

Washington Transportation Plan Update

*Transportation Commission - Grays Harbor
September 22, 2004*

Freight Systems

Barbara Ivanov

Director

Freight Strategy & Policy

Douglas B MacDonald

Secretary of Transportation

Paula Hammond

Chief of Staff



**Washington State
Department of Transportation**

Washington Freight Transportation Systems Support

I. International and National Trade Through Washington Gateways

II. Washington State's Own Producers and Manufacturers

III. Distribution, Wholesale and Retail

The components of Washington's freight system – international gateways, and transportation serving Washington's producers and manufacturers, retail and wholesale distribution systems - support one another.

International goods enter Washington state gateways and become part of Washington's manufactured output, or are distributed in our retail system.

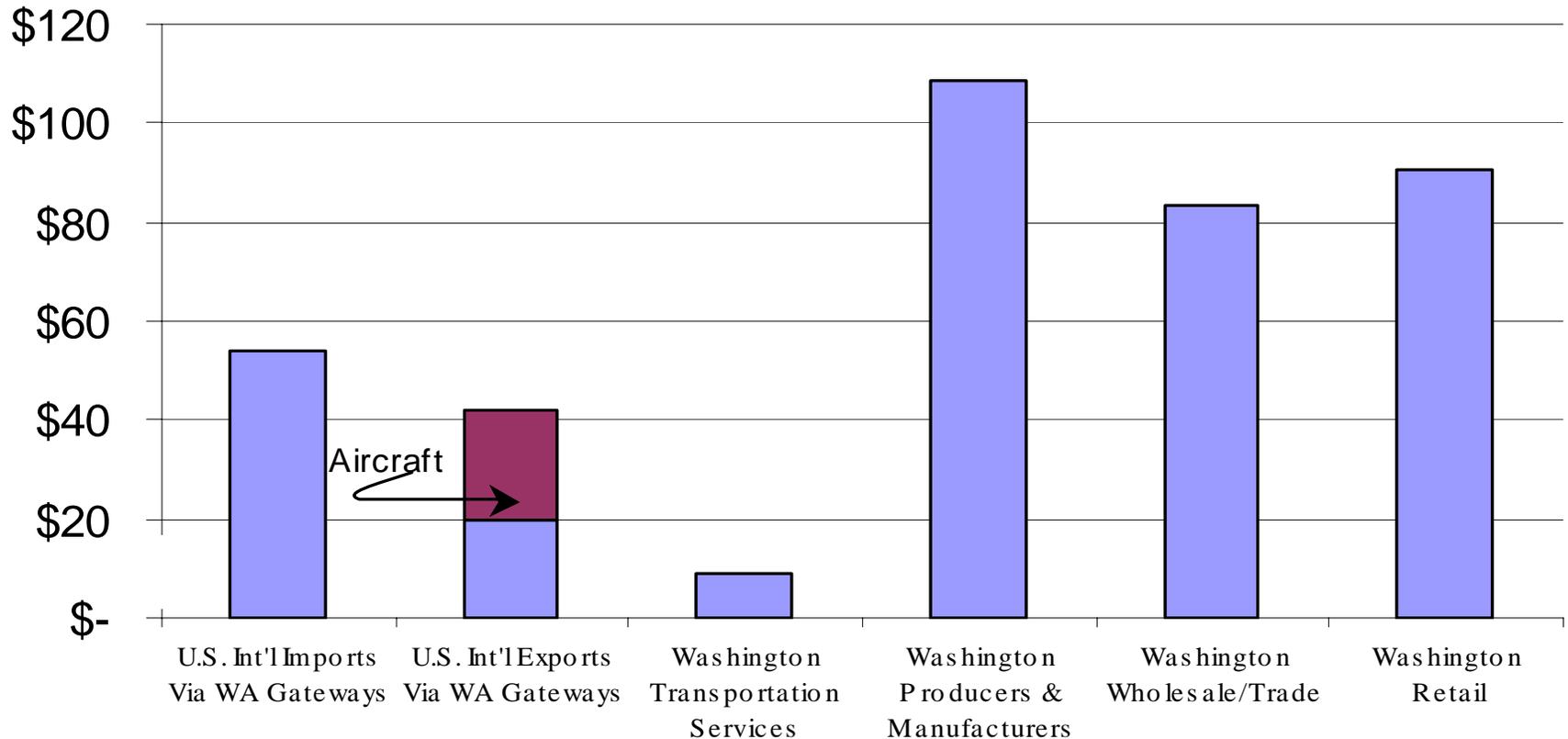
Washington manufacturers and farmers ship products directly to customers and to wholesalers in national and international markets.

Washington wholesalers supply retailers with goods from all over the U.S. and the world.

Washington's global gateways also carry national and international goods to and from the larger U.S. market.

Washington State Value of Freight Shipments

2002: Billions of Dollars



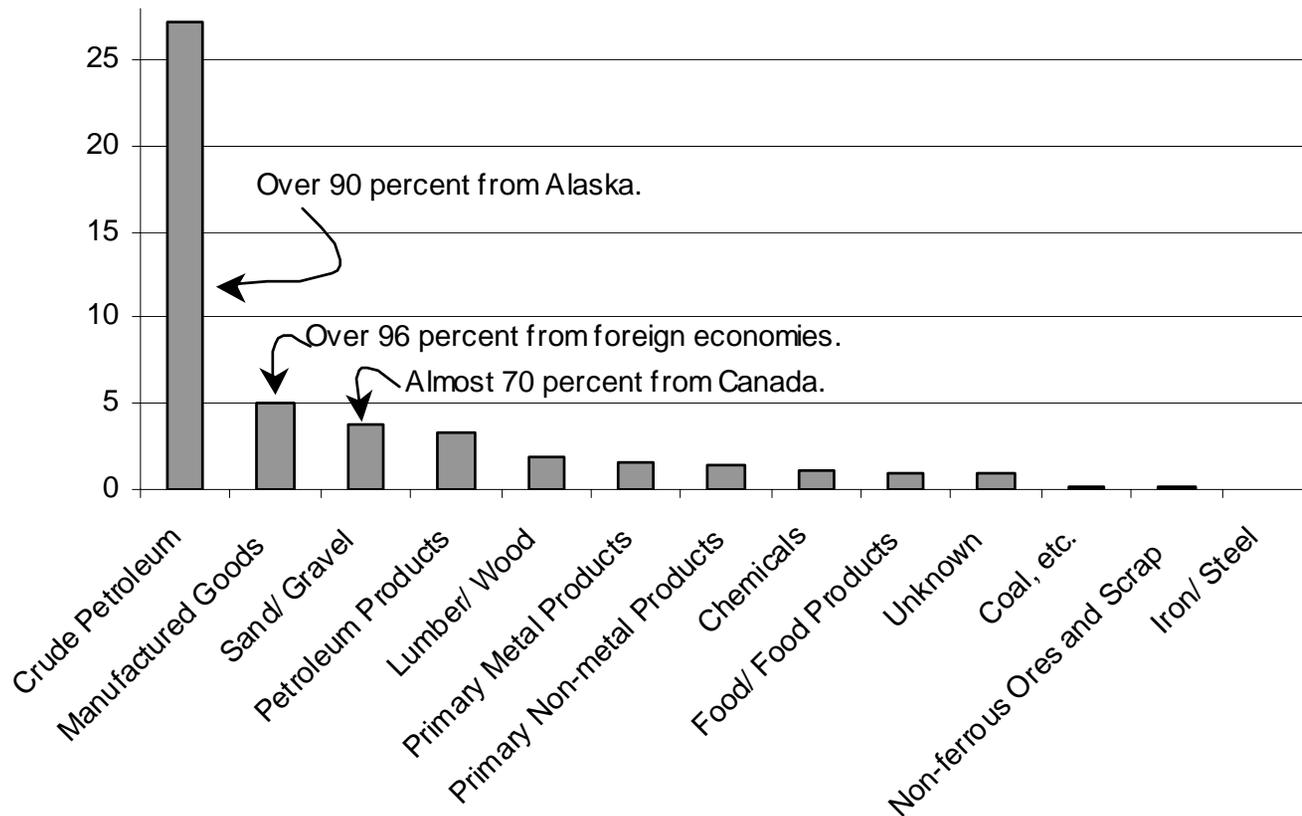
Source: U.S. Customs Bureau; WA State Dept. of Revenue.

I. Transportation Systems Carrying International and National Trade Through Washington's Gateways



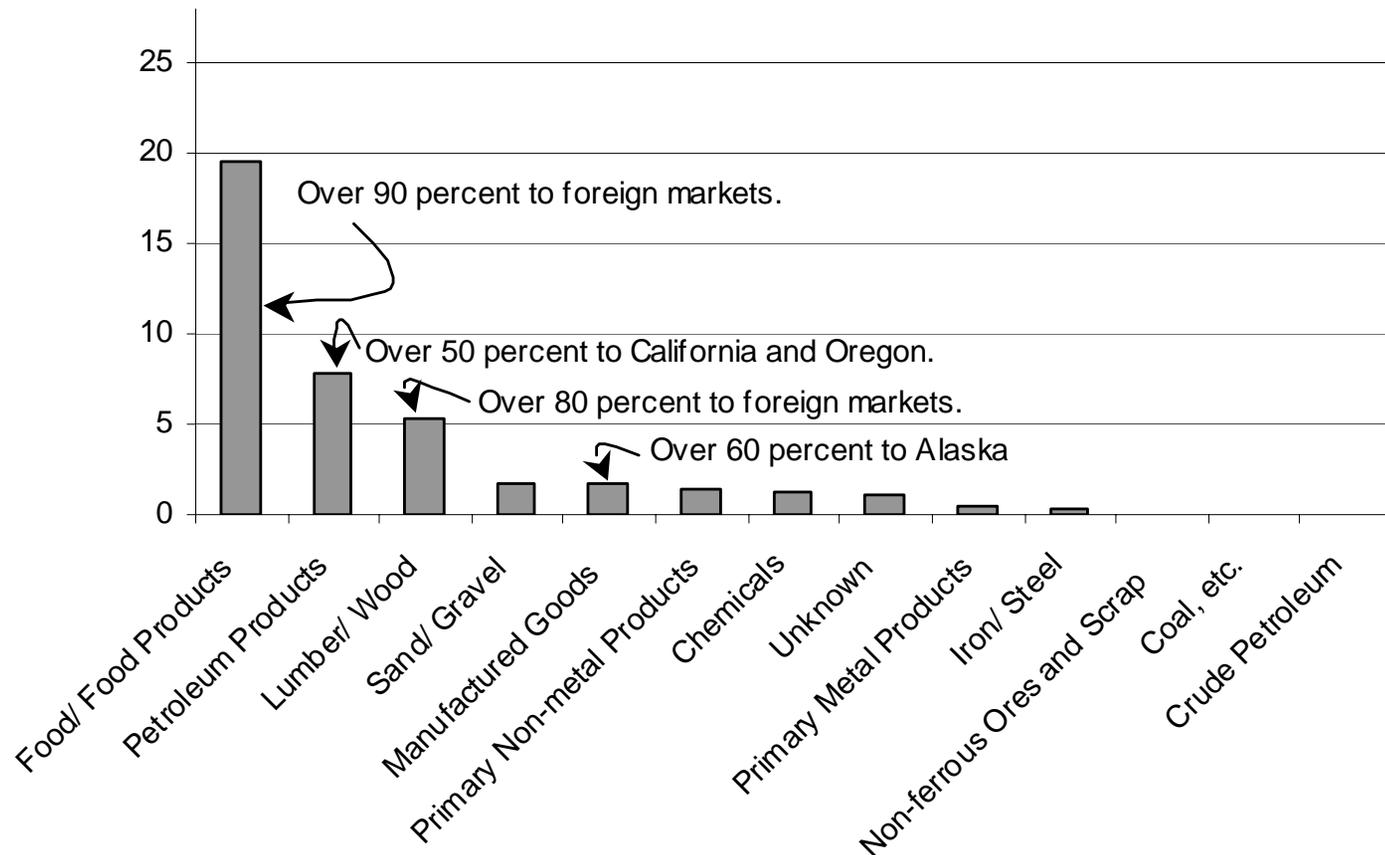
By Tonnage, Crude Petroleum Dwarfs All Other Waterborne Inbound Commodities

Goods Entering Washington State by Water
2002, Million Tons



By Tonnage, Food/ Food Products Outweigh Other Waterborne Outbound Commodities

Goods Leaving Washington State by Water
2002, Million Tons

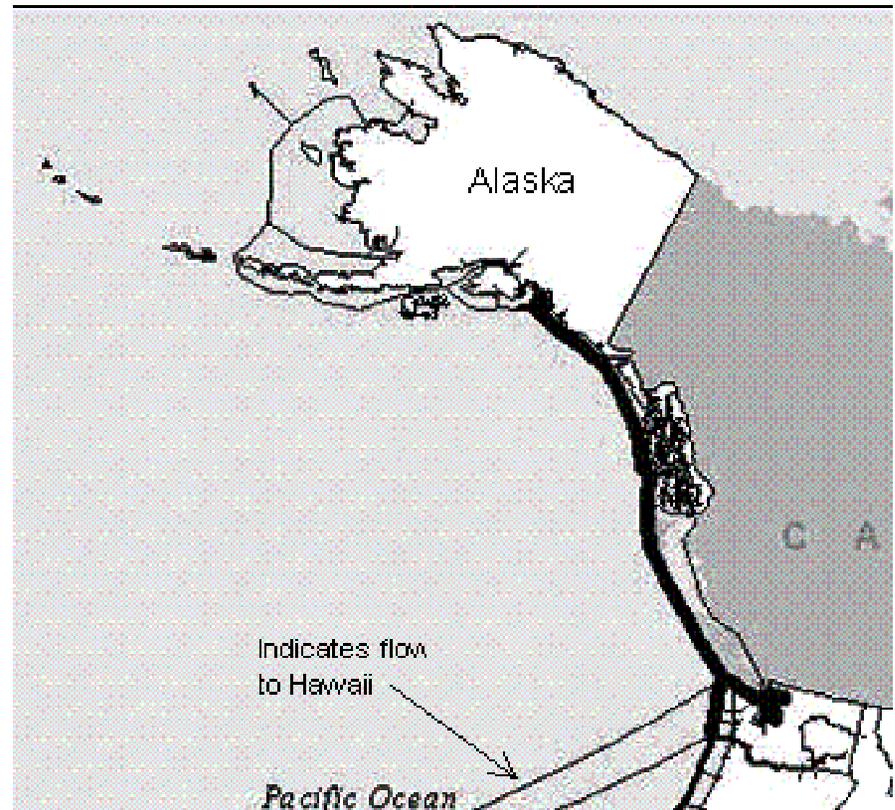


Washington is also the Gateway to Alaska

By value and volume – 24.62 million tons – the most significant commodity carried to Washington State from Alaska, using the inland waterway and landing at refineries, is crude petroleum.

Commodities shipped from Washington to Alaska include manufactured goods, as well as food and food products.

Domestic Freight Flows Moving By Water to and From Washington State



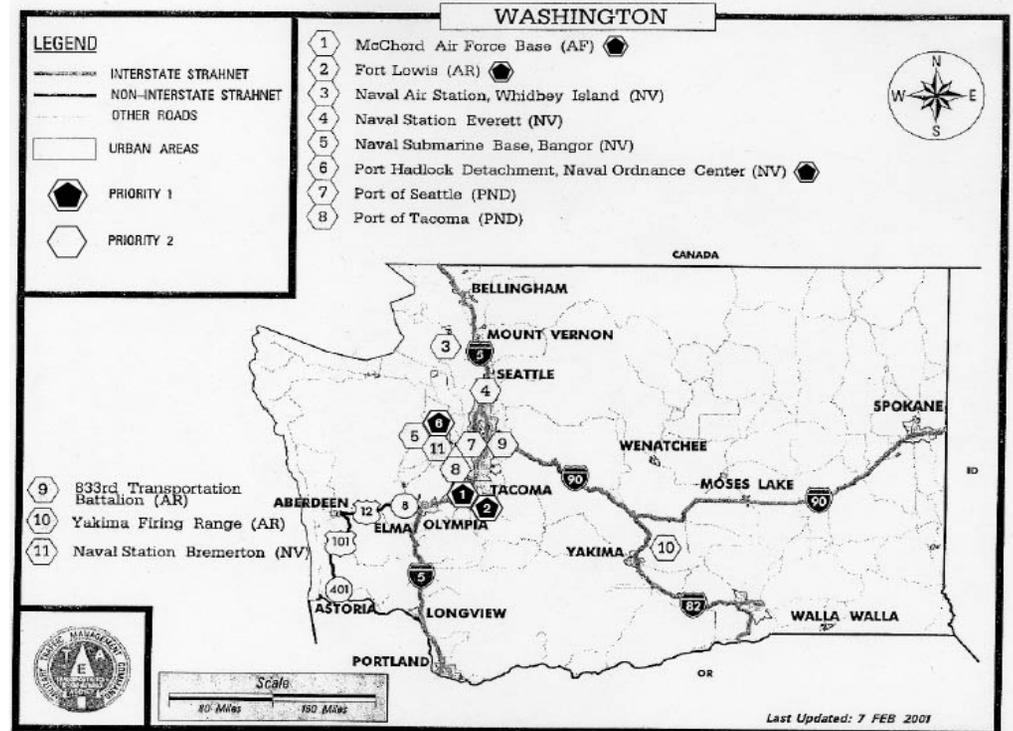
Source: Adapted from Washington: Total Domestic Water Flows, 1998 (US DOT)

Washington Gateways Play an Essential Role in Supporting National Security

- Fort Lewis is a key location for gathering, staging and mobilizing forces and material.

During a major regional conflict, cargo from all over the United States will move by road and rail to Fort Lewis.

- The Port of Tacoma: PNW strategic port supporting Fort Lewis
- The Port of Seattle: sustainment port to ship supplies to troops
- Port Hadlock Naval Ordnance Center: one of nine national centers



II. Transportation System Serving Washington State's Own Producers and Manufacturers Exports, plus much, much more!

Agriculture: \$5.6 billion in food and agricultural products in 2002. Washington agriculture produces three times as much food – and for some commodities up to twenty times as much on a tonnage basis – as it consumes. The transportation system must reach world and national markets.

Manufacturing: \$88.3 billion in Gross Business Revenues in 2003, 21.3 percent of the total State Gross Business Income.

Washington's Regions Have Built Distinct Economies Based on Industry and Agriculture



Coastal Counties

Freight System Supports Regional Economy

- Over 90 percent of Pacific and Grays Harbor Counties are in forest land.
- Privately-owned forests account for more than 80 percent of timber harvested in Washington.

16,580 Jobs Rely on Freight		
	Jobs	Average Wage
Ag/Forestry/Fishing	1,849	\$27,737
Manufacturing	8,857	\$34,900
Wholesale/Trade	1,849	\$27,737
Transportation/Utilities	1,811	\$31,860
Construction	2,214	\$27,096

Goods Shipped To Coast

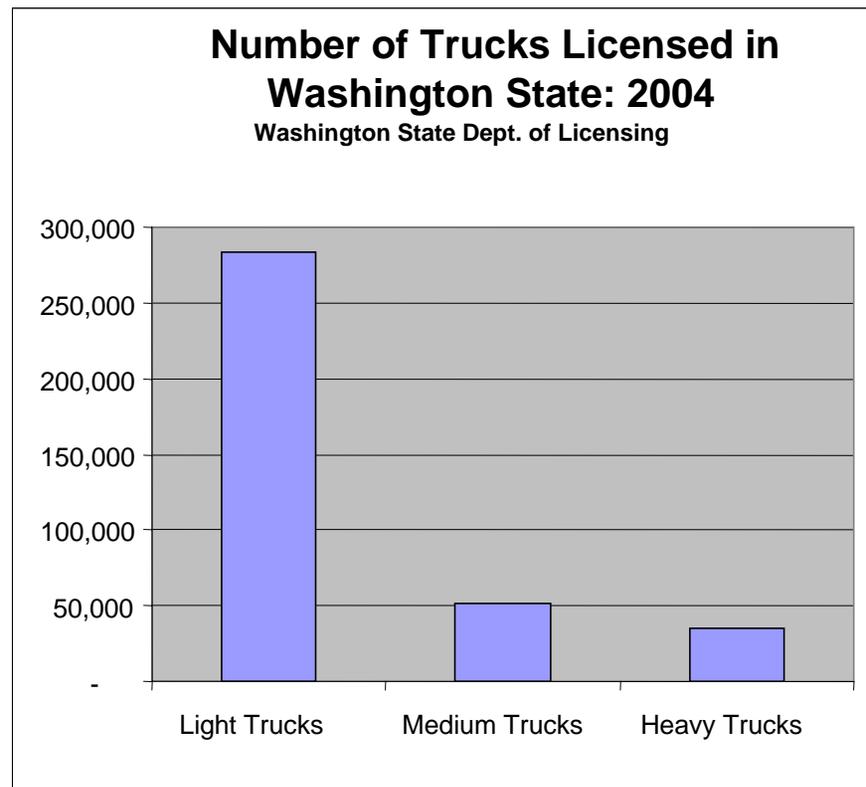
- \$3.73 billion total products were shipped in 200,000 truckloads from the I-5 corridor to Aberdeen and Hoquiam via Highways 12, 8 and 101 in 2003
- \$852 million, 23 percent, was machinery and \$413 million, 11 percent, was wood/paper products.

Goods Shipped From Coast to I-5

- \$2.95 billion total products were shipped in 170,000 truckloads on Highways 12, 8 and 101 to I-5 corridor in 2003
- Thirty-six percent - \$1.06 billion – were logs, wood and paper products. \$840 million, 28 percent, was machinery.

III. Transportation System Supports Distribution, Wholesale and Retail

- Almost ten times more light and medium trucks are licensed in Washington State than heavy trucks.
- Up to 80% of truck trips operate in the local distribution system.
- The trip lengths are 100 miles or less daily, or in some cases up to 250 miles.



Enormous Variety of Goods and Services Are Handled in This Freight System

- Food and groceries
- Fuel
- Pharmaceuticals and medical supplies
- Retail stock, from furniture and appliances to clothing and books
- Cash and negotiable instruments (armored trucks)
- Office supplies and documents
- Trash and garbage (garbage trucks)
- Moving vans
- Construction materials and equipment

What is the Goal of the Freight System for the Distribution Sector?

On-time	50%
Price	38%
Reliable trip time	12%

What Is Meant By “On-Time”?

25% say:	Less than one-hour delivery window
63% say:	Within one to two hours of appointment
12% say:	Within two to three hours

VI. Ideas for Additional Study?

- What Did We Miss?
- We Want the Conversation About Freight Strategy To Involve All the Players.