



**Economic Impact Study Finds Trade Moving Through
Ports of Los Angeles, Long Beach and the Alameda Corridor
Significantly Impact California's Economy**

**More Than \$62 Billion in Total Trade Value and 886,000 Jobs in
California
Connected to Southern California Trade Activity**

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LOS ANGELES COUNTY - A trade impact study released today by the Alameda Corridor Transportation Authority (ACTA) and the ports of Los Angeles and Long Beach (collectively known as the San Pedro Bay Ports) underscores the role of the nation's two largest container ports play as critical economic powerhouses and job generators for both the state and national economies.

The San Pedro Bay ports handle more than 40% of the nation's total containerized cargo import traffic and 24% of the nation's total exports. This trade volume equates to \$256 billion in total national trade in 2005, with \$62.5 billion of that trade in California. In addition, the study conservatively estimates that more than 886,000 jobs in California are directly and indirectly related to international trade activities conducted through the San Pedro Bay Ports. International trade moving through the San Pedro Bay Ports also generated more than \$6.7 billion in state and local tax revenue benefits. The taxes are generated from sales, motor vehicle and other local taxes attributed to containerized trade and the movement of goods from the Ports.

"Southern California is America's Gateway to the global economy and plays a central role in sustaining the nation's prosperity," said Mayor Antonio Villaraigosa. "As container traffic continues to grow, however, we must invest more in our goods movement infrastructure while addressing the

environmental and health impacts of our ever-expanding international trade."

"The study re-affirms the national significance of the San Pedro Ports. These two ports lead the way not only in cargo volumes but also in implementing forward-thinking environmental mitigation strategies that recognize the severe health impacts on our communities of such monumental commerce," said Long Beach Mayor Bob Foster.

Southern California has become the primary gateway for trade between the U.S. and the Pacific Rim. The centrally located San Pedro Bay Ports have seen dramatic increases in trade volumes since the last study conducted in 2000. This tremendous growth in trade volume is due to the increase in consumer demand in the region and nationally. A majority of the distribution centers that rely solely on the ports to transport toys, clothing, shoes, computers, TVs, furniture and many other goods across the nation are located in the region.

Californians reap many benefits from the goods coming into the state through America's ports. In addition to receiving a vast array of raw and manufactured goods in the most timely manner possible, the products arriving on the ships - everything from car parts to shoes to avocados to steel - support nearly 900,000 jobs in the state and make it the focal point for logistics, warehousing and transportation activities.

The Southwest Region, which in the study encompasses California, Arizona, Colorado, Nevada and Utah, saw the highest volume of containerized trade in the U.S., handling more than \$82 billion of the \$256 billion of the trade generated nationally in 2005.

The 20-mile long Alameda Corridor is the first link in the national rail system leading out of the San Pedro Bay Ports, transporting goods to the transcontinental rail system near downtown Los Angeles that will be moved to destinations across the United States. With more than 60% of the cargo arriving at the San Pedro Bay Ports ultimately destined for markets outside of Southern California, the Alameda Corridor has seen 106% growth in cargo movement over the last four years. This means a variety of importers and exporters across the country depend on this corridor of national significance. In 2006, the Alameda Corridor carried 19,924 trains, an average of 55 trains per day. This represents a 15% increase over the

number of trains which used the Corridor in 2005. In addition, nearly five million TEUs were transported via the Corridor in 2006, a 32% increase from the 3.75 million TEUs moved on the Corridor in 2005. On an average day, the Alameda Corridor carries 14,000 TEUs, more than twice the entire daily volume of cargo that is handled by the Port of Oakland.

The Port of Los Angeles, a non-taxpayer-supported department of the City of Los Angeles, and the Port of Long Beach, a non-taxpayer supported department of the City of Long Beach, are the top two container seaports in America. Together, the ports occupy about 7,400 acres of land, 7,900 acres of water and 78 miles of waterfront in Southern California. With about 60 (combined) terminals serving container, automobile, break bulk, liquid bulk and dry bulk customers, the ports facilitate the flow of goods that sustain the entire nation. In addition to leading the nation in international cargo trade, the San Pedro Bay Ports are dedicated to leading the world in progressive and aggressive environmental programs. In November 2006, at a first-ever joint meeting of the two Harbor Commission Boards, the San Pedro Bay Ports Clean Air Action Plan was adopted. This landmark plan, the first in maritime history, outlines a strategy for reducing air emissions at both ports by roughly 50 percent over a five year period.

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(Editor's Note: For more information about the economic study, or to secure quotes from ACTA, Port and other elected and business leaders, please visit www.acta.org, www.polb.com, or www.portoflosangeles.org.

Additional ACTA/Port Quotes re: BST Economic Study

Alameda Corridor Transportation Authority

Janice Hahn – Los Angeles City Council, ACTA Chair

"This study puts the significance of the Ports of Los Angeles and Long Beach into real numbers. No one can argue the importance of our ports to the economy of the entire nation," said Los Angeles Councilwoman Janice Hahn, ACTA Board Chair. "Every lawmaker in Sacramento and Washington DC can see exactly how their own districts benefit from trade moving through our ports. We are counting on federal and state funding to keep goods moving through our region, with as little negative impact on our communities as possible."

Bonnie Lowenthal – Long Beach City Council, ACTA Vice Chair

"This study demonstrates the importance the Alameda Corridor plays in linking the Ports of Long Beach and Los Angeles to the rest of the nation's goods movement network, while at the same time providing environmental benefits to the communities along the Corridor's route," said Long Beach Vice Mayor and ACTA Vice Chair Bonnie Lowenthal. "A strong commitment from both Washington, D.C. and Sacramento will be needed to help improve the region's infrastructure while committing to an improvement in air quality."

John Doherty – ACTA Chief Executive Officer

"The Alameda Corridor has seen 106% growth in cargo movements over the last four years, a tremendous level of growth clearly reinforced by this study," said ACTA Chief Executive Officer John Doherty.

City and Port of Los Angeles

Antonio Villaraigosa – Mayor, City of Los Angeles

"Southern California is America's Gateway to the global economy and plays a central role in sustaining the nation's prosperity. The ports of Los Angeles and Long Beach are massive economic engines that create millions of jobs and generate billions of dollars in tax revenue across the nation.

However, as container traffic continues to grow, we must invest more in our infrastructure and address the environmental and health impacts caused by the flow of trade through our region.

I will carry this message to Sacramento and Washington DC: We must receive a fair share of funding to expand our goods movement infrastructure while reducing the environmental and health impacts of our ever-expanding international trade."

S. David Freeman -- Los Angeles Harbor Commission President

"These numbers once again validate the national importance of our two ports and rail corridor. Goods movement through this vital trade gateway isn't just about keeping

department store shelves well stocked. It's about the livelihood of millions of individuals and families nationwide. With this kind of trade volume benefiting every congressional district in the nation, our priority here locally is to keep the system moving and to ensure that port-related pollution is aggressively curbed so that the nation's economic benefit isn't to the detriment our local environment. "

Geraldine Knatz, Pd.D. – Executive Director, Port of Los Angeles

"This study once again underscores the magnitude of maritime and rail operations here in the San Pedro Bay port complex. We are a well-oiled machine today – the backbone of a national goods movement corridor. But our elected representatives in Sacramento and Washington D.C. need to know that state and federal funding for infrastructure, security and air quality programs are essential in order in order to keep this economic engine running for decades to come."

City and Port of Long Beach

Bob Foster, Mayor, City of Long Beach

"The study re-affirms the national significance of the San Pedro Ports. These two ports lead the way not only in cargo volumes **but in implementing forward-thinking** environmental mitigation strategies that **recognize the severe health impacts on our communities** of such monumental commerce."

James, Hankla, Long Beach Harbor Commission President

"The findings show very clearly that the ports of Long Beach and Los Angeles are America's ports, supporting trade and jobs not only in California but as far away as Kansas, Michigan, Texas, and many other states throughout the country. These findings demonstrate why we need state and national support for our critical infrastructure, security and environmental improvements."

Richard Steinke, Executive Director, Port of Long Beach

"This report underscores just how vital port operations are to the local, regional and national economies. Through strong partnerships with our many stakeholders, we can ensure that our economic vitality continues here and across the country, while also improving the environment and the quality of life in our communities."