RESEARCH PROJECT DESCRIPTION

PROJECT NUMBER:
00457

PROJECT TITLE:
Alabama State Docks Study

PRINCIPAL INVESTIGATOR:
Jay U. Sterling
Department of Management and Marketing
The University of Alabama
Box 870225
Tuscaloosa, AL 35487
Phone: (205) 348-8945
Fax: (205) 348-6695
jsterlin@cba.ua.edu

PROJECT OBJECTIVE:
The purpose of this project is to conduct a market opportunity analysis and develop a multimodal expansion plan for the Alabama State Port (ASP) in Mobile, Alabama. The project will be conducted by the Center for Economic & Business Research (CBER) at the University of Alabama, in conjunction with UTCA.

PROJECT ABSTRACT:
In 1999 exports form Alabama totaled $6.2 billion, accounting for approximately 5.8% of gross state product. Over half of these products were shipped by waterborne vessels and traveled through the ASP. About half of ASP’s revenues have traditionally come from bulk products, consisting primarily of coal and ores. Unfortunately, these commodities are subject to cyclical variations that are dictated by world market conditions. It is probable that these markets will decline in the near future. Another major problem facing ASP relates to the configuration of its port facilities for bulk handling, when the import/export markets are changing.

This study will address ASP’s future by examining promising business areas, expected income from bulk handling operations, investments needed if cargo flows change dramatically, the increasing demand for container cargoes, and financial capabilities to support new joint ventures or port development.

PROJECT TASK DESCRIPTIONS:
1) Review and assess past studies of ASP.
2) Compile ASP’s current and projected economic impact on each Alabama county.
3) Project the demand to and from relevant U.S. markets and foreign port of entries over the next three, five, 10 and 20-year periods.
4) Develop a formal marketing plan for ASP.
5) Identify the most opportunistic import and export market areas.
6) Determine the facility and service needs of major national and international shippers and carriers.
7) Determine ASP’s facility requirements.
8) Evaluate economic and financial alternatives.
9) Identify funding sources and techniques.
10) Evaluate bulk and break bulk operations.

MILESTONES AND DATES:
Initiate work, March 2000.
Complete work, August 2000.

FUNDING AGENCY:
Alabama Department of Transportation, in cooperation with Alabama State Port.

STUDENT INVOLVEMENT:
It is anticipated that two graduate students will be involved in the study.

RELATIONSHIP TO OTHER RESEARCH PROJECTS:
This project can be viewed as a stand-alone project as it does not tie into any other UTCA projects.

TECHNOLOGY TRANSFER ACTIVITIES:
None are planned.

POTENTIAL BENEFITS OF THE PROJECT:
This project will provide a scheme for ASP to transform its existing operations and facilities to match the expected shift in world markets and market-driven shipping.

TRB KEYWORDS:
Logistics, waterborne logistics, docks, port operations, world market