

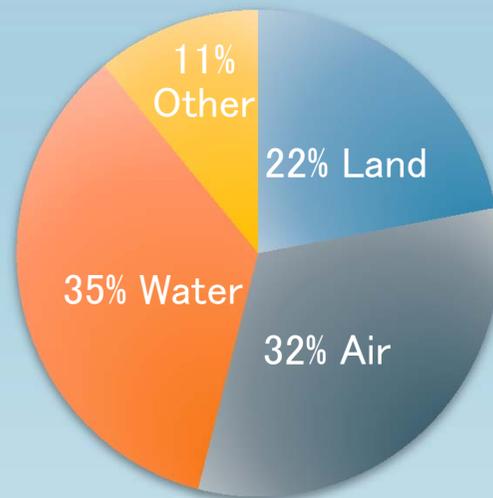
# Infrastructure: Essential to Manufacturing Competitiveness

# Transportation Moves the Economy

- Manufacturers are focused on growth and improving access to world markets – 95% world’s customers are outside the United states
- Exports are up – in 2013 U.S. exports reached \$2.3 trillion, up nearly \$600 billion since 2009

## A Snapshot of How Exports Travel

Source: 2007 Commodity Flow Survey  
US Dept. of Transportation  
US Dept. of Commerce



# ***Impacts When System is Under Threat***

## **Potential for East Coast Labor Disruption in 2012 Had Costs**

- Additional expense to reroute cargo in advance of September 30: surcharges, inventory, time, etc.
- Potential for multiple manufacturing facilities to shutdown after two weeks
- Manufacturers braced for lost opportunities/lost business to global competition

## **Middle Mississippi River Uncertainty During 2012-2013 Winter**

- Historic drought conditions created dangerously low water levels
- Grains, coal, petroleum, and other products such as chemicals and fertilizers impacted
- Cargo valued at \$7 B would have halted if commerce had stopped

# *Current Federal Transportation Funding*

## MAP-21 FY 2014 Surface Transportation Authorization Funding Levels:

- \$41 B – Highways and FHWA Programs
- \$11 B – Transit
- \$ 1 B – TIFIA federal credit assistance

## DOT TIGER Grants

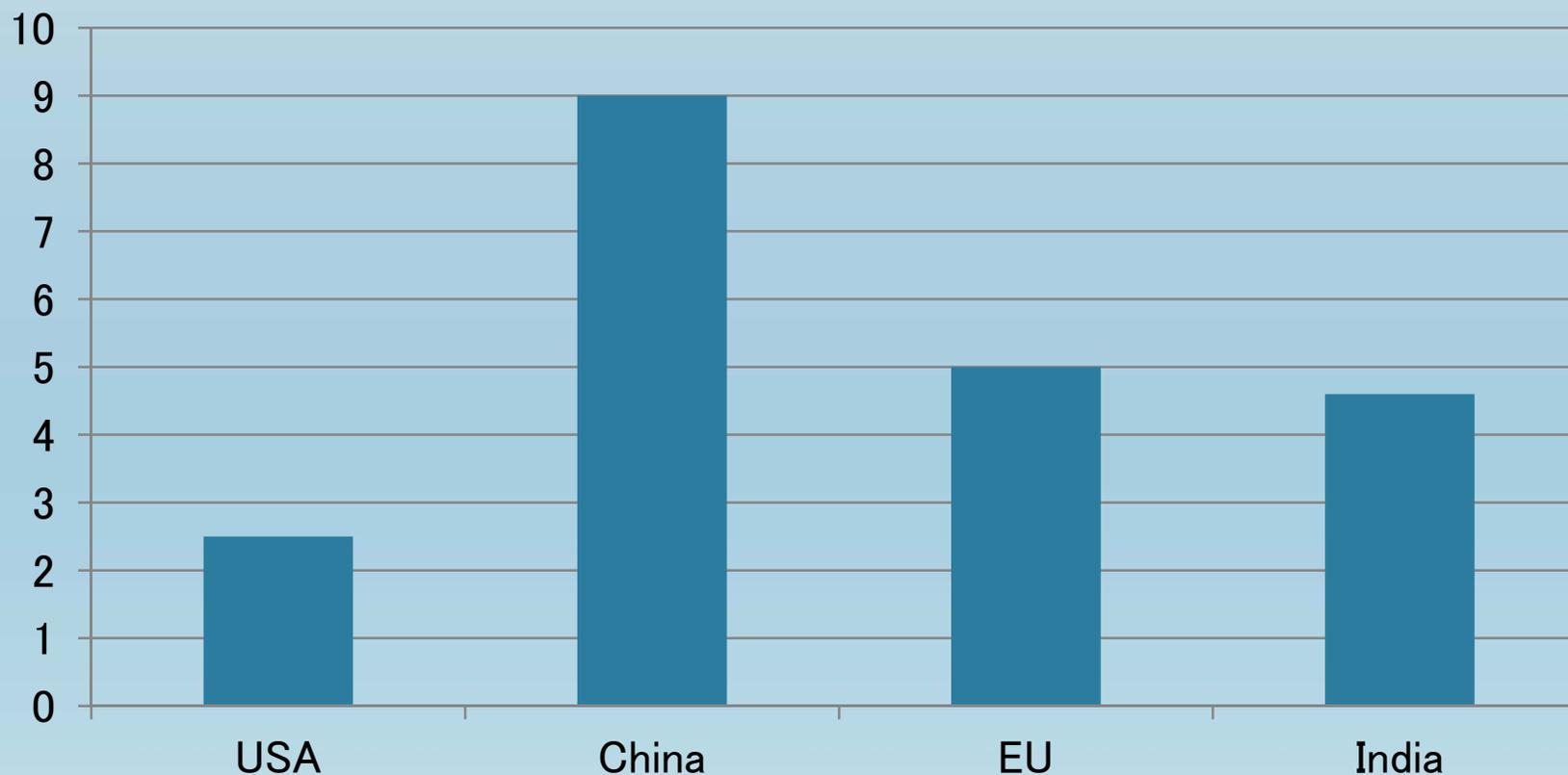
- \$600 M in 2014 for National Infrastructure Investments

## American Recovery and Reinvestment Act of 2009:

- \$27 B for Highway Infrastructure
- \$ 8 B for Passenger Rail
- \$ 7 B for Transit
  - One-time investment , funding already distributed to states
  - < 10% of stimulus for transportation purposes

# Transportation Investment

Transportation Spending as % of GDP



Congressional Budget Office, *Trends in Spending on Transportation and Water Infrastructure 1956-2004*

# Infrastructure by the Numbers

70% of US manufacturers say that our infrastructure is in fair or poor shape.

70% report that the roads are getting worse.

65% do not think that infrastructure can respond to the demands of a growing economy over the next 10 to 15 years.

67% of NAM members say that all options to fund infrastructure improvements should be on the table.

US manufacturers do not believe infrastructure is improving at a pace to keep up with the needs of business.

## PROJECTED INCREASE IN U.S. TRAVEL AND FREIGHT



PORT VOLUME TO  
DOUBLE BY 2020



FREIGHT TONNAGE  
TO INCREASE  
88% BY 2035



PASSENGER MILES  
TRAVELED TO INCREASE  
80% IN 30 YEARS

Source: Building America's Future, "Falling Apart and Falling Behind," 2012.

# *Views on Infrastructure from Manufacturing CEOs*

“Our **roads** need a lot of work. Our **ports** need a huge amount of work, especially if you are exporting.”

“**Rail, highways** and **aviation** tie together. Without those things, it’s hard to to see how a company like us could do business.”

“It’s neglected, and it’s soon going to be a **competitive disadvantage...**”