FREIGHT ISSUES IN WEST VIRGINIA
CAN FREIGHT COMPETE AGAINST COMPLETE STREETS?

See any trucks, railcars, barges or planes?
WHAT IS FREIGHT ANYWAY?

DOMESTIC, INTERNATIONAL, INDUSTRIAL SUPPORT
HOW DOES ONE LOOK AT FREIGHT ACTIVITY?

- Inventory Functions
- Engineering
- Operational Reliability
- Financial

- Safety and Security
- Markets
- Economical
- Jobs
TOTAL FREIGHT TRANSPORTATION IN WEST VIRGINIA - 2008

**Tons (in millions)**
- 233 (55%)
- 111 (26%)
- 81 (19%)

**Dollars (in millions)**
- 14,086 (49%)
- 11,388 (40%)
- 3,059 (11%)

Source: Freight Analysis Framework, FWHA
SHARE OF ESTIMATED LOADED TRUCK TRIPS (TREDIS)

- Articles-base metal (3%)
- Waste/scrap (3%)
- Other ag prod. (3%)
- Other foodstuffs (5%)
- Coal (5%)
- Nonmetal min. prod. (7%)
- Gravel (7%)
- Wood prod. (8%)
- Milled grain prod. (11%)
- Base metal (15%)
- Other (34%)
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.
EXPORTING FROM WEST VIRGINIA

IT MORE THAN COAL!
WEST VIRGINIA SHIPMENTS BY ORIGIN, TRADE BY MODE, BY VALUE 2000-2010
WEST VIRGINIA SHIPMENTS OF ORIGIN, TOP FIVE DESTINATIONS, 2000-2010 (ALL MODES - $6.4 BILLION)
WHERE ARE THE EXPORTERS LOCATED (MSA’S)
WEST VIRGINIA SHIPMENTS OF ORIGIN, TOP GATEWAYS, 2010 (ALL MODES - $6.4 BILLION)

- Norfolk/Mobile/Charleston (39%)
- Detroit, Michigan (12%)
- Norfolk, Va. (9%)
- Buffalo-Niagara Falls, N.Y. (5%)
- Los Angeles, Calif. (4%)
- New York, N.Y. (3%)
- Long Beach, Calif. (3%)
- Baltimore, Md. (2%)
- J.F.K. Int. Airport, N.Y. (2%)
- Oakland, Calif. (2%)
- Other (18%)
WEST VIRGINIA EXPORTS AS SHARE OF TOTAL STATE GDP 1997 - 2008

Source: Bureau of Economic Analysis, U.S. Dept. of Commerce & WISERTrade State Exports
WHAT IS THE FUTURE OF FREIGHT IN THE US

GLOBAL PRESSURES AND CORRIDORS
COMPARISON OF PEAK PERIOD CONGESTION – 2002 - 2035
Major Freight Corridors

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.

AASHTO - TRANSPORTATION INVESTS IN OUR FUTURE
OTHER “FREIGHT” ISSUES?

**Domestic**
- Federal Role in transportation
- Truck chassis, operations, drayage
- Hours of Service
- “Greening” of supply chains
- Container availability
- Truck Productivity
- Energy Policy
- Locks and Dams

**External**
- Price of fuel – Energy
- China – “Insourcing”
- Future of U.S. Dollar
- Near Sourcing to Latin America
- Panama Canal Expansion
- Free Trade negotiations
<table>
<thead>
<tr>
<th>Infrastructure:</th>
<th>Institutional:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Utilization of Existing</td>
<td>• Increase Public Awareness</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>• Improve Institutional Relationships</td>
</tr>
<tr>
<td>• Add Physical Infrastructure</td>
<td>• Improve Freight Profile</td>
</tr>
<tr>
<td>• Corridor Approach for</td>
<td>• Partnerships</td>
</tr>
<tr>
<td>Investing</td>
<td></td>
</tr>
<tr>
<td>Operations:</td>
<td>Technology:</td>
</tr>
<tr>
<td>• Increase Operating Throughput</td>
<td>• Encourage Technology</td>
</tr>
<tr>
<td>• Develop Agile Freight</td>
<td>• Integration of Information</td>
</tr>
<tr>
<td>Operations</td>
<td>• ITS Applications</td>
</tr>
<tr>
<td>• Improve Clearance at Gateways</td>
<td></td>
</tr>
<tr>
<td>• Attention to Connectors</td>
<td></td>
</tr>
</tbody>
</table>
## BACK TO JOBS

<table>
<thead>
<tr>
<th>Industry</th>
<th>Relative Industry Concentration (LQ)</th>
<th>Total Regional Jobs per $mil. Output</th>
<th>Total Jobs Supported by Net Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>154,101</td>
</tr>
<tr>
<td>Mining &amp; Support Activities</td>
<td>9.41</td>
<td>6.88</td>
<td>42,826</td>
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<tr>
<td>Chemical Manufacturing</td>
<td>2.82</td>
<td>4.64</td>
<td>19,718</td>
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<tr>
<td>Government &amp; non NAICs</td>
<td>1.21</td>
<td>19.27</td>
<td>15,627</td>
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<tr>
<td>Health Care &amp; Social Services</td>
<td>1.30</td>
<td>17.80</td>
<td>15,239</td>
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<tr>
<td>Primary Metal Manufacturing</td>
<td>3.66</td>
<td>6.75</td>
<td>14,554</td>
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<tr>
<td>Wood Products</td>
<td>3.45</td>
<td>13.31</td>
<td>9,987</td>
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<tr>
<td>Retail Trade</td>
<td>1.12</td>
<td>21.60</td>
<td>9,389</td>
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<tr>
<td>Animal Production</td>
<td>1.23</td>
<td>28.59</td>
<td>7,551</td>
</tr>
<tr>
<td>Accommodations, Eating &amp; Drinking</td>
<td>1.10</td>
<td>24.36</td>
<td>6,303</td>
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<tr>
<td>Transportation</td>
<td>1.38</td>
<td>10.92</td>
<td>5,965</td>
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<tr>
<td>Construction</td>
<td>1.09</td>
<td>14.74</td>
<td>5,714</td>
</tr>
</tbody>
</table>

**Private Sector Employment**

- **597,600 jobs**
  - **81% Service Providing** 116,500 jobs
  - **19% Goods Producing** 50,400 jobs
  - **8% Manufacturing** 50,400 jobs
SO WHAT...WHAT DOES THIS MEAN TO ME?

JOBS, PARTNERSHIPS, PRIORITIZING
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
TRENDS IN ECONOMIC DEVELOPMENT

- Greenfield-Brownfield development
- Clusters versus Growth Poles
- Operational considerations
- Integrated Logistic Supply Chain Centers
HOW AM I IMPORTANT TO THE WORLD?
WHO ARE THE PLAYERS?

**Private**
- Shippers – International
- Shippers – Domestic
- Carriers – Intermodal
- Carriers – Drayage, Regional
- Local citizens

**Public**
- State
- Local
- Federal
SOME CONSIDERATIONS

What do “WE” want

• Relinking Transportation to industrial development
• Economic development = jobs

What must “WE” balance

• Private vs. Public $$$
• “Others Have It” syndrome
• Scale and Densities
• Aging Infrastructure vs. Capacity
• Managing Expectations
FREIGHT ACCESS AND MOBILITY REPRESENT TRANSFORMATIVE OPPORTUNITIES
WHO CONTROLS YOUR DESTINY?
THANK YOU

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