



Development of Inland Terminals

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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

Purpose: 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



GLDPartners

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

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