

# Intermodal Freight

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# Freight Transportation

- Growing rapidly - faster than person movement
- Large increase in international movement
- Changes in the way that the carriage of freight is viewed
- More focus on over all cost efficiency
- More focus on intermodal movement

# Forces for Change

- Increased demand for freight
- Most other cost savings in production made
- Deregulation
  - 1968 Transport Act (UK)
  - 1977 Air cargo deregulation (US)
  - 1992 Single European Market (EU)
- Globalization
- Change in goods carried
- Informatic

# The Value Chain Concept

## Primary activities



## Support activities



# Logistics

- Began as a military activity
- Now important in the large concept of “supply chain” management
- Focus on an “wholistic” approach
- Important role for “information networks”

# Just-in-time production

- Reduces inventory holding
- Requires
  - Reliable service
  - Flexibility
  - Appropriate level of speed of delivery
  - Steady in-flows and out-flows

# Challenges of Intermodal Transportation

- Seamlessness
- Dynamism
  - Standardization
  - Monopoly influence
- Minimize terminal delays
  - Infrastructure versus operations
- Degree of outsourcing

# The 3 “Inters” of Logistics

- Inter-operability
- Inter-modality
- Inter-connectivity



# Idea of Intermodal Freight Transport

- Reduces costs to suppliers
  - Specialized equipment
  - High utilization of equipment
  - Greater reliability
- Social benefits
  - Less pollution

# Requirements of Intermodalism

- Common platform
  - Containers
  - Information systems
- Institutional structures
  - Legal framework
  - Informal contracts

# Relevance for Aerospace

- Seamless service
- Demonstrable benefits
- Consider the entire value chain (wholistic approach)
- “Inter” in its three stages
- Defining role of public and private sectors
- Integration of information systems into transportation