



Joint Global Initiatives and Economy & Infrastructure Council Sessions

Los Angeles Chamber of Commerce

Wednesday, April 20, 2011

The Role of Air Cargo in the International Trade of Goods

- **Generally speaking, *air-eligible cargo* consists of those goods that are shipped via air, rather than via sea or surface, due to a good's:**
 - High value/Rarity (diamonds, organs for transplant, iphones, flat screen televisions)
 - Just-in-time delivery cycle (automobile and/or machine parts, medical equipment)
 - Perishable nature (fruit, flowers, organs for transplant)

- **Exception: if it needs to “get there quickly,” *anything* can become air-eligible cargo**
 - Rahm Menem, Emirates Airlines: “If time is sufficiently of the essence, a bucket of beans can become air cargo.”

How Does Air Cargo Activity Contribute to the Los Angeles County Economy?

- **Growth or decline in air cargo traffic at LAX and/or LA/Ontario is typically an indicator of the health of international trade within Southern California**
 - Strong growth in air cargo exports and imports contribute greatly to the health of many sectors of the Southern California (and U.S.) economy, including, among others:
 - *Logistics/Transportation/Warehouse/Distribution*
 - *Commercial Airline Industry*
 - *Finance/Banking*
 - *Goods Consumption (electronics, perishables)*
 - *Manufacturing (just-in-time)*
 - *Health Care (organs, equipment)*
 - *Hospitality (flowers, fruit, fish)*

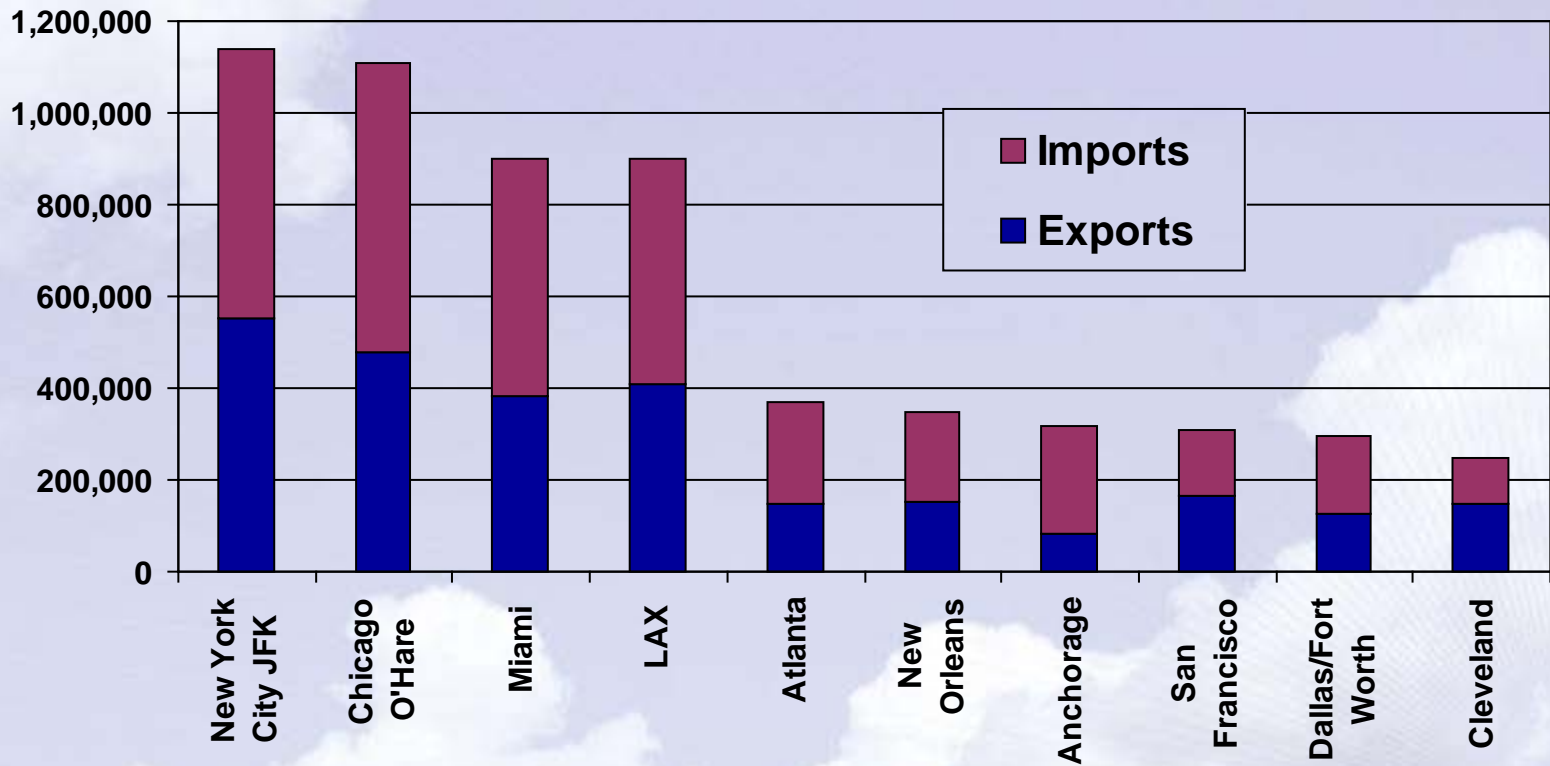
Air cargo traffic generates a greater economic impact within Los Angeles County than does passenger traffic

- **Each daily trans-oceanic wide body flight to LAX generates:**
 - \$620+ million in annual economic impact within Los Angeles County
 - 3,000+ jobs within the County
 - 1 of every 18-20 jobs in Southern California are directly attributable to LAX
- **Approximately 80% of this economic impact, including jobs, is attributable to air cargo traffic, as opposed to passenger traffic**
- **Historical rule of thumb: air cargo accounts for less than 0.5% of total *volume/weight* of goods exported, but 45%+ of *value***

The Impact of Air Cargo Within the Southern California Economy

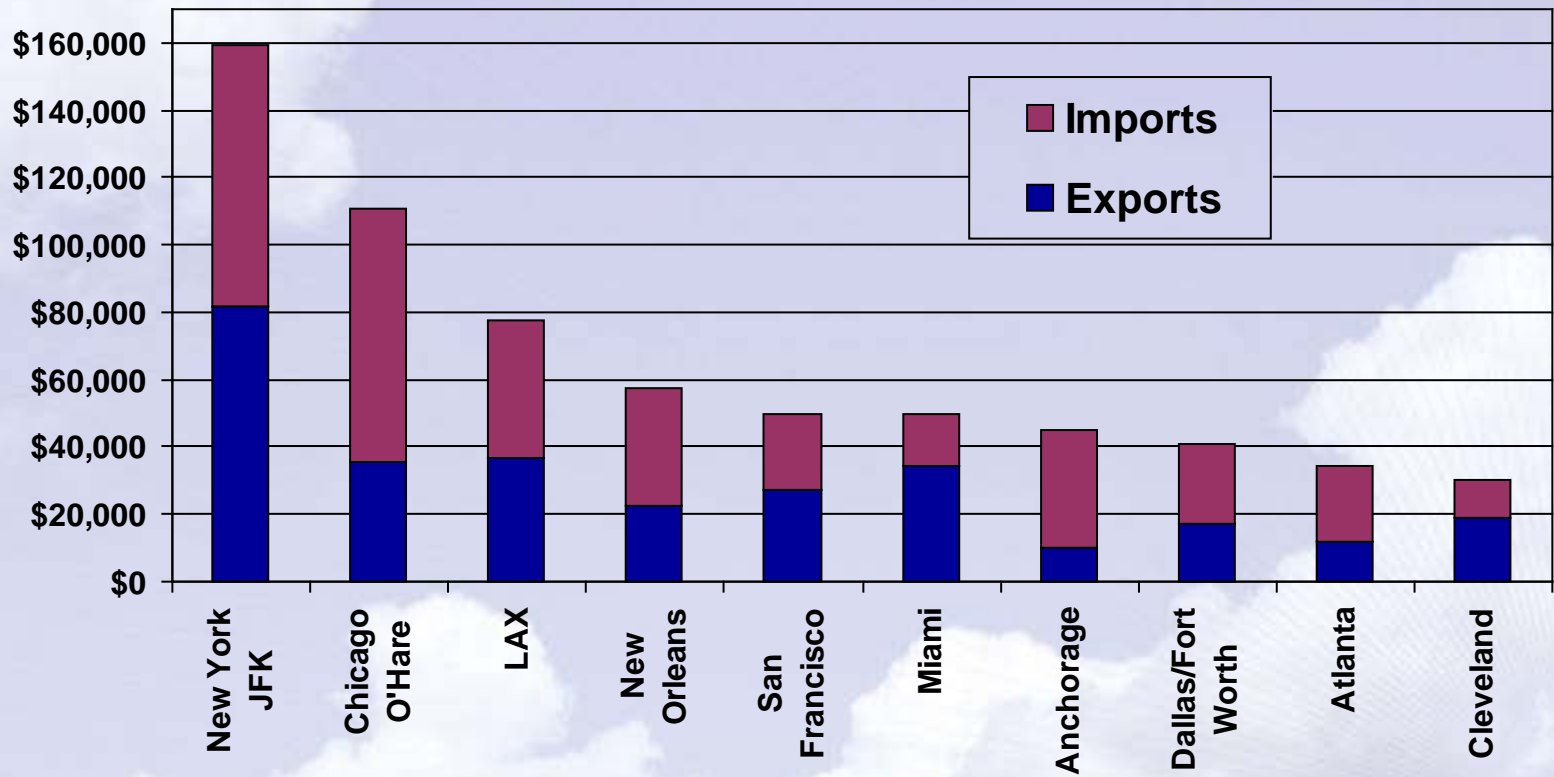
LAX is the #4 U.S. Air Cargo Gateway, in Terms of *Weight*... (#3 for Exports; #4 for Imports)

Top 10 U.S. Air Cargo Gateway Airports, by *Weight* (Metric Tonnes)
C Y 2010



... but the #3 U.S. Air Cargo Gateway by *Value*
 (#2 for Exports; #3 for Imports)

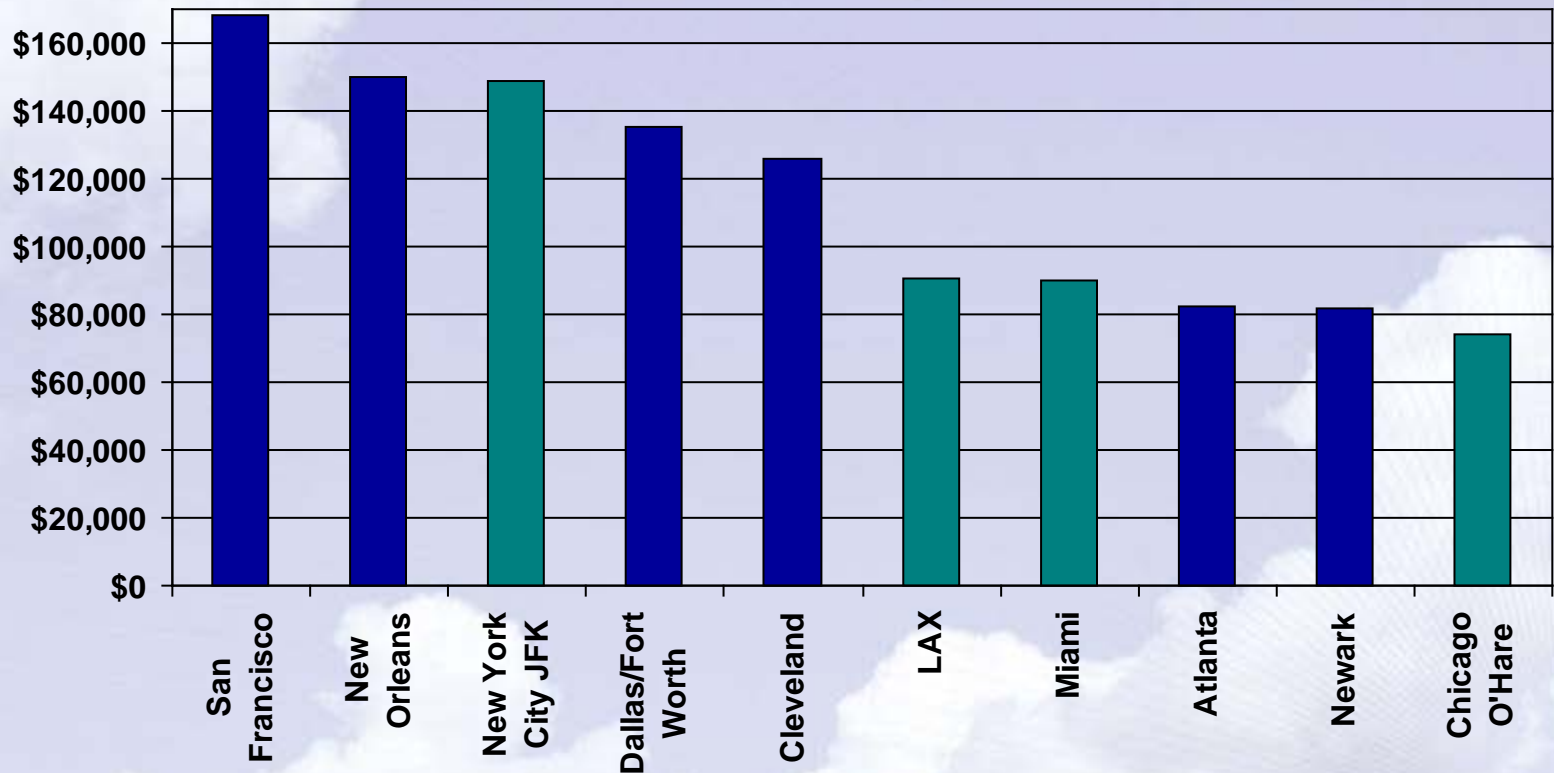
Top 10 U.S. Air Cargo Gateway Airports, by *Value* (\$US Millions)
 C Y 2010



Source: WISER air cargo database, for years noted.

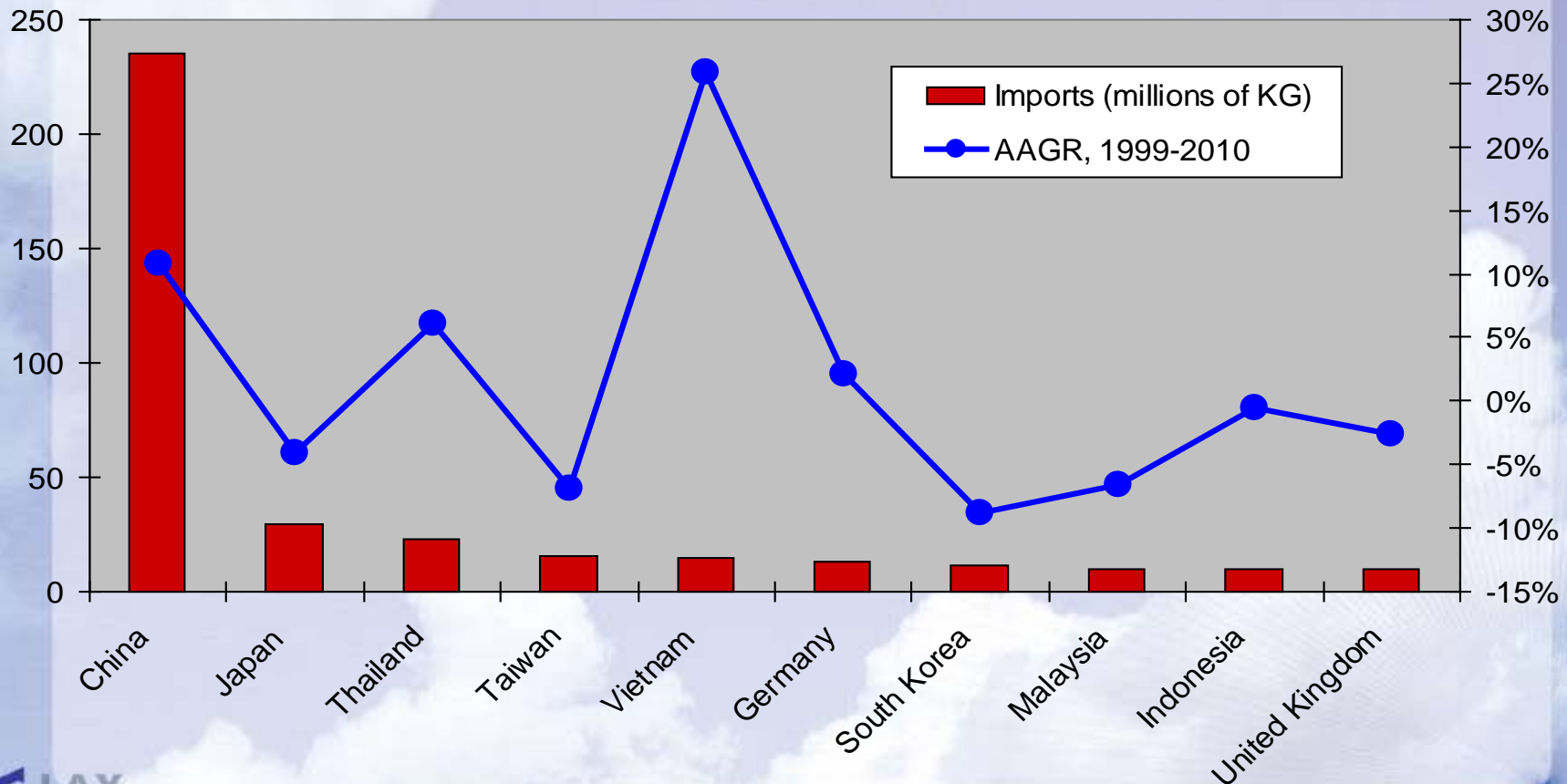
LAX Also Compares Well with its Three Peer Air Cargo Gateways (New York City JFK, Miami, and Chicago O'Hare) in Terms of Value per Tonne

Major U.S. Air Cargo Gateway Airports, by *Value per Metric Tonne* (\$US)
C Y 2010



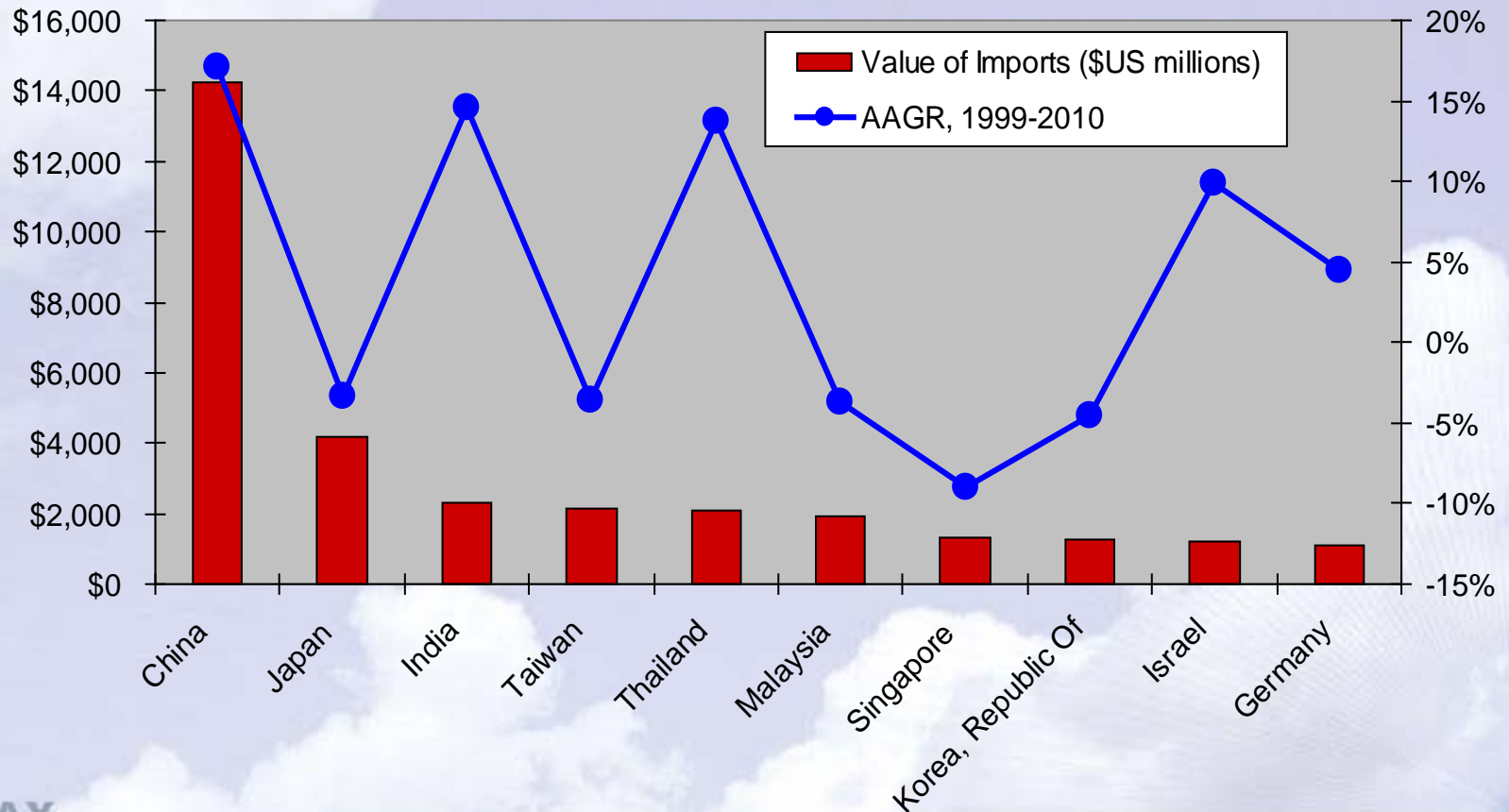
China Accounts for **48%** of LAX Air Cargo Imports, by *Weight*, but from Vietnam has Averaged Annual Growth of **25.8%** Since 1999

Top 10 Origins of LAX Air Cargo Imports, by *Weight* (millions of KG)
CY2010



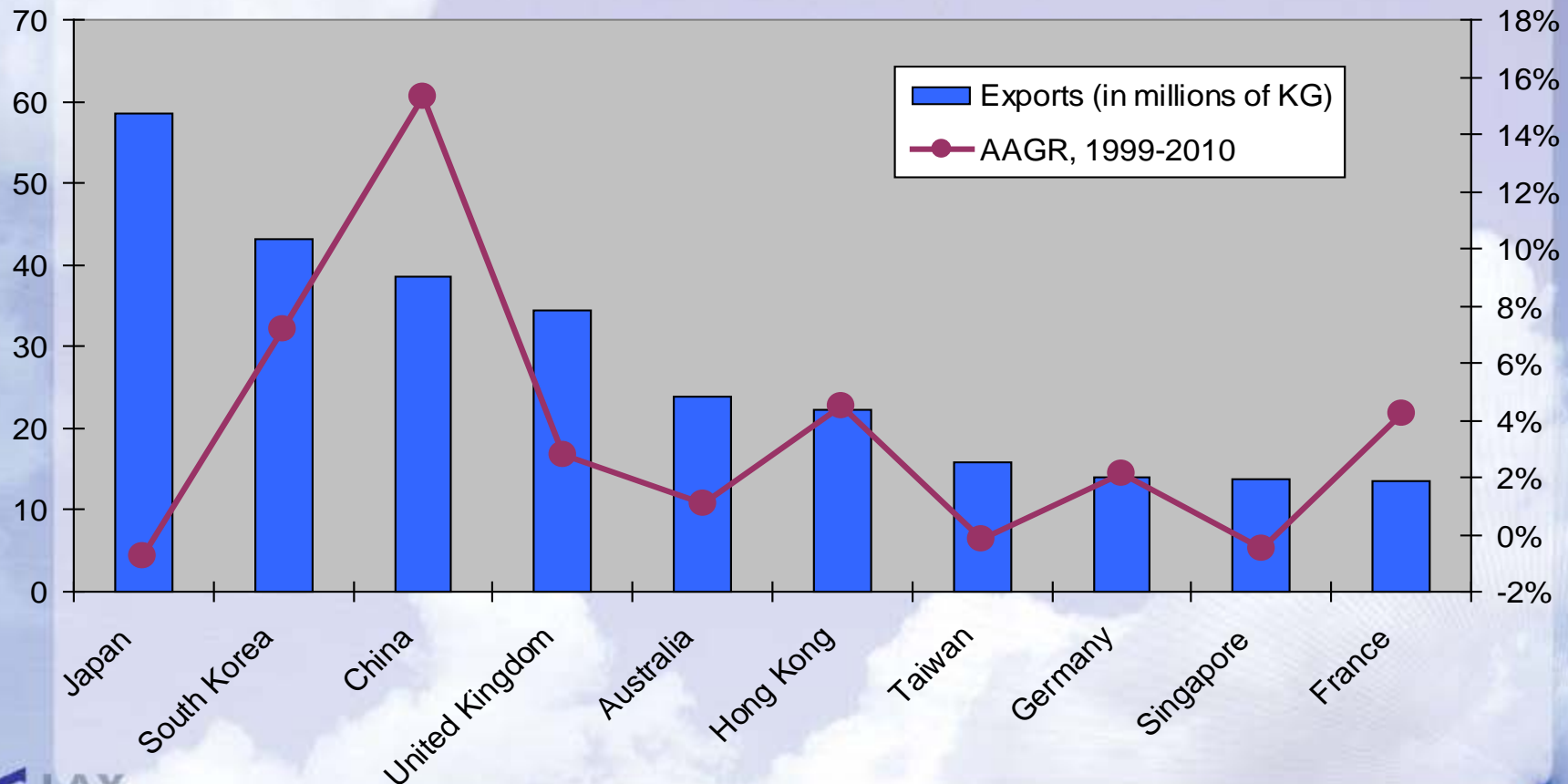
China Accounts for **35.2%** of the *Value* of Air Cargo Imports at LAX, and it has Generated Average Annual Growth of 17.1%, Exceeding India's **14.6%**

Top 10 Origins of LAX Air Cargo Imports, by *Weight* (millions of KG)
CY2010



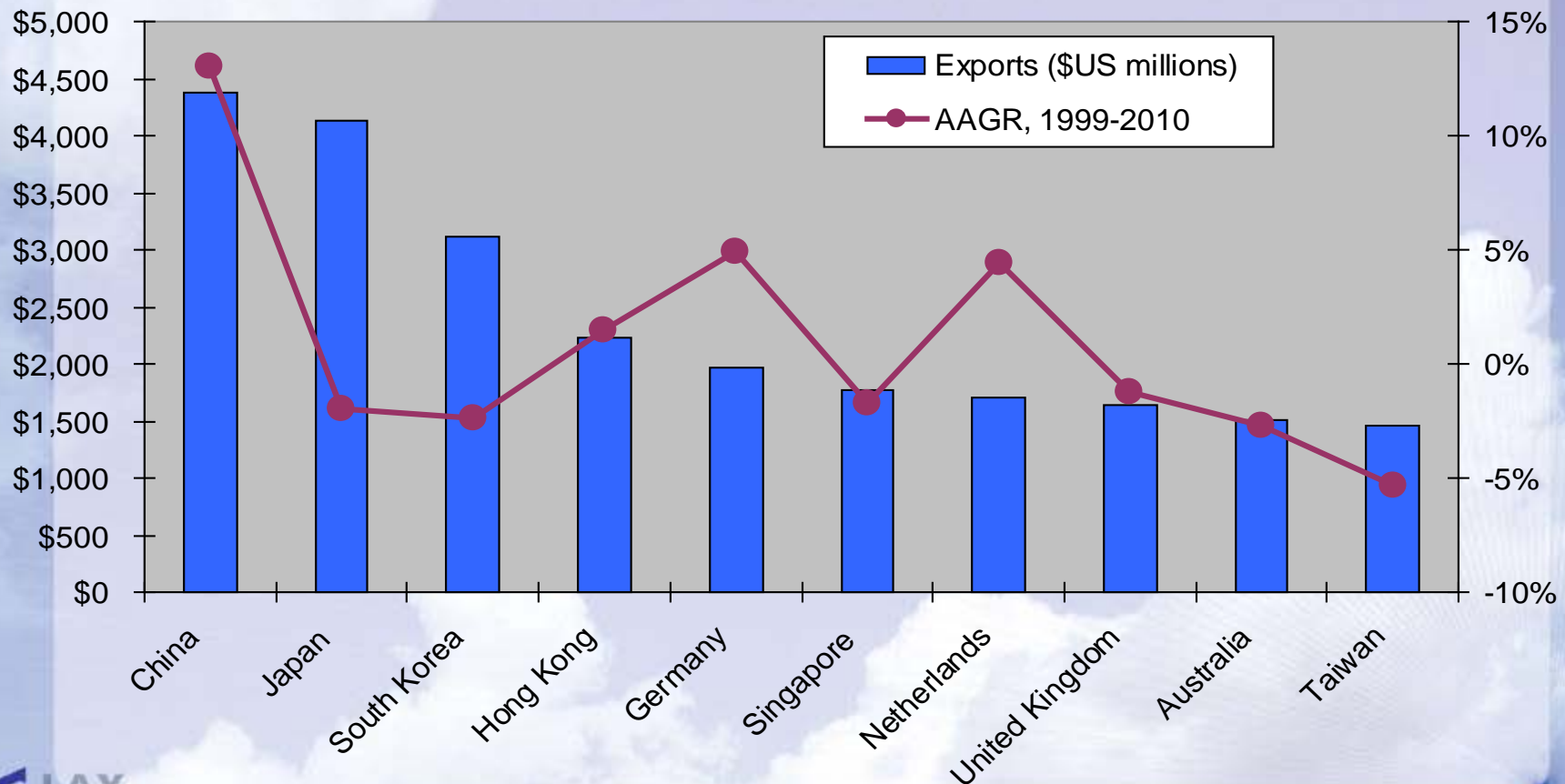
Japan Remains the #1 Destination for Air Cargo Exports from LAX, with 14.6% of the Total Volume, but it has Seen an AAGR of -0.8% Since 1999 (While China has Generated AAGR of 15.3%)

**Top 10 Destinations of LAX Air Cargo Exports, by Weight (millions of KG)
CY2010**



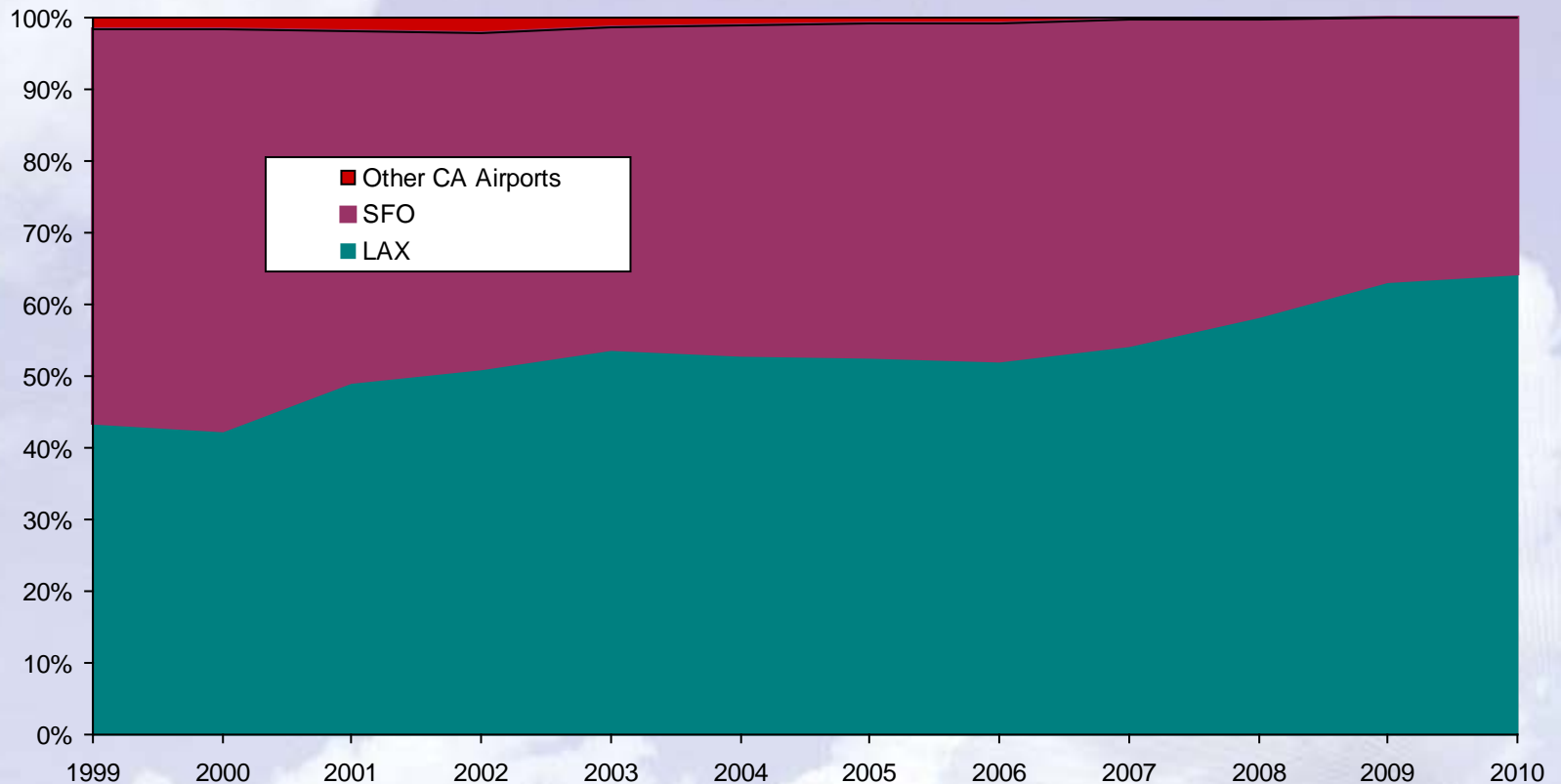
China Surpassed Japan as the #1 Destination of LAX Air Cargo Exports by Value, in 2010, and the 7 Asia/Pacific Countries in the Top 10 Account for 50.5% of the Value of all Exports

Top 10 Destinations of LAX Air Cargo Exports, by Value (\$US millions)
CY 2010



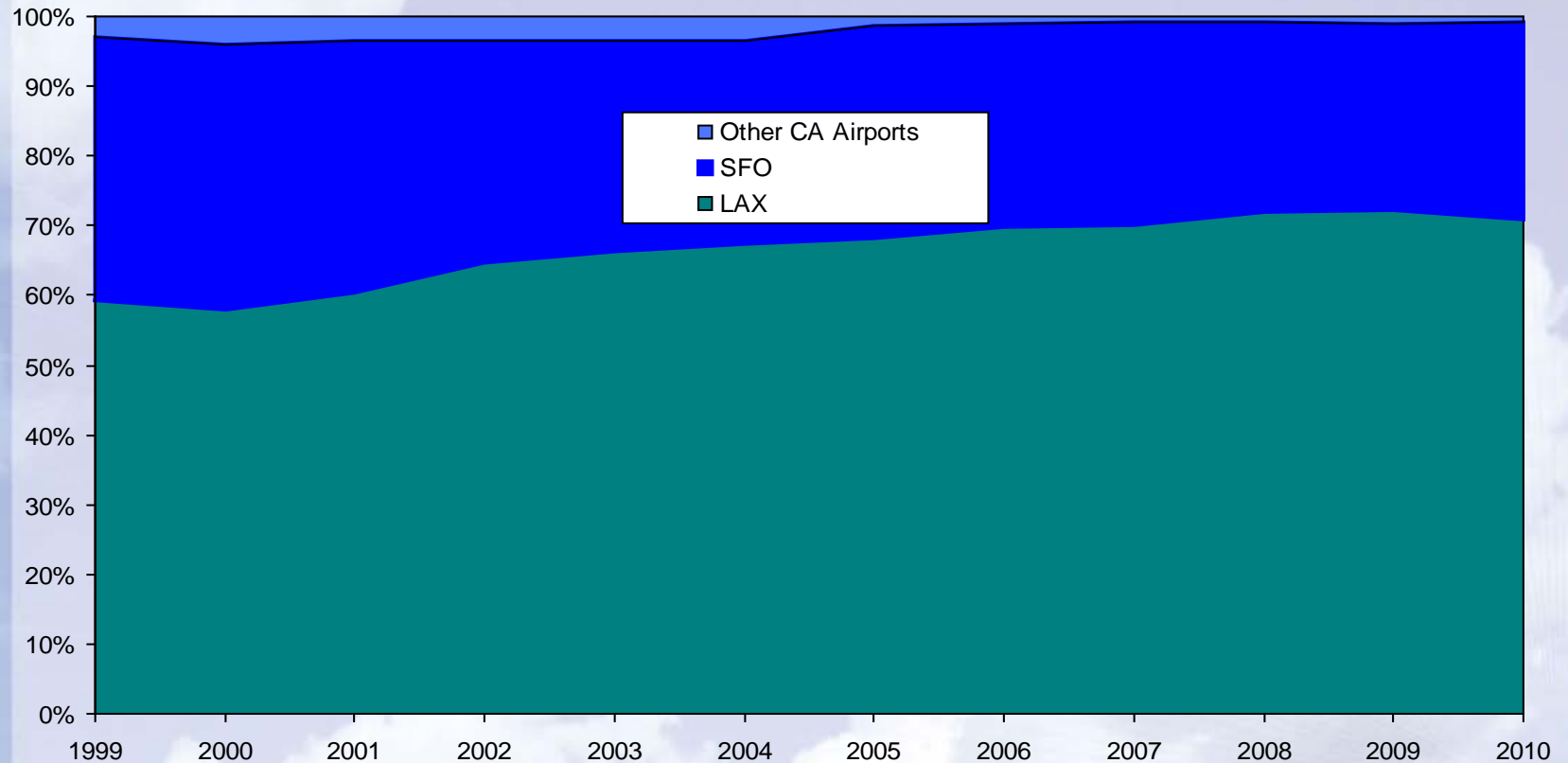
LAX 's Share of California's Air Cargo Imports Value Grew from 43.4% in 1999 to 64.3% in 2010, While SFO's Share has Fallen from 55% to 35.6%

California Air Cargo Imports, by Value (\$US Millions)
1999-2010



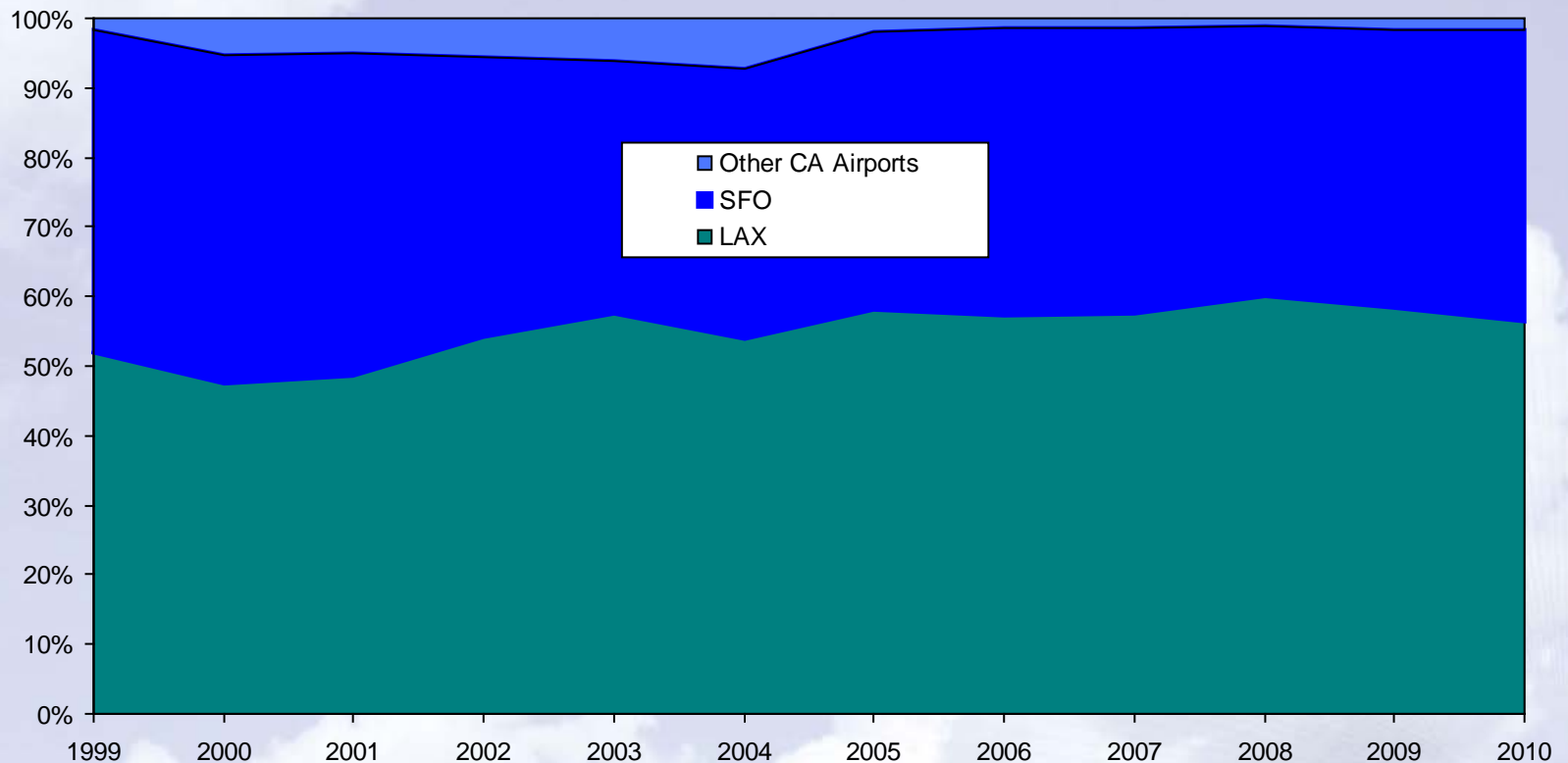
LAX's Share of California's Volume of Exports has Grown from 59.3% to 70.8% Since 1999, While SFO's Share has Fallen From 37.8% to 28.3%

California Air Cargo Exports, by Weight (Millions of Kilograms)
1999-2010



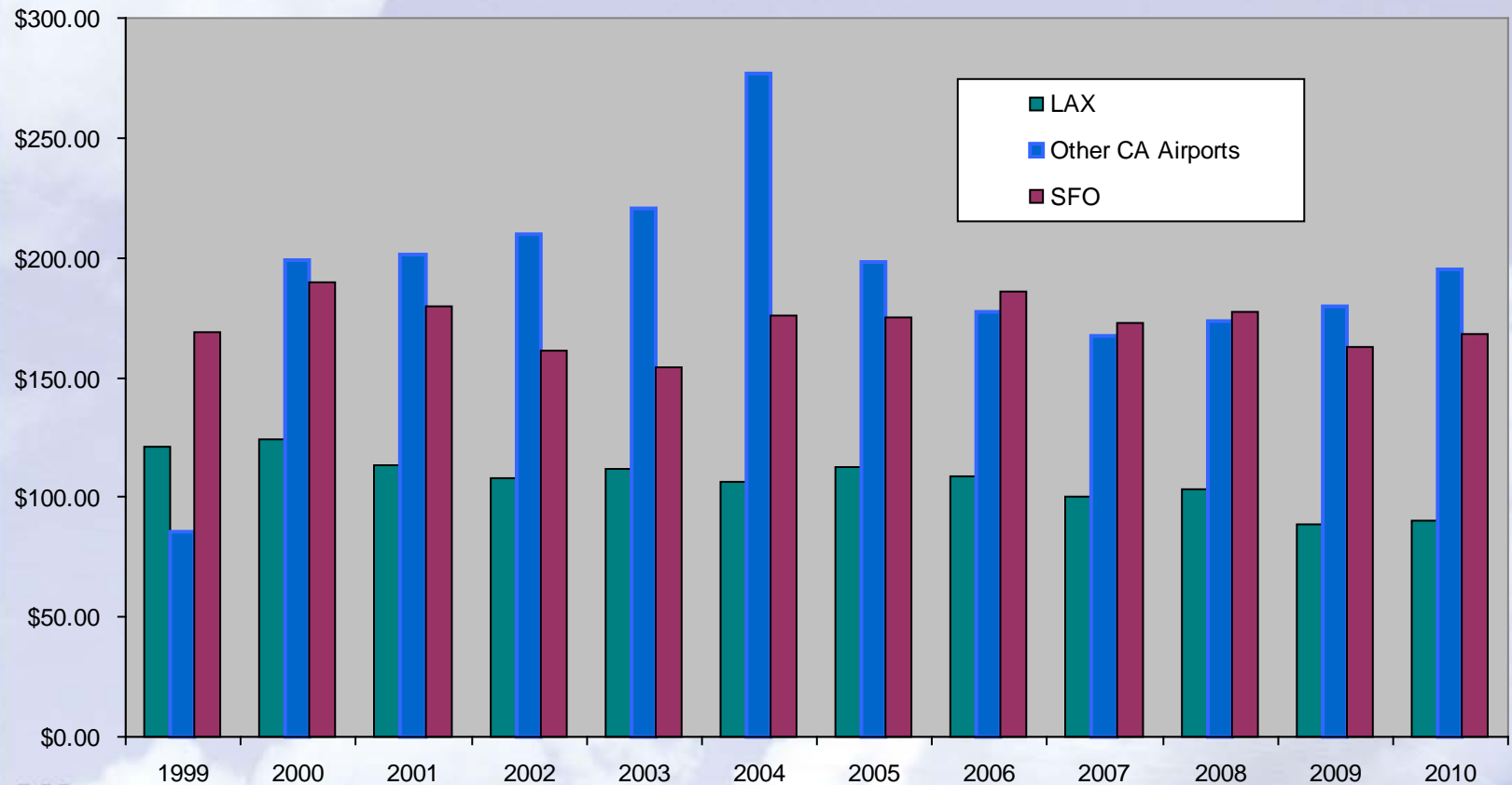
56.4% of the Value of Air Cargo Exported from California Left LAX During 2010, up from 51.9% in 1999

California Air Cargo Exports, by Value (\$US Millions)
1999-2010



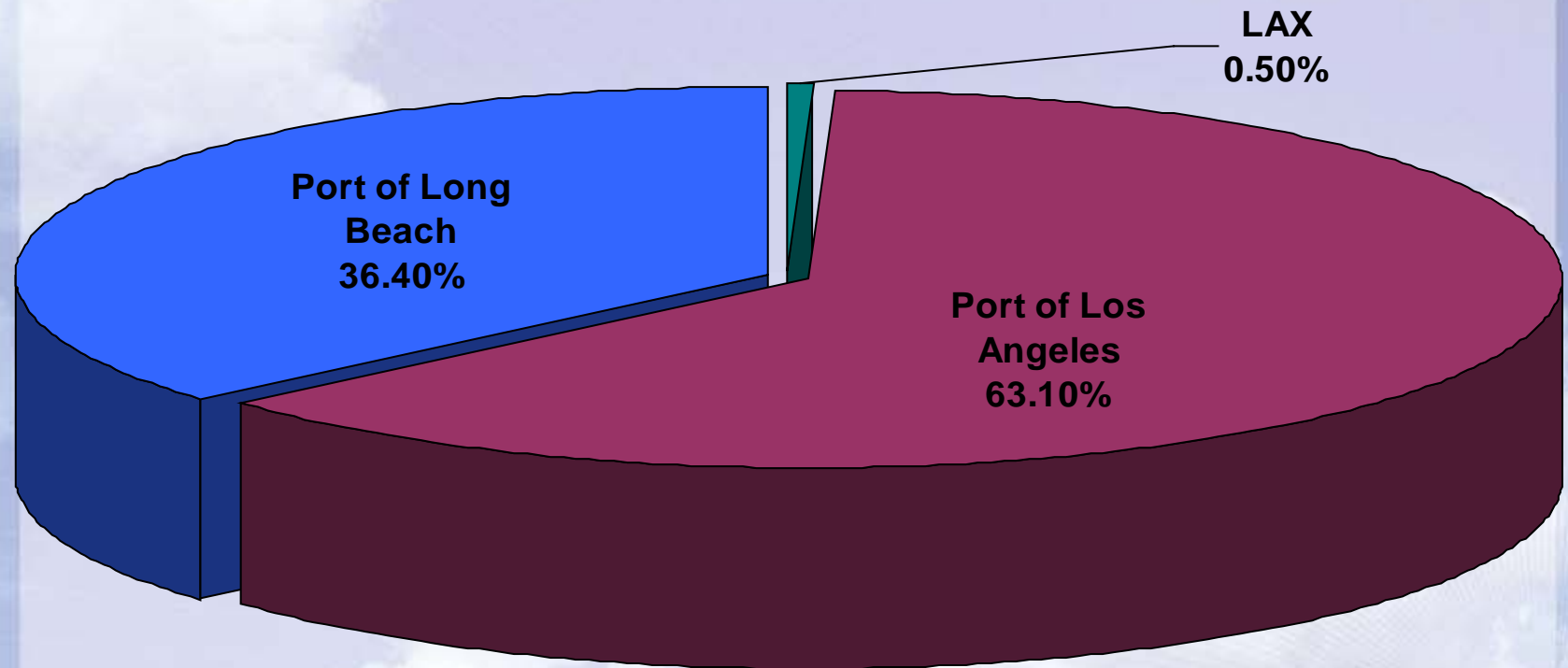
In terms of the Unit Value of Air Cargo Exports, LAX has Consistently Lagged Behind SFO and Other California Airports Since 1999

Air Cargo Traffic at California Airports, by Value per Kilogram (\$US per KG)
1999-2010



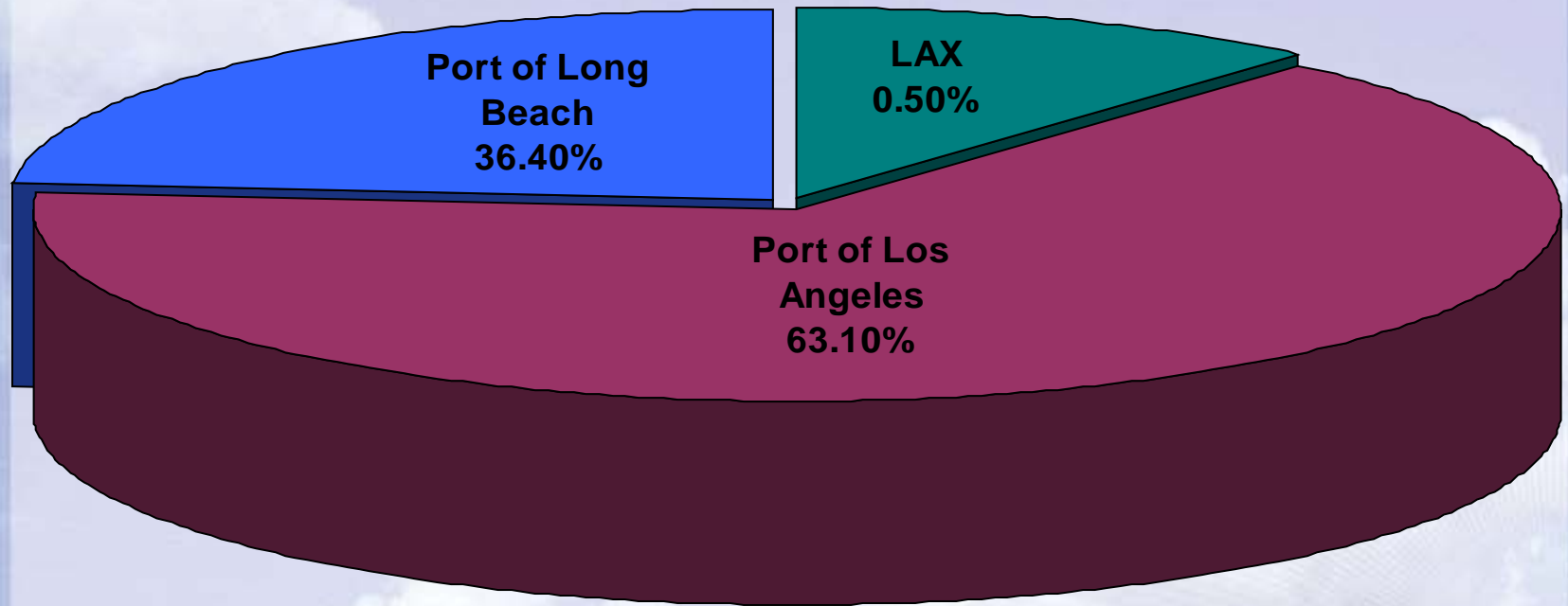
LAX Accounted for Just 0.5% of the *Weight* of Imports and Exports Passing Through Southern California's Ports...

Total International Trade Goods in Southern California, by Weight (Millions of Kilograms)
CY2010



...but 11.4% of the *Value*

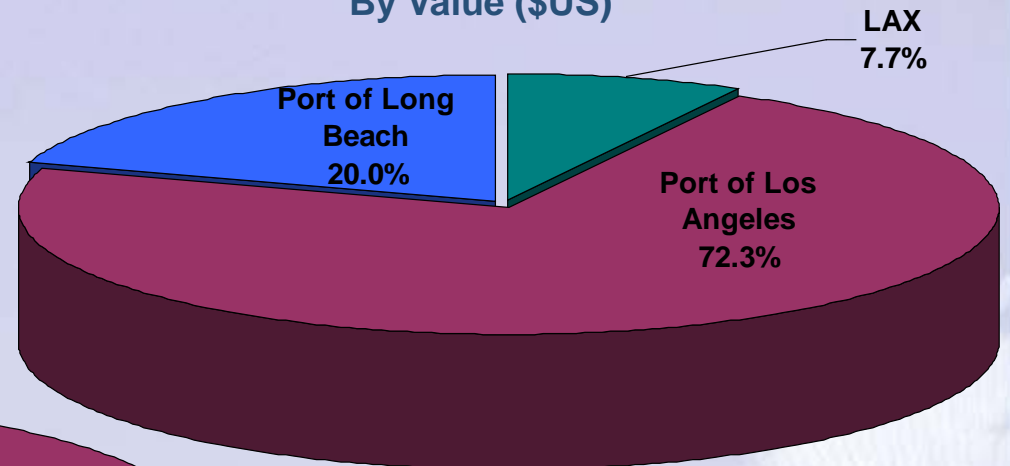
Total International Trade Goods in Southern California, by Value (\$US)
CY2010



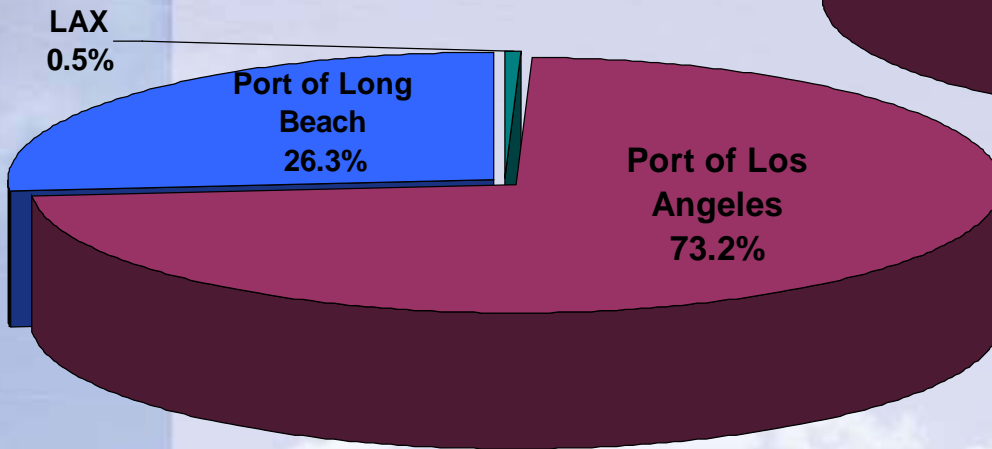
While a Significant Percentage of the Region's Value of Imported Goods Pass Through LAX...

Imported Goods in Southern California CY 2010

By Value (\$US)



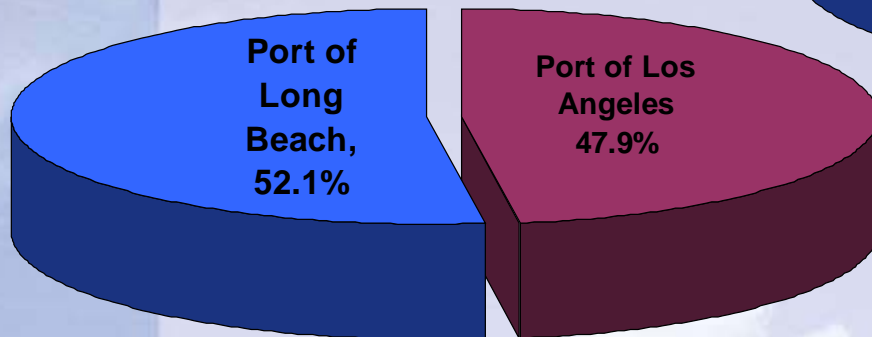
By Weight (Kilograms)



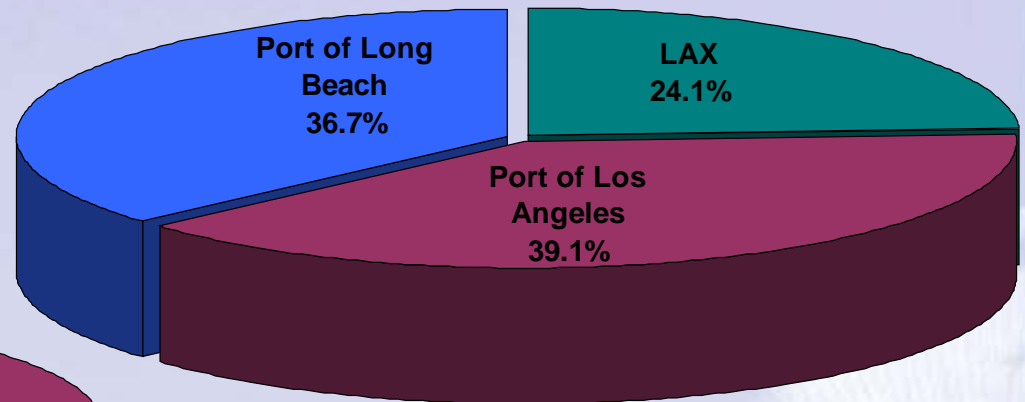
It is in the Area of Exports Where LAX Plays its Most Important Role in International Trade

Exported Goods in Southern California
CY 2010

By Weight (Kilograms)

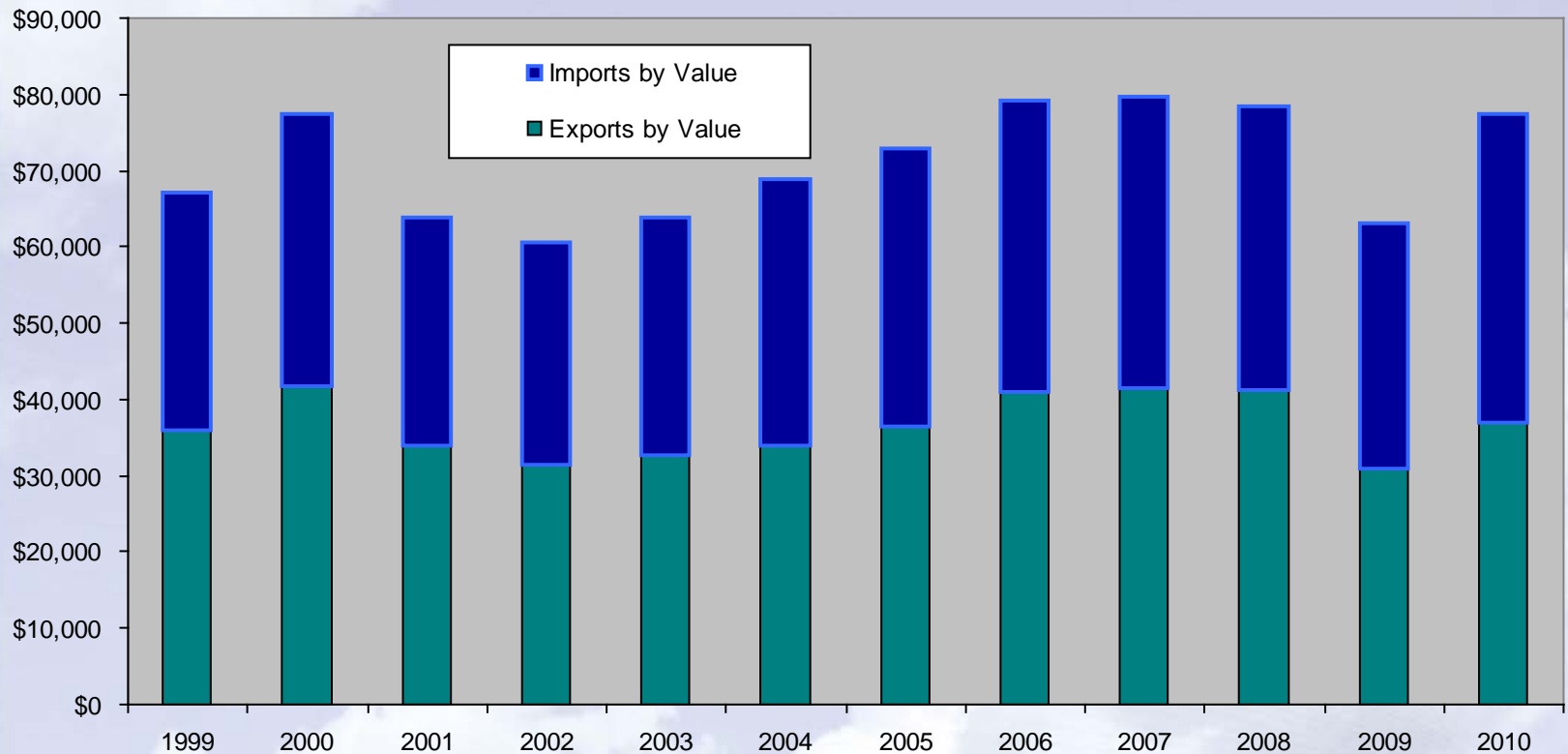


By Value (\$US)



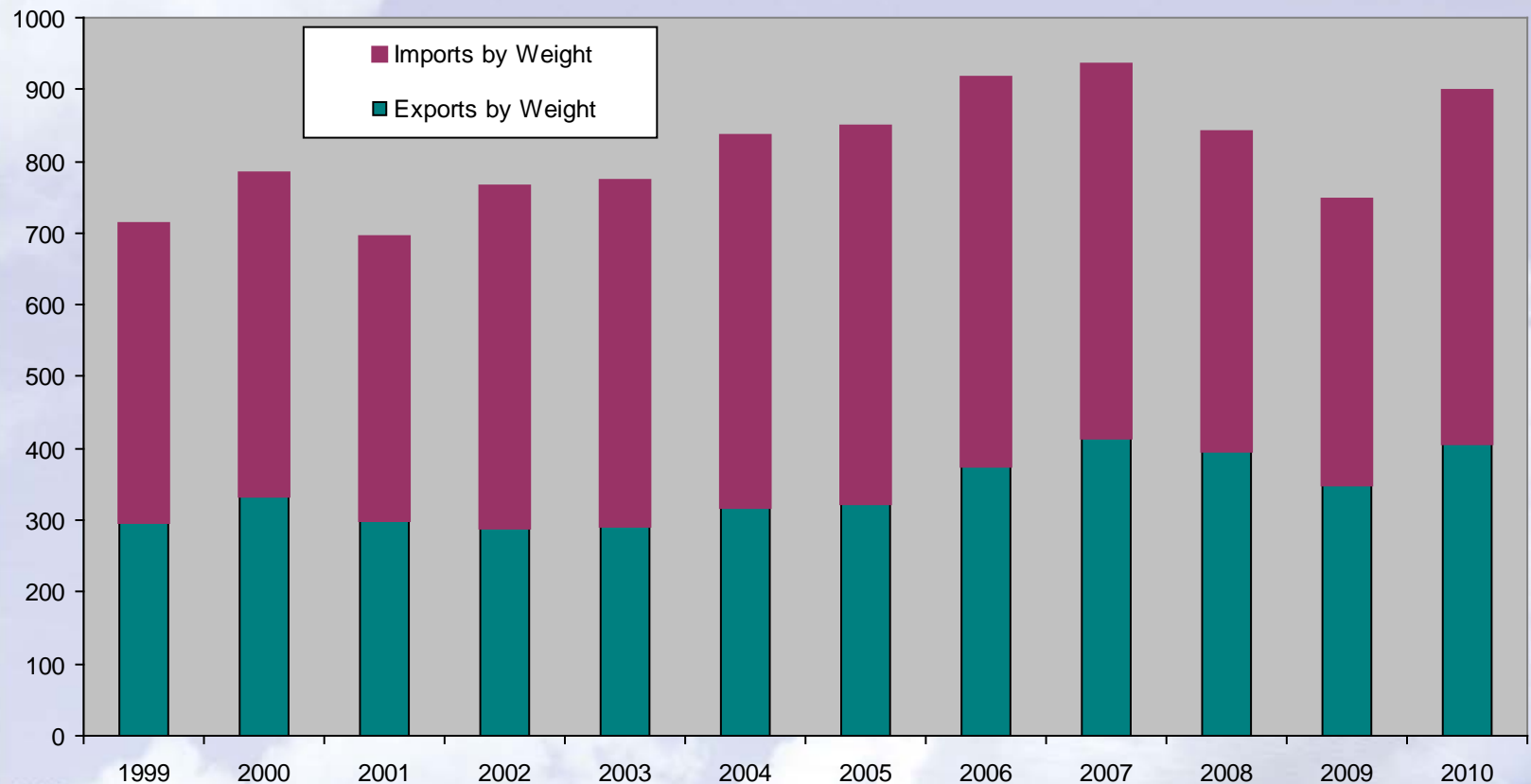
One Area of Concern: While the *Value* of Air Cargo Imports and Exports at LAX has Weathered Recent Economic Crises Well...

Air Cargo Traffic at LAX, by Value (\$US Millions)
1999-2010



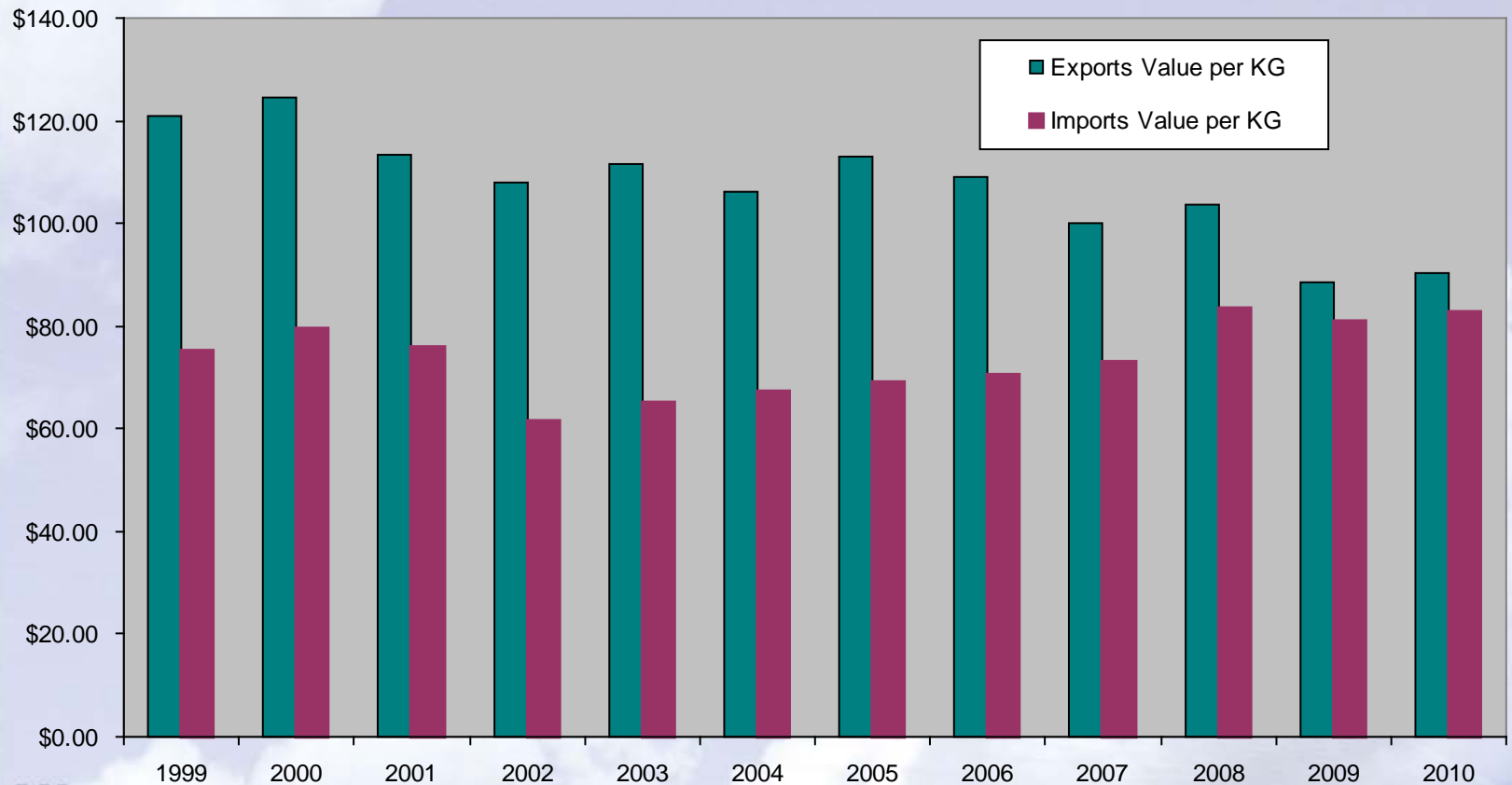
... as has the *Weight* of Air Cargo Traffic at the Airport...

Air Cargo Traffic at LAX, by Weight (Millions of Kilograms)
1999-2010



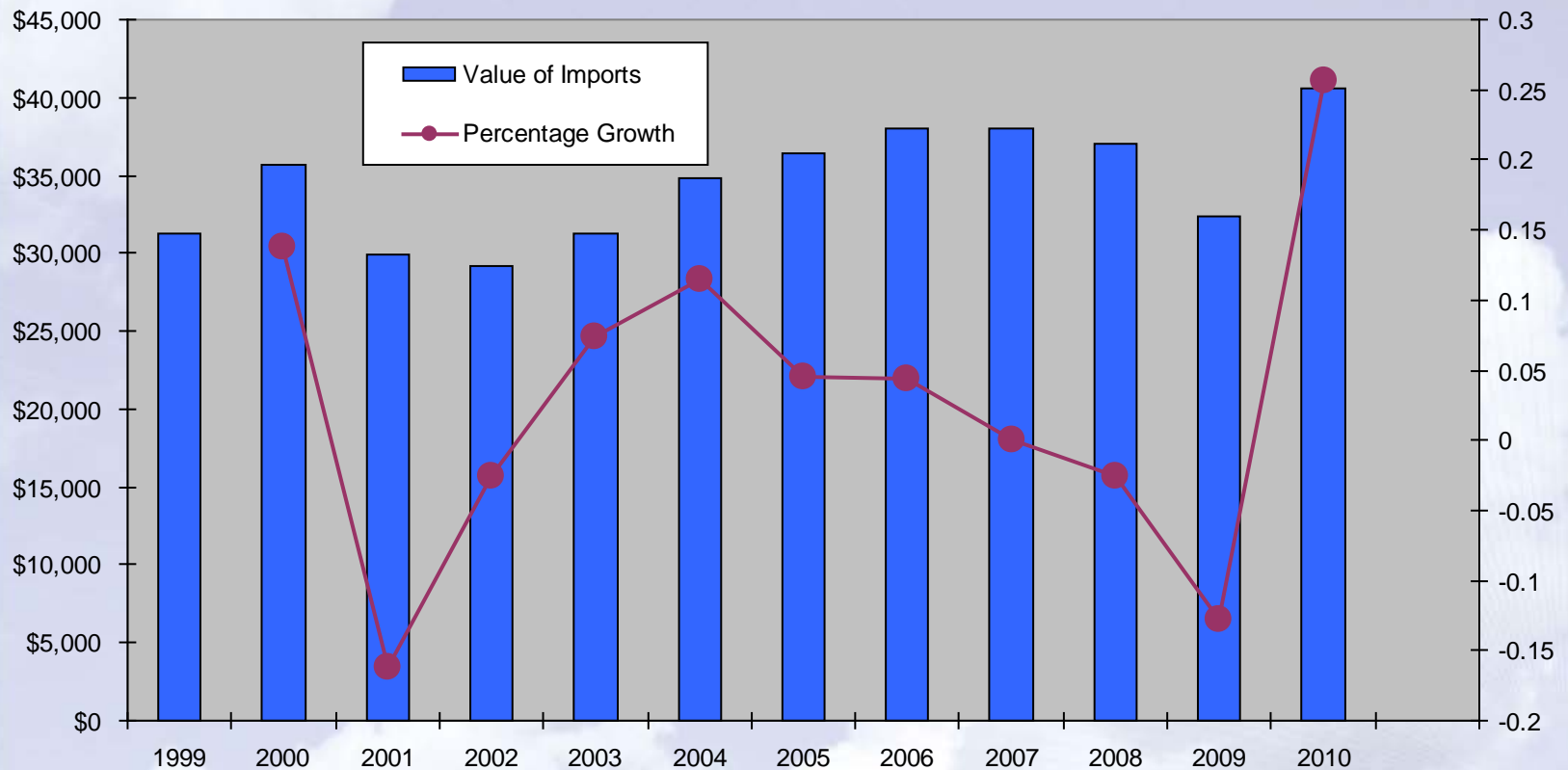
The *Unit Value* (\$/KG) of Air Cargo Exports at the Airport has Consistently Fallen During the Past Decade

Air Cargo Traffic at LAX, by Value per Kilogram (\$US per KG)
1999-2010



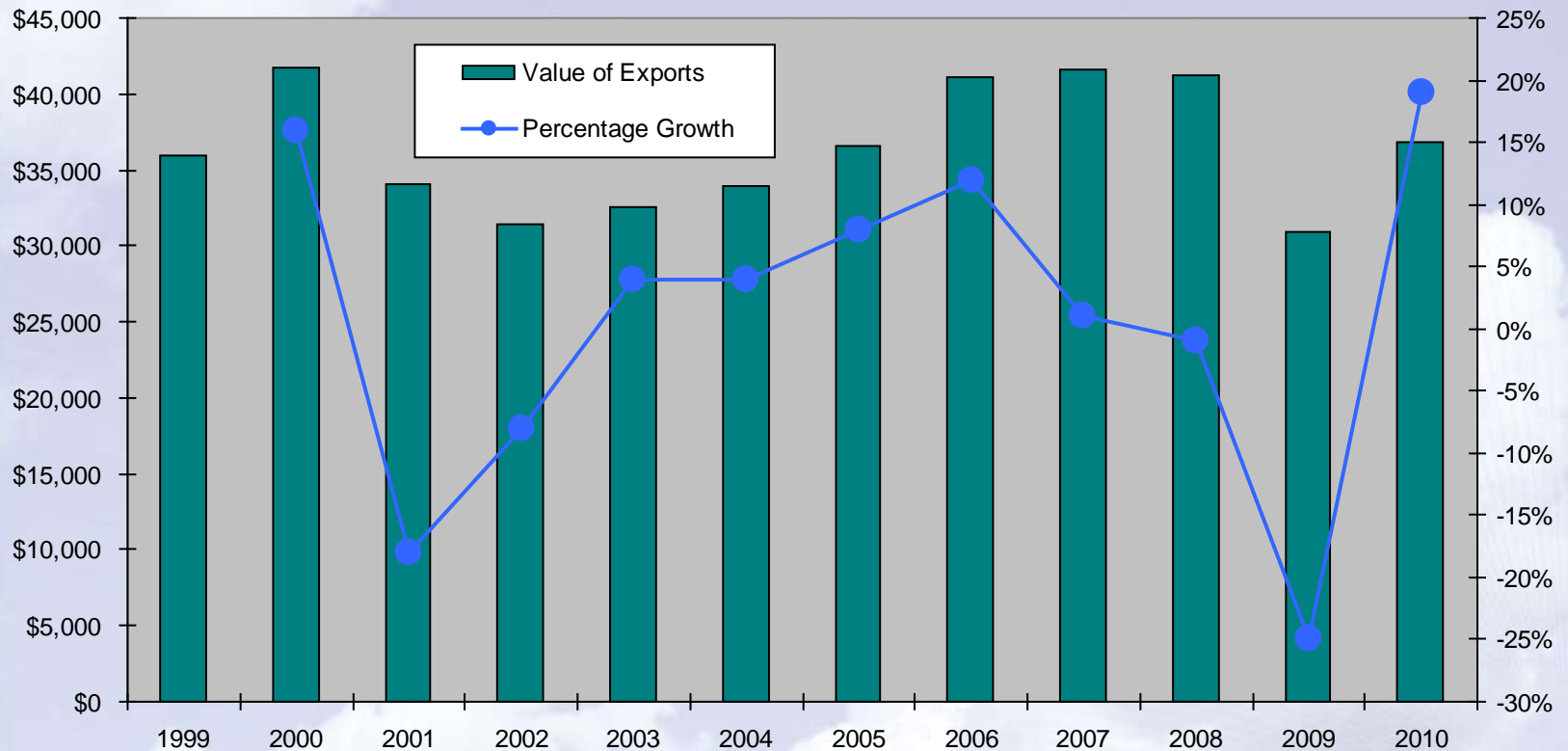
Another way to Look at This: While the *Value* of Air Cargo Imports at LAX has Grown by More Than \$9.2 US Billion Since 1999...

Air Cargo Imports at LAX, by Value (\$US Millions) 1999-2010



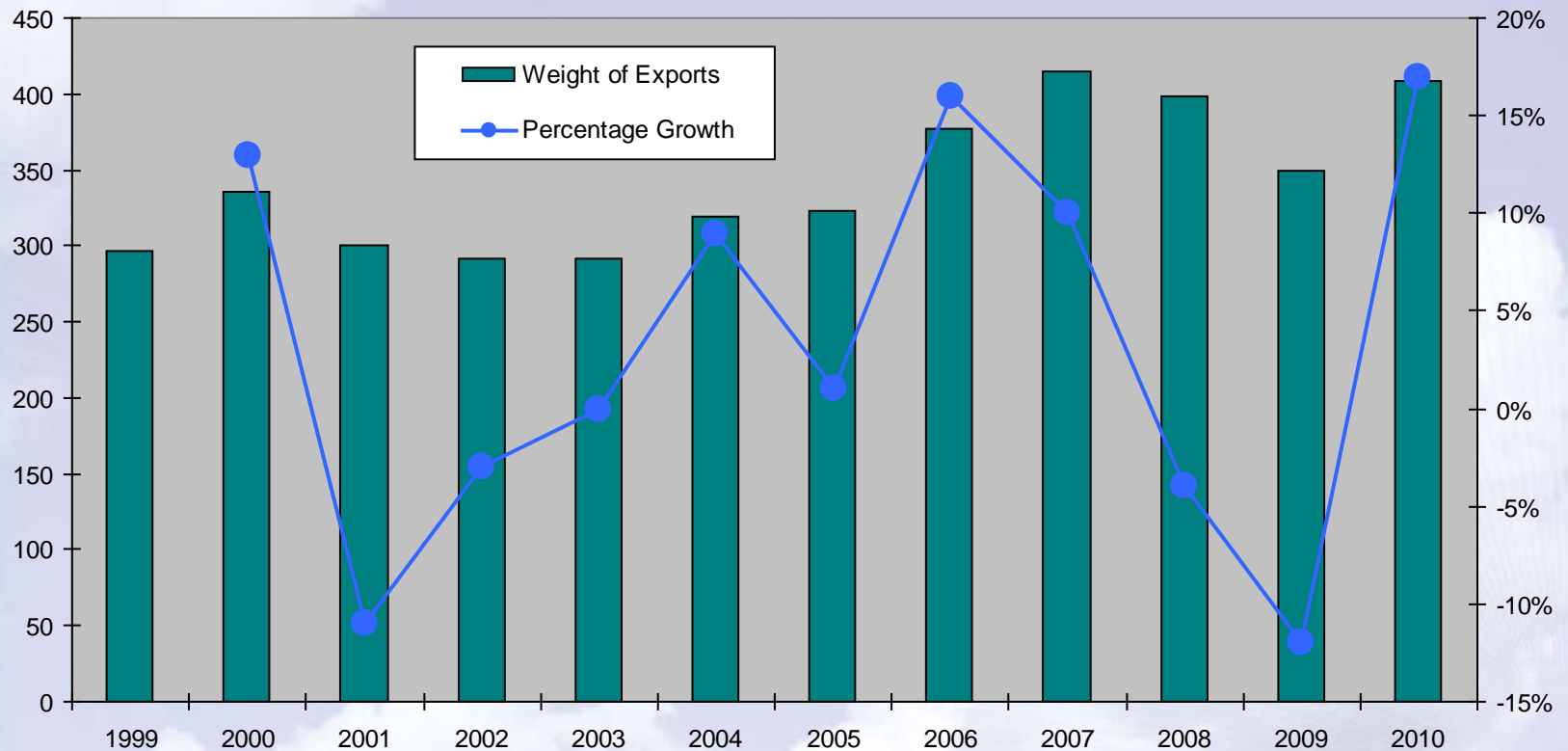
... the *Value* of Exports at the Airport is a Mere \$1 US Billion Above 1999 Levels

Air Cargo Exports at LAX, by Value (\$US Millions) 1999-2010



Despite Volatility, the Volume of Air Cargo Exports at LAX Ended 2010 Just Below 2007's High-Water Mark

Air Cargo Exports at LAX, by Weight (Millions of Kilograms)
1999-2010



What Opportunities Are There on the Horizon?

Growth Opportunity #1: An Asia-South America Gateway



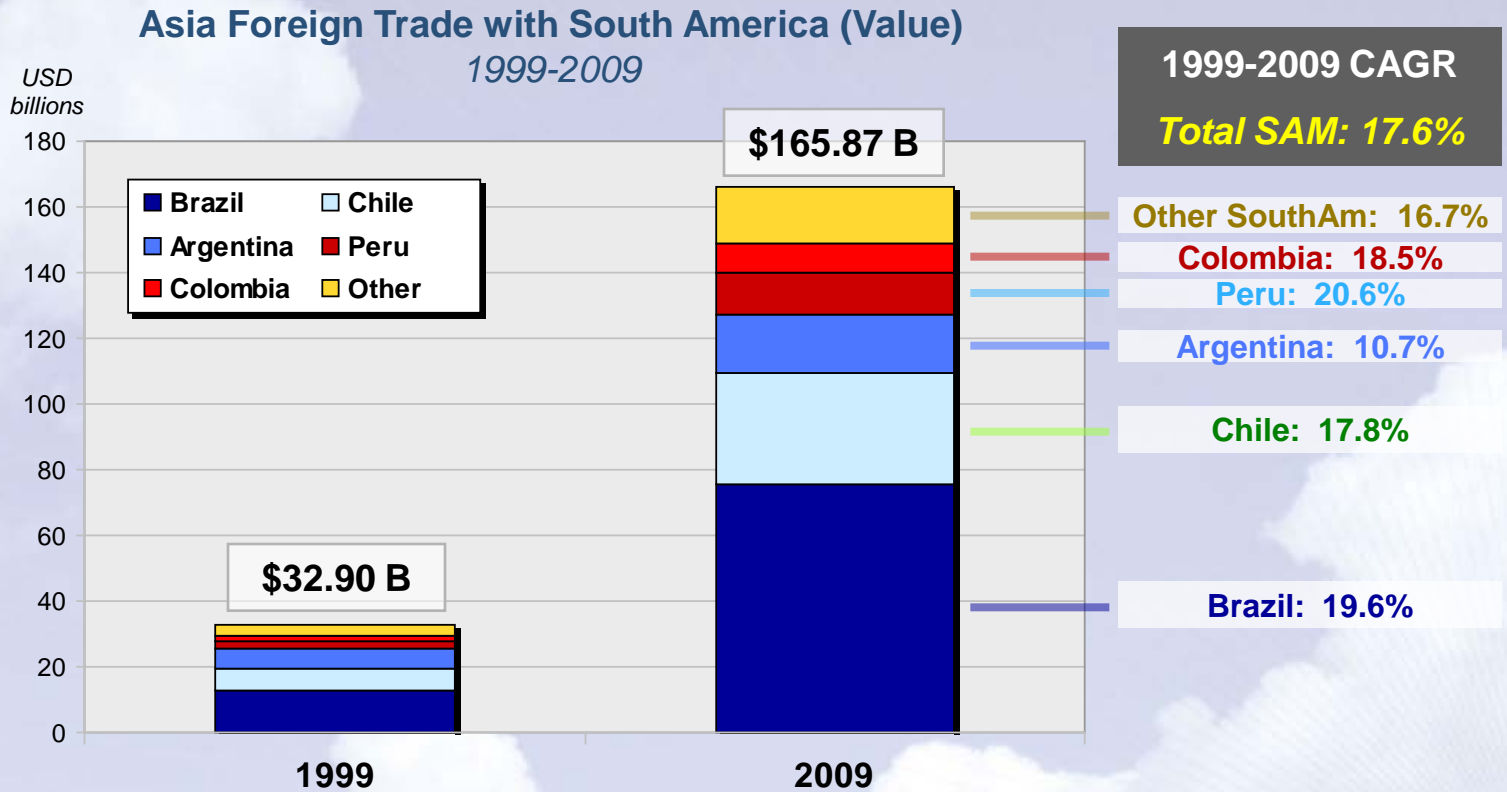
LAX

Los Angeles World Airports

LAX is the Ideal US Gateway to Connect South America and Asia

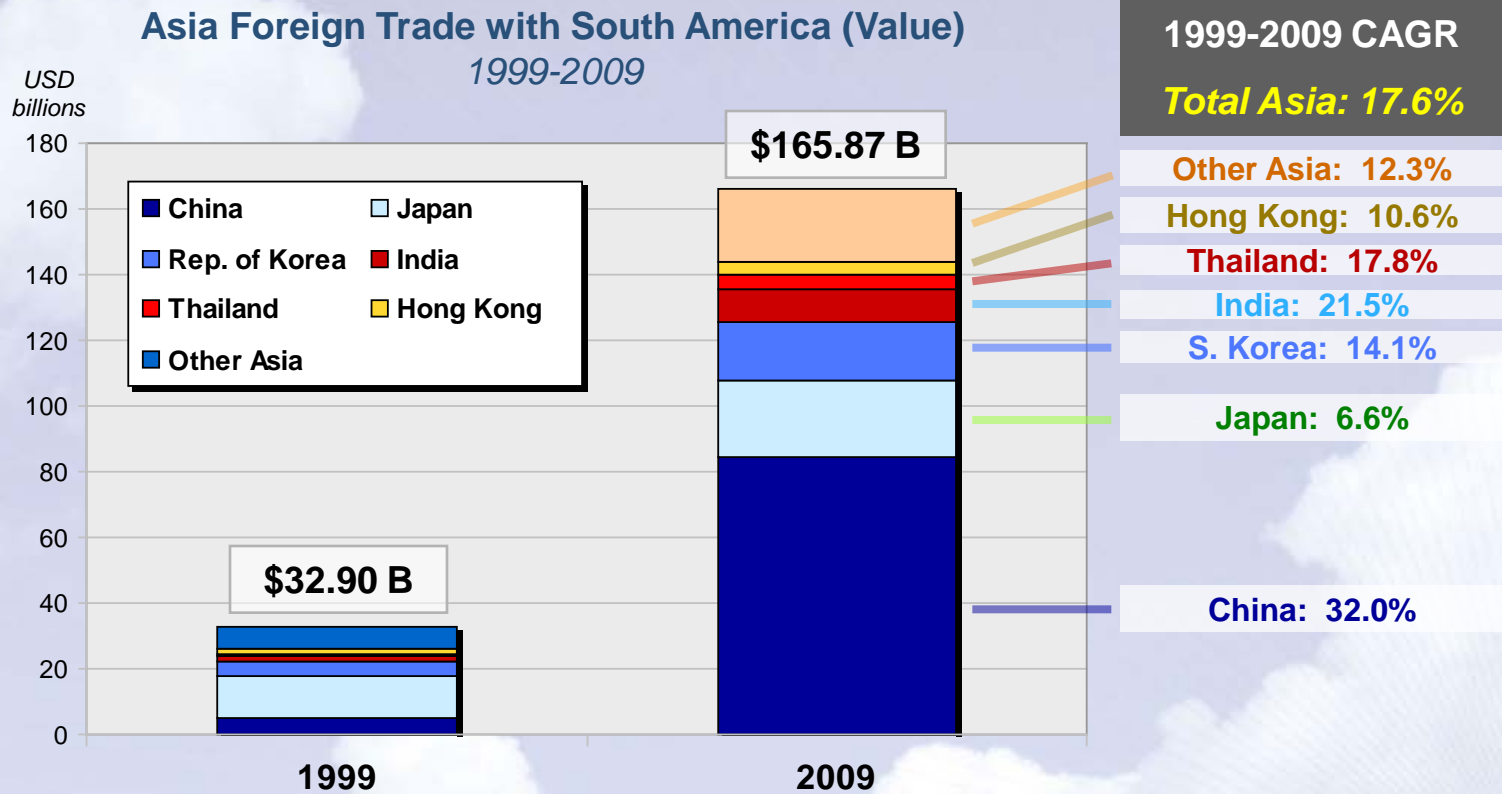
- **A Large and Growing Market Exists**
- **LAX is the #1 U.S. Passenger and Cargo Traffic Gateway to Asia and the #6 Passenger / #3 Cargo Traffic Gateway to South America**
- **At Present Only About 10 Percent of South American – Asia Passengers Travel via LAX, Down from 35 Percent in 2002**
- **Expanded South America – LAX Service Would Increase Market Share and Provide an Efficient Link Between Two Key Regions**

Trade Between Asia and South America has More than Quadrupled Between 1999 and 2009



Note: South America defined as: Brazil, Chile, Argentina, Peru, Colombia, Venezuela, Ecuador, Paraguay, Uruguay, Bolivia, French Guiana, Guyana, Suriname; while Asia is defined as: China, Japan, Rep. of Korea, India, Other Asia, Thailand, China, Hong Kong SAR, Indonesia, Malaysia, Singapore, Viet Nam, Philippines, Bangladesh, Pakistan, Dem. People's Rep. of Korea, Sri Lanka, Cambodia, Myanmar, Afghanistan, China, Macao SAR, Maldives, Mongolia, Nepal, Brunei Darussalam, Lao People's Dem. Rep., Timor-Leste, Bhutan

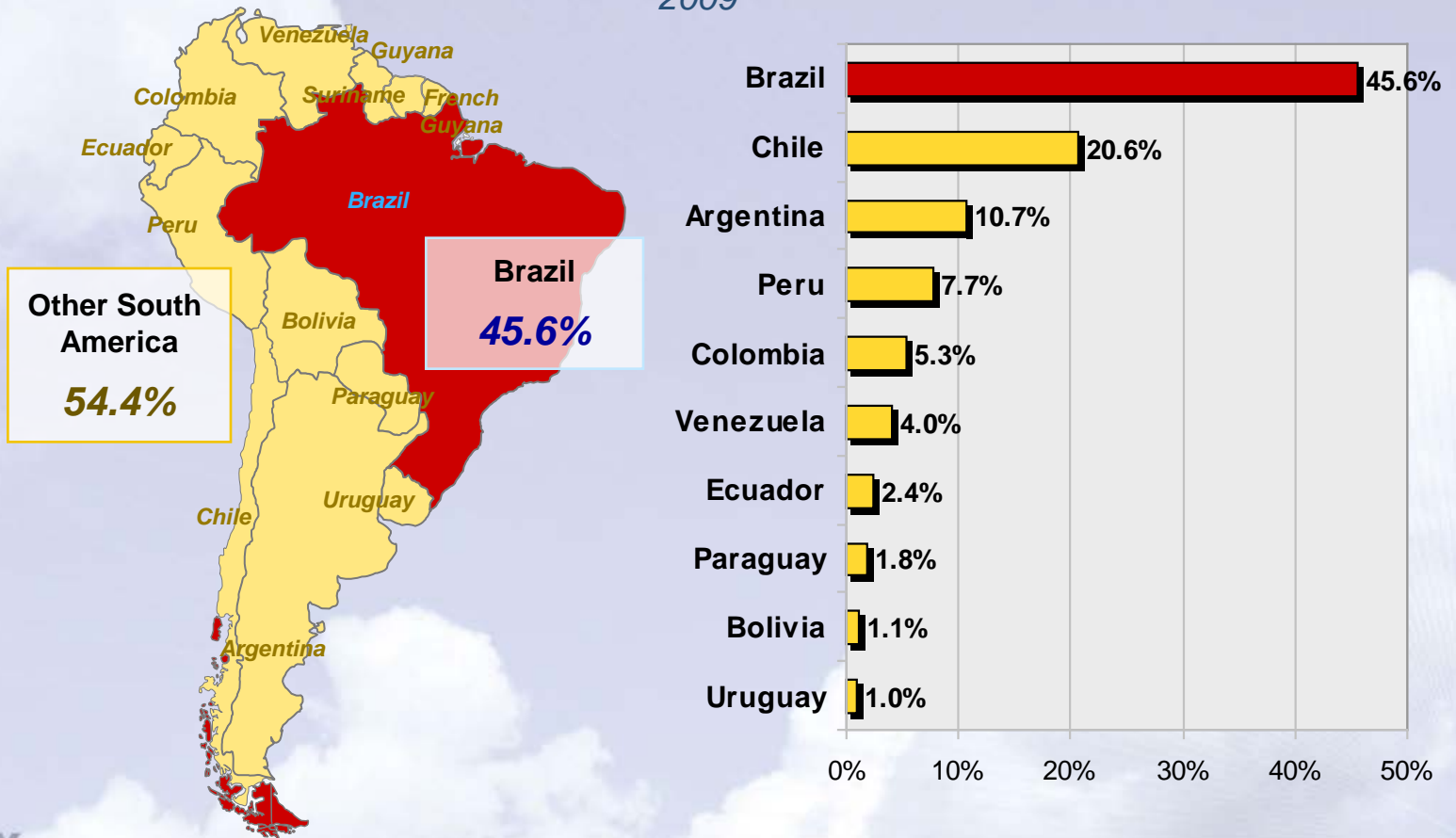
The Growth is Driven in Large Part by China, but Japan, South Korea and India Have Also Experienced Strong Increases



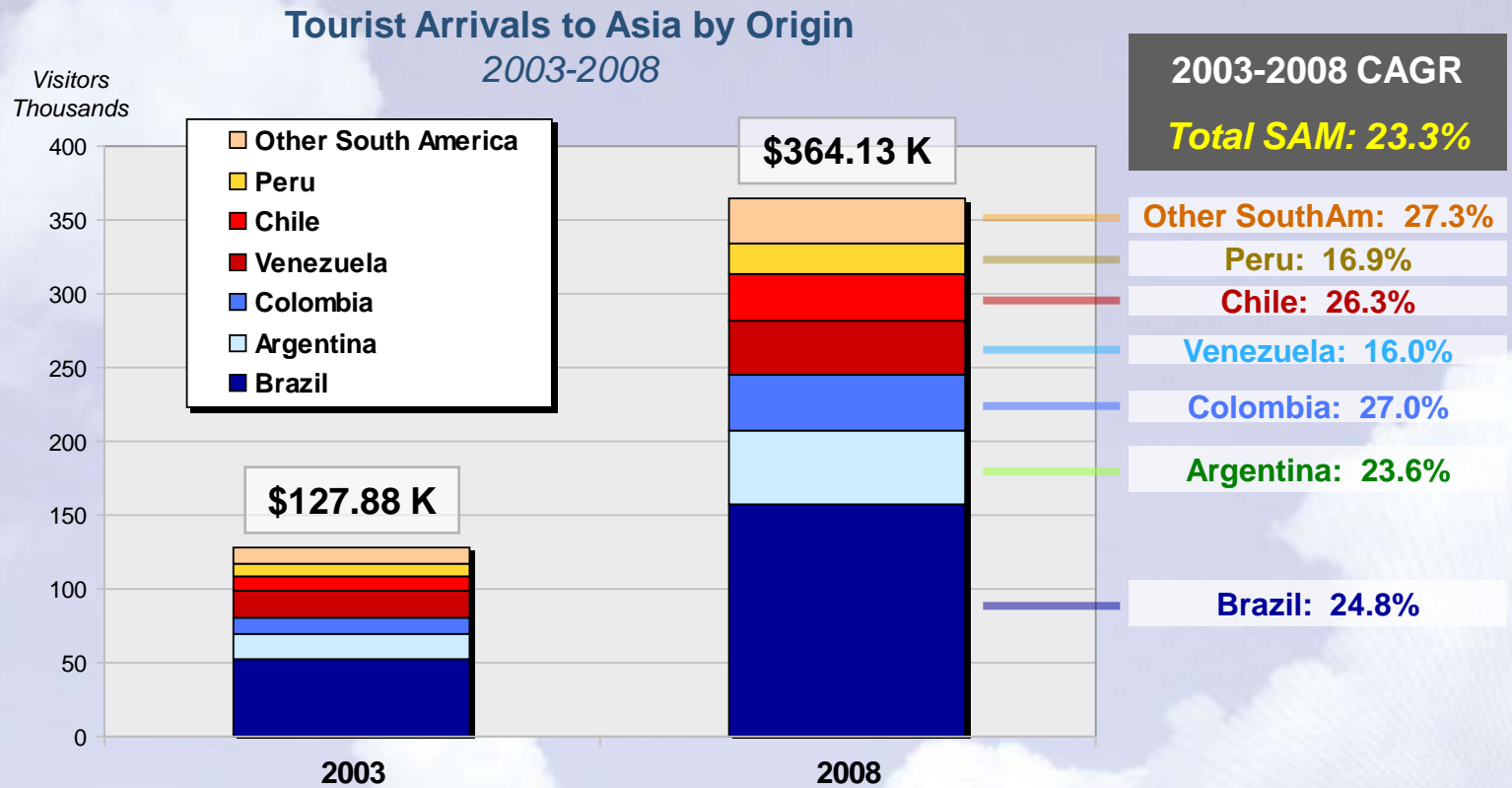
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Trade Between Asia and South America is Led by Brazil and Followed by Chile

Share of Asia Foreign Trade with South America by Country 2009

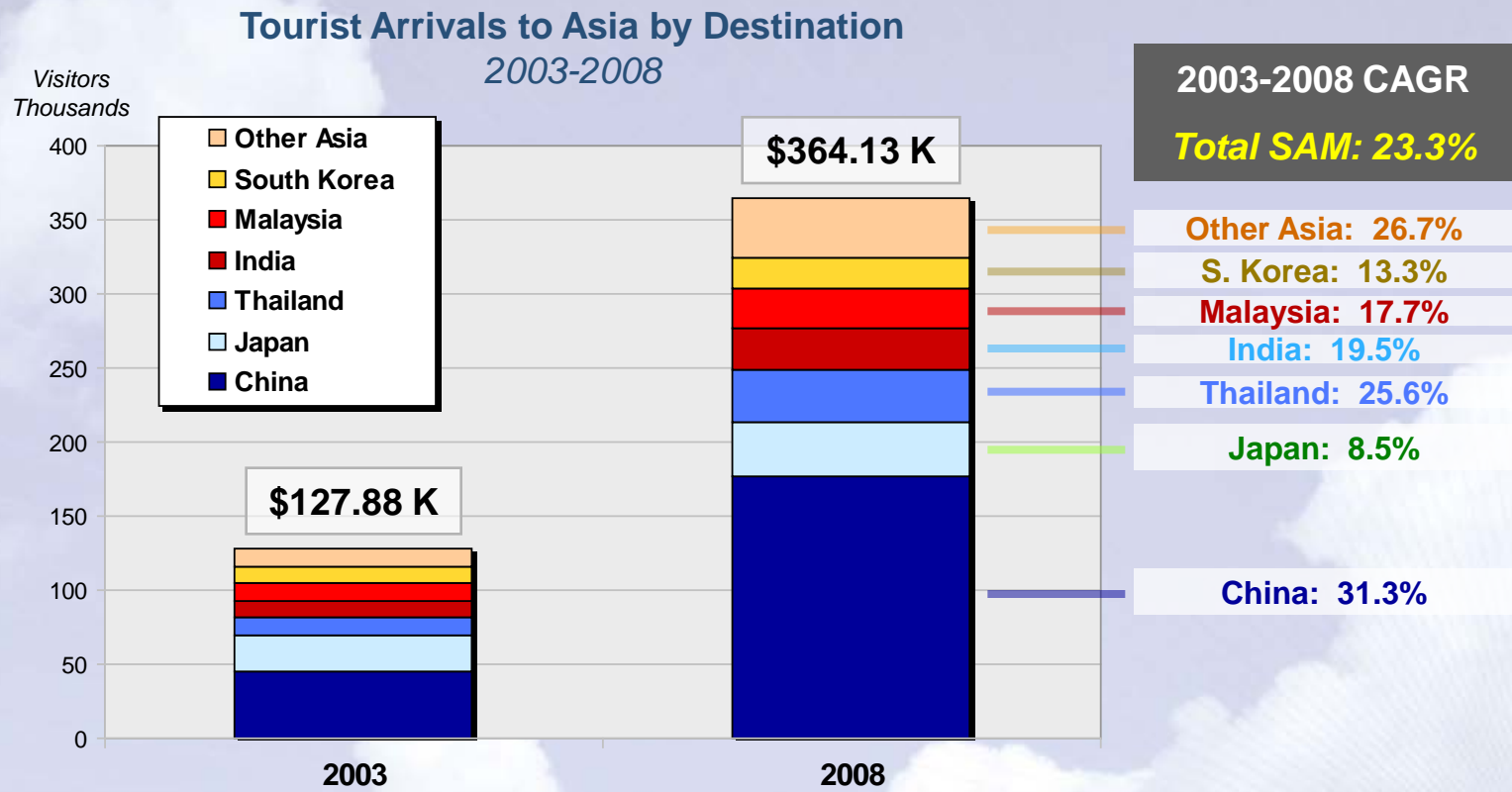


Consistent with Trade, South American Visitors to Asia Have Risen an Impressive 23 Percent Per Year from 2003 to 2008



Note: South America includes: Brazil, Argentina, Colombia, Venezuela, Chile, Peru, Ecuador, Bolivia, Paraguay, Uruguay, Suriname, Guyana, French Guiana; while Asia includes: China, Japan, Thailand, India, Malaysia, South Korea, Singapore, Cambodia, Nepal, Taiwan, Philippines, Maldives, Sri Lanka, Pakistan, Mongolia, Bhutan, Bangladesh

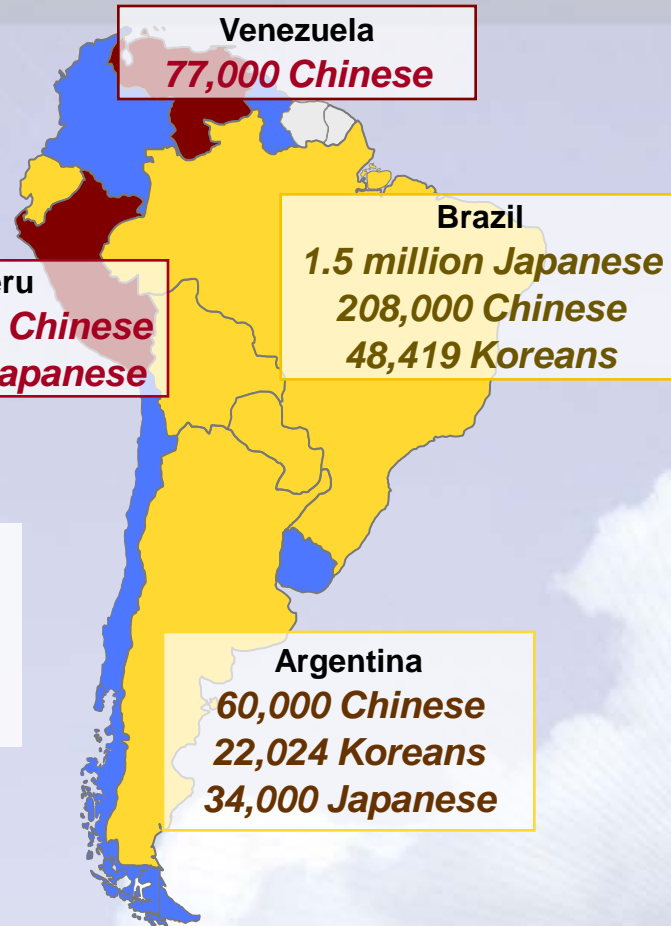
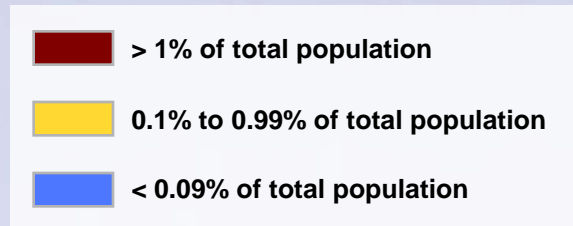
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South America Also has a Strong Japanese, Chinese and Korean Population of Over 3 Million

Japan, China and Korean Population as Percent of Total Country Population



Source: Japan Ministry of Foreign Affairs, Taiwan Overseas Compatriot Affairs Commission Republic of China, Korea Ministry of Foreign Affairs and Trade (<http://www.mofat.go.kr>)

Note: Data Not Easily Available for Other Asian Countries

The Total Asia – South America Market is Estimated at Almost 920,000 Annual Passengers

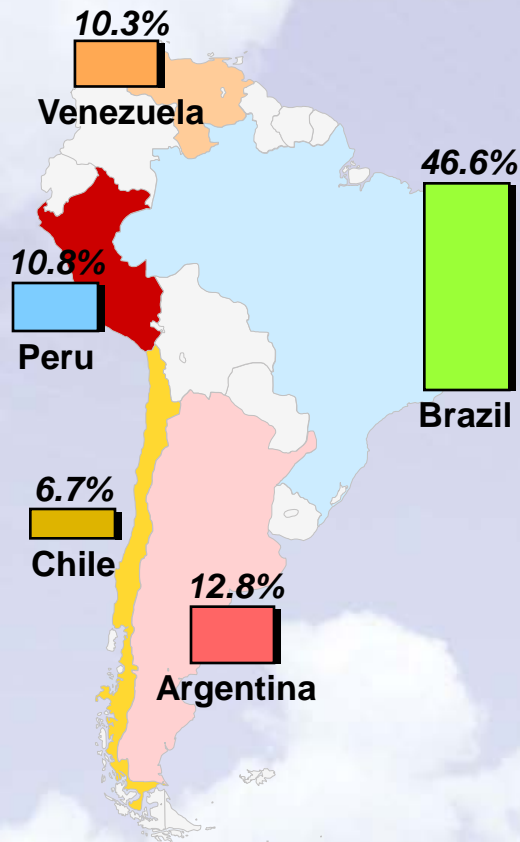
Top South American – Asia Adjusted O&D Markets CY 2002 - YE 2Q 2010

Rank	South Am Cntry	Asian Cntry	YE 2Q 10		AAG from CY 02
			Annual	PDEW	
1	Brazil	Japan	146,296	200	-1.0%
2	Brazil	China	97,657	134	19.0%
3	Peru	Japan	62,010	85	8.1%
4	Venezuela	China	55,621	76	39.0%
5	Brazil	India	39,193	54	20.9%
6	Brazil	South Korea	38,439	53	13.8%
7	Argentina	China	34,750	48	25.9%
8	Brazil	Hong Kong	32,567	45	7.8%
9	Argentina	Japan	21,015	29	10.4%
10	Brazil	Philippines	19,252	26	14.7%
11	Chile	China	17,883	24	18.6%
12	Colombia	China	14,613	20	40.3%
13	Peru	China	14,122	19	25.0%
14	Venezuela	Hong Kong	13,550	19	8.6%
15	Chile	Japan	12,814	18	8.5%
16	Brazil	Singapore	12,181	17	15.0%
17	Ecuador	China	11,463	16	25.0%
18	Argentina	Hong Kong	11,395	16	16.9%
19	Argentina	India	11,264	15	27.7%
20	Brazil	Taiwan	11,120	15	6.8%
	All Other		241,112	330	10.9%
	Total		918,317	1,258	10.1%

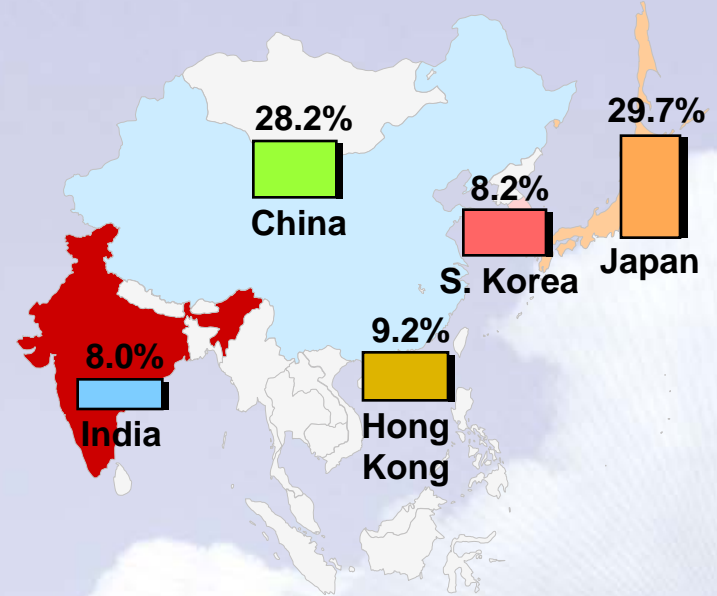
Source: MIDT Booking
Data Adjusted for
Underreported Traffic

Brazil and Japan are the Leading Countries for South America-Asia Traffic

Share of O&D Passengers by South American Country

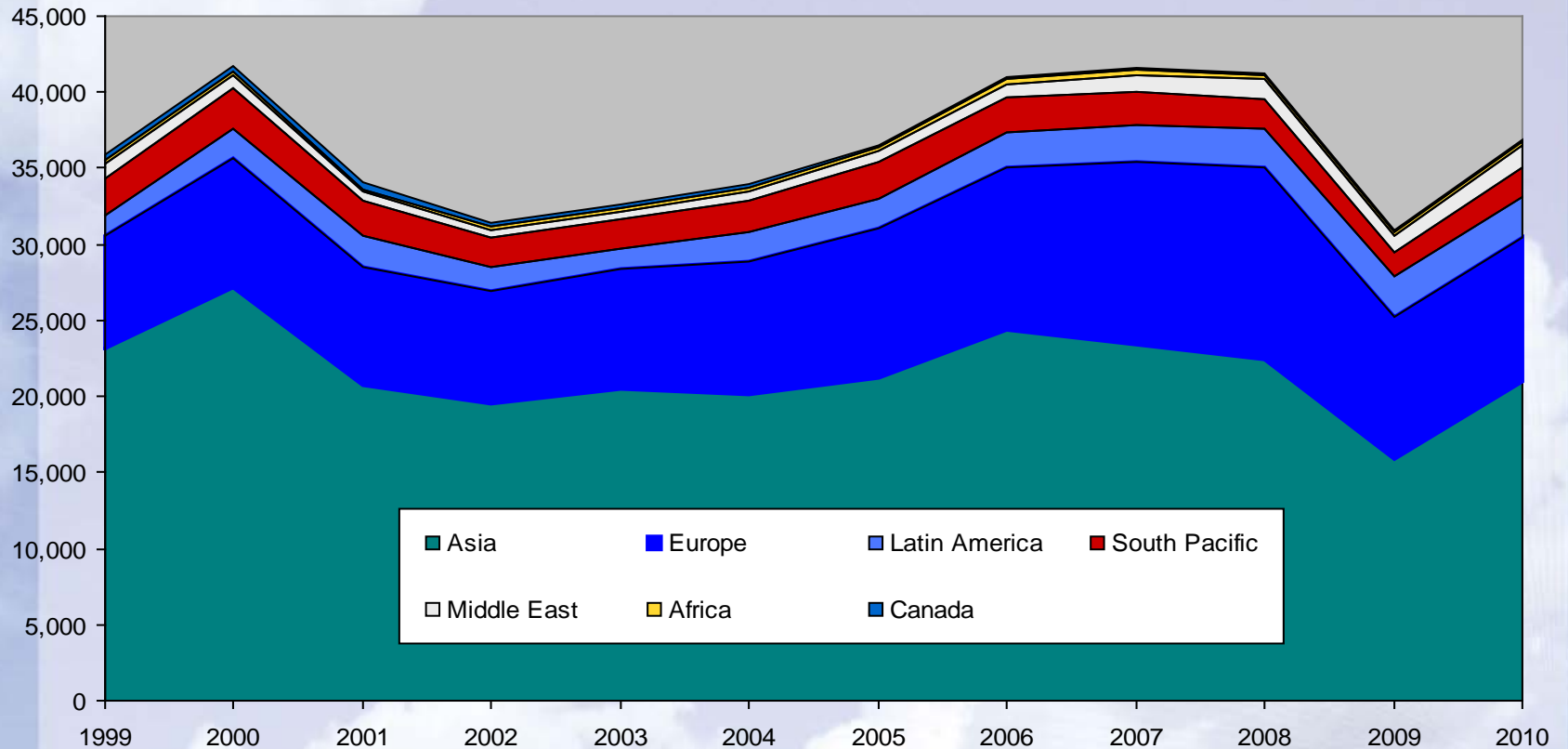


Share of O&D Passengers by Asian Country



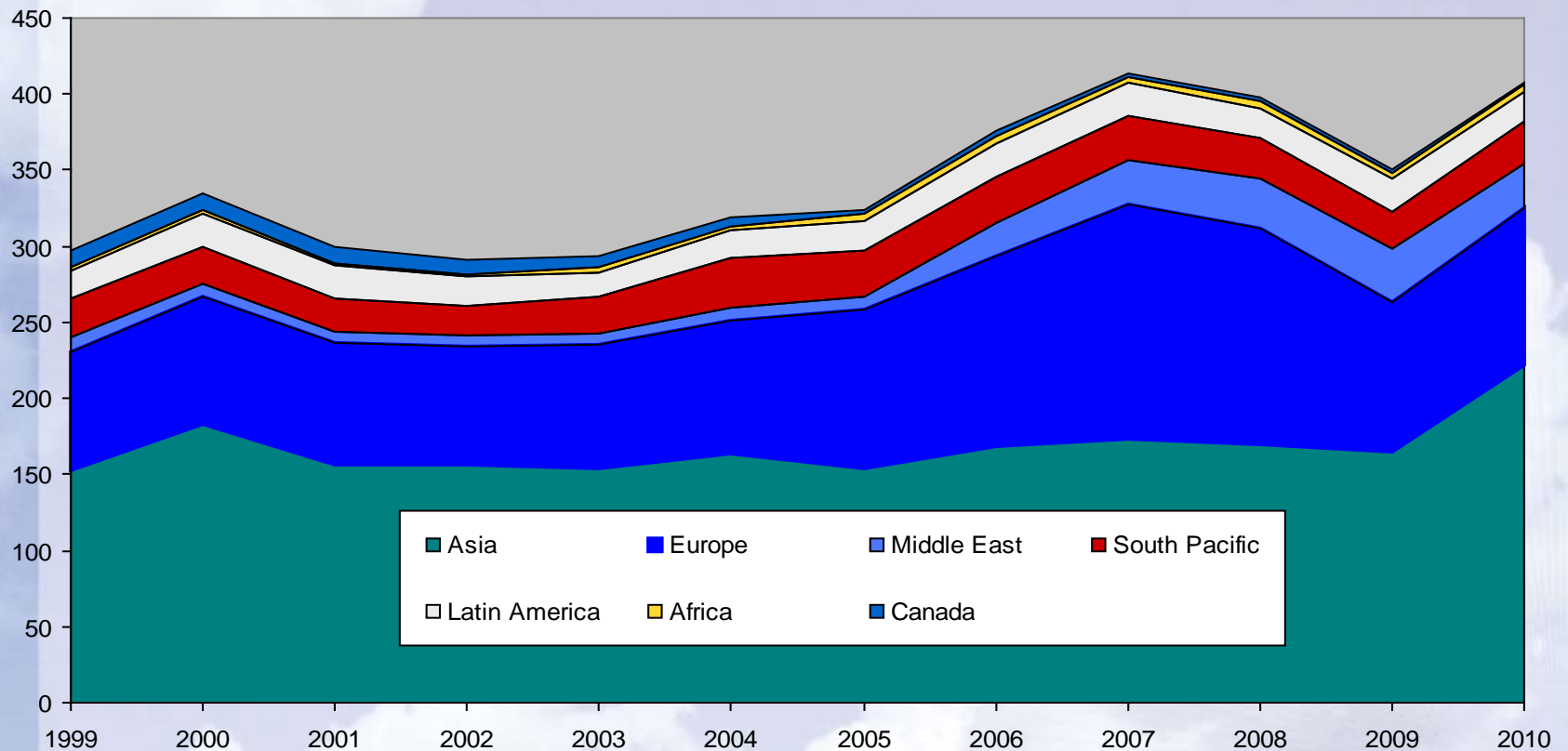
Despite Rapid Growth in Trade Between South America and Asia, the Americas Region Accounted for Just 7.5% of the *Value* of Air Cargo Exports from LAX During 2010, up From 4.9% in 1999

LAX Air Cargo Exports, by World Region Destination, by Value (\$US Millions)
1999-2010



During this Same Period, the Share of the *Volume* of Exports Destined for the Americas has Declined from 9.7% in 1999 to 5.3% in 2010

LAX Air Cargo Exports, by World Region Destination, by Weight (Millions of Kilograms)
1999-2010



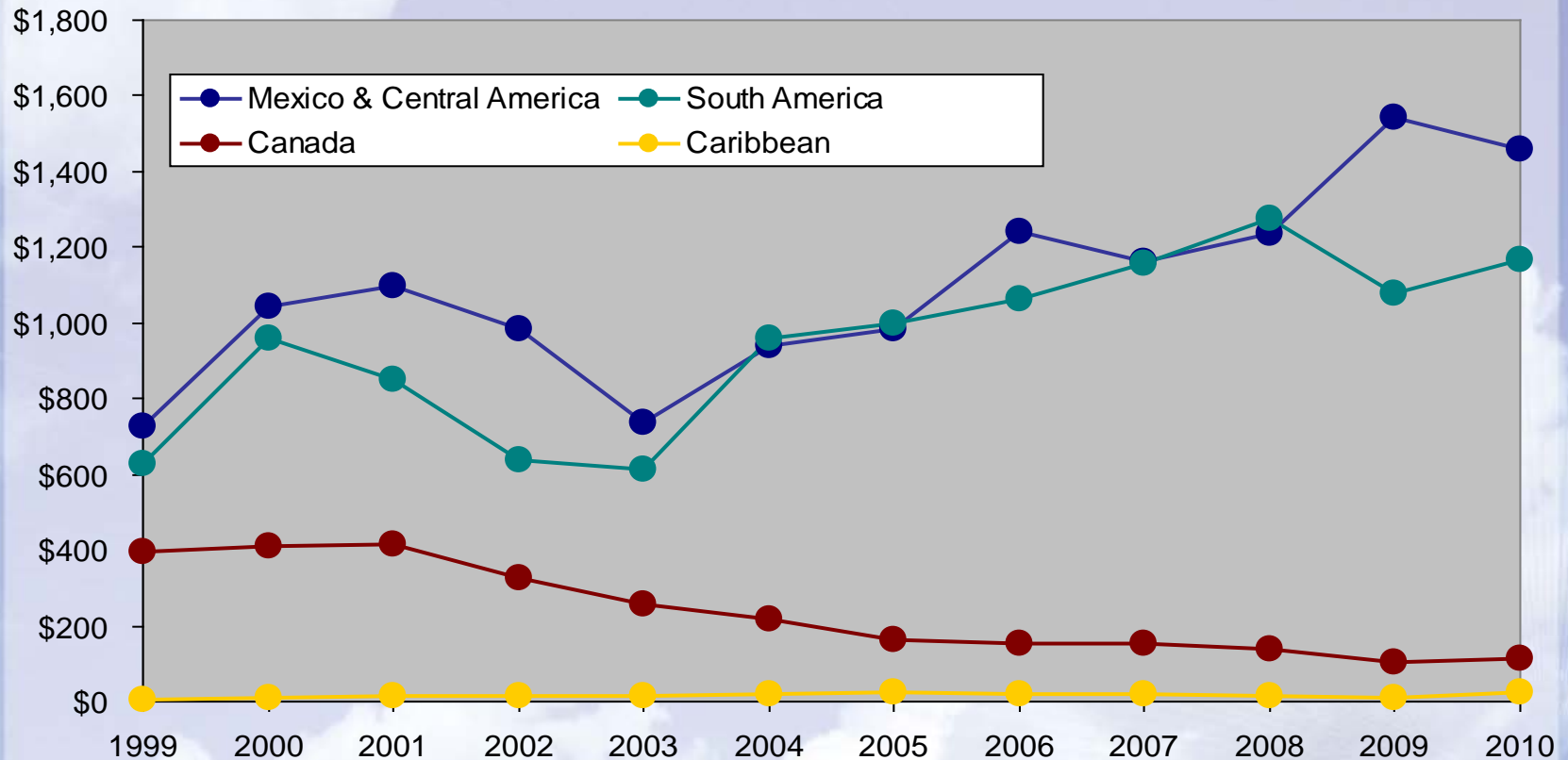
Falling Volumes and Rising Values Lead to Higher *Unit Values* for Exports from LAX to the Americas

LAX Air Cargo Exports, by World Region Destination, by Unit Value (\$US per Kilogram)
1999-2010

	Unit Value (\$US/kg)												AAGR
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	1999-2010
Latin America	\$77	\$92	\$96	\$88	\$85	\$105	\$100	\$106	\$112	\$124	\$128	\$131	4.5%
Asia	\$151	\$148	\$133	\$124	\$134	\$123	\$138	\$144	\$134	\$133	\$96	\$95	-3.8%
Europe	\$96	\$101	\$97	\$96	\$96	\$100	\$95	\$86	\$79	\$89	\$95	\$92	-0.3%
LAX Average	\$121	\$125	\$114	\$108	\$111	\$106	\$113	\$109	\$100	\$104	\$88	\$90	-2.4%
Canada	\$35	\$36	\$36	\$35	\$36	\$38	\$59	\$42	\$45	\$57	\$57	\$76	6.6%
Africa	\$78	\$75	\$72	\$70	\$80	\$64	\$72	\$73	\$75	\$68	\$66	\$75	-0.4%
South Pacific	\$96	\$105	\$105	\$96	\$81	\$66	\$78	\$76	\$74	\$73	\$67	\$65	-3.2%
Middle East	\$102	\$111	\$91	\$70	\$65	\$66	\$78	\$39	\$37	\$38	\$30	\$50	-5.8%

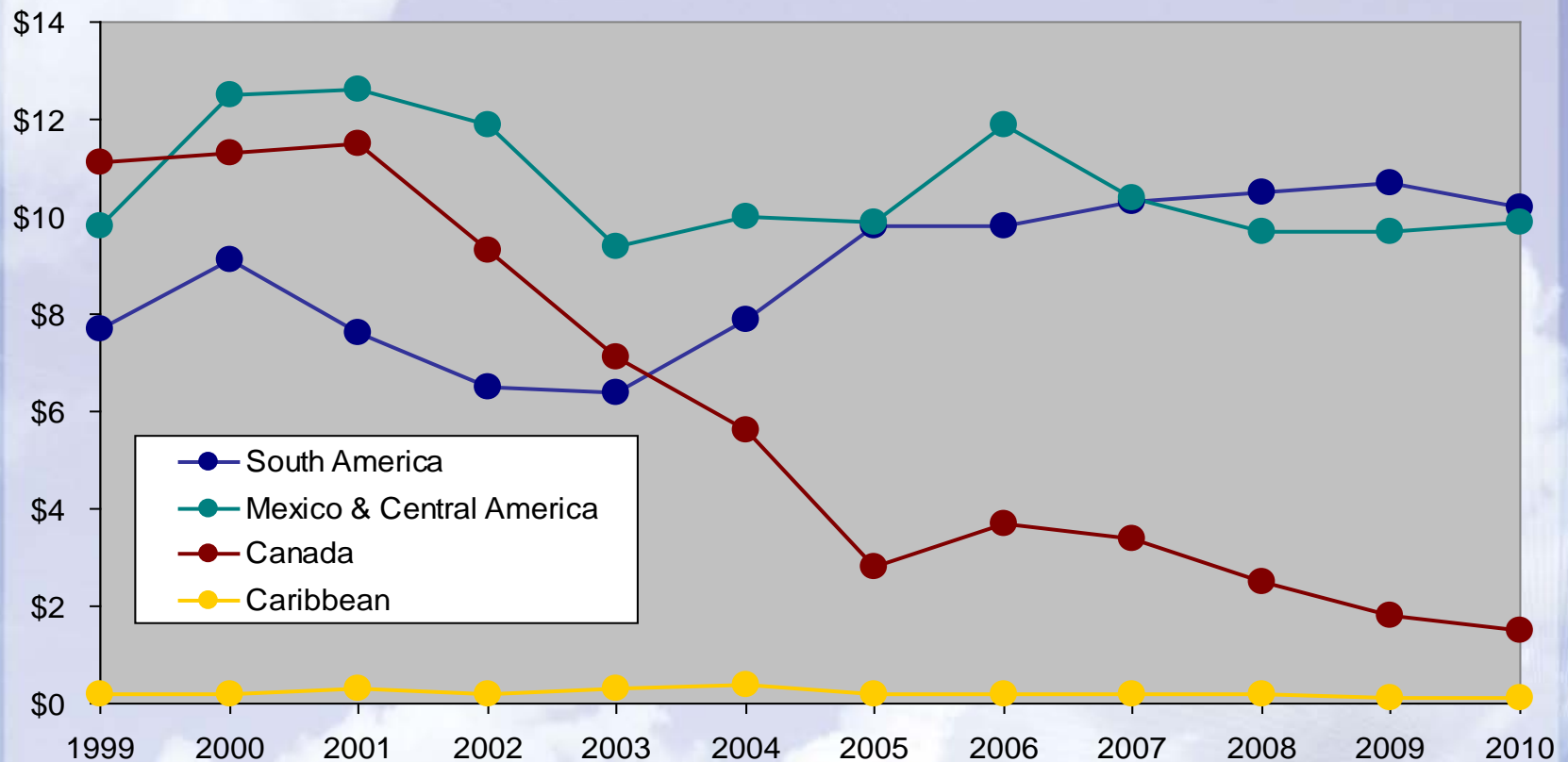
Within the Americas, South America and Mexico/Central America now Account for 95.1% of LAX's Exports, up from 77.3% in 1999

LAX Air Cargo Exports to the Americas Region, by Value (\$US Millions)
1999-2010



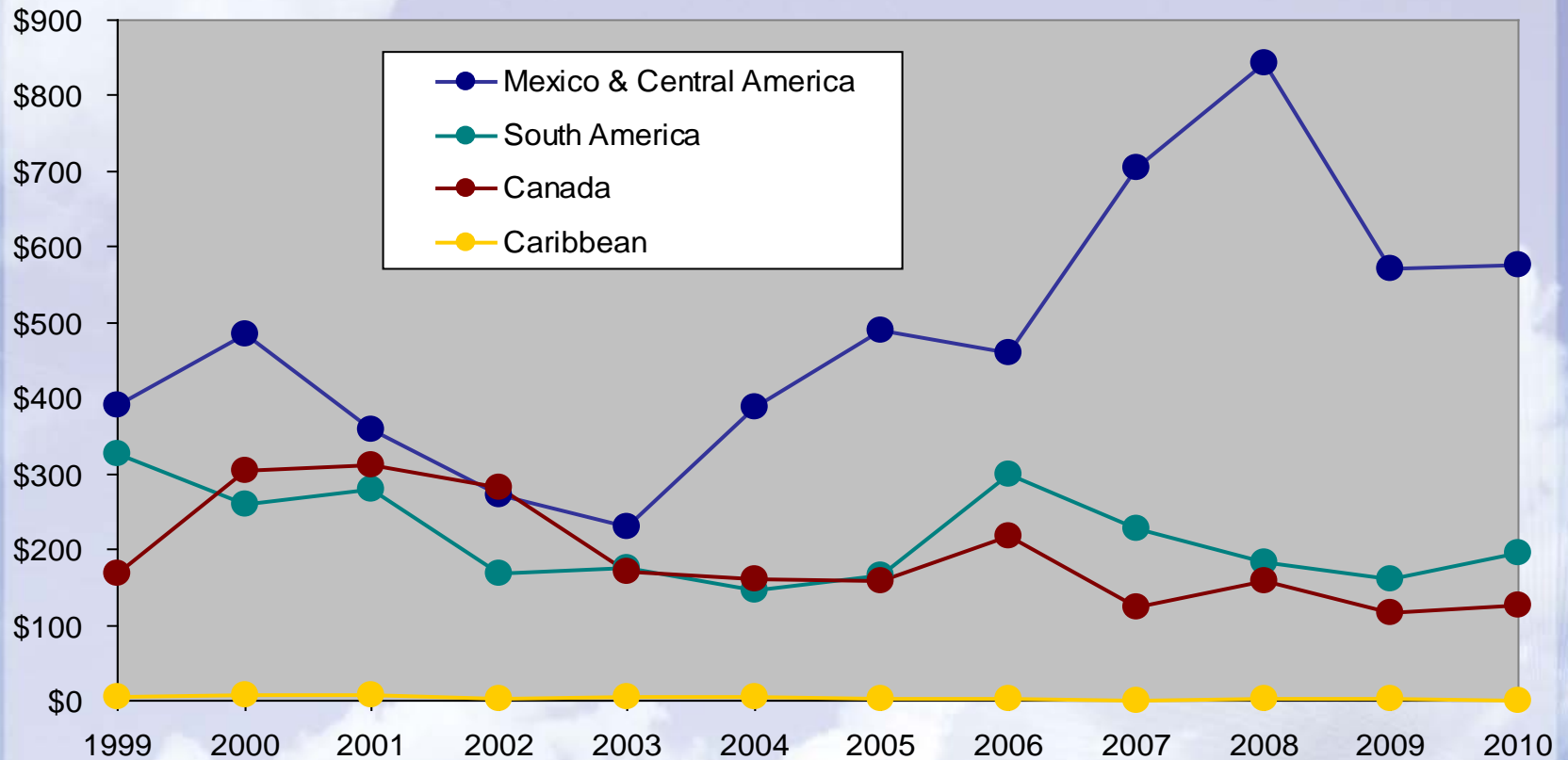
The Same Trend has Occurred in Export Volume, as South America and Mexico/Central America have Seen Their Share Rise from 60.7% to 92.7%

LAX Air Cargo Exports to the Americas Region, by Weight (Millions of Kilograms)
1999-2010



During this Same period, Americas-Region Imports at LAX have Been Marked by Growth from Mexico/Central America and Decline from South America

LAX Air Cargo Exports to the Americas Region, by Weight (Millions of Kilograms)
1999-2010



Opportunity: The *Unit Value* of Goods Exported from LAX Throughout the Americas Region has Continued to Increase – at the Same Time that Unit Values to Other World Regions Have Declined Consistently

LAX Air Cargo Exports, by World Region Destination, by Unit Value (\$US per Kilogram)
1999-2010

	Unit Value (\$US/kg)											AAGR	
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	1999-2010
Caribbean	\$28	\$55	\$49	\$103	\$36	\$54	\$99	\$88	\$127	\$87	\$76	\$174	16.3%
Canada	\$35	\$36	\$36	\$35	\$36	\$38	\$59	\$42	\$45	\$57	\$57	\$76	6.6%
Mexico & Central America	\$75	\$83	\$87	\$83	\$78	\$95	\$99	\$104	\$111	\$127	\$159	\$147	5.8%
South America	\$81	\$105	\$112	\$98	\$96	\$122	\$102	\$108	\$113	\$121	\$100	\$114	2.9%
Americas Total	\$61	\$73	\$74	\$71	\$70	\$90	\$95	\$97	\$103	\$117	\$122	\$127	6.3%

**Growth Opportunity #2: Preparing
now for the Coming Revolution of
Additive Manufacturing, Also
Known as “3-D Printing”**

In Essence, Additive Manufacturing Replaces Traditional *Subtractive* Manufacturing Processes with Layer-by-Layer *Additive* Processes

■ A number of existing technologies allow for 3-D printing of a number of different materials

- Laser Sintering (metals)
- Electron Beam (metals)
 - *Melting*
 - *Direct Manufacturing*
- Aerosol Jetting with Thermal Post-Processing (plastics, resins, wax)
- Inkjet with UV (plastics, resins, wax)
- Semi-solid Freeform Fabrication (metallic alloys)

■ Benefits of Additive Manufacturing

- Significant reduction of waste of material inputs (e.g., no metal shavings)
- Improved integrity as fewer parts are needed
- No need for long-distance transportation of goods (i.e., immediate fulfillment)
- Customization of manufactured goods (e.g., a shoe designed to fit *my* foot)
- Lower barriers to entry for entrepreneurs (minimum production runs in the tens, *instead of* thousands)

Many Experts Consider Additive Manufacturing to be the Most Revolutionary Technological Change in the World Economy Since the Personal Computer



- ***“Indeed, in the future, some see consumers downloading products as they do digital music and printing them out at home, or at a local 3D production centre, having tweaked the designs to their own tastes.”***

– “The Printed World,” *The Economist*, February 12, 2011

- **How will the Southern California economy (and, more specifically, the transportation/logistics industry, prepare for this coming technological revolution?**

The Value of Trade through Southern California Ports



L.A. Customs District Top Trading Partners

(2009 All Cargo Value)

- **China/HK** **\$115.81 billion** **(40% of U.S. Trade)**
- **Japan** **\$ 32.13 billion**
- **S. Korea** **\$ 15.77 billion**
- **Taiwan** **\$ 10.91 billion**
- **Thailand** **\$ 8.05 billion**
- **Australia** **\$ 7.12 billion**
- **Malaysia** **\$ 7.06 billion**
- **Singapore** **\$ 6.5 billion**
- **Vietnam** **\$ 5.89 Billion**

China/HK represents 52% of the total

North American Container Ports

- **Los Angeles** **7.8 million (2010)**
6.7 million (2009)
- **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

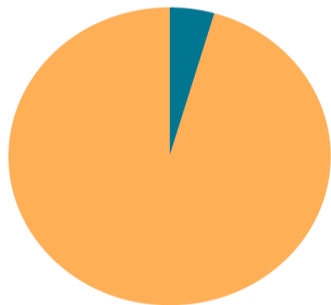
- **43 % of all waterborne import trade**
- **Over \$ 300 Billion in Imports and Exports through the Ports of Los Angeles, Long Beach and Los Angeles World Airports**
- **Since December 2009, Exports from both Ports have shown strength**
- ***POLA had a record export year in 2010 !***

The National Export Initiative

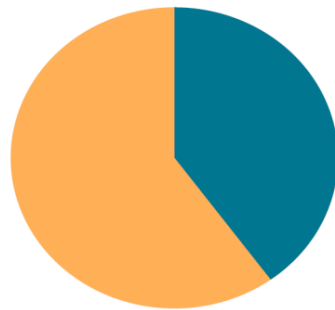
- **The President launched a new program in 2010 to help exports boost the national economic recovery and create jobs**
- **The US EXIM Bank has increased its lending for US exports by 50 % in its most recent Fiscal Year – highest level in history (1934)**
- **However, reforms are needed to reduce administrative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

California [Unrealized] Export Growth Potential

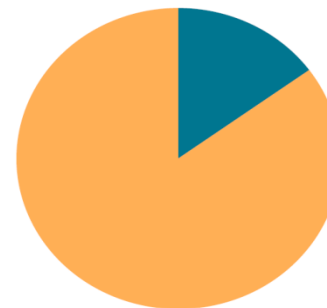
- 96% of the World's Consumers Live Outside U.S.
- 66% of the World's Purchasing Power is Outside U.S.
- 85% of California's Manufactures do Not Export
- Many Make Exportable Products
- 60% Sell Only to Canada and Mexico (w/in NAFTA)
- Many have New-to-Market Export Potential



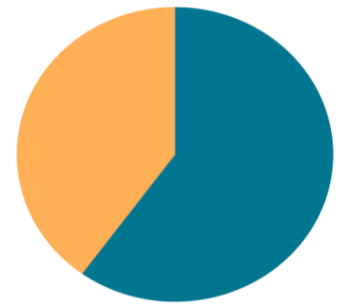
Population
■ US
■ Rest of World



Purchasing Power
■ US
■ Rest of World



■ Export
■ Do Not Export

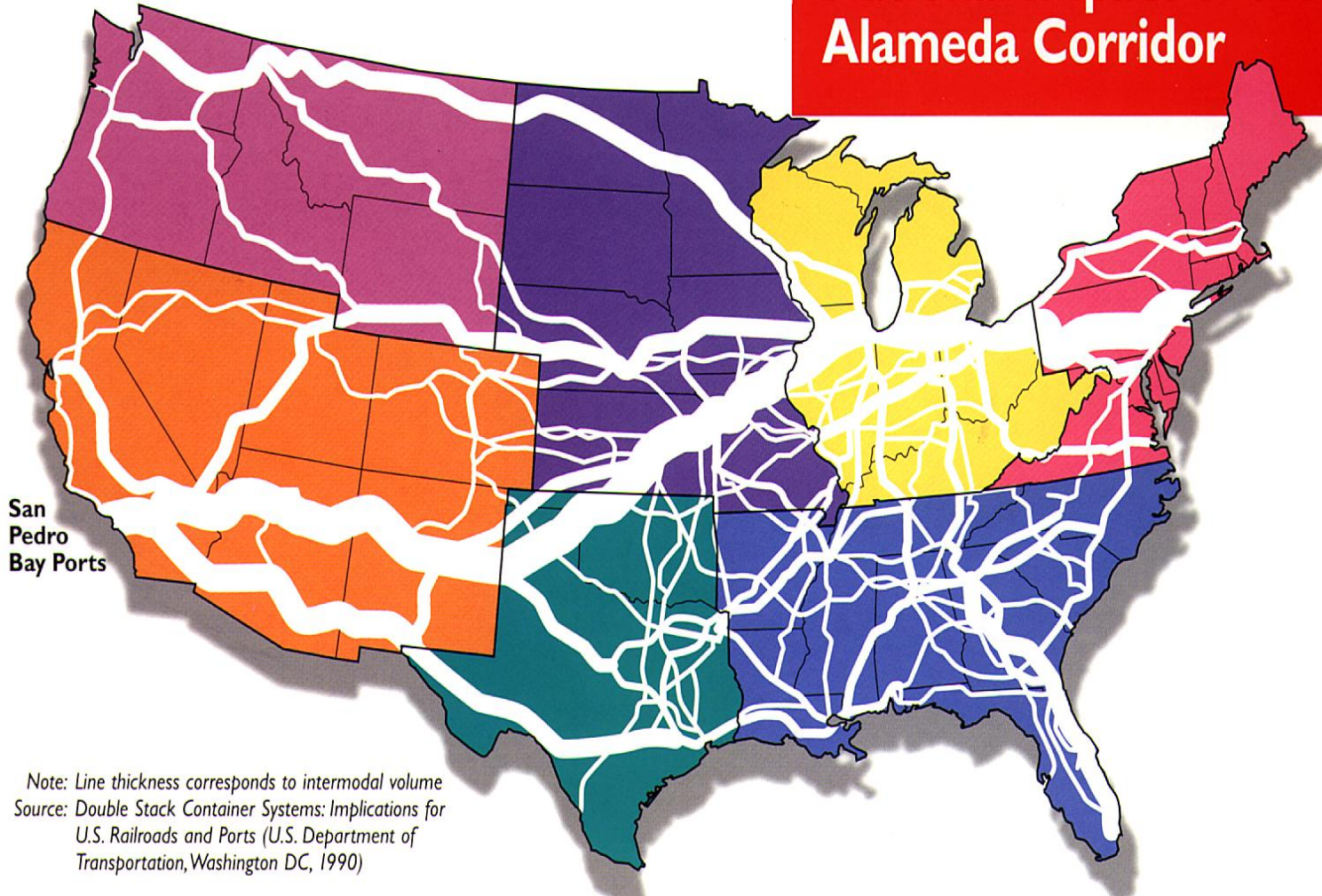


■ NAFTA
■ Rest of World

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**

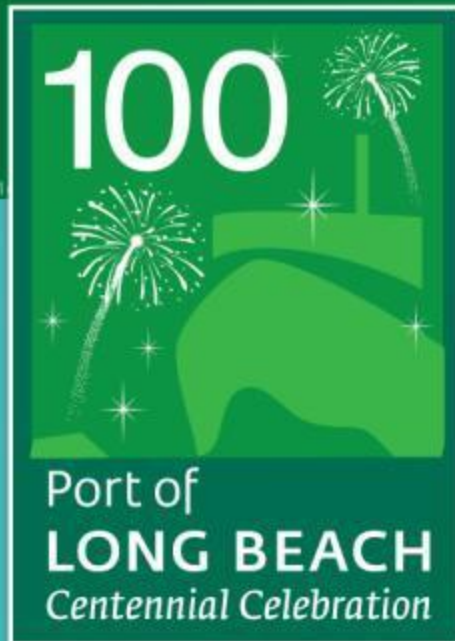
Port of Los Angeles TRADEconnect



Los Angeles Area Chamber of Commerce

Global Initiatives & Economy & Infrastructure

State of Trade



Michael Vanderbeek
Manager of Strategic Planning
Wednesday, April 20, 2011

The Port of Long Beach

100
Centennial
Celebration



Port of
LONG BEACH
The Green Port

America's 2nd busiest container port

Combined with LA, comprise the 5th largest complex in the world

Leading gateway for U.S. – Asia trade

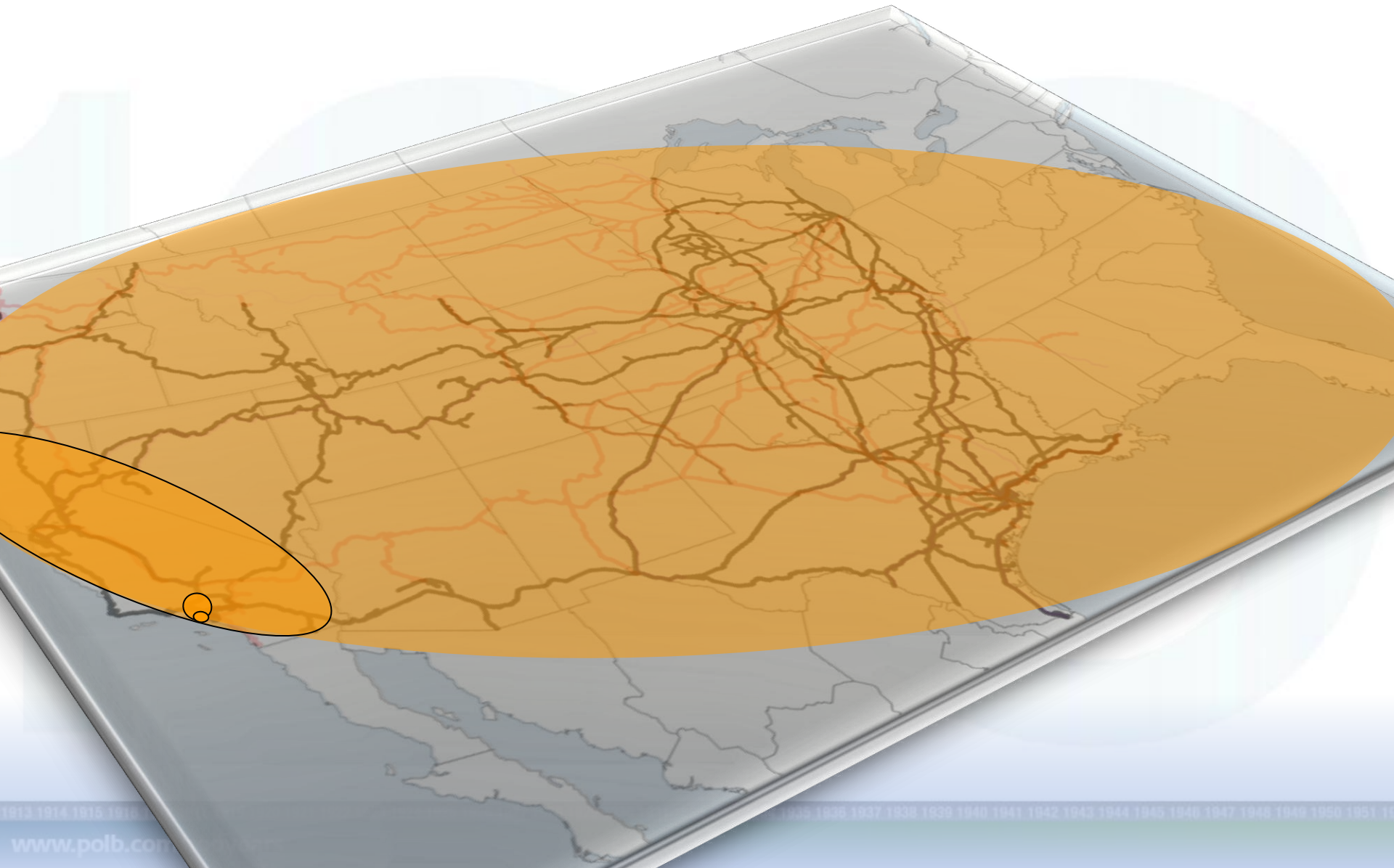
\$120 billion in trade annually

Economic Epicenter

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Celebration



1913 1914 1915 1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926 1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938 1939 1940 1941 1942 1943 1944 1945 1946 1947 1948 1949 1950 1951 1952



1913 1914 1915 1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926 1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938 1939 1940 1941 1942 1943 1944 1945 1946 1947 1948 1949 1950 1951 1952

Economic Impacts

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Port of
LONG BEACH
The Green Port

In Long Beach

Support nearly 30,000 jobs (1 in 8 City-wide)

Some \$1.9 billion per year spent within LB on port-related services

More than \$800 million per year spent within LB on wholesale distribution services



Economic Impacts

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Celebration



Port of
LONG BEACH
The Green Port

In LA County

Support more than 230,000 jobs
(1 in 24 County-wide)

Some \$3.3 billion per year spent
within LAC on port-related
services

More than \$9.3 billion per year
spent within LAC on wholesale
distribution services

Move some \$5.1 billion in locally
manufactured exports

Economic Impacts

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Celebration



Port of
LONG BEACH
The Green Port

In California

Support more than 371,000 jobs
in CA

Support more than \$14.3 billion
in wages and salaries

Generate some \$5.6 billion per
year in State/local tax revenues

More than \$10 billion per year
spent within California on
wholesale distribution services

Economic Impacts

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Celebration



Port of
LONG BEACH
The Green Port

In the U.S.

Support approximately 1.4 million jobs nationwide

Some \$4 billion per year spent nationally on port-related services

Move some \$18 billion in U.S. manufactured exports

More than \$32 billion per year spent on POLB-related wholesale distribution services

Top Trade Partners

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Port of
LONG BEACH
The Green Port

	Volume (MTs)	% of Total
China	51.4m	38.8%
South Korea	15.2m	11.5%
Hong Kong	6.1m	4.6%
Japan	4.3m	3.3%
Taiwan	2.8m	2.1%
Vietnam	2.6m	2.0%
Iraq	2.2m	1.7%
Australia	2.1m	1.6%
Ecuador	1.9m	1.4%
Indonesia	1.3m	1.0%

Based on CY 2009 data

Top Commodities

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Port of
LONG BEACH
The Green Port

Imports

Furniture
Apparel
Electronic products
Toys
Computer equipment

Exports

Wastepaper
Scrap metal
Fabric (including cotton)
Synthetic resins
Animal feed

On the Rebound

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6.3 million twenty-foot equivalent units in 2010
Container cargo volume up nearly 25 percent over 2009

Why the San Pedro Bay Ports?

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Celebration



Port of
LONG BEACH
The Green Port



Large Consumer Population

Highway System, Rail Connections, Distribution Centers

Key Rail Connections

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Green Port Policy

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1913 1914 1915 1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926 1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938 1939 1940 1941 1942 1943 1944 1945 1946 1947 1948 1949 1950 1951 1952

Protect the community from negative Port impacts

Distinguish the Port of Long Beach as a global environmental leader

Promote sustainability

Employ best available technologies

Engage and educate the community

Clean Air Action Plan

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Adopted groundbreaking Plan in 2006
to reduce air pollution 45% by 2012

CAAP Update adopted in 2010 to
further reduce emissions

Strategies for cleaner ships, trucks,
trains, tugs, cargo-handling
equipment

Technology advancement program

Investing in Infrastructure

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Centennial
Celebration



\$800 million terminal redevelopment, adding deep-water berths, expanded on dock rail

Gerald Desmond Bridge

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Centennial
Celebration



Port of
LONG BEACH
The Green Port



\$950 million bridge replacement will ease congestion and improve traffic safety



SR47 Expressway/Heim Bridge (\$535 m)

I-710 EIR (\$30 m)

I-710 Corridor (\$5.4 b)

Colton Crossing (\$150 m)

Alameda Corridor East (\$2.5 b)

Local mainline rail improvements (\$3.4 b)

Various grade separations

Advance Transportation Management System (ATMIS)

Zero Emissions Container Mover System

Remaining Competitive

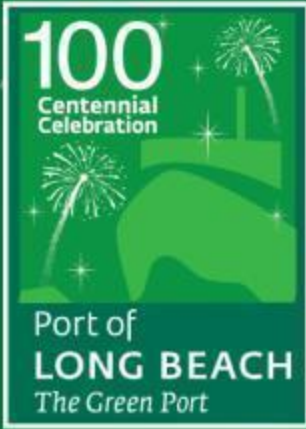
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Celebration



Invest in critical infrastructure projects

Develop a National Freight Policy with funds dedicated to goods movement projects (e.g. funding by formula)

Support the National Export Initiative and other measures that will increase exports and create jobs



100

THANK YOU

