



INSTITUTE FOR TRADE AND TRANSPORTATION STUDIES

PROMOTING REGIONAL AWARENESS FOR IMPROVING FREIGHT TRANSPORTATION

VOL I • ISSUE 8 • JULY 2009

NEWS UPDATE



July has been a busy time for ITTS. ITTS participated in an invitational meeting on the Freight Analysis Framework (FAF3) held in Washington D.C. The following week, I attended the PIANC annual meeting in Pittsburgh, which included some additional planning for the upcoming Smartdrivers conference. The highlight of the meetings was a tour of the dewatered Emsworth Locks (I am standing in the main chamber). I also attended the TRB Summer Conference in Seattle, and worked on the MDOT Marine Highway proposal to DOT.

Continued on page 2

INSIDE THIS ISSUE

Lambert's Lagniappe	2
ITTS Partner	3
Calendar	4

Forecasted Trade in the ITTS Region

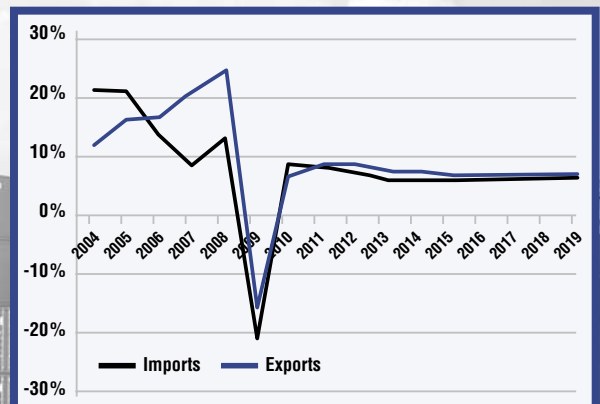
Given the current economic climate, it is important to understand the potential view of long term trade in ITTS Region. ITTS recently purchased forecasted data on transportation flows into and from the ITTS region to study trade activity through the region's gateways. The forecasts, prepared by IHS Global Insight, include information on general trade forecasts in metric tons and value, as well as specific maritime and air fore-

casts. The forecasts, while not gateway specific, are regionally specific, with a separate forecast for the Atlantic Seaboard (Virginia to Miami and Puerto Rico) and the Gulf (Tampa to Louisiana) for various commodities and countries.

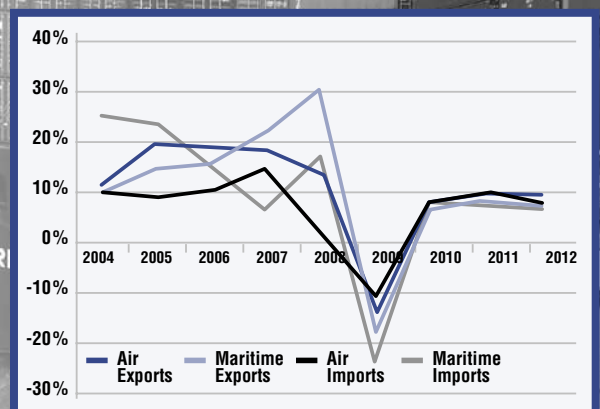
Over the past few years, total trade through the region's ports and airports has exploded in terms of value. As regional trade volumes increased until the

Continued on page 3

IMPORTS/EXPORTS TOTAL TRADE



IMPORTS/EXPORTS MODAL COMPARISON





Institute for Trade and Transportation Studies

Bruce Lambert
811 Bonfouca Lane
Mandeville, LA 70471
540-455-9882
bruce@ittsresearch.org

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.

The ITTS Newsletter is a free publication of ITTS. To subscribe, please visit the website:
www.ittsresearch.org

► LAMBERT'S LAGNIAPPE

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

The Texas Transportation Institute released the "2009 Urban Mobility Report". The report always receives wide distribution, and this year, the economic recession caused a drop in vehicle miles traveled. As the authors noted, traffic mirrors the economy, and although volumes declined last year, they are expected to return once a recovery begins. The authors cautioned that the report remains the same as it has in previous years: we are still spending a lot of time in traffic.

In thinking about this, I was struck with the parallel of the highway system to Shel Silverstein's "The Giving Tree". The story highlights the relationship of a boy and a tree. When the boy was young, he enjoyed access to the tree. He swung on the branches, ate of the apples and wore a garland of leaves. The tree was happy as the boy had unlimited access to all the tree could offer. This unlimited access to the highway is similar to the myth of the open road, where we find relatively empty roads one can drive without constraint. This was the futuristic model with efficient traffic flows. (The myth is still echoed in auto advertisements.)

As the story progresses, the boy grows up and does not play with the tree. Instead, the boy wants money and asks the tree for help. The tree tells the boy to sell the apples. Like the Federal aid program, there was enough available to finance other valuable programs while not compromising the tree. The interstate provided connectivity, which

generated economic growth and opportunities for the nation.

Later, the boy comes back and wants to build a house, so he removes the branches. As related to highways, the branches mirror the suburbanization of the United States with the resulting lost of the urban city. But this transformation was not without cost as sprawl and congestion began to cripple national mobility.

Next, the boy comes back and removes the trunk to build a boat, as the boy is sad, and wants to go away from his problems. Here, the congestion and transit issues are leading us to fundamentally consider a new transportation system. In some way, we no longer viewed the construction of the highway transportation system as relevant for national discussions as "the work of constructing the interstate system" was completed. At the time, ISTEA was viewed as the beginning of a new era in transportation.

Finally, the boy returns as an old man. The tree, now but a stump, cannot provide the boy with anything but a place to sit. The old man, without any energy or needs, is content to simply sit on the stump, which is where the TTI study comments on our present situation.

There is a limit to how much any analogy can be made but for both TTI and "The Giving Tree" the story ends the same – everyone is sitting. I need to read more stories with happy endings. ■

NEWS UPDATE *Continued from cover*

🌐 **Speaking of Smartrivers**, the final agenda should be released in a few days. It is shaping up to be a very good conference, with speakers from across the world discussing ways to improve inland navigation. ITTS has been involved in the last two Smartrivers, and will be active in assisting when Smartrivers will be held in New Orleans in 2011. For more information on Smartrivers, please visit smartrivers.org on the September 6-9 Conference.

🌐 **The Tennessee-Tombigbee Waterway** is organizing a trip to the Panama Canal Septem-

ber 16-20, 2009. Based on requests from some ITTS Member States, ITTS is working with the Tenn-Tom Waterway in organizing the trip for ITTS members.

🌐 Finally, **ITTS will host a session on September 1 at the SASHTO annual meeting** Biloxi Mississippi. The ITTS session, entitled "International Trade and the Southeastern Region – Opportunities in the Global Economy" will include presentations Ken Eriksen, Informa Economics, Adam Bruns, Site Selection Magazine, and Buddy Roemer, First Bank and a Former Governor of Louisiana.

▶ ITTS PARTNER PACE

PACE, the Partnership for Affordable Clean Energy, is a non-profit organization located in Montgomery, Alabama, that is working on national energy policy from a Southeastern perspective. The coalition consists of organizations from business, labor, consumer groups, trade organizations and waterways associations.

In recent weeks, PACE has focused attention on H.R. 2454, otherwise known as the Waxman-Markey Bill, which is scheduled for consideration by the U.S. Senate this September. The legislation would signal a fundamental shift in the nation's energy policy, creating a cap-and-trade system for carbon emissions and establishing a

national standard for renewable energy sources. PACE has argued that changes in electrical generation and carbon emissions policy will have marked impacts on transportation across the nation.

Observers of the Waxman-Markey legislation point out that the bill's

PACE has argued that changes in electrical generation and carbon emissions policy will have marked impacts on transportation across the nation.

limitations on carbon emissions would necessarily spur the use of biofuels and raise the cost of traditional fossil-based fuels such as gasoline. In addition, coal today constitutes a significant portion of traffic on Southeastern waterways

systems, accounting for 40% of traffic, for example, on the Tennessee-Tombigbee system. Eliminating coal from the Southeast's fuel mix would have a dramatic impact on barge traffic flowing from both northeastern coal fields and the Powder River Basin. Ports across the region would similarly be affected by the reduction.

PACE believes transportation is obviously a key input to continued economic growth across the Southeast but that transportation infrastructure could face real challenges and threats without a balanced, regional perspective on renewable fuels and transportation options.

For more information, contact Lance Brown, Executive Director at (334) 294-9673 or via email at lance@energyfairness.org. You can also visit the PACE website at <http://www.energyfairness.org/> ■

What is... Container Contracts

Given the mix of containers moving worldwide, it requires a complex system of balancing containers to match equipment with users.

Most containers are owned by either the steamship lines or the container leasing companies. Generally, when a container is owned by a ship line, the container company can match the loads and equipment. Once a load is completed in one area, the container can be moved to the next shipment area or to a depot. All costs for maintaining and repositioning the container are borne by the shipping company.

However, shipping lines will also lease containers for various time frames. The use of a short term lease would allow a carrier to handle seasonally high cargo volumes or to reduce equipment variability (costs). Short term leases (or trip leases) can cover a single voyage, with negoti-

ated contract terms regarding rates, as well as pickup and drop off locations. (The Institute of International Container Lessors (IICL) represents the leasing companies in setting standards for the use, inspection and maintenance of the leased container fleet.)

In the U.S., most containers are moved on a master contract basis. This long term lease allows the container lessor to manage a pool of equipment, with the ocean carrier simply picking up and dropping off containers from the pool. The leasing company is responsible for all maintenance and inspection of the containers, as well as repositioning equipment (empty containers). The use of master contracts allows shippers and carriers to manage costs but can lead to stockpiling of containers around ports and inland facilities if equipment imbalances occur. ■

Forecasted Trade in the ITTS Region

Continued from cover

collapsing in 2008, volumes will decline in 2009 before recovering in 2010. After 2013, the Global Insight forecast assumes that the region's trade will return to historical growth rates, with imports seeing annual increases around 7% and annual export volumes increasing at 6%. This forecast does not assume any significant cargo changes from the Panama Canal to the region or significant changes in fuel prices from current levels.

For the modal comparison, the trends look somewhat different. While the weak dollar led to strong export spikes in 2008, in the long term, air cargo exports is forecasted to grow at slightly faster rates than maritime cargo. For imports, both modes experienced strong volumes prior to collapsing in 2008, and are expected to see strong growth beginning in 2010 (although from a severe drop in 2009). (When comparing the modal growths, on a value basis, the maritime sector handles roughly 60 percent of the ITTS region exports, and 70 percent of the Region's imports). These forecasts also exclude overland trade to Mexico and Canada which are large trading partners with the ITTS region. ■

▶ 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

August 5–7, 2009

Joint Mississippi Water Resources Association - Mississippi Water Resources Research Institute Annual Conference
Tunica, Miss. www.mswater.org.

August 12–14

Annual Meeting of the Gulf Intracoastal Canal Association
New Orleans, LA
Contact Raymond Butler at 281-996-6915 or info@gicaonline.com or visit www.gicaonline.com

August 19–20, 2009

The American Waterways Operators – Midwest & Ohio Valley Regions Joint Summer Meeting
St. Louis, Mo.
http://www.americanwaterways.com/membership_meetings/index.html

August 25–28, 2009

Tennessee-Tombigbee Waterway Development Opportunities Conference
Point Clear, Ala. Contact: Agnes Zaiontz (662) 328-3286 or azaiontz@tenntom.org.

August 26–27, 2009

The American Waterways Operators – Atlantic Region Summer Meeting
Norfolk, Va.
http://www.americanwaterways.com/membership_meetings/index.html

August 28–Sept 2, 2009

Southern Association of State Highway Transportation Officials
Biloxi, Miss. Contact: <http://www.sashto.org/SASHTO2009>.

September 6–9, 2009

Smart Rivers '21–The Future of Inland Navigation
Vienna, Austria Contact Kelly Barnes at 703-428-9090 or kelly.j.barnes@usace.army.mil or www.smartivers.org

September 14–15, 2009

Transportation Research Board, Integrated Corridor System Management Modeling Best Practices Workshop
Irvine, Calif.
<http://guest.cvent.com/EVENTS/Info/Summary.aspx?e=44a9acb3-c5f4-4b96-9204-285202e49842>

September 15–16, 2009

The Louisiana Freight Transportation Summit
New Orleans, La.
Contact: Colonel Tom Atkinson (225) 274-4134 or tomatkinson@dotd.la.gov

September 16–17, 2009

Transportation Research Board, North American Freight Flows Conference 2009
Irvine, Calif., Contact: Tom Palmerlee, 202-334-2907 or tpalmerlee@nas.edu or <http://www.trb.org/calendar>.

September 20–23, 2009

Council of Supply Chain Management Professionals (CSCMP) Annual Global Conference
McCormick Place West, Chicago, IL
www.cscmp.org

September 20–24, 2009

American Association of State Highway Transportation Officials Standing Committee on Rail Transportation
Oklahoma City, Okla.
Contact Joe Kyle at (405) 521-4203 or jkyle@odot.org

September 22–23, 2009

The Bureau of Transportation Statistics, Workshop For Transportation Forecasters
Washington, D.C.
For more information contact Peg Young at 202-366-2483 or via email at peg.young@dot.gov, http://www.bts.gov/about/events/transportation_forecasters

September 23–35

National Waterways Conference
Charleston, W. Va.
info@waterways.org 703-243-4090 www.waterways.org

October 5–7, 2009

European Transport Conference, Transportation Research Board Lieden
The Netherlands, Contact: Sally Scarlett at info@aetransport.org or <http://www.aetransport.org>

October 12–14

Annual Waterways Symposium
Waterways Council, Inc., Informa Economics, Inc. and The Weekly Waterways Journal
Contact Andrew Riester (703) 373-2261 or ariester@vesselalliance.com

October 12–14, 2009

Waterway Council's Annual Meeting and Waterways Symposium
New Orleans, La.
For more information, please contact <http://www.waterwayscouncil.org/> or Andy Riester at (703) 373-2261 or ariester@vesselalliance.com

October 13–15, 2009

20th Annual Breakbulk Transportation Conference & Exhibition
New Orleans, La. Contact the Journal of Commerce <http://www.joc.com/node/409535>.

October 13–16, 2009

The American Waterways Operators – 2009 Fall Convention
New Orleans, La.
http://www.americanwaterways.com/membership_meetings/index.html

October 19–20, 2009

Railway Age – Passenger Trains on Freight Railways
Washington, D.C.
Jane Poterala at (212) 620-7208 or jpoterala@sbpub.com

October 27–30, 2009

Annual Conference, Association of Metropolitan Planning Organizations
Savannah, Ga.
Call AMPO at 202-296-7051 or visit <http://www.ampo.org/events/details.php?id=36>



October 25–29, 2009

American Association of Port Authorities Annual Convention, hosted by the Port of Galveston
Galveston, Tex. Contact: The American Association of Port Authorities, 703-684-5700, info@aapa-ports.org or <http://www.aapa-ports.org>.

October 28, 2009

"Navigation and the Environment", Technical Seminar and Networking Reception
New Orleans, La.
Contact Kelly Barnes at (703) 428-9090 or Kelly.J.Barnes@usace.army.mil <http://www.pianc.iwr.usace.army.mil/conferences.cfm>

November 8–10, 2009

American Short Line and Regional Railroad Association 2009 Southern Region Meeting
Panama City Beach, Fla.
Contact: Kathy Cassidy at 202-628-4500 or kccassidy@aslrra.org http://www.aslrra.org/meetings_seminars/Southern_Region_Meeting/

November 17–19, 2009

American Association of Port Authorities, Facilities Engineering Seminar & Expo
Charleston, S.C. Contact: The American Association of Port Authorities, 703-684-5700, info@aapa-ports.org or <http://www.aapa-ports.org>.

November 18–19

AASHTO Standing Committee on Water Transportation
Washington, D.C.
Contact Chris Smith at 202-624-5839 or CSmith@aaashto.org

January 10–14, 2010

TRB 89th Annual Meeting Washington, DC
Contact The Transportation Research Board <http://www.trb.org/meeting/2010/default.asp>