

A New Role for Inland Terminals

- University of Texas studies have defined an inland port as a facility
 "located away from traditional coastal borders" with the vision to
 facilitate and process international trade through strategic investments
 in multi-modal transportation assets and by promoting value-added
 services as goods move through the supply chain
- Inland ports represent both a support for existing businesses and their supply chains, and a nexus for the development of supply chains that support new business activity in a region
- Increasingly, the value of ports is being seen not as a processor of freight, an activity that generates relatively little economic value for the area surrounding the port facility, but as a source for supporting supply chains that promote new value-adding activities such as light manufacturing in the surrounding area

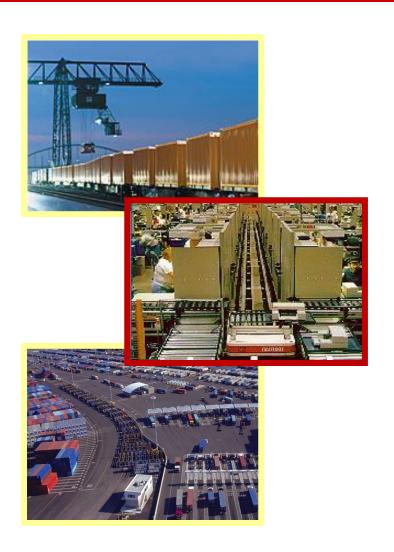


Factors Driving Inland Port Demand

- Rising Fuel Costs are Driving Rail & Intermodal Business. Inland Ports Offer Cost-effective Intermodal Access in the Movement of Goods to and from Seaports
- Exports are Growing as Shipments to Emerging Markets
 Continue to Rise and Agriculture Products are Especially in High Demand from China
- Global Containerized Shipping is Increasing as Shippers Take Advantage of the Glut of Empty Import Containers at Inland Ports Providing a Lower Cost Solution for Exporting Goods to China

Functions in an Inland Port

- "Value Added" Processing
- Consolidation
- Distribution
- Combination
- Cargo Handling Functions
- Transloading
- Commercial Customs
 Functions
- Foreign Trade Zone
- Container Depots



Why Inland Ports?

- Expand Existing Seaport Capacity
- Increase Freight System Reliability
- Improve Intermodal Connectivity
- Improve Congestion
- Improve Local & Regional Distribution Patterns
- Create New Market Opportunities
- Influence Regional Economic Development

Site Needs for an Inland Port

- Land Availability
- Transport Connectivity
- Proximity to Markets
- Realistic Market Assessment
- No Environmental Concerns
- Community Support & a Development "Champion"

A Realistic Market Assessment is Critical!

- Identification of the Customer Base for the Services Offered
- Estimation of Total Market Size
- Documentation of Customer Decision Factors & Priorities
- Analysis of Competition & Competitive Response
- Estimation of Market Share & Volume Growth
- Identification of Outside Influences & Risk Factors
- Clear, Valid "Reality Checks"

Future Prospects

While the interest in inland ports continues to grow, we must be aware that each inland port opportunity has its own unique local/regional economic, geographical, and regulatory setting.

Best practices can only be applied successfully after there is a thorough understanding of the product.







About GLDPartners

An International Investment Advisory Firm

<u>Purpose</u>: To build and develop assets in emerging trade & logistics hubs and markets

- Seaports
- Airports
- Landports
- International Borders
- Offices in the US, Canada and the UK
- GLDP Business Emphasis
 - Global Logistics Development
 - Corporate & Enterprise Supply
 Chain Strategy Development
 - Corporate Location Advisory
 - Economic Development Delivery











Our Orientation at GLDPartners is:

- Seeing the World Through the "Eyes of the Investors":
 - Inward Investing Companies
 - "At-risk" Capital Investors
- A "Litmus Test":
 - Will an Investor Risk their Capital?
 - Will an Inward Investor Make the Decision to Change their Current Production/Distribution Structure?

Thank you

Lois C. Yates CEcD, Partner GLDPartners
480 381-9373
lois@gldpartners.com
www.gldpartners.com

