

SECTION II - TRANSPORTATION OPTIONS

A. CURRENT EXPORT TRANSPORTATION PATTERNS AND PRACTICES

Manufacturers in Alberta, British Columbia and the Yukon already participate in U.S. markets in a major way, shipping goods valued at nearly \$15 billion in 1984. The 13 Western states, Alaska and Hawaii accounted for approximately 45 per cent (\$6.6 billion) of these sales. The charts on the following page depict the 1984 value of Alberta, British Columbia and Yukon exports to the United States in total and the portion sold to the 13 Western states, Hawaii and Alaska. The proportion of these sales transported by various modes is also shown. In the case of B.C., road transport is by far the predominant mode (42%) used for exporting to the 13 Western states, Hawaii and Alaska, followed by water, rail and other (e.g., hydroelectric transmission lines). Other means of transport (primarily oil and gas pipeline) account for most of Alberta's export transportation to the 13 western states, Hawaii and Alaska; within the modes of intent to this report's audience, road and rail are the two predominant means of transport. In both B.C. and Alberta, air transport is used for a relatively small portion of export sales to these markets at 1.1% and 0.7% respectively. In the case of Yukon's small exports, the choice of modes is approximately evenly divided between air and road.

A number of companies across a wide spectrum of industry in British Columbia and Alberta are successfully exporting to western U.S. markets and offer a few helpful hints to new exporters.

S U C C E S S S T O R I E S

1. Packaging Machinery from British Columbia to Points throughout the United States

Shipments to U.S. markets for this company have grown to the point where the establishment of a central sales office in Chicago backed up by distribution representatives across the U.S. became warranted. Except for the odd emergency situation where air freight is used, this firm serves all of its U.S. customers through a very large U.S. based trucker with operating authority from British Columbia, to and from the 48 mainland states. In return for an exclusive contract to handle all of this manufacturer's export freight to the United States (over 125 shipments per year weighing an average of 1,200 pounds) the trucker has provided a special negotiated rate discounted off regular tariff bureau rates.

The manufacturer advises that these arrangements were the result of careful research and suggests that exporters (in circumstances similar to his own) get answers to the following questions before making a commitment to a carrier:

- does the company offer door-to-door services thus avoiding potential damage associated with excessive handling?
- does the carrier provide covered trailer service (or closed vans) to protect the shipment from weather damage?