

Freight Corridors: Changes and Challenges



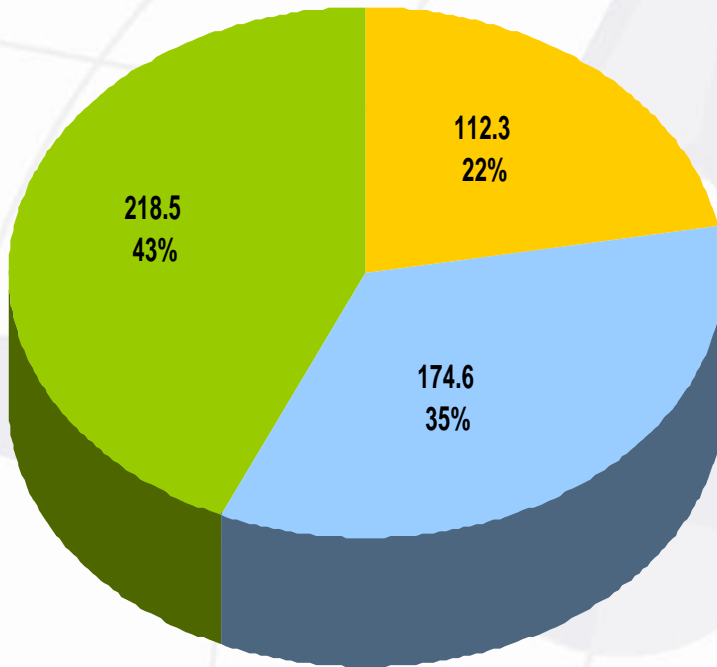
**INSTITUTE FOR TRADE AND
TRANSPORTATION STUDIES**

Southeast Transportation Network is “Unique”

- Inland, Coastal, and International flows
- Diversity of ports and access to manufacturing, distribution, transshipment services
- Mix of size ranges and operational formats
- Latent Capacity in system compared to other regions

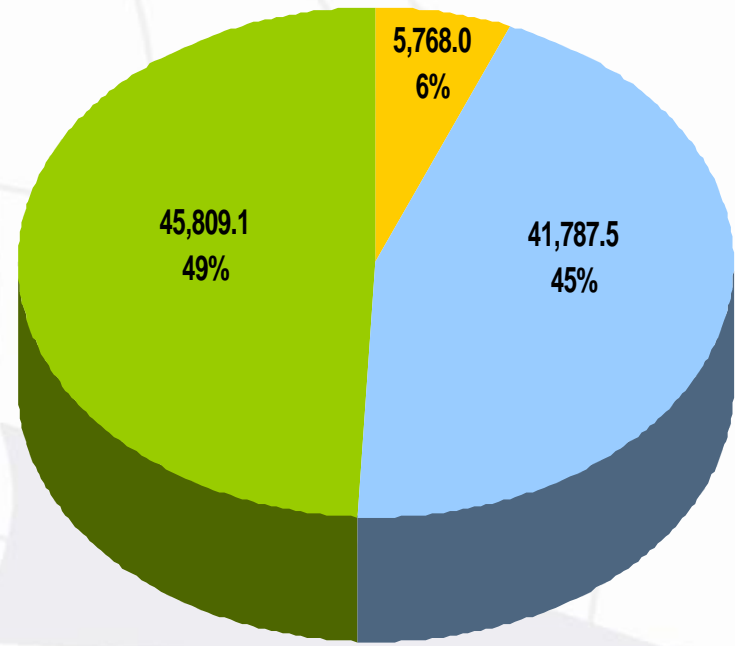
Total Freight Transportation in MS - 2008

Tons



■ Within State ■ From State ■ Into State

Value



■ Within State ■ From State ■ Into State

What markets to support?

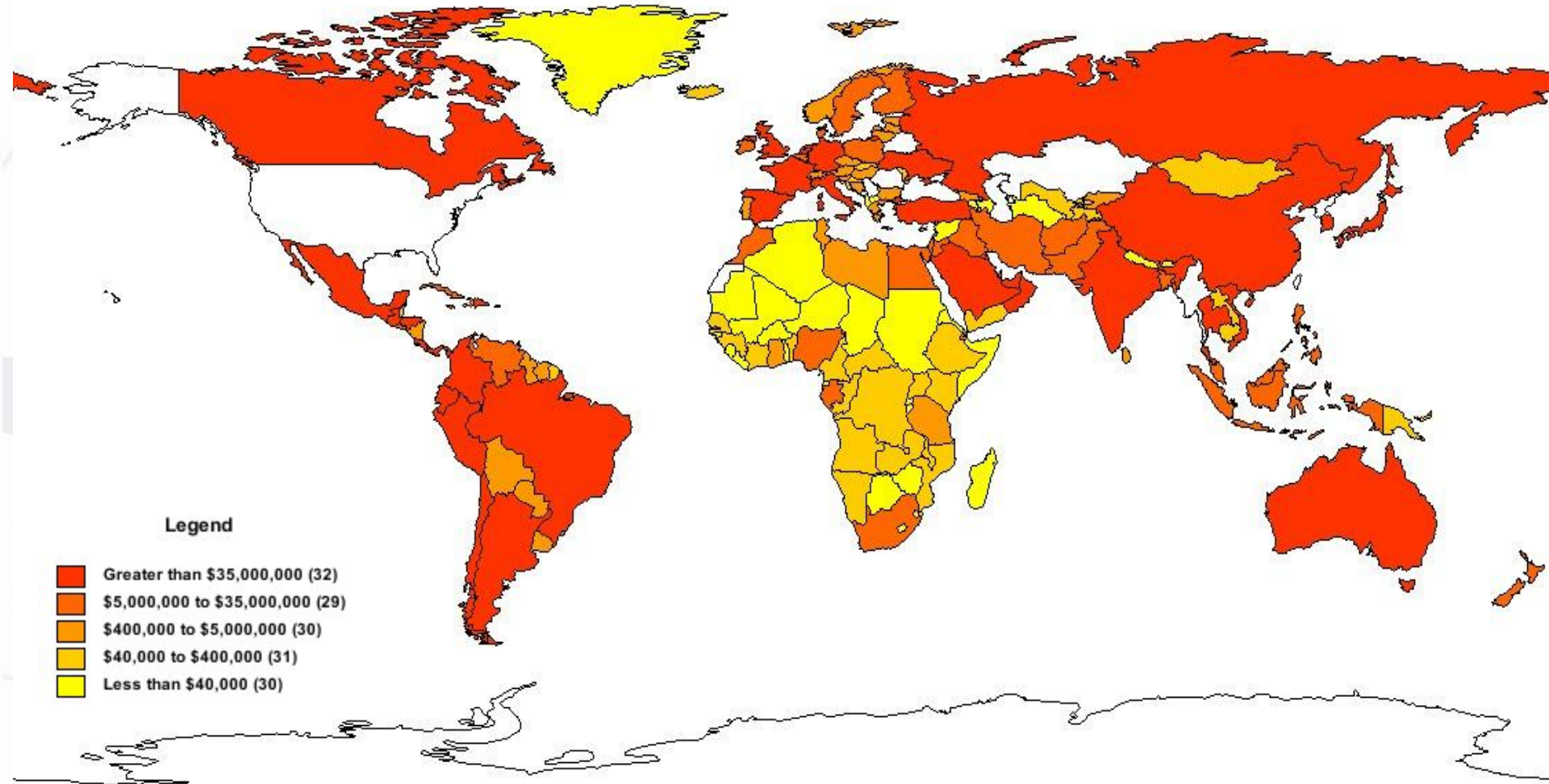
- Destination
 - Domestic , International
- Commodity
 - Forest products, agriculture, manufacturing
- Attract them here?
 - Auto plants, auto parts



What does Globalization mean for the State?

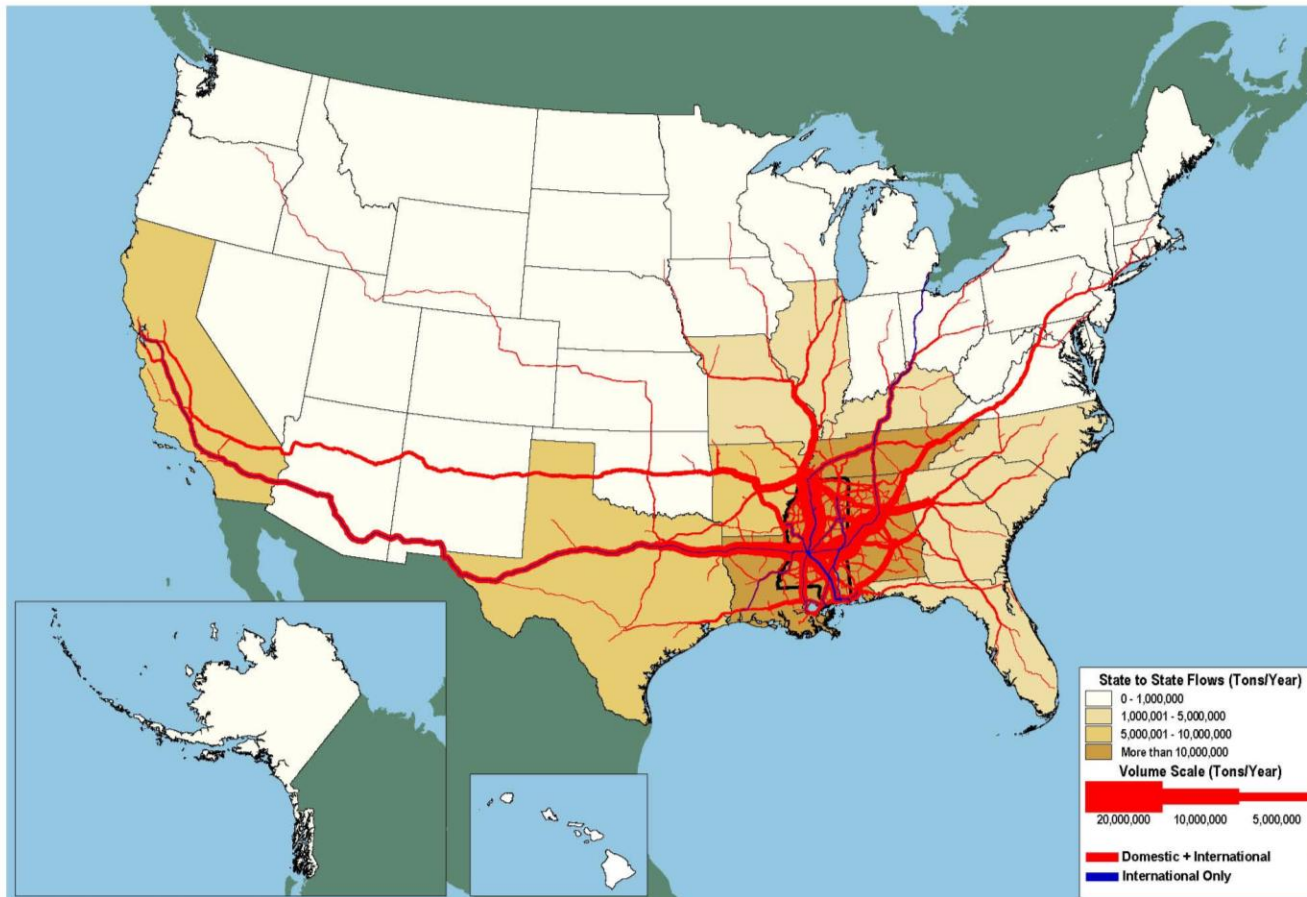
- FDI – 2.6% of Workforce
- Exports - 5.1 % of Mississippi's total private-sector employment
 - 1,247 Total Exporters of Record
 - 931 Exporters were SME's
 - 75% of companies
 - 34 % of value
- Mississippi's ports -3% of State GDP

Mississippi State Exporter Destinations, (Value) (source: Wisertrade)



Mississippi Needs Infrastructure to Connect Its markets

Major Tonnage Flows by Truck To, From, and Within Mississippi: 2002



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.

Source: U.S. Department of Transportation, Federal Highway Administration, Office of Freight Management and Operations, Freight Analysis Framework, version 2.3, 2009.

What is a Corridor?

- Different terms: Trade or traffic lane or route
- May have few or many access points
- Includes:
 - Point to point flows
 - Through
 - Local movements
- Can be multimodal
- Will be multijurisdictional
- Mixed users on corridor
- Connectivity and access are critical to a corridor

The Problem- Linking Trade and Transportation

- Funding has not kept pace with need
- Flexibility to develop and maintain freight Corridors will be necessary to sustain international investment
- Conflicting national policies limiting the State's economic competitiveness
- Congestion costs Mississippi firms in lost productivity, increased emissions, and fuel usage

Who Are the Players?

Private

- Shippers – International
- Shippers – Domestic
- Carriers – Intermodal
- Carriers – Drayage, Regional

Public

- State
- Local
- Federal
- National



Institutional Challenges Abound

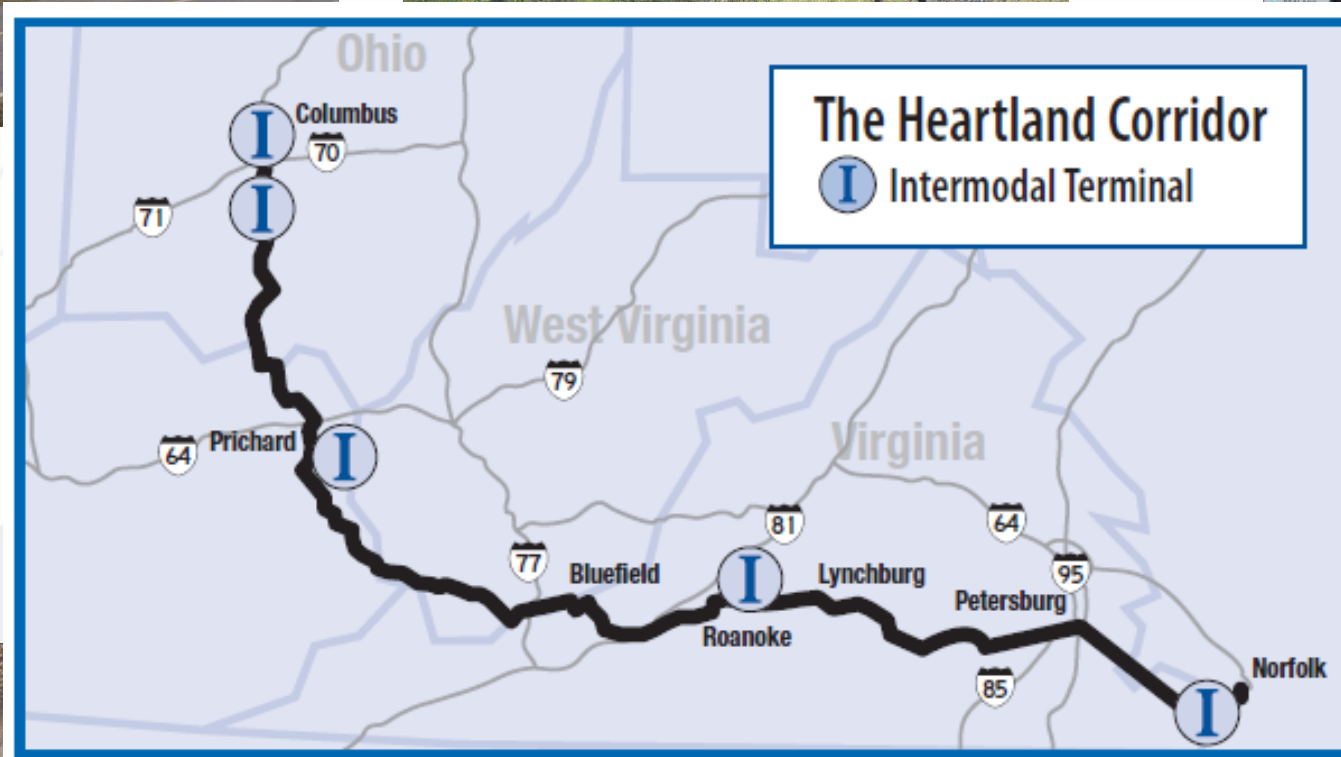
- Civic pride and legacy obligations
- Ownership issues (private, public terminals)
- Economic development needs
- Communicate value
- Competitive industries
- Land Use planning
- Long time frames
- Partnerships with long commitments (funding)

Strategies Recommended By LATTTS

- 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

Corridors will be more important in the future

- Panama Canal Expansion
- Intermodal/ inland ports developments
- Emphasis on Economic Growth Poles/Clusters
- Emergence of National Logistics Hubs
- Changing Urban and Rural demographics
- Carbon footprint and Sustainability
- Transparency and Security
- Incremental opportunities exist



The Southern Advantage (2003)

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

“Freight in the Southeast”

Feb 9-11, 2011 – Charlotte, NC

February 9	
morning	Optional Tour of Transportation Activities in the Charlotte Area
afternoon	Opening Session-Thoughts on State Freight Planning Activities
afternoon	Experiences with Creating State Freight or Logistic Advisory Councils
	Reception at the Nascar Hall of Fame
February 10	
morning	Future of Multimodal Freight Corridors
morning	Managing Truck Movements in Multi-State corridors
afternoon	Managing Multitmodal Projects within a Corridor
afternoon	Trends in Urban Freight Development and Delivery
	State DOT dinner (by invitation only)
February 11	
morning	Military Logistics
morning	Wrap-up and Closing Remarks

Final Thoughts?

- Mississippi benefits
 - From previous investment in public and private freight infrastructure
 - These facilities connect the State with world markets, generating jobs
- The State – growth is with external markets
- The lack of systems approach-
 - May result in congestion and unreliability
 - Will add costs to doing business in Mississippi

Thank you

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