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**REVOLUTION IN GLOBAL LOGISTICS REQUIRES MAJOR WAKE UP CALL FOR
TRANSPORTATION AGENCIES SAYS ITI'S GIL CARMICHAEL**

- Reality Check, Increased Education and Fundamental Policy Changes Required for Next
Generation of Transportation Leaders -

DENVER, CO, September 14, 2006 – Revolutionary change has swept the transportation industry during the past quarter of a century, but America’s federal and state transportation agencies remain locked in obsolete attitudes and policy structures that do not address this situation, warns transportation expert Gil Carmichael. “Our transportation agencies are in serious need of a reality check,” said Carmichael.

In a speech delivered to the Mississippi Senate Highways and Transportation Committee, Gil Carmichael, Senior Chairman of the Board of Directors of the Intermodal Transportation Institute (ITI) at the University of Denver and a former Federal Railroad Administrator, said that intermodal transport has evolved as the global standard for moving freight, but that fundamental reform in the organization and structure of our federal and state transportation agencies has not kept up with these changes.

“This intermodal network is sharply focused on speed, safety, reliable scheduling and economic feasibility that builds on the strengths of each mode,” he said. “This system works because it is customer-driven. But it is extremely important to note that nearly all the transportation innovation and progress that has occurred during the past quarter century has come about due to private sector initiatives – and primarily in the area of freight. Meanwhile, government passenger transport policies and programs remain at least 20 years behind the times – even though the application of intermodal principles is just as valid in developing and operating passenger systems. For every passenger moving on our transportation system today, a ton of freight is moving.”

This lag is due to the fact that government at all levels has resisted much-needed modernization in structure, operation and focus, he said. “Government officials still view the transportation modes in isolation and are focused almost exclusively on infrastructure that supports a single mode. “Authorities don’t really pay much attention to how this infrastructure is used – or where the most promising

opportunities exist. For example, in an era when our population is approaching 300 million people and our transportation infrastructure is badly congested, causing economic distress, some regional planning agencies have actually developed transportation plans that devote more attention to bicycle paths than freight and passenger transportation.”

Carmichael cited three specific steps that state DOTs can take to help address our new intermodal age with fresh and realistic thinking:

- Each state DOT should be overseen by a member appointed by the governor and should have a close working relationship with programs under the governor’s jurisdiction – economic development, finance, tax policies, etc.
- The chief executive of the DOT should have two principal deputies – one to oversee policies and programs associated with freight transportation, the other to carry out an identical role in the area of passenger transportation.
- Senior executives of DOTs should have a working knowledge of the new principles of intermodal transportation. A majority of policy decisions and projects need to be carried out with intermodal needs given a priority – with both freight and passenger improvements addressed.

“While these revolutionary changes have occurred over three decades, the U.S. Department of Transportation has remained on the sidelines and out of touch with reality,” he said. “The agency is still organized along modal lines and has failed to exert any positive influence on our new intermodal infrastructure. The same reforms that should apply to state authorities must also be implemented by the federal government, where DOT is still badly segmented and out of touch with intermodal America.”

“We also need to place a greater emphasis on up-to-date experience in the transportation industry by sending public management professionals through academic programs like that offered by the Intermodal Transportation Institute at the University of Denver if we are going to provide fresh thinking on transportation. Intermodal education is essential to addressing the reforms needed in this new age of transportation as it will help refocus and reshape the thinking of our next generation of transportation leaders,” concluded Carmichael.

About ITI

The Intermodal Transportation Institute at the University of Denver offers an Executive Master’s Program that awards a Master of Science in Intermodal Transportation Management from the University of Denver. This graduate degree program prepares transportation industry managers for the increasingly complex, global business environment where a knowledge of finance, quantitative processes, supply chain, law, and public policy issues as well as freight, passenger, and intermodal transportation operational strategies are critical management tools for success. For more information on the ITI Executive Master’s Program call: 303-871-4702 or visit: www.du.edu/transportation.