



An Expo On Improving Goods Movement In Northern California

NORTHERN CALIFORNIA'S GOODS MOVEMENT INDUSTRY: A BACKGROUND

The transportation of freight has long been the backbone of the U.S. economy. Now, with nearly 40 percent of all cargo passing through California, the movement of goods has become an essential element to the state's welfare. The San Francisco Bay Area is both the destination and the transit point for a significant percentage of this freight, which is both a boon and a burden on our community. With cargo volumes expected to grow substantially in the coming years, the costs and benefits of goods movement in Northern California will only continue to compound.

The benefits of a vibrant cargo sector are clear: good paying jobs, access to the best goods the world has to offer, and the ability to ship U.S. products to foreign markets. The Port of Oakland is one of the few ports where export containers outnumber import containers. Over 37% of Bay Area economic output is in manufacturing, freight transportation, and warehouse and distribution businesses, and at least 6% of the jobs in the region are in hauling, storing and loading/unloading cargo. Goods movement-dependent businesses in the Bay Area spend approximately \$6.6 billion on transportation services.

Unfortunately, the unintended consequences of being a major hub of freight traffic are also significant. More than 80% of the cargo that transits the Bay Area is moved by truck. This truck traffic contributes to congestion, unsafe highways and air and water pollution. Communities that are adjacent to the harbor, airport, major distribution centers and the major highways are increasingly angry over the impacts that goods movement has on their neighborhoods. Pollution from cargo activities in the Bay Area contributes to air quality impacts within Oakland and the San Joaquin and Sacramento Valleys. Whether an idling locomotive in a switchyard, older model trucks waiting in line at a marine terminal, relocating a distribution facility to the Valley, or increased take-offs and landings of cargo planes, each piece of this system is now a significant contributor to the region's congestion and air quality problems.

Equally important, population growth, higher volumes of cargo, and a transportation system that reached capacity a generation ago all contribute to worsening traffic and congestion. Not only does congestion on Northern California's highways degrade our quality of life, but it increases the cost of moving freight. Inefficiency in goods movement negatively impacts our economy, as well as exacerbates the environmental impacts we are already struggling to manage.

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By 2030, the volume of freight transportation is expected to more than double or maybe even triple. Unless efforts are initiated today, Northern California's goods movement system will become a large interconnected network of gridlocked ships, planes, trains and trucks, all of which will continue to push us further and further from meeting our federally mandated air quality attainment goals. Should the region and state fail to meet its air quality attainment goals, California risks losing billions of dollars in Federal Highway funding, money that is critical to address the transportation infrastructure deficiencies brought on by a highly successful goods movement industry.

FASTER FREIGHT – CLEANER AIR 2004: AN OVERVIEW

Fortunately, a variety of solutions are now available to help improve the efficiency and reduce environmental impacts within each link of the goods movement chain. Many are already being used successfully within our community and in others. Some of these solutions include:

- Low-emission off-road equipment, on-road trucks and locomotives
- The increased use of IT solutions in the goods movement industry, including ITS, RFID, OCR, logistics management
- Multi-Modal Solutions and Congestion Mitigation Infrastructure
- Infrastructure and Operational Solutions Including Land Use Planning and Efficient Facility Design

Each of these solutions contributes to a more efficient and cleaner goods movement system. This is why planners, infrastructure developers, shippers, and transportation companies have already begun to make use of these strategies and technologies. For example, Wal-Mart has begun to require the use of RFID systems by those that move the company's freight. Marine terminals are beginning to use automated tracking systems and to look at facility designs to move containers directly from a ship to a dockside train. And throughout California, truckers and off-road, rail, and other equipment operators are increasing their use of low-emission engine and after-treatment technologies.

While each improvement within this interconnected system is already beginning to contribute to improving the efficiency and reducing air quality impacts of freight movement, no one solution will be able to effectively solve the challenges facing Northern California over the next 20 to 30 years. On a going forward basis, the integration of these solutions within each interconnected link of the goods movement chain will be critical. It is only through the advancement of all of these collective solutions that the tremendous increases in freight volume can be transported throughout our region more efficiently and with reduced environmental impact. By beginning today to implement the freight movement technologies that will be required by 2020, 2030 and beyond, the region will also achieve its long-term community development, population increase, economic growth and environmental goals.

Faster Freight – Cleaner Air 2004 is a solutions oriented event. This conference will showcase the success stories and solutions that have already been successfully implemented by others. The event will provide information on funding opportunities available both now and in the future. Ultimately, the conference hopes to link these two focus areas (technology and funding) in order to spur the continued adoption of these advanced and low-emission technologies within specific projects now being developed throughout the region.

FASTER FREIGHT – CLEANER AIR 2004: GOALS

The goal of Faster Freight – Cleaner Air 2004 is to continue to build upon the solutions developed to date by identifying ways in which these solutions can be better integrated within today's goods movement industry. To achieve this goal, the conference planners have set the following objective for this event.

1. Assess what our goods movement system look like in 2030. Identify and begin implementing the methods, processes, planning and technology deployment efforts that are required to yield a faster, more efficient goods movement system having less impact upon air quality, even though the volumes will be two to three times what they are today.
2. Showcase the multiple approaches that must be taken to address these issues, including: the increased use of low-emission transportation (engine, alternative-fuel and after treatment) systems; the increased use of IT solutions in logistics management; multi-modal and congestion mitigation infrastructure project; and other infrastructure and operational solutions including better land use planning and efficient facility design.
3. Work with the event participants and stakeholders to begin developing a consensus on the best approaches and collective solutions for Northern California to improve its goods movement system
4. Initiate a process to seek federal funding, resources and support for the implementation of the development project ideas identified at this event.

Faster Freight – Cleaner Air 2004 will bring together the stakeholders that share a mutual desire for more efficient, lower-cost, and more environmentally sound industrial transportation systems. By beginning to address these already pressing issues today, this event will be a catalyst for the development of the Northern California goods movement system of tomorrow.