

## Conference Planning Workshop Summary: Elements of a Multimodal National Freight Policy/Refocusing Priorities on Domestic Chokepoints/Innovative Technology and Information Movement Solutions

On February 18, 2009, supply chain stakeholders met at the Department of Commerce's Elements of a Multimodal National Freight Policy / Refocusing Priorities on Domestic Chokepoints / Innovative Technology and Information Movement Solutions planning workshop. The workshop was held to discuss private sector perspectives on the elements of a U.S. freight infrastructure policy (including innovative technology solutions, and a focus on domestic chokepoints) that are necessary to improve the competitiveness of U.S. supply chains and our national economy. Workshop participants, expressing their individual viewpoints, came from a wide range of industries and associations.

The event was the second in a series of stakeholder workshops intended to explore topics and content for the Department's May 11, 2009 "Game Changers in the Supply Chain Infrastructure: Are We Ready To Play?" conference. The stakeholders' various concerns underscore the need for these issues to be considered in the development of national transportation infrastructure policy.

### Key Issues

One transportation specialist stated that it was hard to pinpoint where U.S. freight chokepoints will develop in the future, because they are subject to population shifts, business decisions and future trends. Representatives from several business advocacy groups did agree that domestic highway transportation, which is already stressed by heavy usage, is likely to double by 2030. One stakeholder added that the U.S. Southeast is not equipped to handle the freight congestion it is seeing now, and that congestion will continue to increase.

A representative from a freight transportation advocacy group stated that the Federal Government can help reduce U.S. transportation congestion by making adjustments in policies to accommodate the increase in freight flows across all transportation modes. One concern was the impact of the use of transportation mode-specific revenue development, and the dedication of these revenues only to infrastructure improvements in that mode. The participants pointed out that the majority of Federal funding for supply chain-related Federal infrastructure improvements currently comes from Highway Trust Fund fuel and vehicle taxes, and is used for highway development in general; it is not prioritized to meet national freight needs, or available to fund crucial infrastructure improvements in other transportation modes.

Several participants suggested that the May 11 conference should not ask whether a national freight policy is needed in the U.S., but rather what that policy should address. These stakeholders recommended that national freight policy should focus on the needs of tomorrow's freight infrastructure, and ensure that this Federal policy recognizes the need to improve the flow of international freight, because the states won't address this need. One transportation specialist also pointed out that the Department of Transportation's Federal Highway Administration (FHWA) currently has little control

over state highway administrations' decisions on project investment and selection. Several participants suggested that the "bottom line" for national freight policy is that any such policy should encourage private investment.

A transportation trade association specialist remarked that, in establishing the new freight policy, the Federal Government should implement a freight corridor authority policy. This would group regions together to develop transportation investments based on the needs of interstate commerce, rather than simply the needs of individual states. This would also allow the states to develop solutions to address regional and national transportation concerns that also meet state concerns.

A specialist from a major transportation provider added that steps can be taken that reduce congestion without requiring extensive reworking of the transportation system, or building of new infrastructure. Some of these suggestions included more efficient use of the systems that are in place, such as 24-hour operations at U.S. ports, and increased use of innovative technology to streamline infrastructure and supply chain operations. One area of concern for the future growth of air cargo is the impact of off-hours noise issues, and participants pointed to curfews on air shipments in Burbank, CA.

Various suggestions were made as to how the Department of Commerce can make the May 11 conference different from just another "show and tell" event, including the following:

- Who attends the conference will be important:
- Congressional and Administration leadership;
- CEOs of the major freight transportation and industrial user corporations;
- Noted speakers on national transportation policy requirements (such as California Governor Arnold Schwarzenegger and New York City Mayor Michael Bloomberg.)
- The conference needs to make it clear that the Federal Government is now ready to act to establish a national freight policy; that action will be taken, not just speeches made.
- The Department needs to ensure that all of the relevant Federal agencies participate in the conference; the more these agencies are involved, the more weight the conference will have.

For More Information Contact 202. 482.3575  
To register for the conference please visit:  
[http://www.export.gov/articles/supplychain\\_seminar.asp](http://www.export.gov/articles/supplychain_seminar.asp)