I want to give you a perspective of this thing we call "intermodalism" and the inter-modal research framework from the standpoint of the U.S. Transportation Command (TRANSCOM). I am probably not as pessimistic as a lot of folks. I think, as a nation, we are on the right path, moving to do the right things; maybe not as quickly as some would like, and certainly not because we have any kind of overarching grand national-level strategy to deal with the intermodal issue. I echo the sentiments of a number of speakers who have said that what happens in the private sector is going to lay the path for those of us within the U.S. Department of Defense (DOD).

But those same kinds of activities that have caused us to become, quite frankly, global leaders in the respective modes in the nation's transportation industry will ultimately lead us to do the right things that we are all after in dealing with that mystical seamless intermodal system. We are not quite sure how to define it, but we are moving on that glide path to improve it.

I want to focus on the implications for and the potential of this movement as regards the DOD's transportation system from the perspective of TRANSCOM. TRANSCOM is a unified command designated as DOD's single manager for the Defense Transportation System. That means that on a daily basis, we are engaged in a wide range of activities anywhere in the world. If it is on CNN, odds are in some form or fashion we are supporting it.

And within the Defense Transportation System, we spend each year in excess of $2 billion in the commercial sector to ship DOD cargo around the world. But the real reason that we exist is to assure DOD's ability to project military forces anywhere around the globe at a moment's notice. We rely heavily on the commercial sector.

Commercial partners are a critical part of our wartime force structure. They provide 90 percent of our passenger airlift capacity, and 35 percent of our cargo airlift capacity. Over 50 percent of our total strategic sealift capacity and nearly 90 percent of our surface capacity in CONUS, rail, seaports, and motor assets comes from the private sector. As a result, we are vitally interested in what is happening within the commercial sector; and that impacts the close relationship we have with that industry. A professional partnership between a strong commercial transportation industry and the military remains absolutely crucial to our national defense—now and in the future.
During a contingency, DOD needs to expand rapidly across modes and national boundaries. We define the requirement as being able to surge in excess of two Army divisions and a Marine amphibious task force out of CONUS within days and weeks. We need to be able to ship over 7,000 containers, ammunition, and supplies per week to support our force at its peak. To do that, we need assured access and a high degree of confidence that the intermodal system will work in war as well as in peace.

Why intermodal? First because that is where industry is moving and therefore it is inevitable that the Defense Transportation System must also adapt to it. Second, intermodalism really is key to meeting the requirements of those warfighting commanders; we have been among the earliest practitioners of intermodalism since early in our existence. In its present sense, it is the most efficient and effective use of the total capacity of our transportation sector. Force projection is nothing more than the synchronization of each of the modes in an attempt to gain maximum throughput of the right stuff. That is the measure of merit to the warfighting commander—can we push enough through the pipeline of the stuff he needs?

When we talk intermodalism, we are not talking just about containers. We are thinking in terms of troop movements to and through airfields, of moving the rolling stock of several heavy divisions through commercial seaports, and moving and marrying the right equipment with the right people as quickly as possible from fort to foxhole.

Equally important to us today—as important as the inherent carrying capacity of each mode of the intermodal network (particularly after the lessons of the Gulf War) and as important as the high operations tempo of modern conflict—is access to the information needed to effectively and adroitly control mobility operations on a global basis, providing what I term not “strategic mobility” but “strategic agility.” Just as private enterprise is seeking to get their goods to market more quickly, strategic agility is the benchmark of the military strategy.

We are losing that distinction in theaters of operation between the rear area and forward area. The transportation community cannot work independently of the forward area. The operations tempo and the type of threats we face simply do not permit those kinds of distinctions. We have to be able to very quickly respond to the changing tactical theater situations. Transportation force must go where and when the warfighting commander directs.

When I first started reviewing the research framework, my first reaction was to tell you the standard spiel that you have heard so often—how different we are in DOD from the private sector. Our challenges on the global scale are so much more daunting than anything a private enterprise might face; and to some degree that is true. Certainly, in the private sector, time is money. In DOD, time equals lift and lift equals lives. It was Napoleon’s famous comment of course, “You can ask me for anything you like except for time.” And it holds as true now as it did then.

Proctor and Gamble certainly does not have a joint task force commander relying on containers to use as warehouses or perimeter defense. It is easy to issue a policy directive that stipulates use of containers for transportation purposes only. However, when you are in Mogadishu getting shot at, use of a container in perimeter defense as a bullet catcher is a perfectly legitimate use of an intermodal asset. I would offer that there are few seasonal rushes that compare to the need to be able to pick up those two heavy divisions and an amphibious task force on just a few days notice and project them halfway around the globe with American lives and interests at stake. Clearly, there are other differences, but what I want to do is focus a little more on the remarkable similarities because the more I read the research framework, the more I became convinced that the similarities in many cases outweigh the differences. To survive in today’s competitive environment, successful civilian and military transportation companies/units must be flexible and efficient on both a national and a global basis.

Industry is leading the way in just-in-time delivery concepts, merging the manufacturing and transportation systems in ways never before envisioned. In DOD, the demands of today’s and tomorrow’s warfighting strategies mandate just-in-time force delivery and sustainment. Velocity management is really the word of the late 1990s. Velocity management in the private sector has to come into DOD to keep pace with velocity warfare. “Just-in-time” force delivery and sustainment is a far cry from what has been termed the “just-in-case” approach.
we have used before. Industry has been forced to streamline organizations and reengineer processes to drive out costs and increase productivity. The ongoing budget debate is clear evidence that we face the same pressures. Industry has learned that to survive it had to enter into partnerships with its shippers and, to some degree, its competitors. We are coming to those same conclusions in DOD, as we understand the impact of our actions on the economic viability of those commercial partners on whom we will rely in wartime.

We have much in common. We both need strategic agility to be successful, and intermodalism is key. As Jeff Crowe pointed out, intermodalism still is not the seamless system it is supposed to be. As a nation, we have some of the world's leading ocean carriers, first-class railroads, a sophisticated trucking industry, and ports competitive with any on the globe—clearly world-class competitors within those modes.

But as an integrated intermodal system, much remains to be done. We still have containers that have to be trucked 20 miles or more from the waterfront. We have heard about the labor issues, the ramp-space issues, highway congestion into and out of major port complexes, and other problems at the point of exchange between our modes; and our information systems in many cases cannot keep up with the speed of movement. Velocity management, whether in the private or military sectors, includes information management of what we call "command and control." Data entry, the old garbage in-garbage out problem, continues to plague us just as much in the private sector as within DOD, and it degrades our ability to fully capitalize on the capabilities of the intermodal system.

The challenge of this conference and future conferences is really not just to develop an R&D framework because it is "intermodal" or to be caught up with technology and information systems. Technology will not fix cultures. Putting systems and tools in the hands of the G3 or the operations officer is not going to make him sit down with the transportation or logistics officer any more in the future than he does today because from his perspective the transportation or logistics officer is one of many people there to support the decision process as does the intelligence officer, the medical officer, and every other member of the staff. So the tools are not going to fix the culture, and war is just as real today as it was in Napoleon's time. Furthermore, competitive pressures will still cause industry personnel, despite the framework we set out, to do what they think is important to do in their own interest and for their own economic survival.

From a DOD standpoint, I see three major areas of focus within the intermodal framework. First is infrastructure enhancement—not the port complex itself, not the rail lines going in, not the container handling system; I mean the interface among them—how to smooth ingress to and egress from our key nodes, be they airports or seaports.

Second, information technology is key. Unless and until we improve our ability to exchange accurate data in real time, we will reach a point of diminishing returns on our infrastructure and modal investments. Information is time and, as I said earlier, time is money to you (industry). Time is lives to DOD.

The third thrust is in the policy arena. How do we get to this thing that we call joint planning between the public and private sectors and leverage our collective efforts? As the research paper notes, industry is operating in a dynamic competitive marketplace; operating, in many cases, sophisticated national even global systems. DOD needs to tap into that expertise and move away from the notion that somehow we can run those systems in wartime more efficiently than industry. Joint planning is still in its infancy, but we need to explore where we can exploit its potential.

Those of us in DOD are not going to tell commercial entities—commercial shipping lines, trucking lines, railroads—how to run their business better in wartime. The human factor is very, very important. The expertise that industry can access when it deals with these kinds of requirements on a daily basis is something we need to bring into DOD and capitalize on. We do not just focus anymore on getting the assets, the equipment; it is now also how we bring that expertise to bear. But it is very difficult. It is simpler to think in terms of "private sector" and "public sector." I think that was one of the problems we found when DOD tried to actually do some things with ISTEA. When we looked at ISTEA we asked how we could leverage the ISTEA initiative to do something. Nobody was in charge—you look at the public
sector, you have local governments, state governments, and the federal government; and they are all competing interests. Who is the public sector and how do we bring their interests together?

But the private sector has similar problems. When we sit down and talk to industry, the problem becomes how to weed out the competitive discussions and issues and prejudices that players bring. For example, if you are talking to an ocean carrier when there is a port operator or a labor official in the room, trying to get everybody onto the same sheet of music can be a difficult challenge.

We need to find ways and opportunities to determine common interests. That is a tough challenge. But until we do that, all the other things really cannot be maximized. We can invest in the platforms, we can invest in the infrastructure; but until we bring expertise to bear, through joint planning and through partnership, our mission is left undone.