

**PACIFIC NORTHWEST SUPPLY CHAIN AND COMPETITIVENESS EXCHANGE**  
**Seattle, Washington**  
**February 25, 2011**

On February 25, the Departments of Commerce and Transportation led a joint outreach event in Seattle to identify elements of a national freight policy critical to the competitiveness of the Pacific Northwest. Participants addressed what the federal government must do to address impediments and opportunities in the movement of goods, and how addressing these issues is central to the goal of the President's National Export Initiative (NEI).

The forum, organized by the ports of Seattle, Tacoma, and Portland, brought together representatives from a diverse array of supply chain stakeholders including users, shippers, government officials and academics. Panelists noted that while many in the transportation community aspire to a corridor-based approach to infrastructure development, the eastward flow of freight from the Pacific Northwest through Chicago represents just such a corridor.

While participants offered varying points of view, many themes emerged. Key points included the following:

- The United States' supply chain has been its competitive advantage in the world, and the country is quickly losing that edge.
- There is a critical need for a National Transportation Policy.
- Freight needs a "voice," and needs to be more of a priority in policy and in funding.
- For most businesses, consistency and reliability are more important than speed.
- One of the greatest challenges to economic competitiveness is congestion.
- A strategic and holistic freight policy must include regulatory coordination and stakeholder input.
- The Pacific Northwest is a microcosm of the nation's supply chain issues as the most trade dependent region of the United States.
- Policymakers should not get caught up in arguments about which port gets deepened, and instead focus on what will make the United States more competitive.
- The approval process for projects, often done in a sequential process that moves from agency to agency for each approval, takes years and makes many projects impractical, especially when relying on private financing
- Additionally, projects are funded through annual appropriations, which create uncertainty in project delivery.
- Often regionally significant assets are underfunded by the federal government. This can make a single state responsible for funding projects that benefit an entire region.
- Bottlenecks are often not occurring on major highways, but at rural interchanges managed by municipalities or states.
- The federal government should move to performance-based project selection.
- Ultimately the performance analysis must include metrics, such as average speeds and reliability, which measure the effectiveness of projects in facilitating the flow of goods.
- States and localities must be given the ability to toll highways, not only for revenue but also for demand management.