

# The Value of Trade through Southern California Ports



# Port of Los Angeles Top Trading Partners

(2009 All Cargo Value)

- **China/HK - \$102.3 billion (40% of US)**
- **Japan - \$27 billion (29% of US)**
- **Taiwan - \$9.3 billion (39% of US)**
- **S. Korea - \$7.7 billion (19% of US)**
- **Thailand - \$6.2 billion (43% of US)**

*China/HK represents 52% of the total*

# North American Container Ports

- **Los Angeles**      **7.8 million (2010)**
- **Long Beach**      **6.3 million (2010)**
- **New York/N.J**      **4.59 million \***
- **Savannah**      **2.36 million**
- **Vancouver**      **2.15 million**
- **Oakland**      **2.05 million**
- **Houston**      **1.80 million**
- **Seattle**      **1.58 million**
- **Tacoma**      **1.55 million**
- **Montreal**      **1.25 million**

\* Estimates

# Economic Benefits of Trade to Southern California

- Port of Los Angeles State & Local Tax Revenue
  - **\$ 5.1 billion statewide (California)**
  - **\$21.5 billion nationwide**
- Port of Los Angeles Related Employment:
  - **918,800 (1 out of every 8) jobs in Southern California**
  - **1.1 million jobs statewide (California)**
  - **3.3 million jobs nationwide**
  - **84,000 secondary jobs in L.A. area**
  - **47,000 direct jobs in L.A. area**

# **The Southern California Gateway**

## **The Right Place for Business**

- **Population of 21.5 million within a 2 hour truck trip from the Port**
- **Large business base of over 485,000 companies**
- **Concentration of manufacturing activity in Southern California with over 930,000 workers**
- **Excellent port & intermodal rail infrastructure**
- **660 million sq.ft. of warehouses within 80 miles**

# The Value of Trade through Southern California

- **43 % of all waterborne import trade**
- **Over \$ 300 Billion in Imports and Exports through the Ports of Los Angeles, Long Beach and Los Angeles World Airports**
- **Since December 2009, Exports from both Ports have shown strength**
- ***POLA had a record export year in 2010 !***

# **The National Export Initiative**

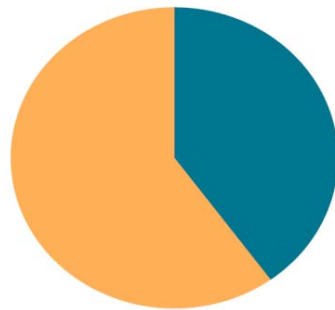
- **The President launched a new program in 2010 to help exports boost the national economic recovery and create jobs**
- **The US EXIM Bank has increased its lending for US exports by 50 % in its most recent Fiscal Year – highest level in history (1934)**
- **However, reforms are needed to reduce administrative obstacles faced by exporters**
- **Funding is urgently needed for the Department of Commerce Export Assistance Centers**

# California [Unrealized] Export Growth Potential

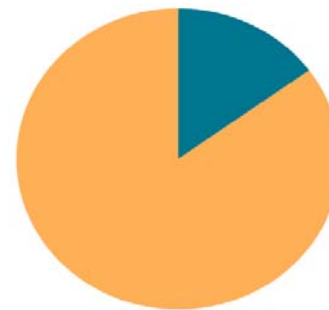
- 96% of the World's Consumers Live Outside U.S.
- 66% of the World's Purchasing Power is Outside U.S.
- 85% of California's Manufactures do Not Export
- Many Make Exportable Products
- 60% Sell Only to Canada and Mexico (w/in NAFTA)
- Many have New-to-Market Export Potential



Population  
■ US  
■ Rest of World



Purchasing Power  
■ US  
■ Rest of World



■ Export  
■ Do Not Export

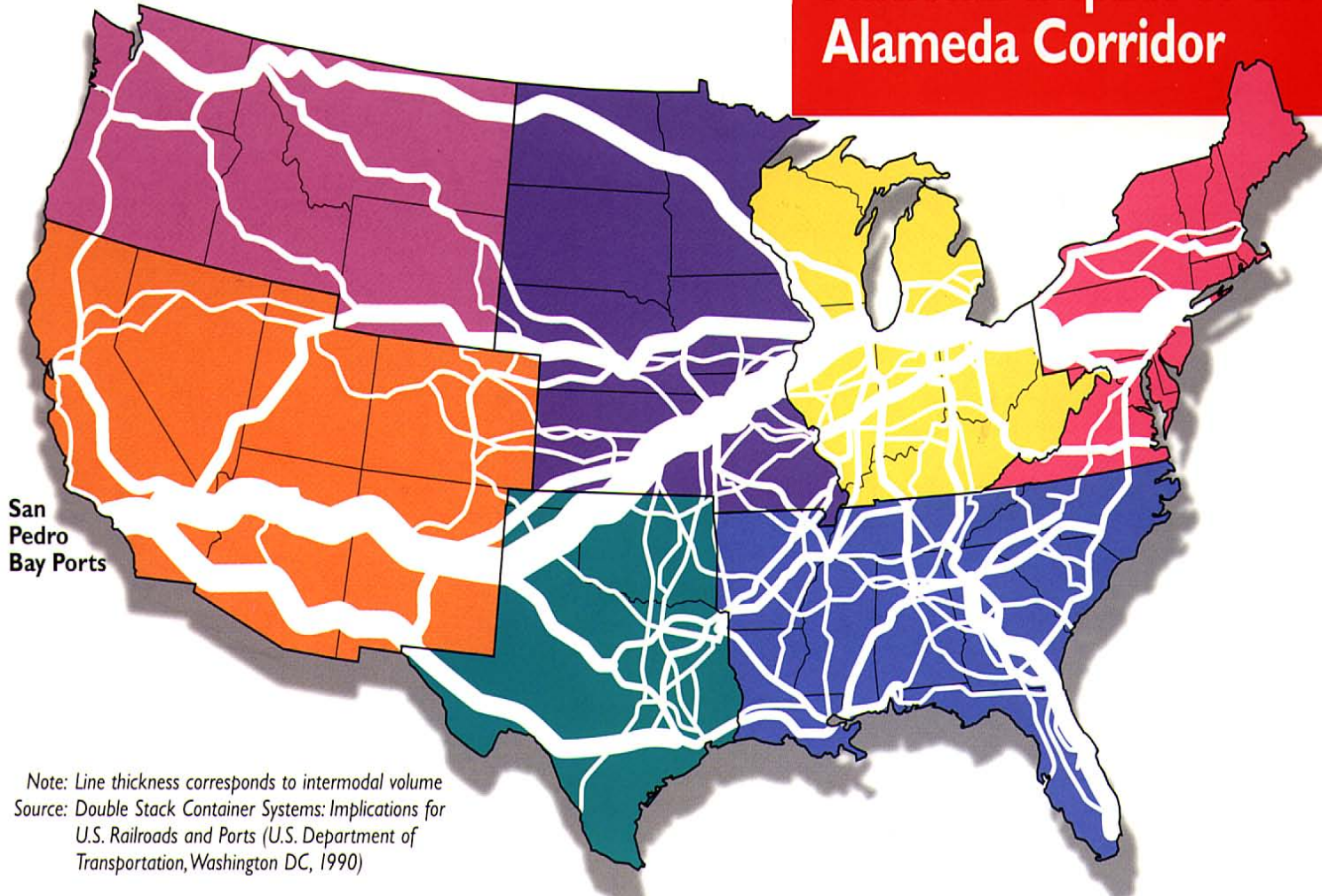


■ NAFTA  
■ Rest of World

# U.S. Containerized Trade

Intermodal (Ship+Rail Transport) Trade Volume Today

National Impact of the Alameda Corridor



Note: Line thickness corresponds to intermodal volume  
Source: Double Stack Container Systems: Implications for U.S. Railroads and Ports (U.S. Department of Transportation, Washington DC, 1990)

Approx. 44% of containerized imports arrive via San Pedro Bay Ports

# Emerging Competition

- **Panama Canal (2014)**
- **Suez Canal**
- **Canada (British Colombia)**
- **Mexico**
  - **Manzanillo**
  - **Lazaro Cardenas**
  - **Punta Colonet (Baja Nord)**

# The Panama Canal



# British Columbia Ports



# Mexican Ports

**Lázaro Cárdenas Terminal**  
*the logical trade route connecting the United States and Asia.*



*Kansas City Railroad delivers goods to Laredo within 36 hours.*

# NAFTA Trade Flow



# How Do We Beat Competition ?

- **Modernizing our Southern California cargo transportation infrastructure is needed to remain competitive**
- **Market ourselves as being efficient & free of congestion**
- **Competition from other US regions who are receiving Federal Funds:**
  - **NS RR Heartland Corridor (\$95 Million)**
  - **NS RR Crescent Corridor (\$105 Million)**
  - **CSX RR National Gateway Corridor (\$98 Million)**
  - **Fort Worth, Texas (\$ 34 Million)**

# How Do We Beat Competition ?

- **Major Rail Projects Needed:**
  - SCIG (BN RR): 2.8 Million TEU's by 2023
  - ICTF (UP RR): 2.8 Million TEU's by 2023
  - Alameda Corridor East & Grade Separations
- **Major Highway & Bridge Projects Needed:**
  - Gerald Desmond Bridge Replacement
  - Schuyler Heim Bridge Replacement & SR 47 Expressway
  - I – 710 Truck Corridor
  - East – West Truck Corridor (I – 710 to I – 15)

# How Do We Secure Funding to Provide Needed Infrastructure

- 1. Develop unified package of regional cargo movement projects**
- 2. Achieve consensus on project list and funding priorities**
- 3. Develop coalition to seek funding**

# Port of Los Angeles TRADEconnect

