

Economist Outlines US Freight Network at Intermodal Conference

By Michael Waddell

The Intermodal Freight Transportation Institute at the University of Memphis welcomed a distinguished list of guest speakers to its seventh annual Intermodal Freight Conference at the FedEx Institute of Technology Tuesday, Sept. 24.



(Daily News File/Lance Murphey)

IFTI interim director Dan Pallme hosted the day's events, which were capped off by an appearance from U.S. Department of Transportation chief economist [Jack Wells](#).

Wells spoke to the group about freight planning provisions associated with the national MAP-21 transportation legislation, including the development of a national freight strategic plan by 2015.

"We are going to implement this as a multimodal plan," Wells said. "MAP-21 defines a national freight network as a highway-only network, but we think it is important to have a multimodal approach to freight planning, whether it is at the state or national level."

Wells expects the newly formed National Freight Advisory Committee to address issues facing various parts of the country. Memphis Mayor A C Wharton Jr. is among the committee's 47 members.

Tennessee Department of Transportation commissioner John Schroer expressed concern over future funding for transportation projects, since the MAP-21 legislation will expire on Sept. 30, 2014.

"In 2015 there could be literally no distribution of funds to the states from the federal government from the federal highway trust fund – zero," said Schroer, who pointed out that Tennessee spends less per capita than any other state yet has the second-best quality roads in the country. "The reality is we have 12 months to convince Congress to fund transportation, or by next Oct. 1 we're all in trouble and it will affect us across the nation."

With no new legislation in place, all state transportation budgets for 2015 would be reduced by 35 percent, dropping Tennessee's transportation budget from approximately \$900 million to \$600 million.

"We would only be able to maintain (the projects) we have; there would be little new capacity happening," said Schroer, who feels the industry will go to "hell in a hand basket" unless Congress decides to better support the development of the country's infrastructure.

He cited many ongoing TDOT projects, like the completion of Interstate 240 and I-269, the seismic retrofit of the Hernando de Soto bridge over the Mississippi River and the new interchange into the West Tennessee Megasite, and future projects like the completion of Lamar Avenue, I-69 and the Southern Gateway Bridge.

Other speakers included U.S. Rep [Steve Cohen](#), D-Memphis, who gave perspective on funding local projects, and state Sen. [Mark Norris](#), R-Collierville, who examined the potential effects on the Mid-South from the opening of the Panama Canal in 2015, including new jobs that will be created along Tennessee-Tombigbee Waterway.

Kemp Conrad, Memphis City Councilman and principal at Cushman & Wakefield/Commercial Advisors, identified five retail trends affecting supply chain strategies and industrial requirements: urbanization, globalization, omni-channel retailing, mass customization and enhanced customer service.

"The typical supply-and-demand paradigm is no longer in balance," Conrad said. "Instead of pallets to stores, it's now boxes to doors. Transportation route miles, congestion, equipment and timing challenges are all driving up costs and the per piece cost of product."

Companies are having a harder time retaining employees, and Conrad pointed out how tenure rates are plummeting from an average of 18 years with each employer in 1954 to a projected 18 months by 2015. As a result, automation orders were up 34 percent in 2012.

Conrad said the industry could see more night deliveries in the future so drivers can avoid congested areas near larger cities during the day, and there will be more alternative-energy delivery trucks.

Memphis Metropolitan Planning Organization administrator Pragati Srivastava presented a freight committee report.

Dr. [Stephanie Ivey](#), associate professor and head of the newly formed Center for the Advancement of Female Transportation Professionals, presented findings regarding livability issues on the Lamar corridor, and assistant professor Dr. Mike Golias addressed big data collection and visibility by providing in-depth analysis of Tennessee's highway system demonstrating how trucking's hours of service changes will change traffic congestion patterns.

A special afternoon session featured an all-women panel consisting of TDOT director of long range planning Tanisha Hall; FedEx manager of global engineering support Gigi Wolfe; Dunavent Logistics director of global operations and compliance Karen Hjerpe; Mallory Group vice president of sales and marketing Donna Lemm; V. Alexander supervisor [Adrienne Johnson](#); CN railroad solutions manager Roquita Coleman; Vaco logistics partner Cheryl Citrone; and attorney [Julie Snow](#) of Butler, Snow, O'Mara, Stevens and [Cannada PLLC](#).

IFTI formed in 2007 and addresses critical issues affecting the planning, design and operation of the nation's intermodal freight transportation systems. The university transportation center (UTC) is funded by the government, and its mission is to educate, research and offer community outreach.

IFTI's next event will be its fourth annual Fight for the Cup Golf Tournament at Windyke Country Club on Oct. 3.