

# **FHWA Talking Freight**

## The State of Logistics Report and Implications for Public Planners

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Libby Ogard  
Prime Focus LLC



# How Will What We Heard - Impact our Planning?

## **Freight seeks path of least resistance**

- Congestion
- Cost
- Reliability

## **Collaboration is essential**

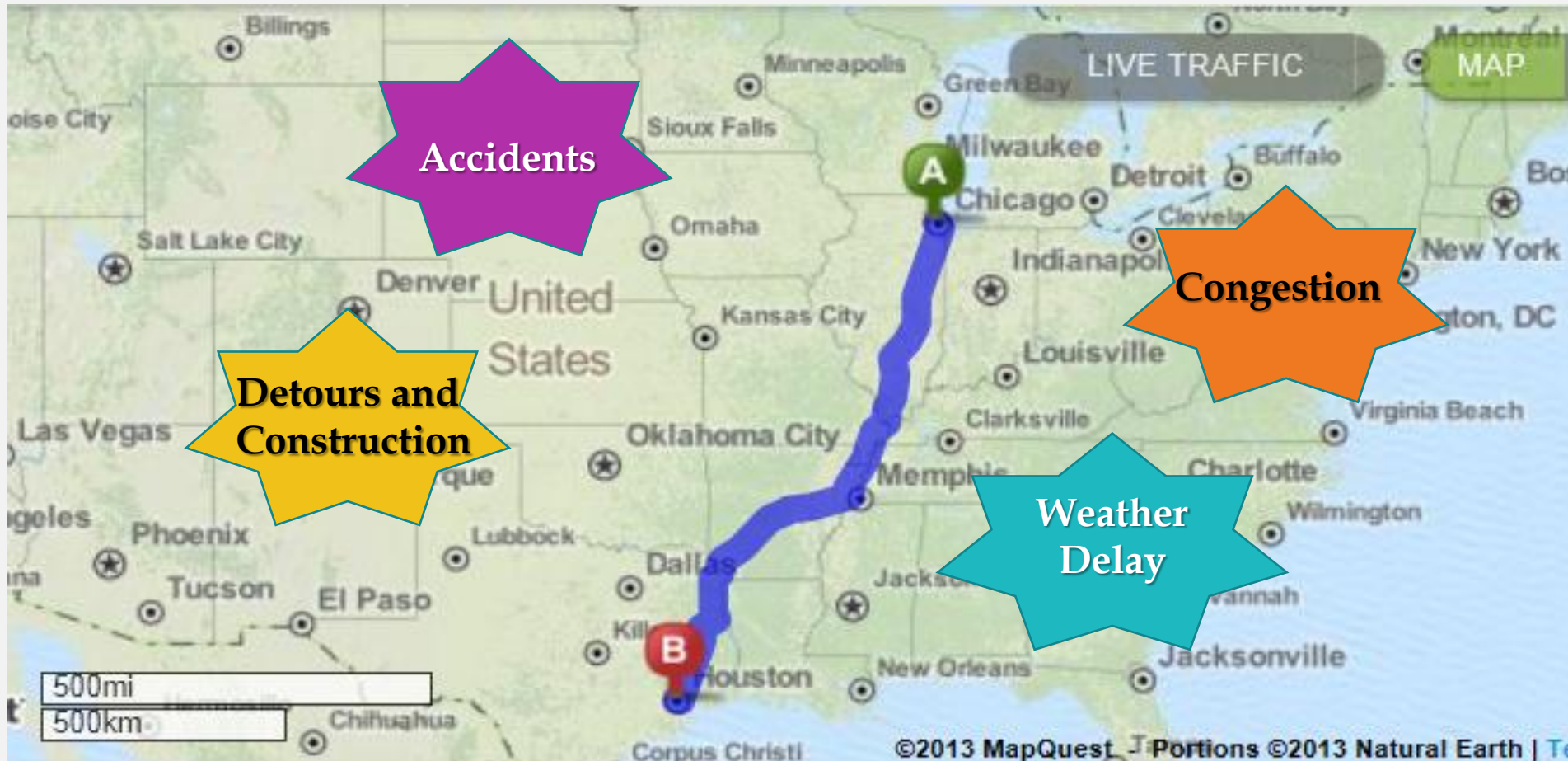
- Dynamic Partnerships
- Visibility across modes
- Performance management

## **How will changes in freight patterns impact current public sector planning?**

- Land use
- Energy distribution
- Corridors
- Modes are working together. Are public agencies? (DOTs EDCs and DOLs)

# Cost of Hours of Service

Chicago to Houston 1091 miles, 18 hours 6 minutes – A Two Day Trip



# Networks are Dynamic - What happens when things change?



# Take Away #1

**LOGISTICS CHANGE IS DYNAMIC BE PREPARED FOR MODE SHIFTS AND NEW DISTRIBUTION PATTERNS AS A RESULT OF REGULATIONS, NEW BUSINESS GROWTH AND CHANGES IN FUEL COST.**

- Freight transportation decisions and mode choices are made by the private sector. While Government may influence decisions based on investments and tax policy, collaboration is essential. Freight projects take time!
- Don't fossilize your plans. Keep Private Sector Engaged!
- Increasing your logistics IQ will help you make better transportation decisions. And focus on the right questions to ask.
- The SOL (State of Logistics) report highlights changes especially related to trucking and warehousing.

# Take Away #2

## **MORE IMPORTANT NOW THAN EVER - ENGAGE YOUR FREIGHT ADVISORY COMMITTEES**

- Understand that what seems intuitive to you may not be understood by the logistics community.
- Engage the Economic Development Community, workforce development agencies, Chamber of Commerce and the Private Sector. Understand what is coming your way?
- Freight issues extend beyond political boundaries.
- Think Global/ Act Local when it comes to emerging trends: Imports, Exports, Near Shoring, Manufacturing Renaissance.
- Avoid the risk of being out-of-step with the private sector.

# Take Away #3

## MAP 21 WILL DRIVE FREIGHT PERFORMANCE MEASURES

- The SOL report can help you tell the story about how logistics demand may impact road conditions, bottlenecks, reliability, congestion, safety and warehouse trends.
- Supply chain risk managers are concerned about performance on a daily basis and also in times of natural disasters or other disruptions. Performance measures are used in network planning.
- Ensure performance measures are directly linked to State or MPO Strategies, Goals and Objectives.
- States/MPOs will want to measure performance that matters to their customers: shippers, receivers, carriers, warehouses.

# Take Away #4

## **PUBLIC PRIVATE PARTNERSHIP INVESTORS WILL SEEK PROJECTS TO CAPITALIZE ON THESE TRENDS**

- Are you prepared? All freight modes will continue to innovate.
- Are PPP's Desperation for Funding or Improved Efficiency?
- Know your tools and regulatory environment.
- Tiger Grants?
- Good freight connections and logistics can be an economic development driver, not just a congestion problem to be "managed".



# Take Away #5

## **PLAN FOR FREIGHT AS A “WHOLE” - AVOID SILO APPROACHES**

Collaboration –at all levels is essential especially between between States and MPOs – Think “Corridors”!

Recognize the multi-modal aspect of freight. Supply chains require all modes to perform effectively.

Information from SOL can help DOTs/MPOs meet the federal guidance for State Freight Plans especially in the area of the economic context of state freight systems.

Private sector decisions are based on “total landed cost” from producer to consumer and all manufacturing and distribution in between. First Mile to Last Mile.

# Questions?

More information can be found at [cscmp.org](http://cscmp.org)  
Check out your local CSCMP Roundtable.

**Libby Ogard**

Prime Focus LLC

[logard@new.rr.com](mailto:logard@new.rr.com)

920-217-7222

