

PDX COMMUNITY ADVISORY COMMITTEE
CHARTING A COURSE FOR PDX

PDX Air Cargo Overview

April 2019



Cathay Pacific Cargo loads freight for flight to Hong Kong



PDX Cargo Overview

- **Air Cargo Background**
 - Definitions
 - What moves by air?
- **PDX Cargo Services**
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 - Market area
- **Supply Chain Story - Role of Air Cargo**
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Definition of Terms

- **Cargo:** Freight and air mail
- **Freight:** Goods being shipped
- **Shipper:** Manufacturer or company sending goods
- **Forwarder:** Books/consolidates freight shipments for a company

All Cargo Carrier



Integrated Carrier



Belly Cargo Carrier

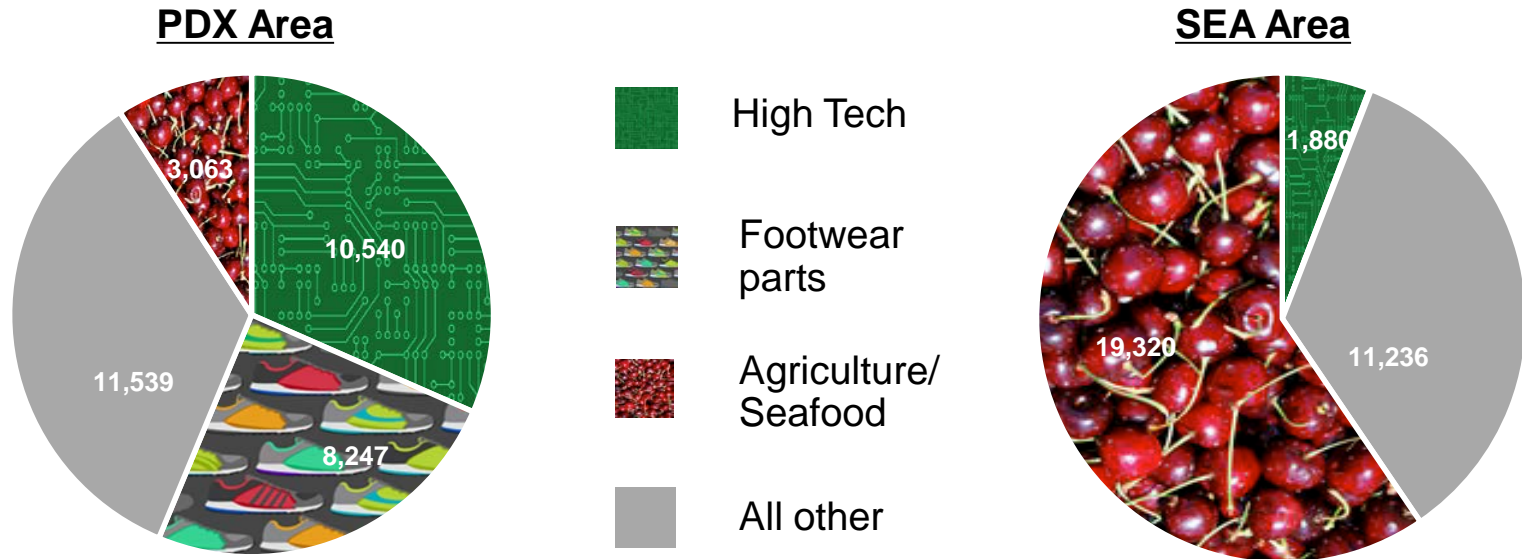


What Moves by Air?

- **Hi-Tech**
- **Shoe Components**
- **E-commerce**
- **Documents**
- **Medical Supplies/Equipment**
- **Perishables**
- **High Value Time Sensitive Items**



What Moves by Air?



Source: US Bureau of the Census, 2017 annual data, as modified by Campbell-Hill Aviation Group
Note: Market area is in Tonnes (MT)

PDX Services

- **Freighter:** Cathay Pacific to Asia
- **Integrators:** UPS, FedEx, DHL (80% of volume)
- **Belly capacity:** US, Europe, Canada, Asia, Mexico

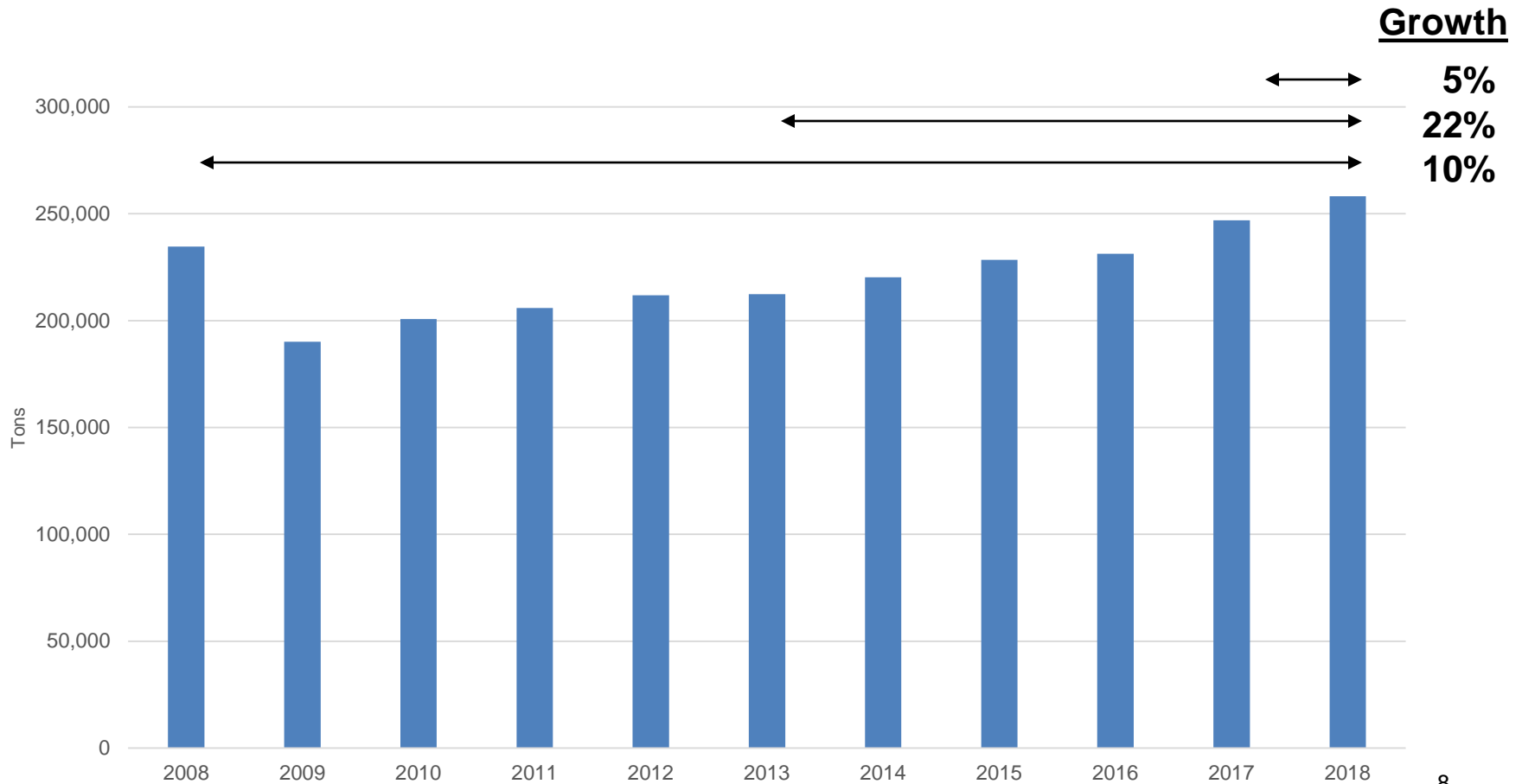
Mission: *enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets and by promoting industrial development.*

Freighter service supports region's high tech, perishables, e-commerce and footwear/apparel industries.

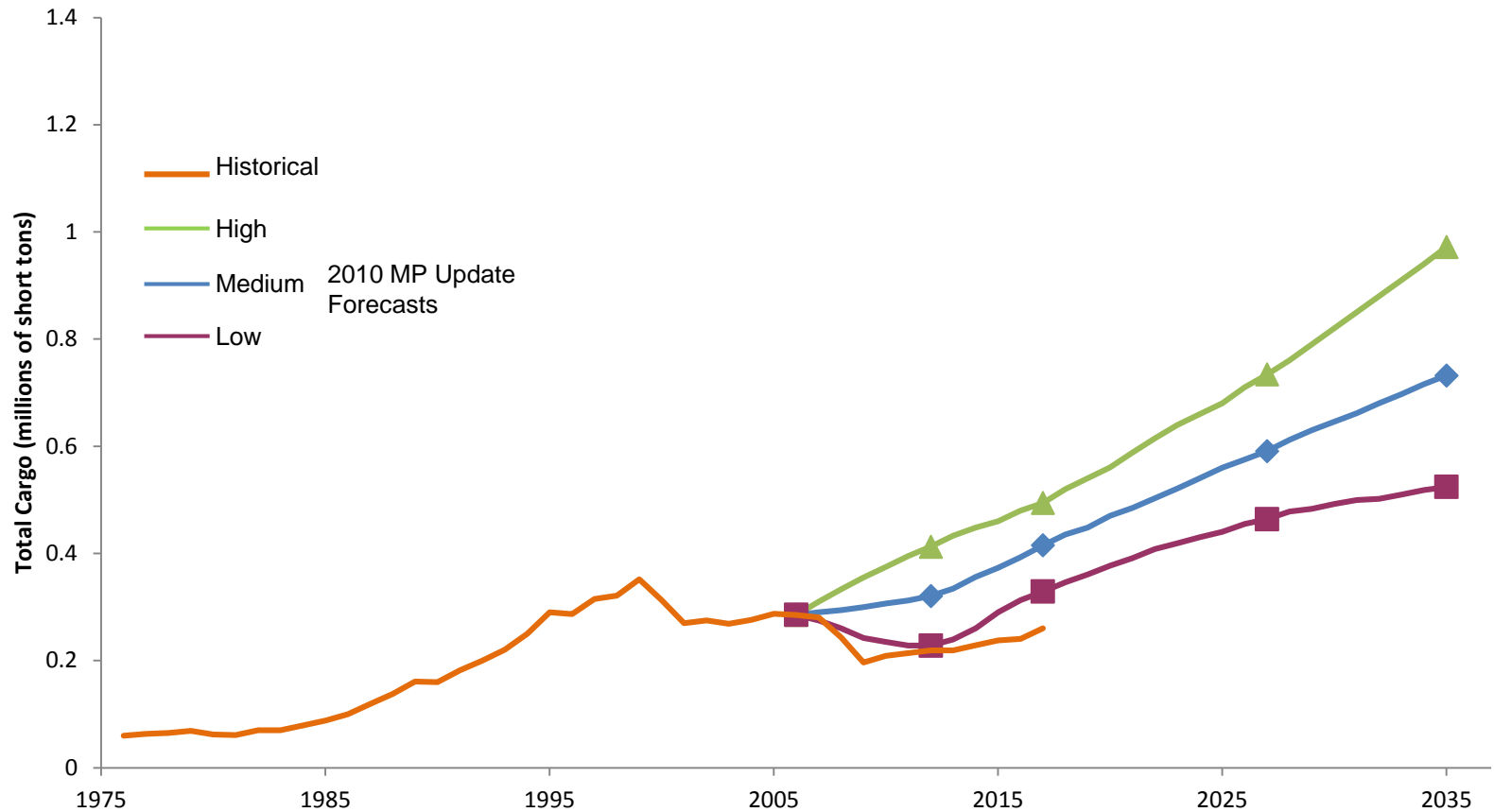
Supply Chain Story



PDX Cargo Tonnage (10-year)



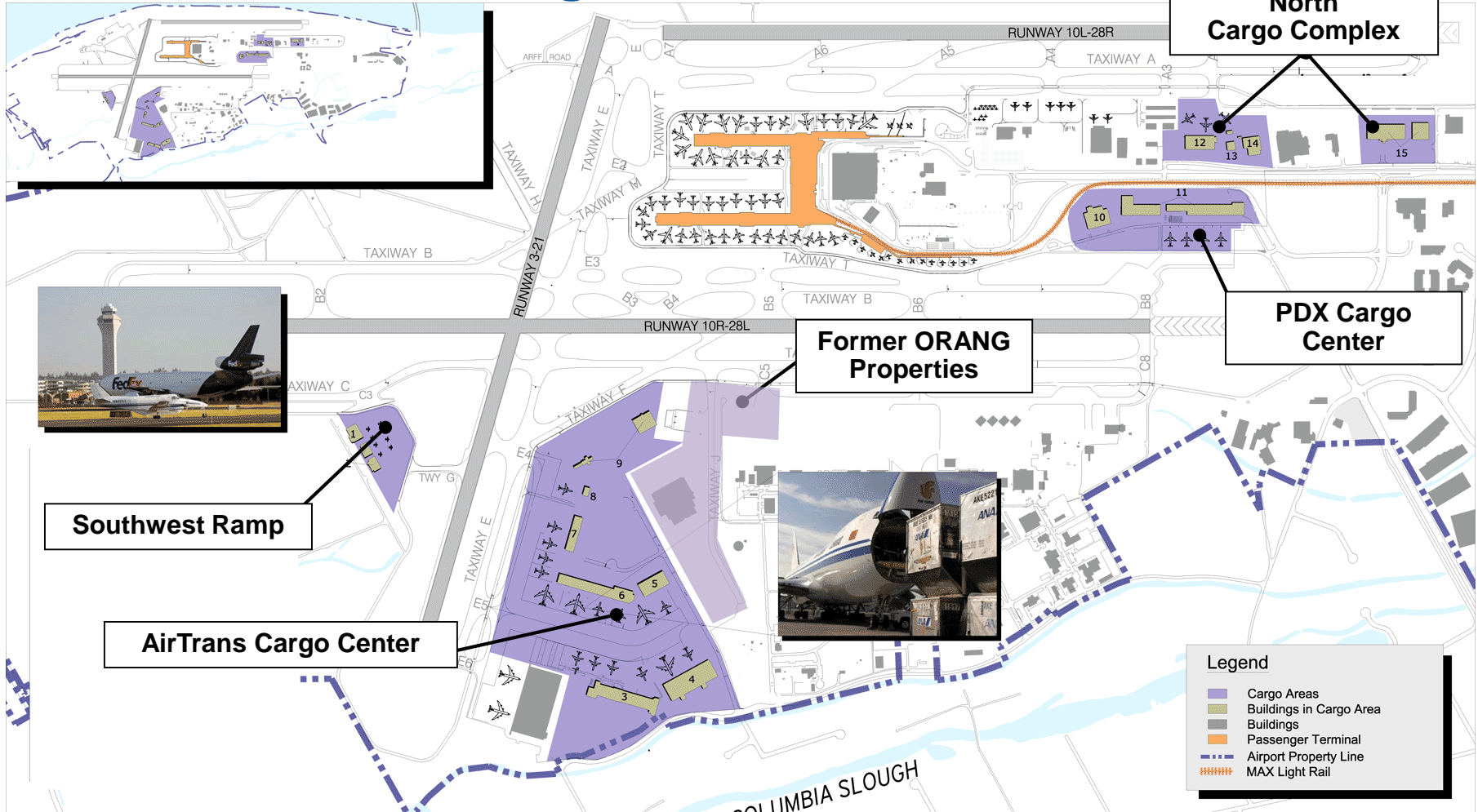
Historical and Forecast Cargo Volumes



Sources: Summary Report, Master Plan Update, Portland International Airport, June 2010; Port of Portland website.



Orientation: PDX Cargo Facilities



Southside Development Study Airtrans Center and Reserve Area

Confirm functions and development best accommodated in the Reserve and Airtrans Center (ATC) areas;

Understand existing capacity and development opportunities;

Recommend interim plan and strategy for the Study area.



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Planning Context

- Airport's belly cargo functions will be accommodated at the PDX Cargo Center
- Integrated cargo functions will be accommodated in Airtrans Center.
- In the next few years aircraft parking will increasing be accommodated closer to the terminal.
- The third parallel runway is not expected to be needed for at least 25 years.
- When Southside properties are fully developed Southwest Quadrant will be the next area suitable to accommodate air cargo and aircraft maintenance needs

Southside Business Principles

- Functions directly related to PDX activity have priority over functions that could be accommodated at other airports or off-airport, for example:
 - Base maintenance of general aviation aircraft (HIO)
 - Flight kitchens (off-airport)
- Non-Aviation uses should be permitted only if
 - They do not conflict with direct aviation needs
 - They add value to existing aviation functions within Study area (e.g., freight forwarders)
 - They are under leases with specific recapture clauses

Site Assessment Conclusions

- The Study area was well-planned. Parcels are not tightly constrained by airport design criteria.
- Multiple vacant parcels exist.
- Many parcels possess good potential for additional building.
- Overall, only a few sections of ramp within the Study area require maintenance
- Opportunity exists to more efficiently use the ramp for aircraft parking by implementing more active ramp management strategies.

Market Assessment

- E-commerce and cold storage could change the way typical air cargo markets at PDX operate.
- The air cargo market is evolving to include lower-value goods in large quantities in addition to the historical focus on higher-value goods.
- It is unclear whether recent changes in the cargo market, such as recent growth in total volume and demand for lower-value goods, are long-term trends or temporary market volatility.
- PDX could absorb some excess demand that cannot not be accommodated at SEA due to insufficient facilities.

Conclusions

- Multiple development opportunities existing
- The highest-value opportunity is to increase the utilization of the existing ramp
- Airtrans Center with the addition of the Oregon Air National Guard Properties is well positioned to meet air cargo and maintenance related demand for the foreseeable future.
- Infill and redevelopment opportunities in the southside study area provide sufficient time to begin to address pre-development requirements for SW Quad.