

Locally Focused – Globally Driven

Supply Chain DEMANDS Strategic Transportation Planning – US 70 Corridor

NC DOT Board of Transportation
US70 working group

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North Center For
Carolina Global Logistics

Charles Edwards, Executive Director

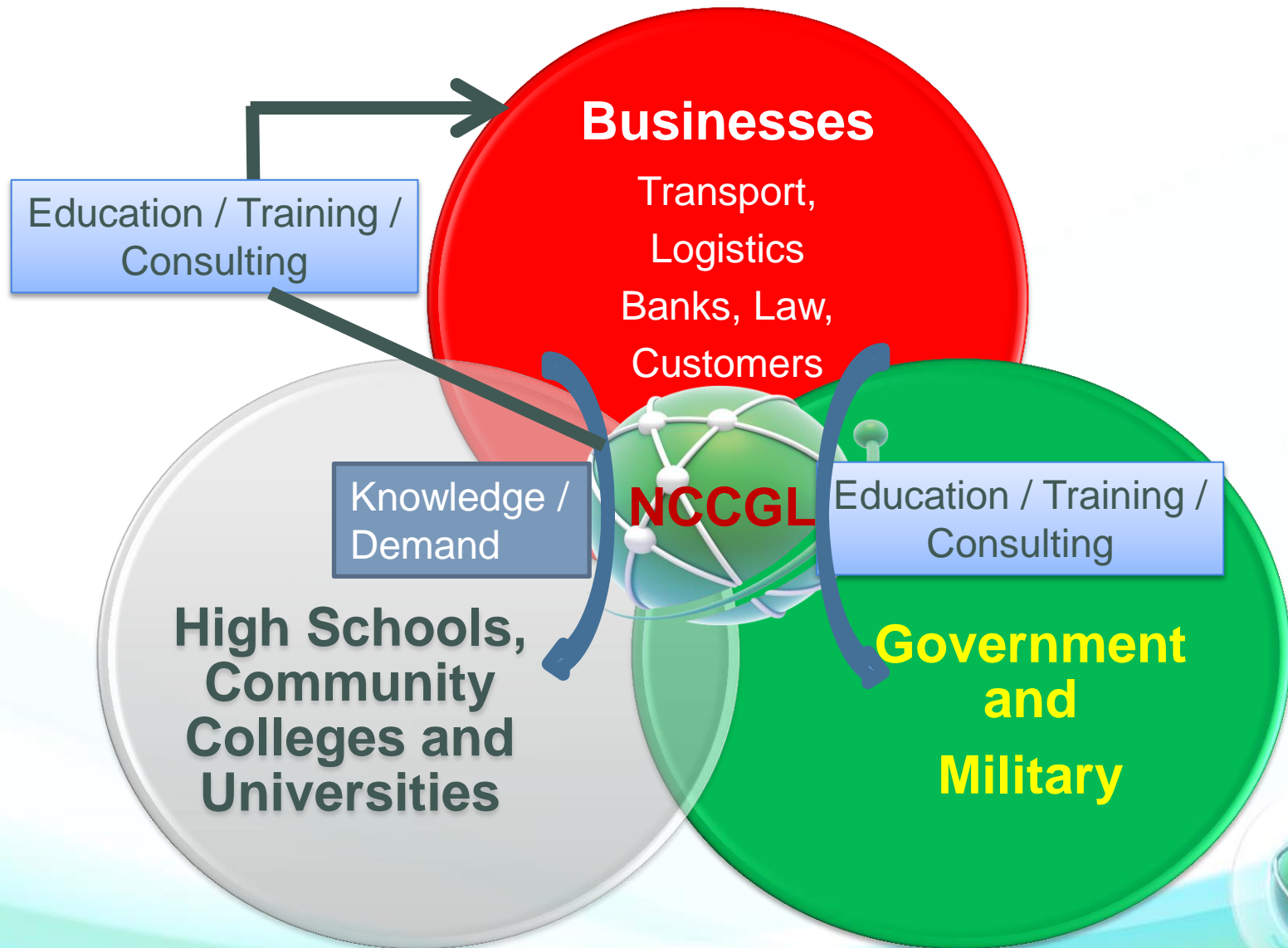
Tel: 336.334.4822 x 57013 / chedwards@gtcc.edu / www.nccgl.com

Presentation Outline

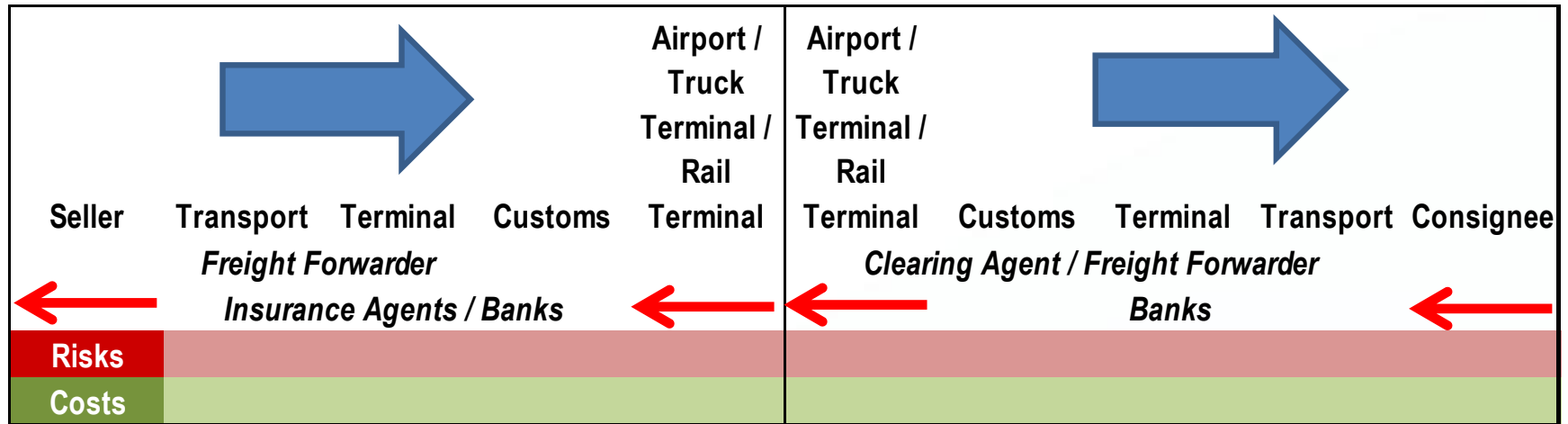
- NC Center for Global Logistics
- What is Supply Chain?
- Impact of Crumbling / Insufficient Infrastructure
- Leverage FAST Act and National Freight Strategic Plan



NC Center for Global Logistics Services and Functional Organization



Supply Chain Flows



Supply Chain Industry

10 – 13 million Americans
in supply chain occupations

220,000 open positions
nationwide

275,000 North Carolinians
in supply chain occupations

5,000 open positions
In North Carolina



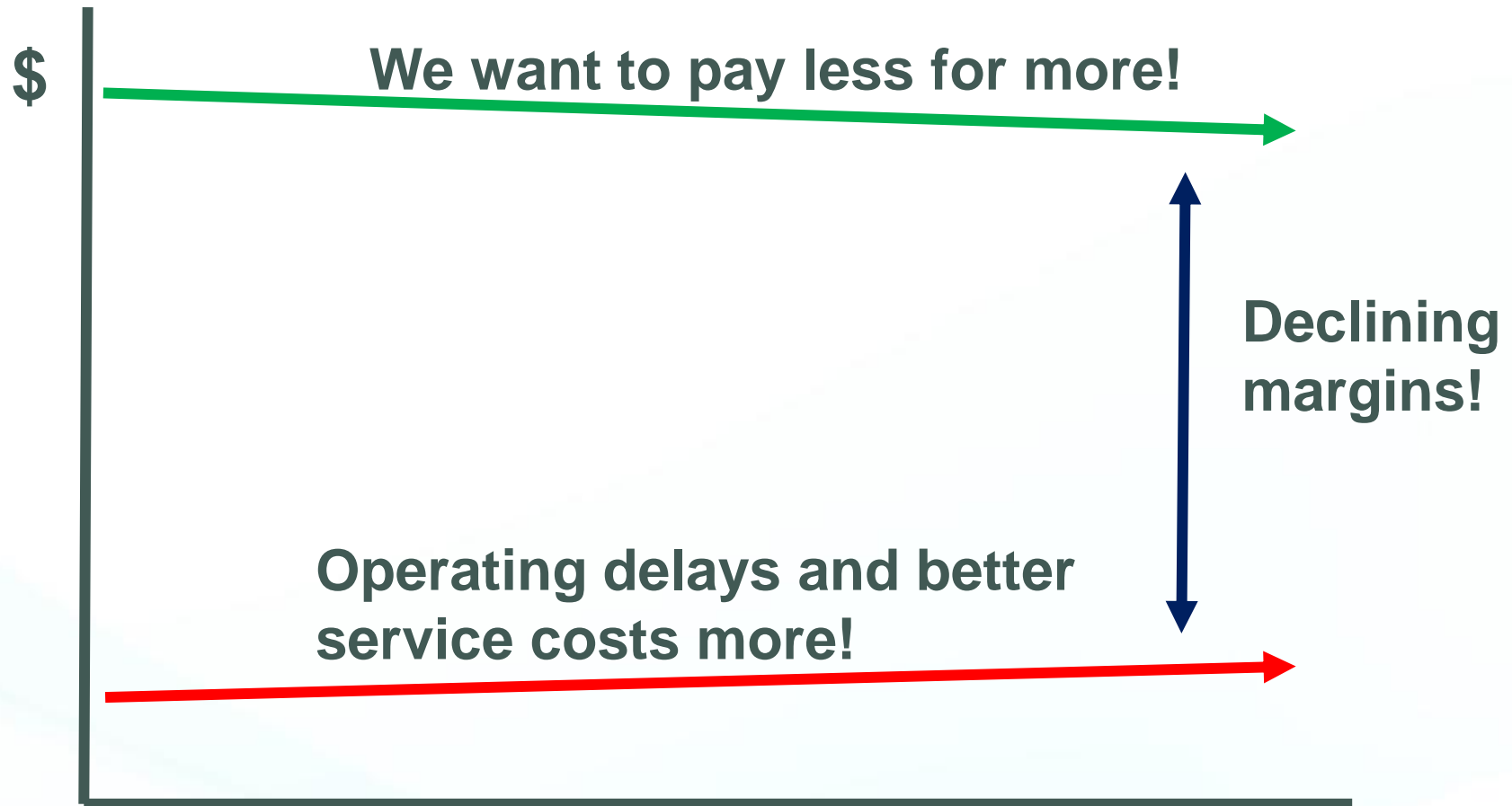


US 70 Corridor

- Too many traffic signals
- Under-utilized rail line
- Morehead City vs. Wilmington
- CCX facility
- GTP



Economic Impact of Crumbling / Insufficient Infrastructure



Financial Impacts of Transport-Driven Shifts

Transport-Driven Changes		Supply Chain Performance Impacts			
Guiding Transport & Logistics Principle	Supply-Chain Strategy Change	Freight Costs	Inventory Costs	Customer Service Responsiveness	Space Need and Utilization
Count the miles	Sourcing: shift towards near-shoring	Yes	Yes	Yes	
Don't ship air / Don't ship water	Product and package designs: shift towards shipability design	Yes			Yes
Consolidate shipments	Inventory: shift toward lean inventory / transport combination	Yes		Yes	
Source: "The real impact of high transportation costs", D. Russell, J. Coyle, K. Ruamsook, E. Thomchick, CSCMP Supply Chain Quarterly, Q1/2014, Pgs. 30-54,		Cost of goods sold	Current assets	Sales volume	Fixed assets
		Return on capital employed (ROCE)			



Leverage FAST Act and National Freight Strategic Plan – Key Programs

- Coordinated and comprehensive program
 - Leadership of NC DOT
 - Utilize recent and current studies
- Supply chain knowledge
 - Value of supply chain sector
 - Educate NC DOT, RPO, MPO and other planners
- Infrastructure
 - Expand corridors (rural and urban) and intermodal facilities
 - Update STI
 - Highlight North Carolina
 - Employ PPP for nodes and links
 - Federal credit assistance

