



**infrastructure:**

Essential to Manufacturing

Competitiveness

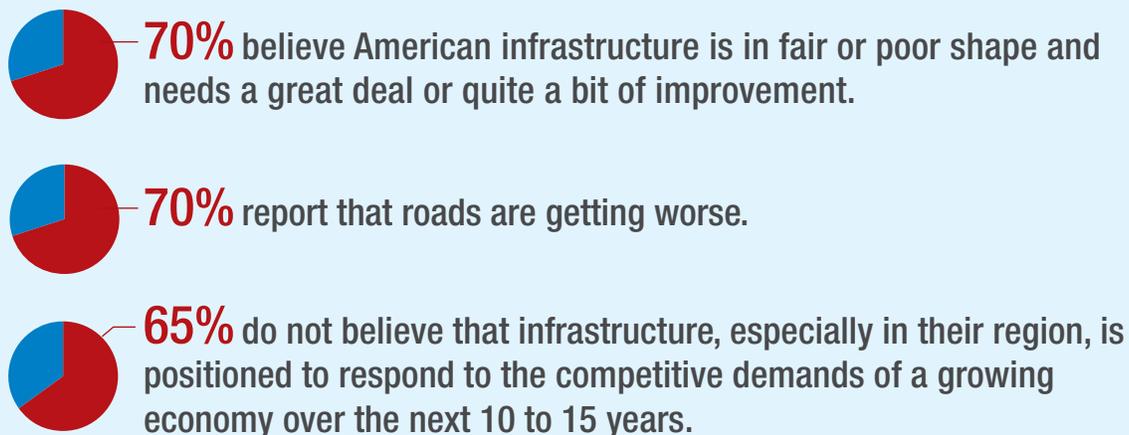
## **Executive Overview**

*U.S. Manufacturers on Vital  
National Infrastructure*



# America's infrastructure is old, inefficient and badly in need of modernization.

## U.S. manufacturers agree...



# America's infrastructure is not improving at a pace to keep up with the needs of business.

## U.S. manufacturers say...



Telecommunications is the only infrastructure component that scored a slightly positive rating—but still only **34.9%** reported the network that moves information and data is improving at a pace to keep up with the needs of business.

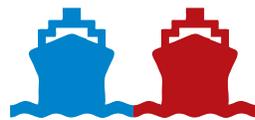
**Manufacturing produces 12% of America's GDP. The United States is investing only about 1.7% of GDP in infrastructure. Manufacturing CEOs on the front lines tell us they require a highly functional and better performing transportation network to move \$1.8 trillion in goods and services.**

“Rail, highways and aviation tie together. Without those things, it's hard to see how a company like us could do business. One of the competitive advantages that the U.S. has, although I think it's losing it, is an efficient infrastructure that allows goods to flow to market.”  
 – Manufacturing CEO

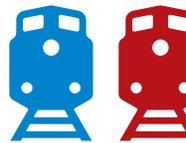
“A major investment in infrastructure—specifically, road, rail, seaports and energy—is needed and could help build, rebuild or strengthen American manufacturers' competitive advantage over foreign competition. When you look at the opportunities to improve and attract from competitor nations, it gets down to things like the quality of the road system.”  
 – Manufacturing CEO

“Our ports need a huge amount of work, especially if you are exporting.”  
 – Manufacturing CEO

### PROJECTED INCREASE IN U.S. TRAVEL AND FREIGHT



**PORT VOLUME TO DOUBLE BY 2020**



**FREIGHT TONNAGE TO INCREASE 88% BY 2035**



**PASSENGER MILES TRAVELED TO INCREASE 80% IN 30 YEARS**

Source: Building America's Future, "Falling Apart and Falling Behind," 2012.

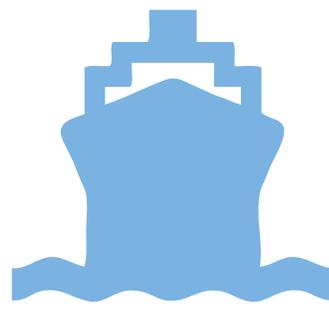
### WORLD INFRASTRUCTURE RANKING

2012 Global Competitiveness Index

1	HONG KONG
2	SINGAPORE
3	GERMANY
4	FRANCE
5	SWITZERLAND
6	UNITED KINGDOM
7	NETHERLANDS
8	UNITED ARAB EMIRATES
9	KOREA
10	SPAIN
11	JAPAN
12	LUXEMBOURG
13	CANADA
14	UNITED STATES

Source: World Economic Forum, "The Global Competitiveness Report 2012–2013," Table 5.

### FALLING BEHIND IN PORT CAPACITY



**SHANGHAI 31,700 TEUS**



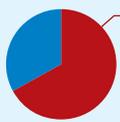
2011 PORT VOLUME PER 1,000 TEUS\*



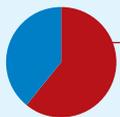
**TOP EIGHT U.S. PORTS 30,607 TEUS**

\* A TEU is a Twenty-Foot Equivalent Unit, a volume measurement equal to the dimensions of a 20-foot shipping container.

**America's infrastructure is resting on a legacy of past investments that have created great economic advantages, but manufacturers are concerned that we are ceding these gains to our global competitors. Manufacturers agree with unanimity that the nation's infrastructure can be improved.**



**67%** of NAM members say that infrastructure is important enough to American business and manufacturing that all options to fund investments in maintaining and building infrastructure should be on the table.



**61%** of NAM members are potentially willing to pay more in taxes, tolls and fees—if they have the assurance that revenues go toward specific improvements.

## **The National Association of Manufacturers and Building America's Future agree:**

- The deteriorating condition of our transportation infrastructure and the threat that aging infrastructure poses to our competitiveness provide a strong justification to invest in infrastructure. The American Society of Civil Engineers has given America's infrastructure a D+ grade. This is simply unacceptable. To compete globally, businesses depend on a modern and efficient transportation network.
- Smart and strategic infrastructure investments strengthen our global competitiveness and help increase our export potential. The United States will continue to fall behind our international competitors if we don't have a long-term investment strategy.
- Congress and the Administration must recognize that the status quo approach to infrastructure investment will not serve a growing economy and a more competitive United States.

### **Sources:**

Hart Research Associates/McLaughlin & Associates online survey of 401 NAM members from May 29 to June 28, 2013, and one-on-one interviews conducted in March 2013.

Building America's Future, "Falling Apart and Falling Behind," 2012.