

“To bid or not to bid,
That is the question!”

February 29, 2016



US State of Logistics

Logistics Costs	\$1.449 t
% of GDP	8.3%
Trans Costs	<i>\$917 b</i>
Inv. Carrying	\$476 b

Transportation = **63%** of total logistics spend!

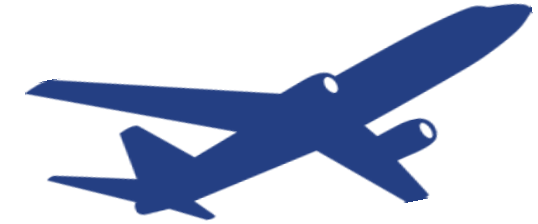
Source: CSCMP Annual State of Logistics Report



Our nation's freight transportation system is a vast, complex network of almost **seven million miles** of highways and local roads, railways, navigable waterways, and pipelines.

Our freight system is more than just infrastructure...

- **2.5 million** combination trucks
- **millions** of single unit trucks and vans
- **24,000** diesel-electric locomotives
- **1.28 million** freight rail cars
- **38,600** domestic maritime vessels
- **700** domestic all-cargo aircraft



3.1 million Americans are employed in operating and supporting freight vehicles, as well as in logistics.

44 million jobs directly depend on freight transportation.



Freight transportation makes our economy and quality of life possible.

Each day, our freight system transports 54 million tons of goods, worth more than \$49 billion.



Need to Address **Safety, Security, & Resilience**

Our freight transportation is safer, more environmentally friendly, and imposes fewer adverse impacts on most communities today than in past decades.

Even so, increasing challenges have placed our freight system under serious strain.

The National Freight Strategic Plan (NFSP) discusses six major trends affecting freight transportation and the challenges they present.

Six Key Trends and Challenges in Freight Transportation



Expected **Growth in Freight Tonnage**



Underinvestment in the Freight System



Difficulty in **Planning** and **Implementing Freight Projects**



Continued Need to Address **Safety, Security, and Resilience**



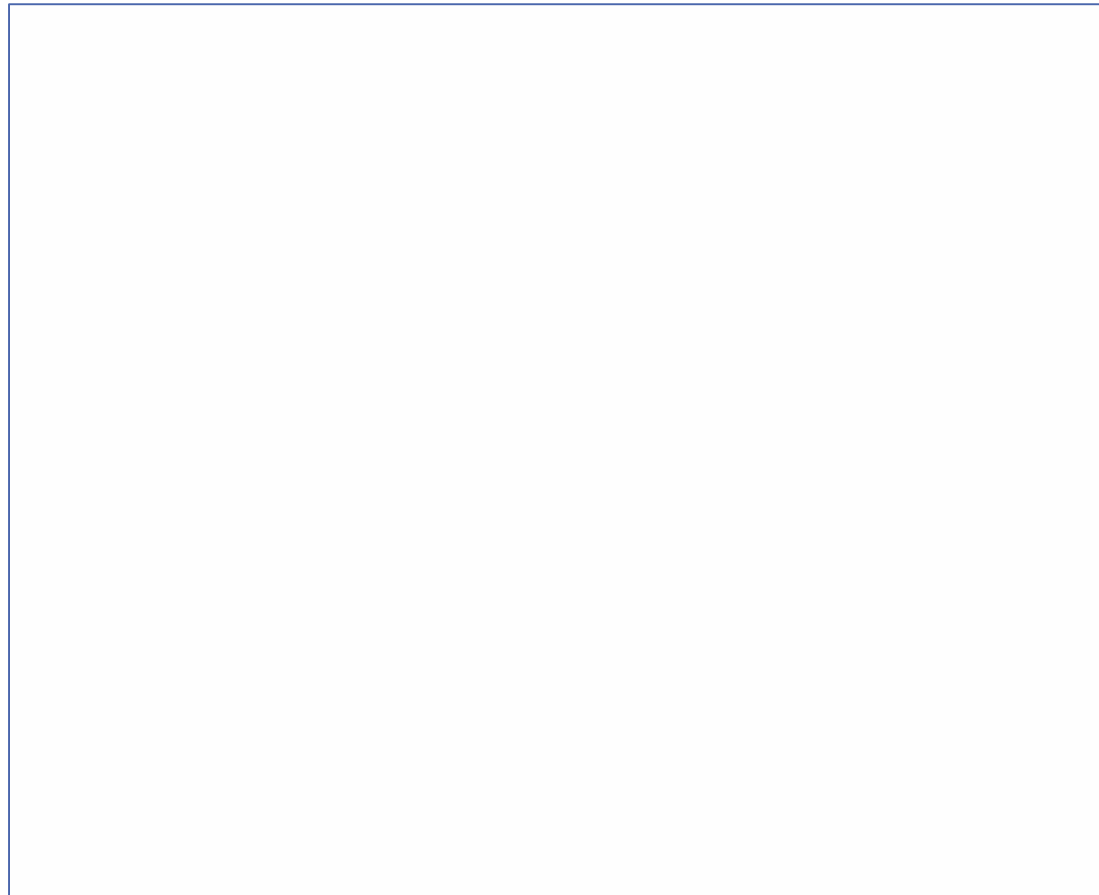
Increased Global **Economic Competition**



Application and Deployment of **New Technologies**



Expected Growth in Freight Tonnage





Underinvestment in the Freight System

To compete in the





Underinvestment in the Freight System



Due primarily to retirement and turnover, employers will need to hire and train a total of 4.6 million employees—like truck drivers and maintenance technicians—from 2012 to 2022.



There are 68% more job openings than the number of students entering the workforce.

Transportation remains the crucial link!

Rail/Intermodal and Trucking are vital, and will continue to be so.

More than ever before, “shippers” are working together. We have to become more productive.

Let's *all* do that and maximize the infrastructure use!

We can fight it out on the shelf!

Panelists

Gary Bleazard, Vice President, Fleet and Co-Manufacturing, Coca-Cola

Mike Eggleton, Sr. , President, Raider Express

Michael Pecchia, VP Revenue Accounting, Celadon Trucking Services

Michael Lowe, Transportation and Warehouse Manager, Bush Brothers

Moderator

Rick Blasgen, President & CEO, CSCMP