

## **Jim Landers: Jobs, wealth could land in Dallas area**

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By JIM LANDERS

Imagine stevedores rubbing elbows with rodeo cowboys at a Mesquite watering hole. Or picture techies chatting with pilots while assembling videophones on a flight from Taiwan to Fort Worth Alliance Airport.

These are snapshots of the Dallas-Fort Worth region as a port of call for the relentless production lines around the globe.

The planes, trains and trucks, important in their own right, could also give the area a chance to create wealth and jobs from the churn of globalization.

Stevedores would be part of the picture if Dallas and Houston can get together on sharing maritime cargoes. Officials from Dallas, Mesquite, Harris County, the U.S. Maritime Administration and the Port of Houston Authority met Friday to look deeper into creating an inland port in South Dallas.

They hope to ease container traffic congestion around the Houston docks by taking some of that freight to Dallas for inspection, sorting and transfer.

The inland port would make use of Union Pacific Railroad's new \$100 million, 360-acre terminal in Hutchins and Wilmer.

Undersecretary of Transportation Jeffrey Shane called it "an idea made in heaven."

"You're seeing a huge amount of congestion at the traditional gateways – Long Beach, New York – ports that are becoming real bottlenecks despite build-out efforts,

enhanced technologies and efficiencies," Mr. Shane said.

"The volumes of trade moving through our traditional ports are at such a level that we need alternatives. The Dallas idea really resonates."

### **Already a hub**

Pilots and technical assembly workers meeting in midair is an idea kicked around at Alliance Airport and in university classrooms.

"At industrial airports, the fuselage is increasingly a place where value is added, particularly in high-tech products," said Donald Hicks, a professor of political economy at the School of Management of the University of Texas at Dallas.

Much of this future has already arrived at Alliance: \$5 billion in investments, 22,000 jobs, 130 companies.

Without question, Dallas and Fort Worth are major transportation hubs. Union Pacific and Burlington Northern Santa Fe Railway move massive amounts of Asian commerce and NAFTA traffic through the region.

Dallas/Fort Worth International Airport and Alliance handle more than a million tons of cargo, and more than a fourth of it is either arriving from or heading to international destinations.

Five interstate highways converge in the area to complete the port picture. (Transportation specialists cite the congestion on these highways, for the moment, as the weak link in the port of Dallas-Fort Worth.)

### **And more**

To make sure this isn't just cargo passing through, the region's colleges and universities have added logistics and supply-chain courses and fields of study.

Some of what they're exploring is already making its way into the region's economy:

- Postponed manufacturing: Companies anxious to protect their intellectual property are increasingly wary of building complete factories in China.

And if they want to ensure that their customers have made hard and fast orders, they should delay final assembly until shortly before delivery.

"Postponed manufacturing means you don't assemble until you are closer to knowing what the customer really wants," said Nancy Nix, director of the Supply and Value Chain Center at the M. J. Neeley School of Business at Texas Christian University.

Jon Kirkegaard, a logistics consultant who heads the Dallas firm DCRA Inc., urges companies to make components in Asia but

move those by air or rail to Dallas for final assembly.

"Memphis or Louisville might get a little advantage for smaller goods like jewelry. But for larger goods, there's no better location for adding value than right here," he said.

- Storage in motion: The faster a product gets from the factory to the store shelf, the lower the cost. The intermodal business of containerized freight is built on that idea. A nimble business has less need for warehouses if it can manage inventory with container traffic.

- RFID: Radio frequency identification is rapidly being added to containers and other types of freight. The low-wattage signals give shippers and customers instant awareness of product and component locations. That enhances "storage in motion," but adds other efficiencies as well.

"No one's clear yet on how and where RFID is going to work with their business, but there's no question it will have a major impact down the pike," Ms. Nix said.

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