need to move along corridors

Discretionary routing
## Strategies Recommended By LATTs

- Utilization of Existing Infrastructure
- Add Physical Infrastructure
- Increase Operating Throughput
- Corridor Approach for Investing
- Develop Agile Freight Operations
- Improve Clearance at Gateways
- Attention to Connectors

- Encourage Technology
- Integration of Information
- ITS Applications
- Increase Public Awareness
- Improve Institutional Relationships
- Improve Freight Profile
- Partnerships
States can partner to identify/meet strategic needs

- A way to share information on system use and traffic
  - Supply chains, regional trends, performance measures
  - A mechanism to work with regional agencies
  - Common message – generates common actions
- An input into State planning
  - Data and economics
  - Freight Advisory Group agreement
  - Improved access to data and models
- A benchmark for collaborating federal requests
- Need to agree on parameters going forward
One conclusion...

- The Story Matters
- Evolving expectations makes freight more important
- Data and analysis becoming critical
- What You Do Matters
Thank you

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