New Jersey: The Supply Chain State in the Leading US Distribution Region

Eastern Pennsylvania Freight Summit

June 2018

Mary D. Ameen, Acting Executive Director
North Jersey Transportation Planning Authority
New Jersey is the Supply Chain State

- Over 450,000 workers employed in transportation, logistics and distribution
- Over 1 billion SF of industrial space
  - 816 million SF in NJTPA region & over 13 million under construction
- Largest port on the East Coast – 6.7 million TEUs in 2017.
- Robust rail freight network – 2 Class Is, Conrail, shortlines.
- Extensive roadway network
A Red Hot Industrial Market

In the NJTPA region:

- Over 26 million SF added since the Great Recession of 2008.
- 34 new buildings added in 2017 & 4 more in the 1st quarter of 2018
- A near zero availability rate.
- Interchange 8A market – 70 million SF with 4 million SF now under construction
- Some asking lease rates now at $14.00/SF triple net.
The Growing Port Industry

In 2016, the region’s maritime facilities handled:
- Nearly 6.3 million TEUs
- Close to 663,000 vehicles & 260 cruise vessels
- Nearly 47.4 tons of bulk cargo
- Nearly 140,000 tons of breakbulk cargo

In 2017:
- Bayonne Bridge Clearance Project completed
- Neo-Panamax vessels immediately start calling
- Over 6.7 million TEUs handled
- 32 percent market share of the East Coast and 15.4 percent of the US market
2016 Port Impact in the State of New Jersey

- 200,350 direct jobs
- 344,470 total jobs
- Over $21 billion in personal income
- Over $53.8 billion in business income
- Nearly $7 billion in tax revenues
  - Local & State: Over $2.2 billion
  - Federal: Close to $4.8 billion
2016 Port Impact in Lehigh Valley

Focused on Port-related distribution and warehousing operations in 4 PA counties:
- 18,300 direct jobs
- 29,490 total jobs
- Over $1.4 billion in personal income
- Over $3.3 billion in business income
- Close to $420 million tax revenues
  - Local & State: Over $130 million
  - Federal: Over $290 million

What Keeps Supply Chain Professionals Up at Night?

• Managing the challenges of a rapidly evolving retail environment.
• “Just in Time Just Isn’t Fast Enough.”
• Maintaining operations and supply chains through disruptive events.
• Having sufficient assets and capacity with growing workforce shortages.
E-commerce Example: Amazon Facilities

15 facilities alone in the NJTPA region, with more under construction:
- 7 fulfillment centers of over 1 million SF
- 2 sortation facilities
- 2 food distribution facilities
- 2 delivery stations
- 1 dedicated inbound cross dock
- 1 Amazon Prime Now (one hour delivery service)
“Mid-Mile” and “Last Mile” Facilities

Amazon Delivery Station

Amazon Fulfillment Center
Fulfillment Centers and Emerging Workplaces – More Associate Parking and Accessibility

Sources: NJ.com, Google Maps and Greater Mercer TMA
Examples of NJTPA Freight Initiatives

- NJTPA’s Freight Initiatives Committee
- Freight Rail Industrial Opportunity (FRIO) Corridors Program
- Goods Movement Community Engagement Tool
- Truck Parking & Rest Area Inventory Update
- Pilot Freight Concept Development Program

Try the Freight Activity Locator Tool at njtpa.org/freight
Promoting Collaboration

- Subregion Outreach and Field Visits
- Member, Council on Port Performance
- MAP Forum
Thank You

Mary Ameen
Acting Executive Director
mameen@njtpa.org