



HEARTLAND INTERMODAL PARTNERSHIP

HISTORICAL OVERVIEW OF THE HEARTLAND INTERMODAL PARTNERSHIP (HIP)

HIP did not just explode onto the horizon. It evolved from a logical, historical sequence that is a mini-history of transportation in the United States. It is, in essence, the result of a natural progression of responses to external freight and passenger movement requirements.

THE YESTERDAYS

Prior to the Civil War, tonnage hauled on U.S.- flag vessels, especially on the river fleet, exceeded the entire tonnage carried within the then "global" British Empire.

In 1850 there were 9,000 miles of rail trackage in the United States; by 1890 there were 164,000 miles. With this rapid expansion in rail access, the once-dominant river and canal freight transport was replaced by rail.

After World War II and especially after the 1950s, inter and intra-coastal general cargo trade declined, becoming essentially non-existent.

At the same time, the first portion of what was to become the Interstate Highway System was funded. This system is, arguably, the most significant transportation achievement of the Twentieth Century. Its emergence and continued expansion solidified the dominance of trucking in U.S. transportation.

Where available, the maritime mode maintained its advantage in bulk trade and rail competed with both barge and truck.

It was in 1957, the seeds of another transportation revolution were planted: modern containerized freight. A chartered tanker carried 58 modified trailer bodies without their wheels from New York to Houston in order to circumvent highway congestion problems.

By the mid Sixties, the first trans-Atlantic container shipments had begun in ships designed specifically for that purpose. Japanese shippers began the development of 1,000-foot container ships capable of moving 2,000 containers.

By the mid 1970s, shippers on the West Coast successfully implemented both container-on-barge freight movement on the Columbia-Snake Rivers System and a roll-on, roll-off capability in Alaska.

Also in the 70's, the Merchant Marine Act of 1936 was amended by Congress to ensure that "intermodalism" was included in the Maritime Administration's (MARAD's) mandate.

In the 1980s double-stack trains came onto the scene, reducing intermodal freight movement costs substantially.

Only 35% of the highways in the United States were classified as congested in the 1980s. However, by the mid-nineties, 63% were classified as congested and predictions of a doubling or tripling of overall transportation demand loomed for the near future.

Meanwhile, growth on most U.S. waterways stayed steady in the 1% range. When the U.S. looked at European countries, their water transportation, container-on-barge movement and expansion into short-sea shipping were increasing exponentially, concurrently decreasing congestion on their highways.

With predictions of a freight capacity crisis, policy makers increasingly recognized the need for a maritime intermodal partnership. It was at this juncture that the Gulf Rivers Intermodal Partnership (GRIP) was spawned in an attempt to identify and address the need for increased intermodal planning and utilization in the United States.

GRIP expanded to include the twenty-four-state Heartland of America. This was the genesis of the Heartland Intermodal Partnership, a coalition of senior public and private sector professionals working to ameliorate the impact of transportation demands exceeding the capacity of our infrastructure.

TODAY

Doubling or tripling of overall transportation demand is no longer a prediction but a process-in-fact.

The most recent statistics (1999) reflect that highway congestion costs 78 billion dollars, wastes 4.5 billion man-hours and burns an additional 6.8 billion gallons of fuel per year.

To stem that congestion would require an additional 1,800 lane miles of interstate per year, which is predictably beyond the economic and environmental costs that U.S. citizens are willing to pay.

The gap between transportation service demand and the overall supporting infrastructure capacity continues to increase geometrically. Fortunately, the U.S. Department of Transportation, Congress and progressive state departments of transportation recognize the burgeoning crisis and are taking steps to mitigate it.

MARAD is actively promoting short-sea shipping (Great Lakes, inland and coastal shipping) in an additional effort to reduce freight congestion.

In the past, the infrastructure was able to accommodate or expand to meet increased GNP demand. Now, the reverse appears to be the case: the infrastructure gap may depress the GNP and thereby threaten the economy.

The gap is a national challenge in that it requires sound Federal policies, but policies don't move freight. Freight is moved within or between states or regions. The development of insightful Federal policy requires an understanding of regional issues and concerns.

It is the responsibility of regional transportation planners to avert the consequences of well-intentioned but inappropriate solutions and to furnish policy makers with a clear vision of the problems, potential solutions and requirements.

HIP will take a regional approach to developing the "seamless shipping" services needed to remain competitive in a 21st Century business climate.

TOMORROW

HIP will provide a neutral forum for coping with the coming transportation crisis systematically – not a piece at a time. There exist opportunities as well as singular, current solutions to intermodal problems. HIP will work to identify all of the major opportunities evolving from the doubling and tripling of demand.

HIP will develop concepts that will truly be of value to tomorrow's beleaguered shipper – who may not be the traditional originator or receiver of freight, but a land/water carrier partnership.

There will be more emphasis on the integration and maximization of all modes of transportation within the United States and especially within the HIP region.