



INSTITUTE FOR TRADE AND TRANSPORTATION STUDIES

PROMOTING REGIONAL AWARENESS FOR IMPROVING FREIGHT TRANSPORTATION

VOL 4 • ISSUE 1 • JANUARY 2012

NEWS UPDATE

I attended the 2011 Governor's Transportation Conference in Norfolk, which provided an opportunity to meet with various people and visit the Marriott where the "Freight in the Southeast Conference" will be held on March 14-16, 2012.

I will be attending the upcoming TRB Meeting, where I will be speaking on at "Freight Day". I hope to see you there.

ITTS is a partnering organization on the Dredging 2012 Conference, and there is a call for abstracts. For more information, you can visit <http://dredging12.pianc.us/>

On an administrative note, ITTS would like to recognize Rich Biter and Juan Flores in their new positions at the State of Florida. Robby Burt is now serving as the ITTS Mississippi Advisory Council member, and Sandra Huff is serving the same position in Tennessee.



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Freight in the Southeast Conference

Norfolk, VA • March 14-16, 2012



I am happy to announce that the next ITTS "Freight in the Southeast" Conference will be held in Norfolk, Virginia on March 14-16. The Freight in the Southeast Conference is open to anyone interested in looking at issues related to transportation, including planners, local officials, economic developers, and firms involved in logistics and freight shipments. The conference focuses on a wide variety of topics that influence freight shipments in the Southeast, but really freight and business activities throughout the nation. The meeting is panel-oriented, which should allow for engaged discussions among the panelists and participants. (You can also view information about the 2010 and 2011 conferences on the ITTS website!) The speaker roster and information on the optional tour will be posted soon.

Details: You can register for the conference at http://www.ittsresearch.org/itts_conferences.html

The Conference fee is \$350 per person. There is no single day pass.

The conference will be held at the Norfolk Waterside Marriott, 235 E Main Street Norfolk, Virginia, (757-627-4200). The Conference rate is \$89 a night (you will need to request the 2012 Freight in the Southeast Conference Room Rate). You can call 1-800-874-0264 or register online.

Agenda

Wednesday, March 14, 2012, Sessions:

1:00 p.m. - 1:30 p.m.	Welcome Remarks
1:30 p.m. - 3:00 p.m.	Panel 1: Economics and the Southeast— When Will the Recovery Occur
3:30 p.m. - 5:00 p.m.	Panel 2: The Role of Government and Truck Operations
7:30 p.m.	State DOT Peer Exchange Dinner/ITTS Business Meeting (Invitation only)

Thursday, March 15, 2012, Sessions:

8:00 a.m. - 9:30 a.m.	Panel 3: The Role of Logistics in the Southeast – Why Does This Matter?
10:00 a.m. - 11:30 a.m.	Panel 4a: Economic Development Issues
10:00 a.m. - 11:30 a.m.	Panel 4b: NAFTA Trade
1:15 p.m. - 2:45 p.m.	Panel 5a: Corridors –What Are They and Can They Work?
1:15 p.m. - 2:45 p.m.	Panel 5b: Latin American and the Southeast – Growing Markets, Growing Connectivity
3:15 p.m. - 4:45 p.m.	Panel 6a: Urban Freight Railroad Operations
3:15 p.m. - 4:45 p.m.	Panel 6b: Connecting Markets to Support Export Shipments
5:00 p.m. - 7:00 p.m.	Reception and Waterside Port Tour

Friday, March 16, 2012, Sessions:

8:00 a.m. - 9:30 a.m.	Panel 7: The Legislative Framework – How Do You Link State and Federal Transportation Policy?
10:00 a.m. - 11:30 a.m.	Panel 8: Where Do We Go From Here? Closing Remarks



Institute for Trade and Transportation Studies

Bruce Lambert
Executive Director

316 Board of Trade Place
New Orleans, LA 70130
Phone: 504-455-9882
Alternate No: 504-566-7227
Fax: 504-525-8197
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 South Carolina Department of Transportation, the Tennessee Department of Transportation, the Virginia Department of Transportation, and the West Virginia Department of Transportation.

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► LAMBERT'S LAGNIAPPE

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

This Christmas, I received a New Orleans Saints-themed firepit (and yes, it was a tough loss!). My wife decided that since we now live in the country, with an endless supply of wood, it would be the perfect gift. And we have already used it, cooking marshmallows and watching the fire (although it's really not that cold in Louisiana). As we were sitting around the fire, I realized that a firepit, while not necessarily for warmth, is more for social activity. In fact, it really is a gift that you can only use if you make the time.

To enjoy a fire, you need company. At times when it seems like the world is rushing by at a breakneck pace, so we always need these firepits, when the world stops as we eat s'mores and delight in conversation. Recently, I was reminded that friendship occurs at that

moment when you stop the world simply to talk to people you respect and trust. There is no better way to enjoy friends than taking the time to relax and enjoy their company. Regarding the firepit: It's a great trade off; as the embers glow, so too does one's friendships.

One final note: The Holiday decorations are now packed away, and glad yuletide feelings have faded into the soft, glowing memories of Christmas Past. The New Year has come and gone, and with it, the football overload and feasting that the season demands. The world, after this week of reset, seems to need the hustle of the holidays, and the resolutions of the New Year, to prepare for the year ahead. And with that, I wish everyone a healthy and prosperous New Year. ■

What is ... a Longshoreman/Stevedore

A longshoreman refers to workers who are engaged in loading and unloading a vessel, including storing the cargo on board and preparing it to be loaded on the ship on the dock. In addition to moving cargo, longshoreman also serve as clerks, foremen, and container crane operators. In essence, there are many different union workers at a dock, such as cargo laborers, checkers (who tally what is loaded or discharged), container operators, and maintenance crews.

A stevedore is actually the person responsible for arranging the labor and making sure the vessel is worked (the cargo is loaded and unloaded) by ensuring that all the necessary equipment is available when needed. Stevedores are also responsible for arranging the storage and transportation of cargo to and from the docks. (Most ports in the U.S. operate as landlord ports, simply building and leasing dock space to stevedore companies to work the vessel, but there are also a number of operating ports that have dock employees working the vessel. As these are public sector employees, they are not eligible to unionize.)

In the U.S., there are two longshoreman unions: the International Longshore and Warehouse Union (West Coast) and International Longshoremen's Association (East Coast & Gulf). Dock workers begin as "casuals"

before becoming unionized longshoremen when the union opens up the books based on need. In the Southeast and Gulf, non-unionized longshoremen are very active in working breakbulk/bulk ships. Most containerized cargo is worked by unionized crews.

Prior to the widespread adoption of containerization, shipping was a very labor-intensive, fairly dirty, and dangerous job. The "individualized" nature of the cargo required different equipment and worker skill sets and varied numbers of people to work on the gangs. Before containerization, proper stowage was crucial to the protection of the cargo, stability of the vessel and to reduce the vessel owner's time in port.

Containerization avoided this double handling of cargo, which improved system efficiency, but also resulted in fewer jobs for longshoremen over time. The pace towards automation remains a source of tension between longshoremen and stevedores, with the longshoremen arguing that the increased automation pushed by the stevedoring community is reducing net longshoreman jobs. Every few years, the ILA and ILWU negotiate separate coastal contracts that outline salaries, benefits, and related work details. Once a contract is agreed, the various local unions must approve the master contract before being accepted throughout the coast. ■

State and City Comparisons

This time of year marks the usual economic and business reports, with some reviewing the last year and others predicting what possible futures lie ahead. Of these, there are several different surveys comparing state or city economic rankings. These studies are important in that they provide a framework to make quick comparisons between different regions.

Here a few surveys and some of their key elements. These surveys are presented to show the scope of such comparisons and should not be considered an exhaustive list.

- MarketWatch seeks to verify if a city is “good” for business by focusing on 15 different categories that include per capita sales for different categories, payroll information and company concentration, population growth, and economic growth for 102 metro areas. (This year, Washington D.C. kept its ranking as the most business friendly city, and Richmond, VA, at 12th, was the highest ranked city in the Southeast.)

- CNBC scores the states based on various measures of competitiveness, with assistance from business groups, into 10 broad categories, one of which is infrastructure and transportation. (In 2011, Virginia entered the top spot, replacing Texas, which was still ranked No. 1. in Infrastructure and Transportation.)

- Forbes Best States for Business ranks traditional economic factors of business costs, labor supply, regulatory environment, economic climate, growth prospects, and quality of life. (While Utah was the highest, Virginia and North Carolina ranked 2nd and 3rd, respectively.)

- Site Selection’s Business Climate Rankings are based on both objective and subjective criteria. The objective elements are based on data driven indexes that include new and expanded

facilities, competitiveness ranking, new plants, and business tax climate. The subjective elements are largely based on surveys of site selectors. (In 2011, Texas ranked first, followed by Georgia, North Carolina, Virginia, and South Carolina.)

- ChiefExecutive.net ranks the states based on a survey of over 500 CEOs according to three categories: Taxes & Regulation, Workforce Quality, and Living Environment. (While Texas was the leading state in 2010, North Carolina, Florida, Tennessee, Georgia, Virginia and South Carolina ranked in the top ten.)

In various site selection surveys, transportation access ranks as one of the most important elements for businesses considering logistics, plant location, and operations.

- Economic Modeling Specialists ranked the 50 states for competitiveness based on job creation. (North Dakota was viewed as the most competitive, based on share of jobs created, followed by Texas. Louisiana, at fourth, was the only southeastern state to crack the top ten.)

- Ball State issues the Manufacturing and Logistics Report Card, which ranks a number of criteria, including manufacturing, logistics, human capital, global reach, productivity and Innovation, tax climate, diversification, and venture capital. The Index does not necessarily produce an overall weighed average.

What do these rankings say about the importance of transportation? Of these reports, only the CNBC and Ball State Manufacturing and Logistics Report

Card included a category on infrastructure. However, one could argue that infrastructure plays a role in the Site Selection rankings based on new plant activity. As expected, when considering business needs, bottom-line issues are deemed to be more important than the broader infrastructure investment. This hierarchy in the rankings is one of the things that complicates developing and sustaining private sector advisory groups for state and local public sector planners.

In various site selection surveys, transportation access ranks as one of the most important elements for businesses considering logistics, plant location, and operations. For example, a recent KPMG report stated that 90% of all the surveyed businesses indicated that transportation directly influences their business activities. The irony is that economic developers often ignore the larger supply chain considerations when trying to secure a major project. (Its easy to ignore the longer-term nature of infrastructure development as it does not necessary fit neatly in a one year survey cycle.)

City/state rankings do provide a useful indicator of how a city or state compares against its peers, but some caveats should be considered when making such comparisons. Business decisions are often determined by a host of factors, such as proximity to customers or suppliers, connectivity, workforce issues, and business climate, and may include some elements that are unique to a particular firm (such as access to university research facilities). Often these indexes simply become marketing tools by states that ranked high, but it is clear in all rankings that each state—a laboratory of policy, economic development, and planning—serves as the bedrock upon which private sector opportunities can build to create growth. ■

▶ 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

🌐 ITTS speaking engagements

January 19-20, 2012

AAPA's Shifting International Trade Routes

Tampa, Florida

🌐 **January 22-26, 2012**

2012 TRB 91st Annual Meeting

Washington, DC

February 7-8, 2012

2012 Georgia Logistics Summit

Atlanta, GA

February 14-16, 2012

Waterways Council, Inc Waterways Seminar

Washington, DC

February 15-17, 2012

World Trade & Transportation Conference

New Orleans, LA

🌐 **February 21-22, 2012**

Transportation for Mississippi's Sustainable Economic Growth

Mississippi State University

February 21, 2012

AASHTO 2012 Standing Committee on Rail Transportation Washington Meeting

Washington DC

February 26-29, 2012

2012 AASHTO Washington Briefing

Washington, D.C.

March 6-8, 2012

Inland Waterways Navigation Conference

St. Louis

March 15-17, 2012

53rd Annual Transportation Research Forum

Tampa, FL

March 27-28

National Waterways Legislative Summit

Washington, DC

April 3-4, 2012

Appalachian Regional Commission: Growing the Appalachian Food Economy: A Forum on Local Food Systems and Sustainable Agriculture

Asheville, NC

April 14-17, 2012

2012 APA National Planning Conference

Chicago, Illinois

April 10 - 12, 2012

Critical Commodities Conference
New Orleans, LA

FREIGHT IN THE SOUTHEAST

Moving Our Region's Business



Save the Date

March 14-16, 2012 – Norfolk, VA

(Please visit http://www.ittsresearch.org/itts_conferences.html)

If you are interested in partnering opportunities, or wish to participate in the organizing committee, please contact Bruce Lambert.

April 17 - 19, 2012

2012 Joint Rail Conference: Technology to Advance the Future of Rail Transport*

Philadelphia, Pennsylvania

April 30-May 2, 2012

Innovations in Travel Demand Forecasting – 2012

Tampa, Florida

May 18-21, 2012

2012 AASHTO Spring Meeting

Traverse City, Michigan

May 23-25, 2012

Making Progress: Transportation Planners and Programmers Turn Ideas into Reality

Denver, Colorado

June 4-7, 2012

North American Travel Monitoring Exposition and Conference (NATMEC): Improving Traffic Data Collection, Analysis, and Use

Dallas, Texas

June 24-27, 2012

Transportation-Related Environmental Analysis, Ecology, and Air Quality Summer Conference

Little Rock, Arkansas

June 24-28, 2012

2012 Equipment Management Workshop*

Mobile, Alabama

June 26-28, 2012

Diagnosing the Marine Transportation System: Measuring Performance and Targeting Improvement*

Washington, D.C.

Abstracts from individuals or groups wishing to present at the conference are due by March 31, 2012. The conference's call for abstracts is available online.

July 8-11, 2012

2012 TRB Joint Summer Meeting
Irvine, California

▶ TRADE PROFILE ... North Korea

In the recent aftermath of the death of Kim Jong Il, the future of the North Korean economy is somewhat in flux. As Kim Jong Eun begins the steps of leading the nation, some concerns exist regarding the future of North Korea's saber rattling and nuclear programs. Overall, pressures in North Korea are pushing to move cautiously towards the "Chinese Model" of blended capitalism and communism, but previously Kim Jong Il stymied these reforms to prevent South Korea from remaining "self-sufficient."

The North Korean economy still remains fairly poor, following the official doctrine of the "Juche," or of self-reliance, which has become more critical as the country still bears the brunt of United Nations trade sanctions. Despite these sanctions,

Chinese barter trade (China ships energy, goods and weapons for natural resources) remains crucial to its economy. While most of this trade is barter, North Korea has developed enterprise zones where South Korean and Chinese firms can legally operate. These goods are largely re-exported and not sold in North Korea.

The U.S. has little direct trade with North Korea, with roughly \$6 million in exports (mostly charity shipments approved through USAID programs) through October of 2011. Most of this cargo was shipped through four ports: Wilmington, North Carolina; Seattle, Washington; Savannah, Georgia; and Baltimore, Maryland. ■

