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## Cost-Savings Corner: Making the Case for Intermodal Transport

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Knowing and understanding your local intermodal infrastructure can help you generate significant savings, particularly if you ship large amounts of freight over long distances.

There are a number of reasons intermodal has become the fastest growing mode of transportation. Some of the major reasons why intermodal is continuing to rise in popularity are high fuel costs, intermodal's sustainability, due largely to intermodal's heavy reliance on rail, which, according to National Gateway, is "three or more times more fuel efficient than alternatives," and trucking industry issues such as driver shortages, less freight capacity, and folding trucking companies.

Any intermodal system relies heavily on rail. Rail is much less expensive than over-the-road freight shipping, as it uses much diesel fuel than trucks. Other benefits of rail are that it can accommodate most commodities, is extremely reliable, has significant capacity, and generates less damaged and missing shipments than trucks.

Rail isn't the only compelling reason to go intermodal. Inland ports are now playing a major role in companies' decisions to go intermodal. The number of inland ports is increasing, as is the number of inland ports that are expanding.

For more than a few companies, the Panama Canal expansion alone is a good reason to go intermodal. A recent International Business Times article explains that the expansion will enable larger container ships to come into the port. According to the article, "The \$5 billion upgrade will enable bigger container ships to bring goods from Asia to the U.S. East Coast."

The ability to perform import and regional distribution functions at one port facility is also helping to make intermodal the preferred mode of transportation. An increasing number of inland free trade zones isn't hurting intermodal's growth, either.

You might be surprised to learn that it's not just big-box retailers that are reaping the benefits that inland ports provide. Big-box retailers may be the largest users of inland ports, but smaller companies, which are piggybacking on larger companies and using their ports, warehouses, and other port facilities, are also benefitting from the reliable shipping, distribution, and cost-savings that moving inland can provide.

The availability of rail, ports, and intermodal solutions is always going to be higher in metropolitan areas.

In Chicago, you can look to the Ridge Port Logistics Center and Center Point Intermodal Center for solutions. The Intermodal Association of Chicago is another helpful resource along with The Intermodal Association of North America (IANA) for learning more about intermodal facilities. There is a directory on IANA's website listing all of the facilities in North America making it easy to locate the intermodal center closest to your company.

Utilizing local and regional resources to determine your best intermodal options is probably the easiest way to gain a thorough understanding of existing intermodal infrastructure. Knowing the intermodal options that are available to you is the first step towards being able to make high-level decisions regarding your company's intermodal shipping processes and the costs associated with them.

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To make a case for going intermodal within your organization, presenting accurate cost-savings projections is, obviously, going to be paramount. Transportation savings aren't the only thing to tout, however. If you anticipate meeting resistance to going intermodal at your next board or budget meeting, get your company's sales and marketing departments involved in your intermodal initiative. Intermodal's sustainability and reliability could not only generate cost-savings, but revenue, especially if your sales and marketing personnel are able to generate campaigns that are in alignment with your intermodal objectives.