Freight Movement - Today

• What is the current environment of freight?
Freight Movement is Multimodal

Every mode of transportation moves freight, but trucking is the primary mode of freight travel.

<table>
<thead>
<tr>
<th>Mode</th>
<th>2013</th>
<th>2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truck</td>
<td>14 billion</td>
<td>18.8 billion</td>
</tr>
<tr>
<td>Rail</td>
<td>1.9 billion</td>
<td>2.8 billion</td>
</tr>
<tr>
<td>Waterborne</td>
<td>808 million</td>
<td>1.1 billion</td>
</tr>
<tr>
<td>Air</td>
<td>15 million</td>
<td>53 million</td>
</tr>
</tbody>
</table>

Source: Beyond Traffic
Why Is Freight so Important to Tennessee?

Freight Alley

A region where logistics contributes to more than 40% of the economy. Freight Alley is an area that roughly defines freight traffic moving throughout the southeastern US, particularly in Tennessee, South Carolina, North Carolina, Georgia, and Alabama. For years, the region has been a manufacturing powerhouse and in no-small coincidence a major distribution and logistics region. We have named this region Freight Alley because of the importance logistics and transportation plays in the region and how important the region is to the North American logistics map. According to the latest census data, 37 million people calls this area home (the Canadian population is 36.29 million). Also, interesting enough, the GRP (Gross Regional Product) of Freight Alley is $1.75 trillion, slightly higher than the GDP of Canada at $1.53 trillion.

Source: Freightwaves – September 18, 2018
Freight & Logistics

Tennessee leads the nation in distribution
- Rail – 6 out of 7
- River – 5th largest inland port
- Runway – largest North American airport
- Road – major thoroughfares

It spurs two other growth areas that are critical to Tennessee:
- Tourism & Economic Development
Freight Movement - Today

- What is the current environment of freight in Tennessee?
So why is it important?

Tennessee population growth expected to grow by 2.1 million by year 2040. Expected 34% growth!

Two million more jobs by 2040

90% growth in population (age 65+) by 2040
Freight Concerns / Opportunities

- Congestion Issues
- Resiliency
- Truck Parking
- Rail Connectivity Competitive Grant
- Technology impacts
- Multi-modal supply chains in the future
- First mile / last mile
- You want it when?