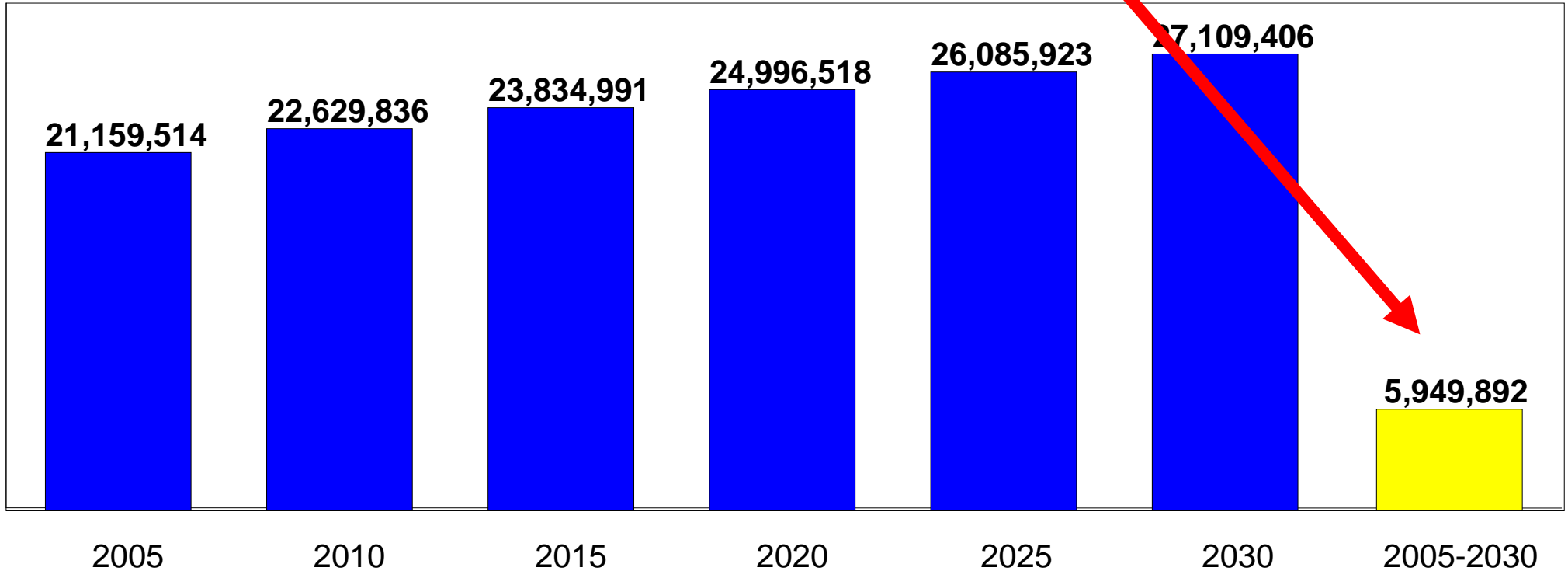


What Drives Goods Movement Demand?

1. Population Growth

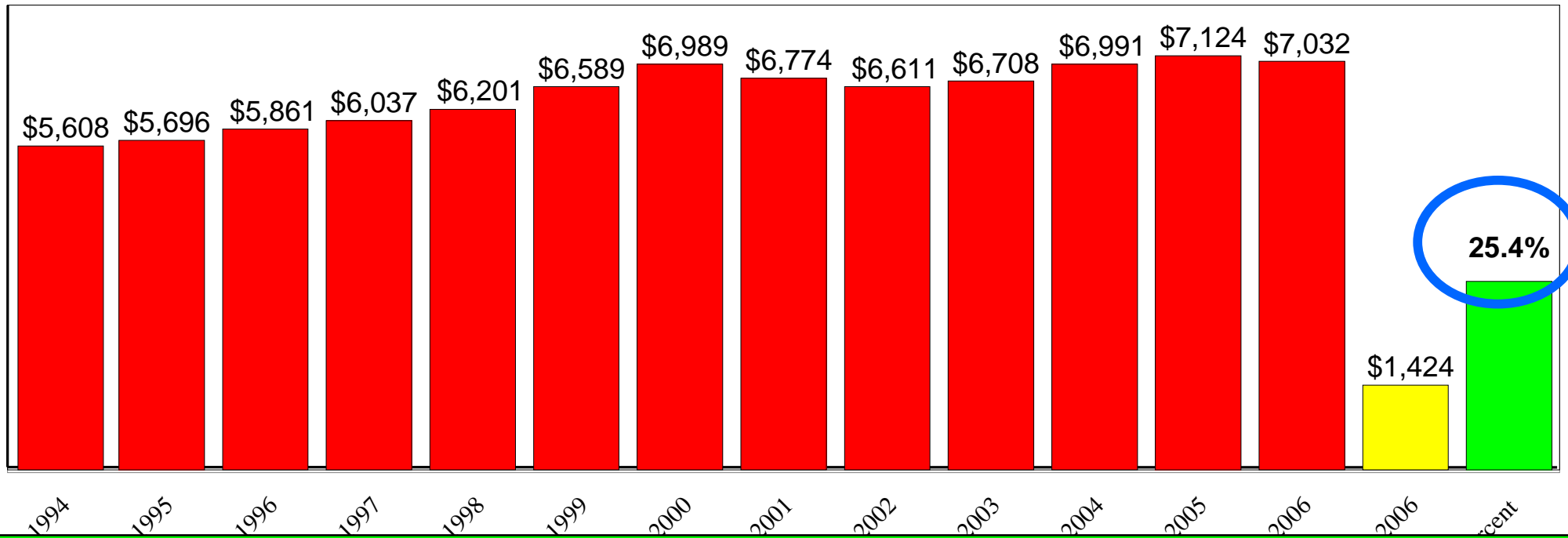
**Population Forecast
Southern California, 2005-2030**



Source: Southern California Association of Governments & San Diego Association of Governments, 2008

2. Constant Dollar Per Capita Retail Sales

**Per Capita Taxable Retail Sales (constant dollar)
Southern California, 1994-2006 (1984-1986=100)**



More People Using More Goods Each!

Sources: CA Board of Equalization, CA Department of Finance, U.S. Bureau of Labor Statistics

3. Exploding E-Commerce



Packages
Delivered by
Truck To Every
Home



Firms Want Deliveries Only After Goods Sold Or Used

5. Port Container Volume



1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2025e

TEU=20 foot equivalent container units

Source: Ports of Los Angeles & Long Beach; forecast: Moffatt & Nichol Engineers

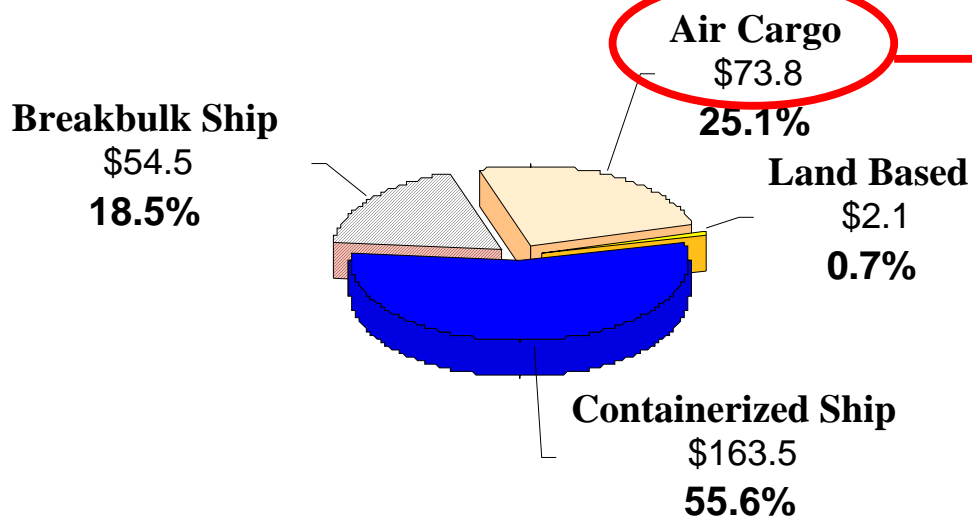
Port BreakBulk Volume: +2.5% per year



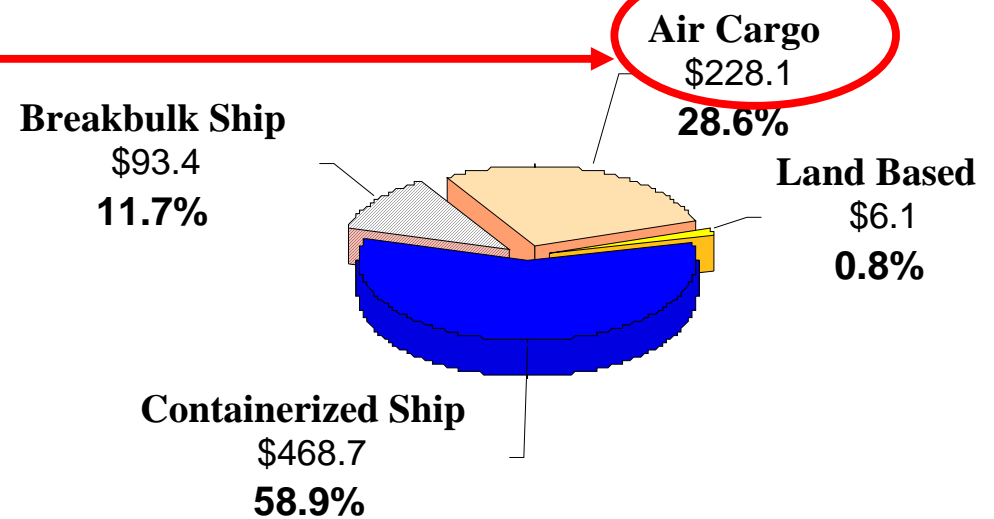
Air Cargo Increase by 4-Fold

**Exhibit 61.-Changing Shares of Trade
Los Angeles Customs District, 2005-2030 (billions)**

2005: \$293.9 billion



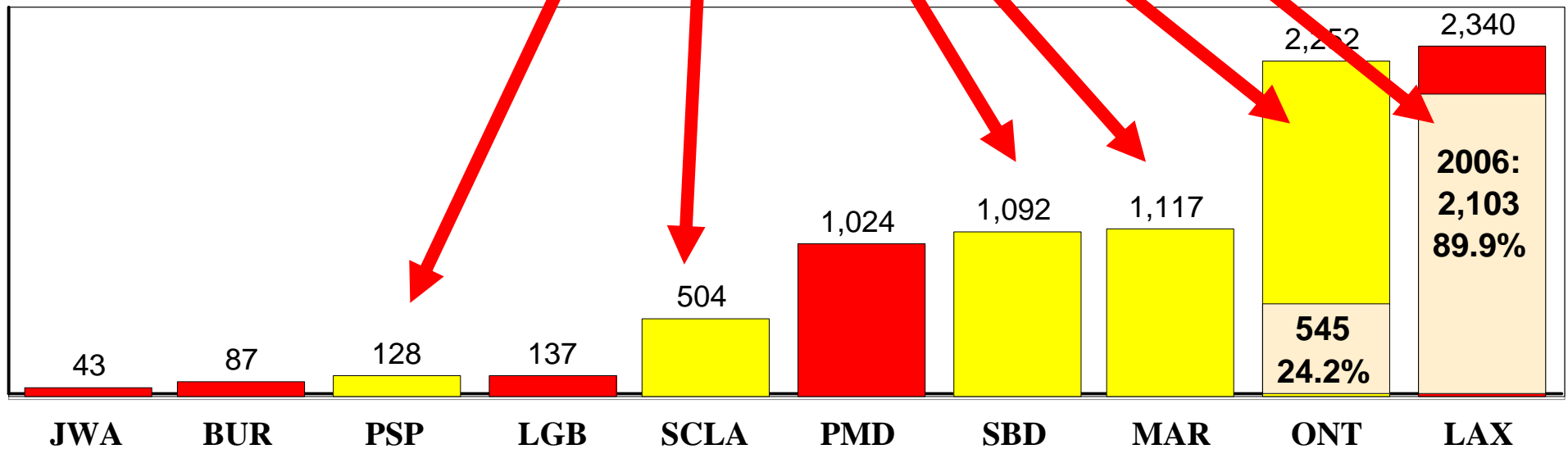
2030: \$796.2 billion



Source: Los Angeles Customs District & Economics & Politics, Inc.

LAX Near Cargo Capacity

Exhibit 17.-Air Cargo Tonnage For SCAG Area Airports
2030 Constrained Demand (1,000s tons)

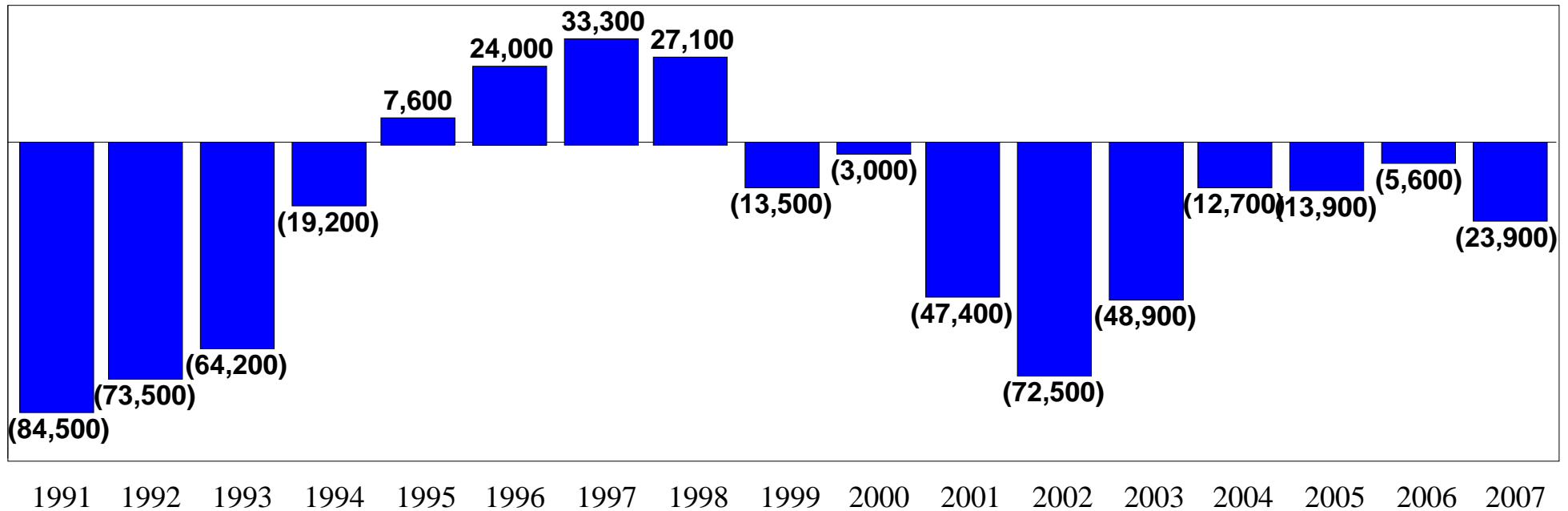


Source: SCAG 2004 Regional Transportation Plan

Manufacturing: Only Driver In Decline

From 1998-2007, Down 241,400 Jobs or -21.4%

**Manufacturing Employment Change
Southern California, 1990-2007**

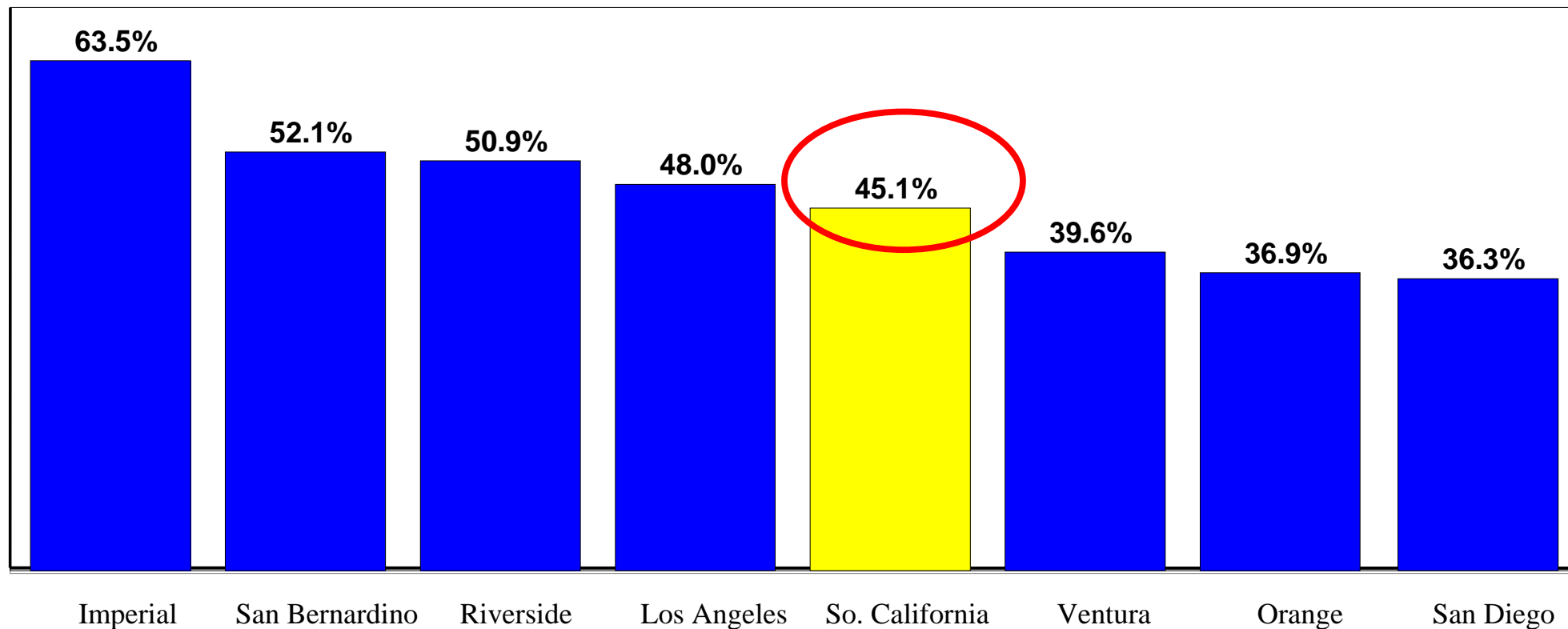


Source: CA Employment Development Department

Why Do We Care About Goods Movement?

So. California Population Poorly Educated

Share of Adults, No College Class & BA or Above
Southern California Counties, People 25 & Over, 2006



Source: 2006 American Community Survey

Sectors With Few Training Barriers To Beginning Employment

Mining (\$96,996)

Manufacturing (\$47,933)

Logistics (\$46,665)

Construction (\$41,453)

Retail Trade (\$28,840)

Gaming (\$28,385)

Hotel/Motel (\$24,019)

Agriculture (\$22,793)

Eating & Drinking (\$15,132)

**Blue Collar
including Part
Time Workers**

Remember: Poverty Is Also A Health Issue

