

Prepared Statement of Don Allee, Executive Director, Mississippi State Port Authority

The majority of air cargo is very high in value and very sensitive to rapid delivery requirements. Most ocean freight is lesser in value and can live with the longer transit times. It would seem that airports and seaports would have little in common when developing new business.

The MSPA at Gulfport and the Gulfport-Biloxi Regional Airport have been working in concert for years in an effort to bring more international business to the area. Foreign waterborne and airborne commerce creates jobs and has a dynamic economic impact, not just throughout Mississippi, but throughout surrounding states as well.

While focusing on trade opportunities in the North/South Axis, (Latin America and the Caribbean) the Regional Airport recently included the Port of Gulfport in a piece of export business that was being developed. A customer in the Caribbean was looking to buy a significant volume of live cattle and have the animals delivered by air. The Transport of cattle by air is actually a rather common practice, though expensive when compared to other transportation modes. Since the new buyer did have limits on its transportation budget, airport representatives made it possible for the Port of Gulfport to assist in the transportation cost analysis to make certain the customer was professionally assisted with every phase of the delivery process. We also wanted to be sure that this piece of business did not slip away to a competitor's facilities.

As it turned out, the volume of cattle to be purchased went up dramatically. By working jointly with the airport, we collectively covered every base. Export by water-carrier became the most economical method. The airport and seaport representatives sat down with the export broker and buyer's representative and presented a plan that would serve the needs of the cargo by air or by sea.

Another area where the seaport and regional airport work together is in the promotion of the Foreign Trade Zone (FTZ No. 92). The Mississippi Coast Foreign Trade Zone has 5,000 acres of secured sites at airports, seaports and industrial parks within three coastal Mississippi counties. FTZ's save importers and exporters money that would normally be devoted to duties or excise taxes. At the same time, FTZ's create jobs and generates revenue for the region. Some of the FTZ opportunities represent active use of air and marine transport.