

ECONOMIC ANALYSIS OF ALL-WATER ROUTE

Study Release



PORTMIAMI

Message from
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PortMiami



"Shipper's now have a new option to move freight between Mexico and the United States, an all-water route. Mexican ports such as Veracruz, Altamira and Puerto Morelos are now connected to the U.S. Market via PortMiami. The All-Water Route via PortMiami is a fast, safe and cost effective way to move cargo. This study clearly shows there is a better way than the border."

BENEFITS OF THE USE OF PORTMIAMI VS. OVERLAND TRUCK TO SERVE THE MEXICO-FLORIDA TRADE ROUTE



Imports from Mexico into the U.S. have grown at **annual rate of 6.8%** since 2008, and imports from Mexico into Florida have grown at **8.9% annually since 2008**



Florida Market is currently served by truck and rail, with **truck carrying 97%** of current imported value moving by land modes

PortMIAMI has an opportunity to leverage new and expanding ocean carrier service from Mexico to serve the Florida Market:

Total logistics cost savings

Eliminate congestion and associated costs, as well as documentation and interchange of equipment at surface border crossings

Security

Minimize uncertainty as to timeliness of cross border transactions

Time of transit savings

Minimize impact of the ELD requirements on tuckers hauling containers from Texas border crossings to Florida consumption markets

Maximize FEC on-dock rail at PortMIAMI and relationship with GrupoMexico to serve key consumption markets and distribution center concentrations within Florida

Use of PortMIAMI provides 3 day savings in transit time and total logistics cost savings over a truck routing from Mexico ranging from:

\$1,200-\$1,900 per container for the South Florida market
\$500-\$1,200 per container for the Orlando and Lakeland markets

South Florida Market

	MEXICAN TRUCK TO PORT VS. BORDER			WATER SERVICE* VS ALL TRUCK			INVENTORY CARRYING COST		TOTAL LOGISTICS COST SAVINGS		
	COST	COST	TIME	COST	COST	TIME	COST	COST	COST	COST	TIME
	70%	30%		70%	30%		70%	30%	70%	30%	
	EMPTY	EMPTY		EMPTY	EMPTY		EMPTY	EMPTY	EMPTY	EMPTY	
EMPTY VESSEL UTILIZATION	RETURN	RETURN	DAYS	RETURN	RETURN	DAYS	RETURN	RETURN	RETURN	RETURN	DAYS
VIA PORTMIAMI	\$1,900	\$1,900	1.9	\$2,800	\$2,100	3.3	\$400	\$400	\$5,100	\$4,400	5.2
ALL TRUCK	\$2,300	\$2,300	2.4	\$3,400	\$3,400	5.6	\$600	\$600	\$6,300	\$6,300	8
SAVINGS VIA PORTMIAMI	\$400	\$400	0.5	\$600	\$1,300	2.3	\$200	\$200	\$1,200	\$1,900	2.8

Orlando Market

	MEXICAN TRUCK TO PORT VS. BORDER			WATER SERVICE* VS ALL TRUCK			INVENTORY CARRYING COST		TOTAL LOGISTICS COST SAVINGS		
	COST	COST	TIME	COST	COST	TIME	COST	COST	COST	COST	TIME
	70%	30%		70%	30%		70%	30%	70%	30%	
	EMPTY	EMPTY		EMPTY	EMPTY		EMPTY	EMPTY	EMPTY	EMPTY	
EMPTY VESSEL UTILIZATION	RETURN	RETURN	DAYS	RETURN	RETURN	DAYS	RETURN	RETURN	RETURN	RETURN	DAYS
VIA PORTMIAMI	\$1,900	\$1,900	1.9	\$3,000	\$2,300	3.3	\$400	\$400	\$5,300	\$4,600	5.2
ALL TRUCK	\$2,300	\$2,300	2.4	\$2,900	\$2,900	5.6	\$600	\$600	\$5,800	\$5,800	8
SAVINGS VIA PORTMIAMI	\$400	\$400	0.5	\$600	\$1,300	2.3	\$200	\$200	\$500	\$1,200	2.8

*Water Service includes terminal charges, ocean freight, inland truck or rail cost move from PortMIAMI to consumption point. All truck includes border crossing time.

To access the full study visit PortMiami.biz/Mexico
and for any questions, please email cargo@miamidade.gov

