

FREIGHT AND ECONOMIC ANALYSIS

Freight Moves the Upstate, South Carolina, and the Southeast

Millions of tons and billions of dollars in freight annually traverse ACOG's transportation infrastructure, including finished goods and intermediate materials. Freight tonnage and values were evaluated by mode, direction, and commodity type to estimate the extent of regional economic impact in both employment and monetary terms.

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Year 2016 TRANSEARCH freight data was supplemented with the Waybill Sample rail data to quantify the freight flows and dimensions. Year 2018 IMPLAN model was then used to estimate the economic impacts associated with such freight movements.

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FREIGHT



Volume and Direction

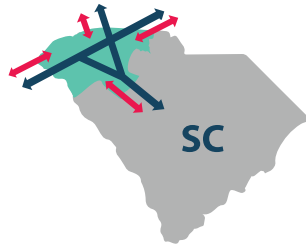
Most freight tonnage in the Upstate region moved by truck (75%), including air freight intermodal transfers (0.02%). Through-freight that did not originate or terminate within the region comprised 59%.



75%
Truck



25%
Rail



59% Moved through the region

41% Originated and/or Terminated in the region



37%
Truck Through



38%
Truck - Originates/Terminates

3% Rail - Originates/Terminates

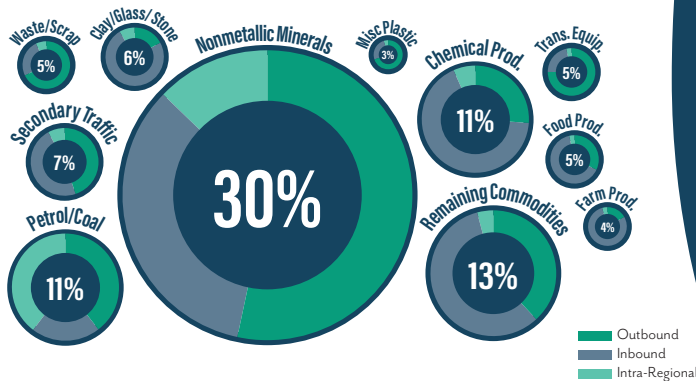


22%
Rail Through

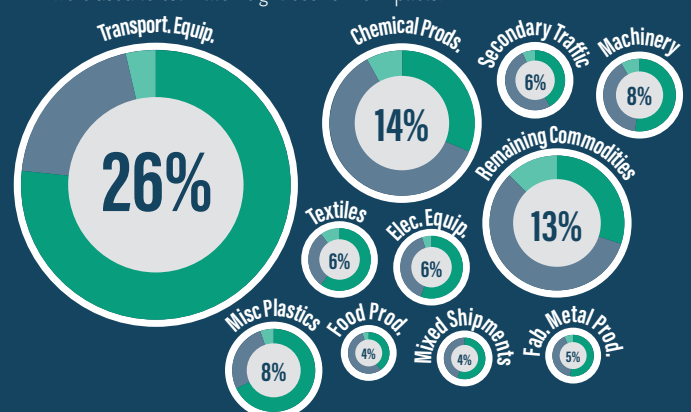
Commodities Originated/Terminated in Region



Bulk commodities dominated tonnage movements, especially nonmetallic minerals and petrol/coal products. Such traffic reflected low-value per ton (average \$330). Secondary traffic reflected warehouse repositioning, especially with Inland Port Greer movements.



Leading commodities by value included transportation equipment, chemical products, machinery, and miscellaneous plastics – all with high-values per ton (between \$2,300 to 11,000 per ton). The values associated with the production and consumption of locally produced goods and/or materials were used to estimate freight economic impacts.



IMPACTS



REGIONAL SOCIOECONOMICS

The seven-county region comprised about **29%** of South Carolina's economy.

Appalachian Region



Economic Impacts

In 2018, freight impacts reflected complex supply chain relationships spanning local, domestic, and international movements. To quantify the economic impact, regional freight data were compared with economic data. The direct, indirect, and induced impact of freight affected all sectors.



Accommodated **364,200 jobs**



Produced **\$34.5 billion** in gross regional product (GRP)



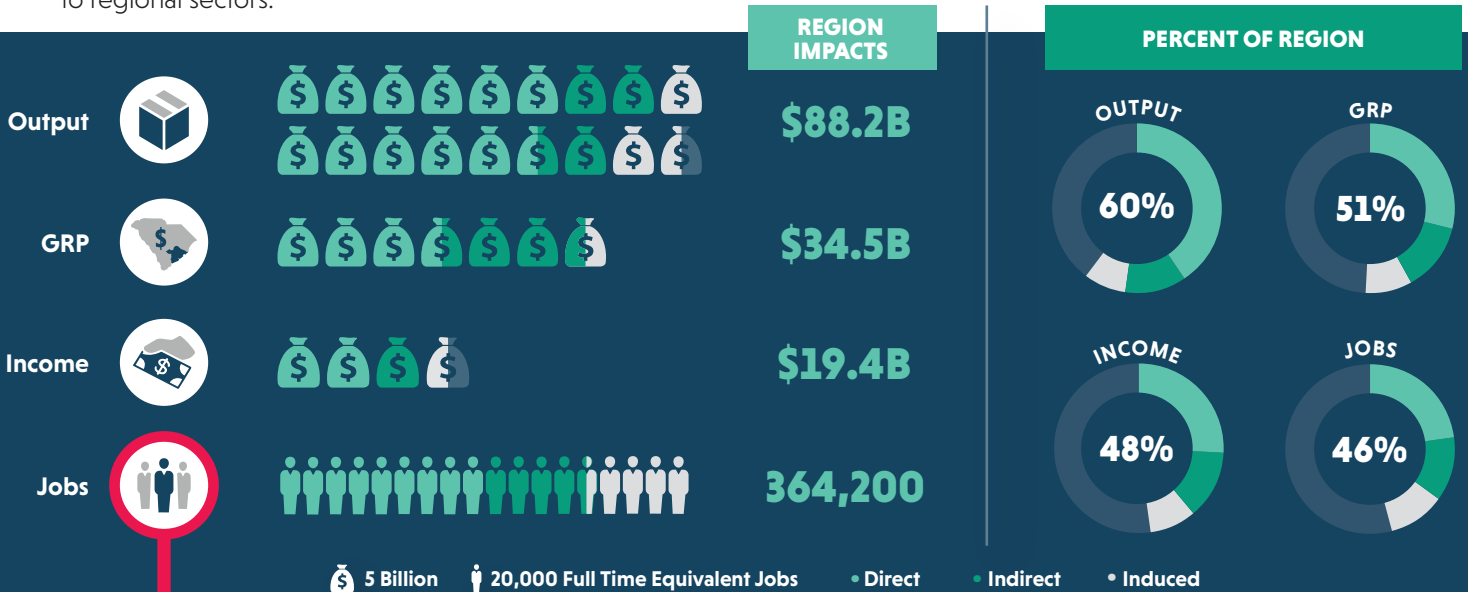
Earned **\$19.4 billion** in income



Sold **\$88.2 billion** worth of goods and services

Direct impacts averaged 58% of the total. Other multiplier impacts associated with indirect suppliers and induced re-spending accounted for 24% and 18% of the impacts, respectively.

Together the direct, indirect, and induced economic impacts averaged 51% of the region's economy – ranging from 46% of the region's workforce to 60% of the region's output. The difference reflected high productivity levels per employee relative to regional sectors.

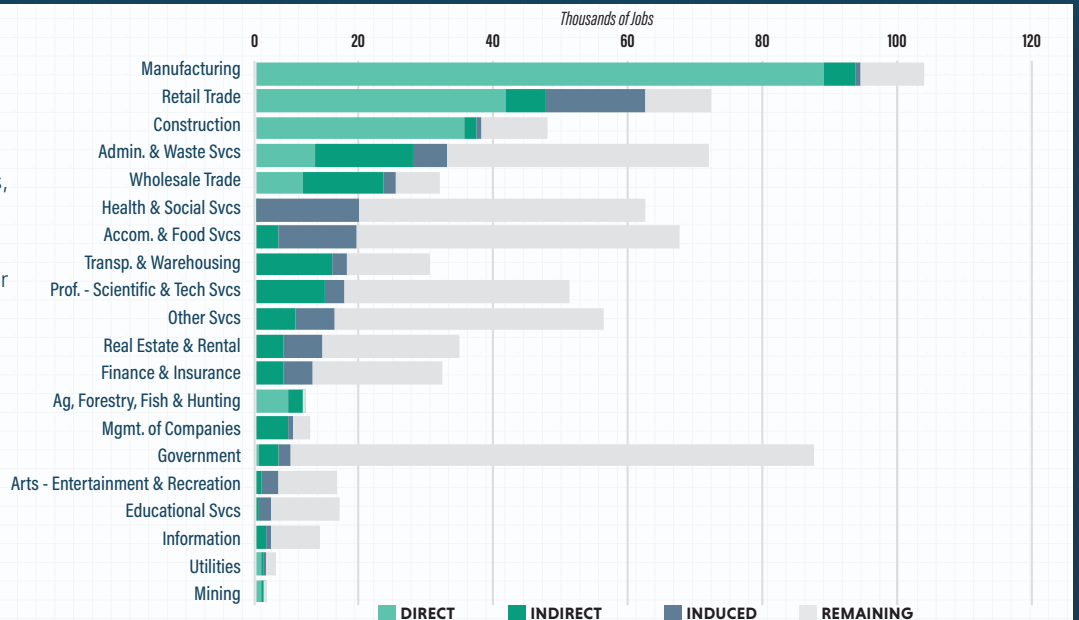


Sector Impacts

Freight dependent sectors included direct users, such as retail trade, admin/waste services, manufacturing, construction, and wholesale trade.

Other indirect and induced sector impacts included professional services, accommodation and food services, transportation and warehousing, etc.

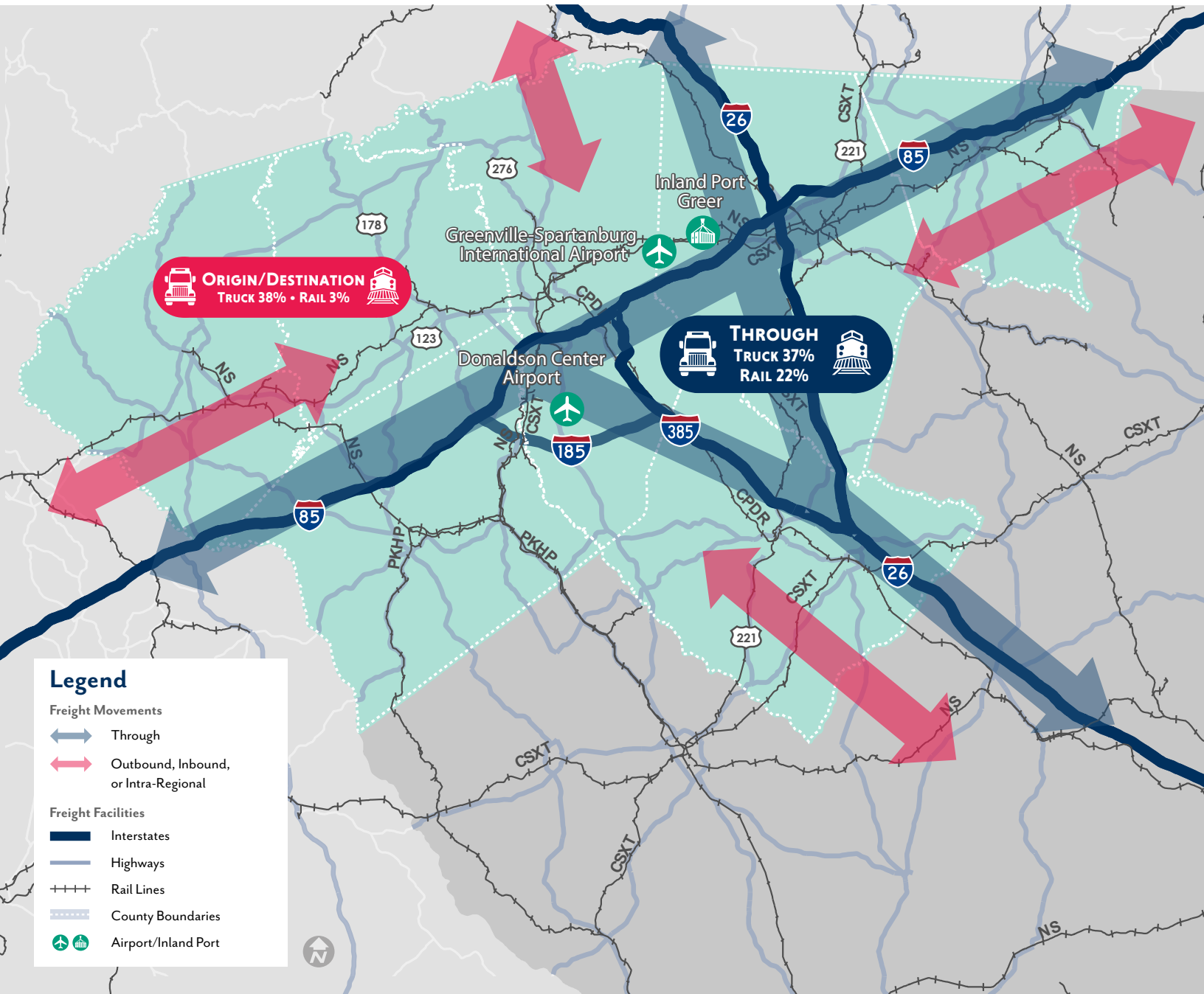
The bottom line is that all sectors relied on a freight mobility to deliver goods and services. Such reliance was borne out by the magnitude of job and other monetary impacts.



Recap

The economic impacts associated with the Appalachian region freight system users represent 46-60% of the region's economy, depending on metric (i.e., jobs, income, GRP, output). Yet, the freight volumes that originated and/or terminated in the region only comprised 41% of total freight tons traversing the region.

The other 59% passed through the region, but originated and terminated throughout the state, the Southeast, and nation. Such through-freight moved via the interstate highways and two major Class-I railroads. As such, the economic benefits and impacts associated with the freight system extended far beyond the region.



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