

Bay Area Goods Movement Collaborative

Economic Impact



THE IMPORTANCE OF GOODS MOVEMENT IN NORTHERN CALIFORNIA

The Northern California megaregion refers to the economically and geographically linked set of regions comprised of the Bay Area, Sacramento, Northern San Joaquin Valley and the Central Coast.

The Northern California megaregion is an economic powerhouse, with over \$953 billion in freight flows moving to, from, and through the region in 2012. This is expected to grow by 168% to \$2.6 trillion in value by 2040. \$387 million or 40% of freight flows move solely within the megaregion, an amount growing to almost \$1 trillion annually by 2040, highlighting the importance of inter- and intra-regional trade to the megaregion's economy.

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Each of the four regions within the megaregion has separate characteristics and regional strengths, yet they are tied together through the goods movement system and the patterns of domestic and international trade. Exports of high value, specialty agricultural products from the San Joaquin Valley and wine from the North Bay move through the Bay Area's Ports. Medical supplies and precision instrumentation, products of a growing high tech manufacturing sector in the Bay Area, traverse through domestic and international air cargo centers for shipment all over the world.

Regional Profiles within the Northern California Megaregion

REGION	Bay Area	Sacramento Region	N. San Joaquin Valley	Central Coast
POPULATION (2013)	7.44 Million	2.12 Million	3.14 Million	0.735 Million
KEY FACTS	<ul style="list-style-type: none"> International trade hubs – Port of Oakland, SFO Fuels producer High value manufactured products Consumer center Agricultural and food products Major highways include I-880, I-80, I-580, U.S. 101; Key rail corridors include UP and BNSF¹ rail lines connecting Oakland to Sacramento and the Central Valley. 	<ul style="list-style-type: none"> Agricultural and food products – domestic and exports Consumer center High value manufactured products Regional warehouse center Bay Area connection via I-80 and UP rail 	<ul style="list-style-type: none"> Agricultural/food products – domestic and export Regional distribution center for Bay Area and Sacramento Bay Area connection via I-580, SR 12, and M-580 Marine Highway and UP and BNSF rail 	<ul style="list-style-type: none"> Wine, fish and agricultural products – domestic and export Critical agricultural linkages with San Joaquin Valley Bay Area connection via U.S. 101

Source: Population data from U.S. Census Population Estimates for July 2013

¹ Union Pacific and Burlington Northern Santa Fe

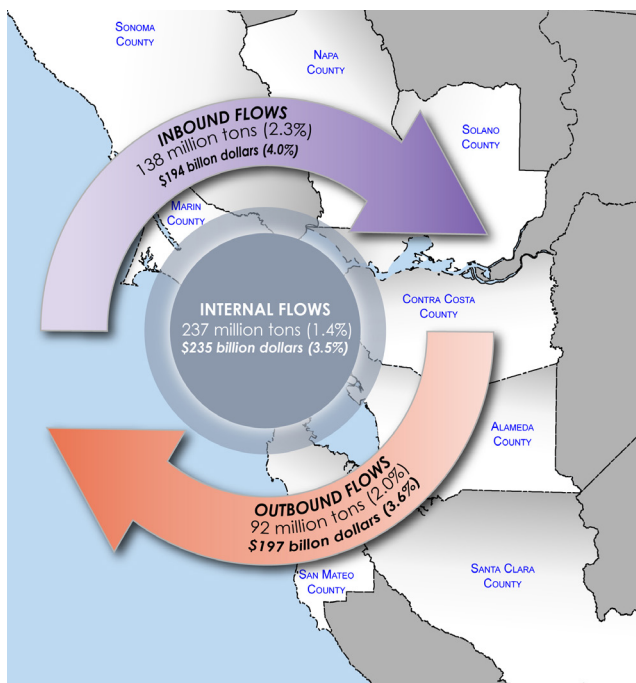


THE IMPORTANCE OF GOODS MOVEMENT IN THE BAY AREA

The nine-county Bay Area is the most significant contributor to the megaregion economy. **Alameda County is the center point of goods movement in the region**, as it is home to many of the freight facilities in the megaregion and is located in the geographic center, providing major connections to all parts of the region. The County has a diverse manufacturing base that includes high-technology sectors such as electronics, precision instrumentation, and medical supplies, yet also includes traditional manufacturing operations in metal products, food products, and machinery. Goods movement, including imports, exports, and domestic movements to consumer markets, plays a significant role in the Bay Area economy.

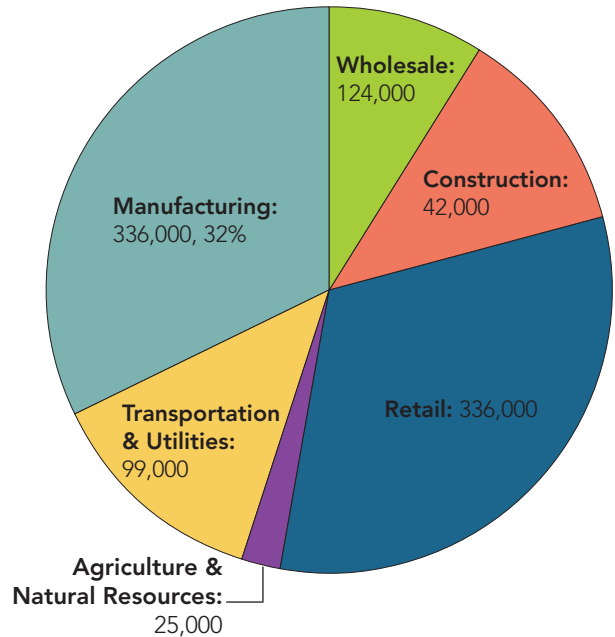
In 2012, the predominant freight movements by weight in the Bay Area were intraregional commodity flows. These short-haul freight movements include freight traveling along local supply chains, as well as locally produced products that are moved to the seaports and airports for export, or from the region's seaports and airports to local consumers and industries.

Bay Area Goods Movement Flows and Annual Growth, 2012



Source: Freight Analysis Framework (FAF) 3.5 Provisional Data and Forecasts.

Employment in Goods Movement-Dependent Industries in the Bay Area, 2011



Source: ABAG (Plan Bay Area 2013), Center for Continuing Study of the California Economy (CCSCE), and Cambridge Systematics Analysis.

CONTRIBUTION TO JOBS

Goods movement provides a diversity of employment opportunities for residents with a range of skills, education and experience. **More than 1.8 million people were employed in goods-movement dependent industries** (i.e., manufacturers, distributors, retailers, and others which rely on freight and the movement of products for their business practices) in the Northern California megaregion in 2012. Just under 1 million of these goods movement jobs are in the Bay Area, which has more than 300,000 jobs in the Manufacturing and Retail Trade Sectors. Alameda County accounts for 21.5% of regional goods movement employment and is anticipated to have the fastest growing job market in the region from 2010 to 2040.

