

# Overview of West Coast/ N CA Air Cargo History, Market & Trends

## *Tying Sacramento and Northern California to the World's Infrastructure for the 21<sup>st</sup> Century*

Presentation for SACOG Goods Movement – June 19, 2007

Bob Rosenberg CCIM

Inve\$tnet Inc.

info@investNNN.com

SACOG Goods Movement June 2007

1

# Overview of Air Cargo

- **Air Cargo Industry Background**
  - **Cover California Market**
  - **Describe Type of Carriers**
  - **Quantify the Air Cargo Market\***
  - **Review Economic Impacts\***
- \* Separate Presentation

SACOG Goods Movement June 2007

2

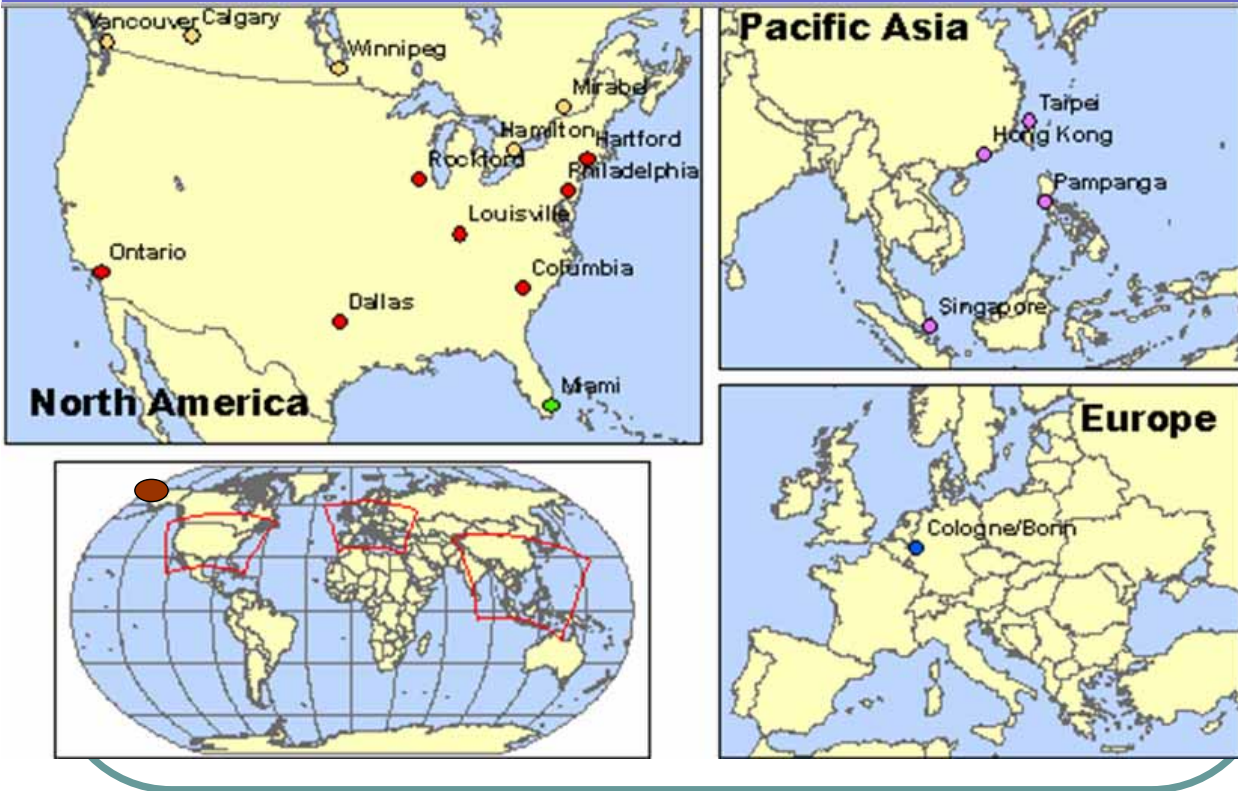
# The Integrators – MHR Today

- **The Carriers**
  - DHL
  - FedEx
  - UPS
- **Tools**
  - Airplanes
  - Trucks
  - Sorting
  - Computers
  - Manpower

## OTHER PLAYERS

- **Contract Carriers**
- **Belly Cargo**
- **Specialty Companies**
  - eg LandAm, Eagle, Forward Air, etc. that use trucks, etc.

# UPS HUBS (Anchorage on world map)



SACOG Goods Movement June 2007

5

## FedEx and DHL

### ● FEDEX

- Memphis
- Indianapolis
- Oakland
- Fort Worth
- Newark
- Greensboro\*
- Anchorage

\* opens ~2008

### ● DHL

- Wilmington
- Allentown
- Riverside
- Coming Soon - Anchorage

SACOG Goods Movement June 2007

6

# California Integrator Hubs



SACOG Goods Movement June 2007

7

# Options

- **Western US Unique**
- **Southern California**
- **Bay Area Maze (one space)**
- **Sacramento Facilities Hard to Replicate**

SACOG Goods Movement June 2007

8



# San Jose – curfew, jurisdiction, ownership & land restraints



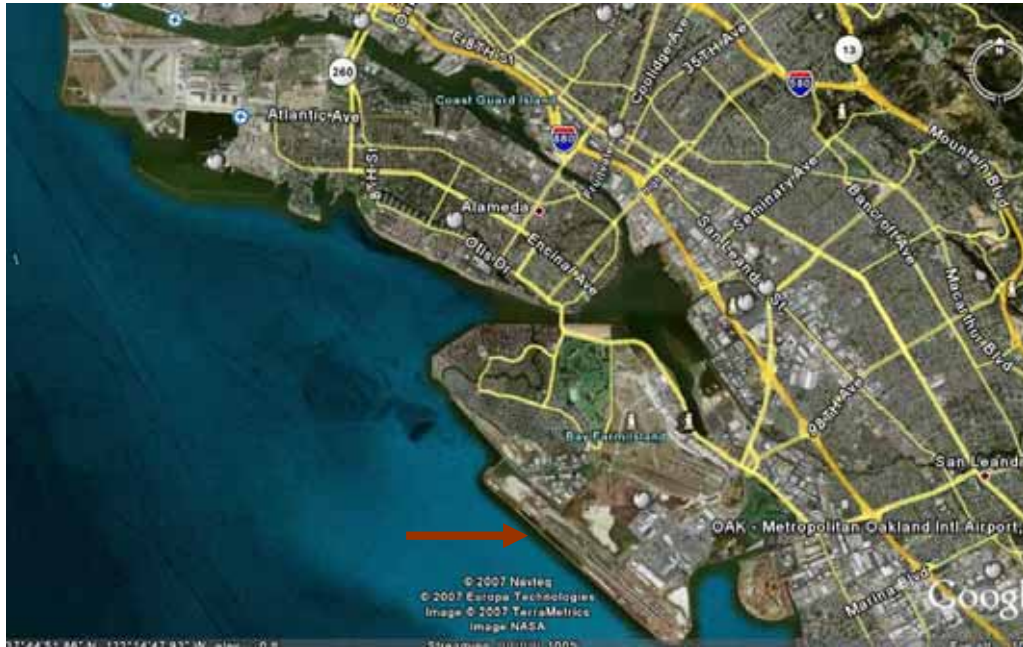
SACOG Goods Movement June 2007

# San Francisco – runway separation, cost & congestion



SACOG Goods Movement June 2007

# Oakland – Surrounding Community



SACOG Goods Movement June 2007

13

# Oakland (Close) – one main runway



SACOG Goods Movement June 2007

14

# Needs of Air Cargo

- **What Makes it Go**
  - **Where comes from**
  - **Who Ships**
  - **West Coast**
- **Types of Carriers**
  - **Integrators**
  - **Forwarders**
  - **LTL**

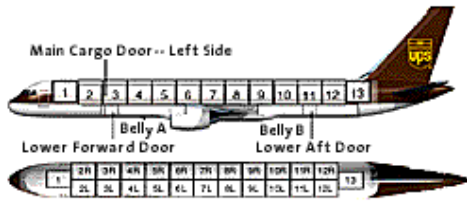
# Characteristics of Air Cargo

- **Intermodal**
- **Dependability**
- **Critical Timing & Coordination**
  - **Roads**
  - **Air Facilities**
    - \* **Category 3**
    - \* **Weather**
    - \* **CFR (Crash Fire Rescue)**

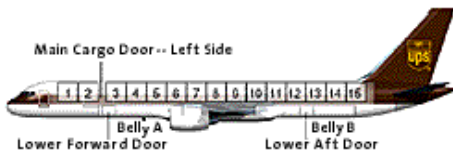
# Air Cargo .... Sample Lift Options



767



757



SACOG Goods Movement June 2007

17

# More Mather... growing & changing



SACOG Goods Movement June 2007

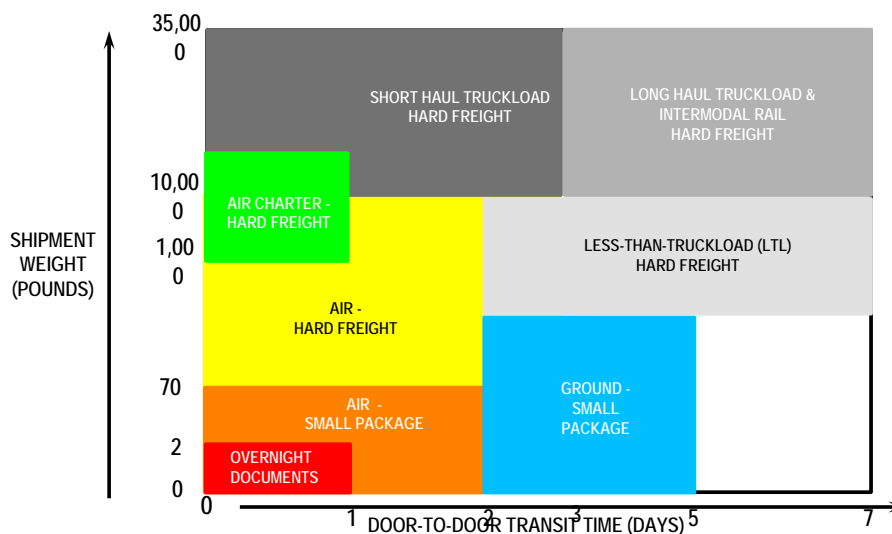
18

# Mather Additional Roles

- Bay Area Relief/Recovery
  - 13-14 Million in 180 miles – same at Sacramento as Bay
- Intel
- Truck Sort
- Logistic Services
- Support for Area
- Connector to the World
- Opportunities?
  - Anchorage
  - Indianapolis
  - Riverside
  - Other

## The U.S. domestic industry should be segmented by time, not mode.

U.S. Domestic Industry Segmentation



Source: MergeGlobal, Inc. analysis



## Additional Slides

- A Look at Change at Mather
- Transition from Old Air Base
- To Modern Business Incubator, Shipping, Distribution & Transportation Hub

## Requests to Assure Success

- **Best Practices**
- **Invest in Facilities**
- **Preserve Resources**
- **Plan, Then Measure Impacts**
- **Establish Development Priorities**
- **Think Regionally**

## Sharing a Vision – Sacramento

### Air Cargo & Business Association (SABA) Mission:

**Promoting best national practices at our Airports to create a self sustaining and healthy regional economy**

## MHR Airport Overview 1995



# MHR Overview Looking South



SACOG Goods Movement June 2007

25

# Most Active RAMPS



SACOG Goods Movement June 2007

26

# UPS Supply Side Ground/Air Link



**One of the best cross dock on air ramp facilities in Western US.**

## Last 7 Years

- The following few slides show where Mather (MHR) has come the last few years.

# Taxi and Centerline Lighting, Firehouse & Signs – working again



SACOG Goods Movement June 2007

29

# Tower -- Active



SACOG Goods Movement June 2007

30

# Requests to Assure Success

- **Best Practices**
- **Invest in Facilities**
- **Preserve Resources**
- **Plan, Then Measure Impacts**
- **Establish Development Priorities**
- **Think Regionally**