



PFRA

Paul F. Richardson Associates Inc.



Inland Terminals-"Back to the Future"

Marine Terminal Management Training Program

Long Beach, CA

September 9-13, 2013



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International Trade and Transportation Advisory

Contact Us: 732.817.1434



**When it matters most,
the experts you can trust.**

Creating competitive advantage for clients since 1977.

Paul F. Richardson Associates Inc. (PFRA) is a firm of specialists providing consulting and advisory services to the global trade and transportation industry worldwide.

Formed in 1977, PFRA has long been considered the premier consulting organization for trade, supply chain

infrastructure and logistics clients, having developed a thorough understanding of the underlying competitive economics that drive strategic industry decision-making.

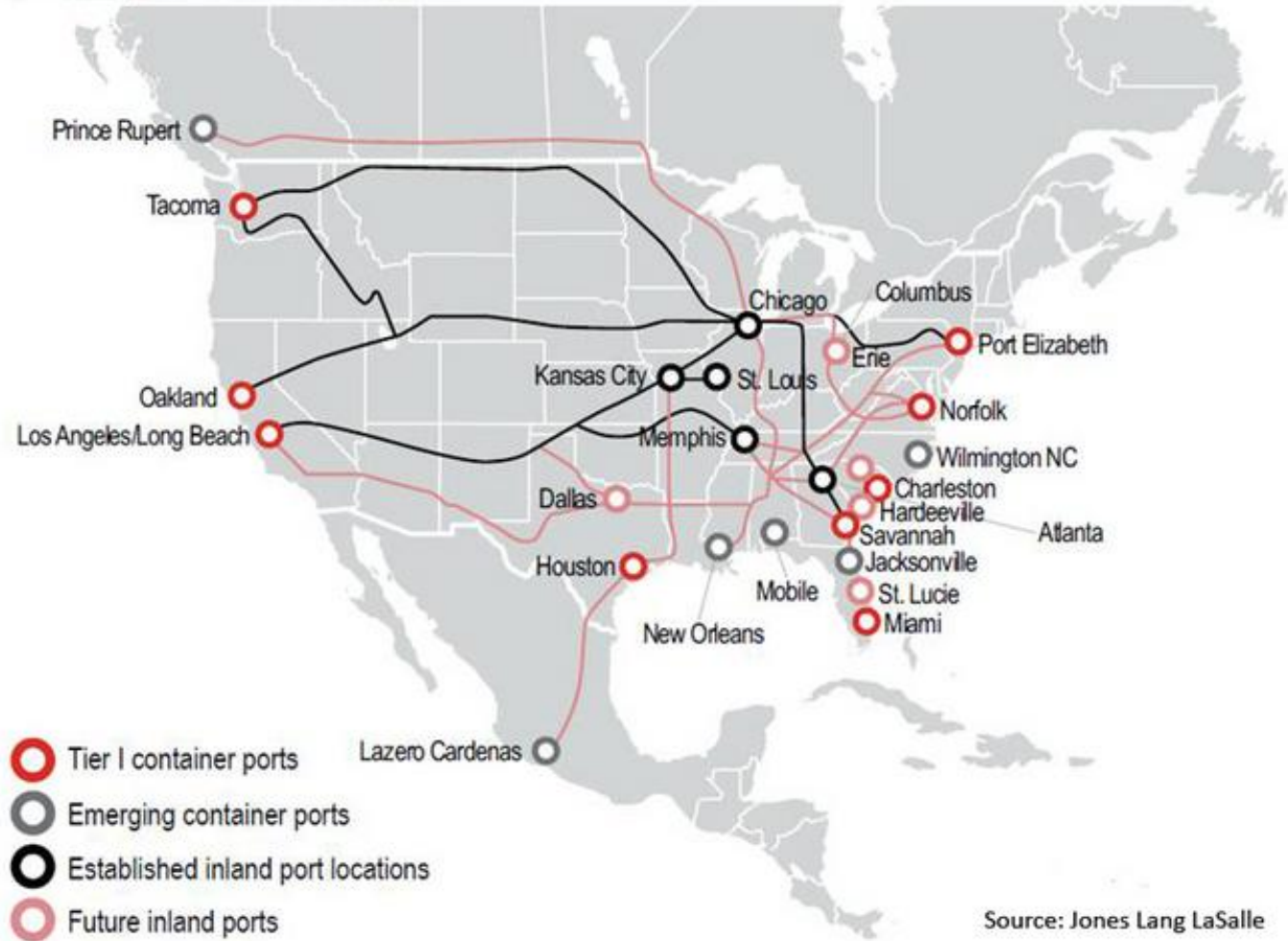
[Learn more about our approach here.](#)

- **We recognize and acknowledge that many ports already have what could be deemed an “inland terminal”**
- **Many industry experts believe that we are in the 3rd or 4th generation of inland terminal offerings**
- **In fact, the inland terminal is the “other bookend” to the core marine terminal operation**



- **There is a wide bandwidth to the definition of a “marine inland terminal”**
 - **In close proximity to marine terminals**
 - **Container Yards (CY)**
 - **Railhead and rail terminals**
 - **Container Freight Stations (CFS)**
 - **Inland Port (usually 100+ miles from core port location)**

Inland port connections



Source: Jones Lang LaSalle

The upside is there is broad potential stakeholder participation

The downside, there is broad stakeholder participation

Railroad

Truckers

Transportation Departments



Industrial Real Estate

Airports

Economic Development

- **Developing an Inland Port changes the playing field**
 - Infrastructure responsibility goes beyond the traditional port location
 - This can in some cases cause "some heartburn"
 - However, it is also an opportunity for traditional "non-port" supporters to recognize the strategic importance of a port
 - ✓ Economic Impact
 - ✓ It has the ability for the port to be the "facilitator" in an government relations exercise that equates to true potential "economic engine"

- **An inland port is "ripe" for P3 opportunities**
 - "Skin in the Game"if done in a comprehensive fashion, many of the industry stakeholders "want the fame"
 - ✓ And the \$\$\$\$

INLAND PORTS:

Linking Freight and Regional Economic Development



NADO RESEARCH FOUNDATION
Center for Transportation Advancement and Regional Development
with support from the Federal Highway Administration

- Today with many of the elements of an “Inland Port” already in place, the challenge is:

- The linkage!

THIS IS WHAT IS GOING TO BE THE DRIVER TO “THE NEXT STEP”

Collectively, we have to acknowledge that the large cargo “dumps” are on the way



IT IS THOSE FAMOUS WORDS.....

We talked the talked.....but can we walk?



Velocity

Capacity

Dwell

Throughput

Appointments

Customer

Requirements

Profitability



The age old dilemma.....is it a profit center or a support mechanism to the core asset. Obviously the infrastructure is less expensive; although it is still a costly endeavor....and the many of the associated stakeholders have a mission of profitability.

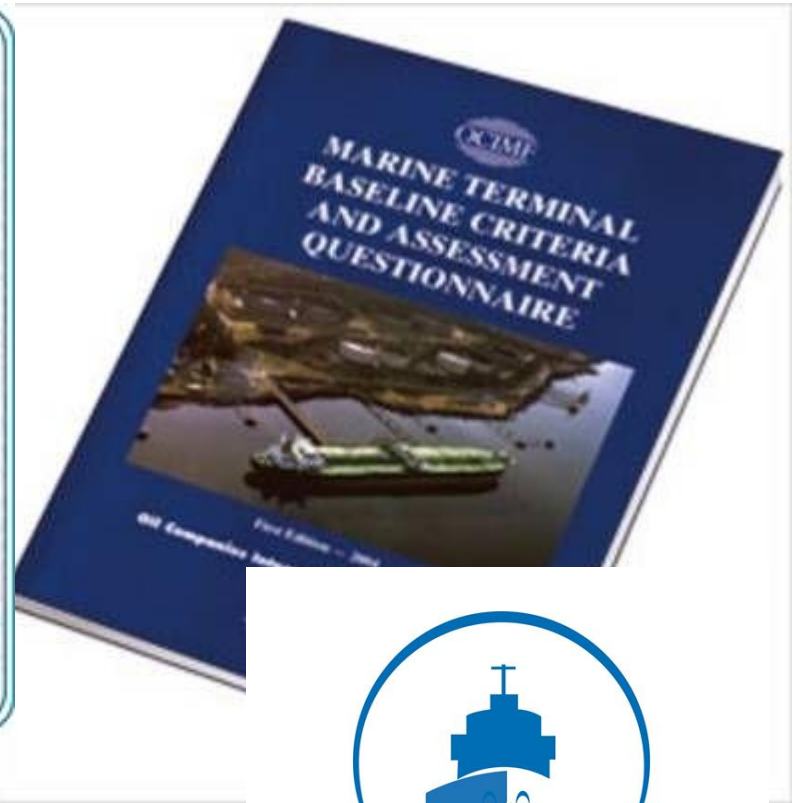
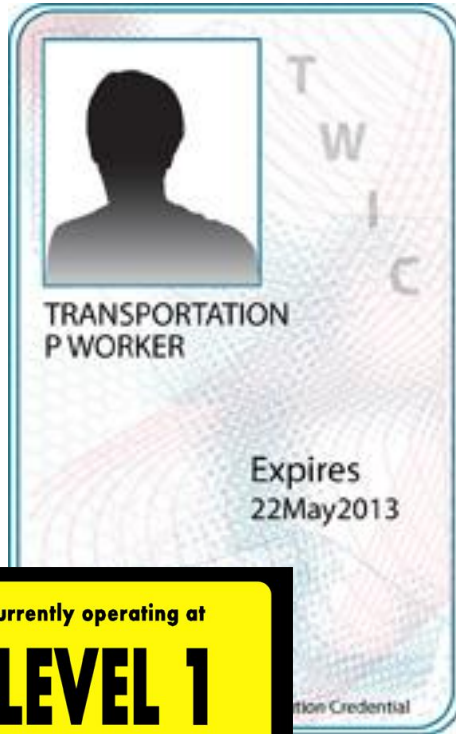
- **Provides drayage services**
- **Top-Pick capabilities**
- **Secured Access**
- **24/7 Access**
- **“Port Neutral” and Non-Exclusive**
 - Equivalent distance from Port of Wilmington and Port of Charleston
- **Eliminated access issues of a “single railroad at the port”**
- **Grew the Port Constituency**



- **Jurisdiction is where it is at for “labor”**
- **There may be an prospect to use “port labor” at an inland terminal**
 - They must “be competitive”
 - They must be tied “to the mission”
 - However, there a many issues that have to be dealt with.....



- **Federal**
- **Safety**
- **Security**
- **“E” initiative?**



This Vessel or Facility is currently operating at

MARSEC LEVEL 1

Security Level

Minimum appropriate protective security measures shall be maintained at all times in accordance to the Vessel or Facility Security Plan.

MARSEC Level 1 corresponds to the Homeland Security Advisory System Green, Blue, Yellow

Report transportation security incidents or suspicious people, objects or activities to:

U.S.C.G. National Response Center
1-800-424-8802

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- **“Forced” evacuations or acceptance**
 - Priority lanes for inland terminal cargoes
- **Regional “cooperation”a similar operation platform**
 - Between “competing” port authorities
 - Formal linkage to a regional transportation system
 - Upgrading the transportation linkage
- **Adding other stakeholders**
 - Logistics parks
 - Railroads
- **We believe that the “mandate” or “charter” of many PA’s creates a scenario where they are “obligated” to moving in this direction**
 - We also believe that the PA’s have the resource to accomplish this mission

- **Collaboration!**
- **The Inland Terminal has the ability to change traditional competitive arenas to embedding a multitude of stakeholders into an updated transportation chain.....**
- **Thank You for your time and attention!**