



## NATIONAL MARINE CONTAINER TRANSPORTATION SYSTEM A CALL TO ACTION

FASTER FREIGHT CLEANER AIR CONFERENCE

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## Who Are We . . .

- Beneficial Cargo Owners
  - U.S. Exporters
  - Importers (U.S. brand names)
  - U.S. Manufacturers
  - U.S. Retailers

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## Some Things You Should Know. . .

- Cargo Owners don't generally own trucks
- Cargo Owners don't own locomotives
- Cargo Owners don't own terminal equipment
- Cargo owners don't own steamship lines
- We Own Cargo!

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## More things you should know . . .

- Cargo Owners are not foreign corporations.
- Cargo Owners pay all of the bills for the freight that moves through the ports.
- Cargo Owners are the customers of truckers, railroads, terminal operators and steamship lines.

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## Emerging Trends . . .

- Sourcing and global manufacturing.
- Port diversification
  - **Alternate Gateways.**
  - **Mexico & Canada.**
- More transload business.
- Higher inventory costs. JIT to JIC.

## The Challenges. . .

- Maintaining a reliable supply chain
- Minimizing supply chain costs in the face of:
  - **Fuel surcharges**
  - **Traffic Mitigation Fees (PierPass)**
  - **Security Charges**
  - **Container Taxes**

## The Challenges . . .

- Maximizing infrastructure through:
  - Business Practice Changes
  - New Investment in the RIGHT infrastructure
- National Goods Movement Policy

## A Reliable Supply Chain

- Diversify port callings
- Develop alternate Asian Gateways
  - Surface transportation infrastructure
  - Additional first call sailings
- All Water Routes
  - Suez Canal
  - Panama Canal Expansion

## Minimizing Supply Chain Costs

- Increase speed to market – reduce inventories (JIT).
- Increase container and truck productivity.
- Invest in security – private solutions.
- Off hours operations/terminal productivity.
- Oppose new taxes on international commerce.

## Maximizing Infrastructure

### Business Practice Changes

- Spread out vessel sailings and arrivals.
- Provide more sailings to alternate gateways.
- Extend hours of operation.
- Better business forecasting and information sharing.

## Maximizing Infrastructure

### Business Practice Changes

- Improve Terminal Efficiencies.
  - Chassis Pools.
  - Managing free time.
  - Metrics, benchmarking and “best practices.”
  - Appointment systems.

## Maximizing Infrastructure

### New Investment in the RIGHT Infrastructure

- Expand investment in intermodal rail
  - Tax incentives.
  - Projects that support alternate gateways & corridors.
  - East-West rail interchanges.
  - Cautious approach on short haul rail.

## Maximizing Infrastructure

### New Investment in the RIGHT Infrastructure

- Grants, incentives for trucker investment in more efficient, cleaner equipment.
- Identification of & investment in “last mile” port connector projects.
- Truck only lane projects.
- Cautious approach on short sea.

## National Goods Movement Policy

- Shippers must make this a priority before government will.
- Set priorities, then look for funding.
  - State Government goods movement priorities.
  - Projects of National Significance.
  - Highway trust fund financing & pricing options.
- MTSNAC policy direction



## Conclusion

- Containerized freight system is essential to U.S. economic and consumer interests.
- The public sector has a role in setting policy with stakeholder input.
- The private sector **MUST**:
  - Change business practices.
  - Identify critical infrastructure priorities.
  - Advocate for Goods Movement Policy at the National Level.

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