



Urban Congestion Challenges & Solutions

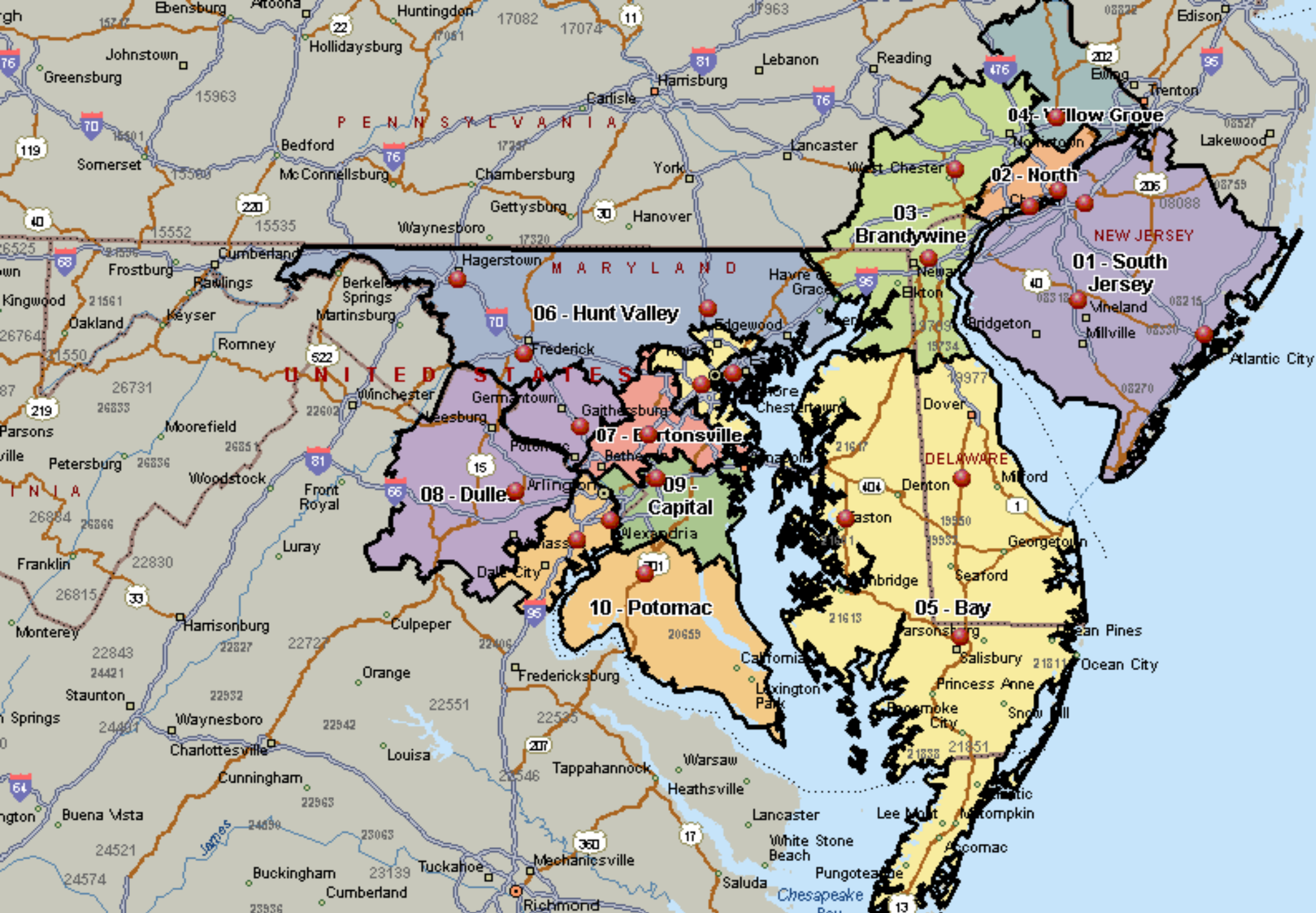
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Presented by:
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UPS Global Public Affairs



- UPS's Mid-Atlantic Footprint
- Delivery Challenges & Solutions
- Sustainability Overview and Freight Facilitation



A t l a n t i c
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Urban Delivery: Challenges & Opportunities

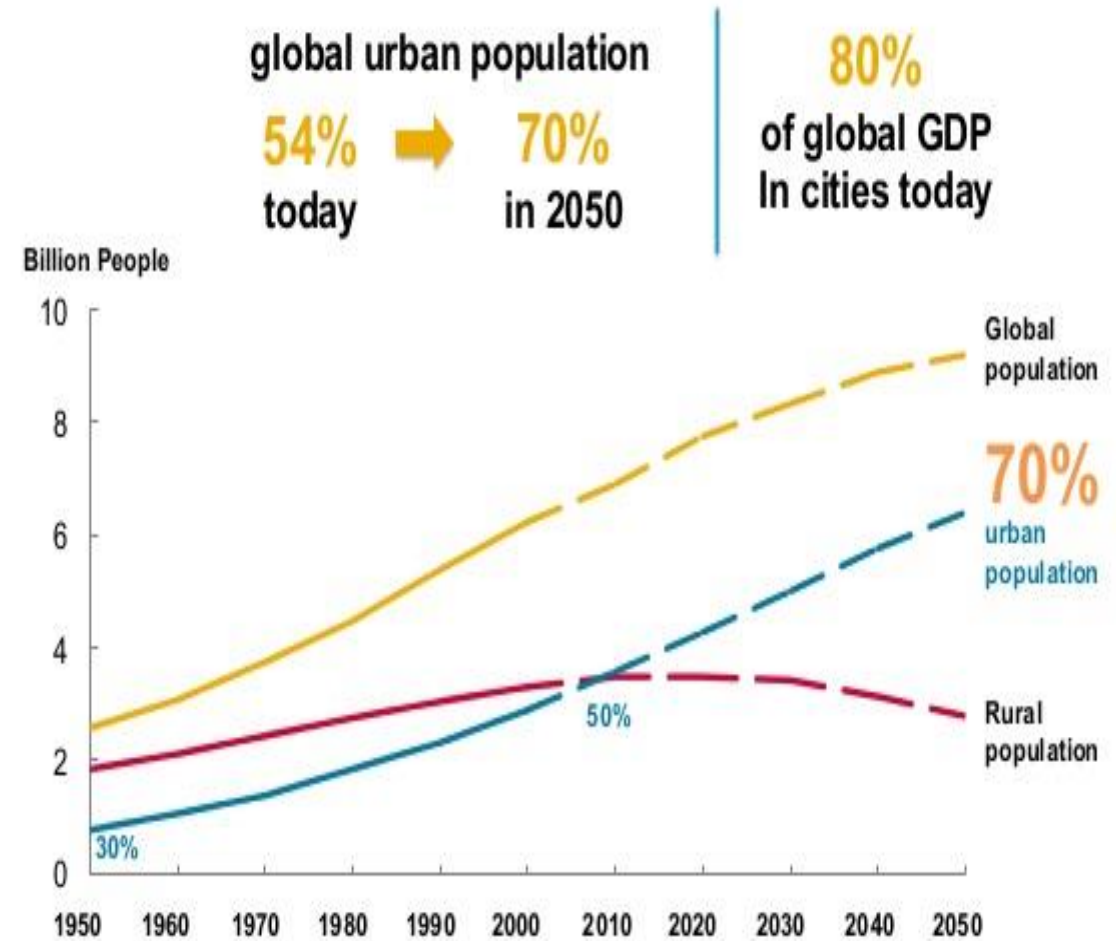
- Population growth to urban areas, causing increased traffic
- More traffic requires us to put more trucks on the road for on-time deliveries
- Parking and ticketing
- Explosive growth of e-Commerce



Over half the world's population now lives in cities and urban areas. In 30 years, 2 billion more people expected.

- Necessarily means increased urban movement of goods and people – essential for economic growth
- Likely to result in greater traffic congestion and air pollution, including greenhouse gases

CITIES ARE THE FUTURE OF THE PLANET



Sources: (1) Population curves: LSG Cities and Oxford Economics based on United Nations World Urbanization Prospects, 2007 Revision and Oxford Economics City 750 database. See Foster, G., Rodrik, R., Robert, A., Kennedy, C., Hooning, D., Slavcheva, R. and Godfrey, N., 2014 (forthcoming), Cities and the New Climate Economy: the transformative role of global urban growth. New Climate Economy contributing paper. LSG Cities, London School of Economics and Political Science. (2) GDP up estimate from: Grubler et al 2007 cited in GEA 2012.

II. Cities Resist: Rise of the “Smart City”

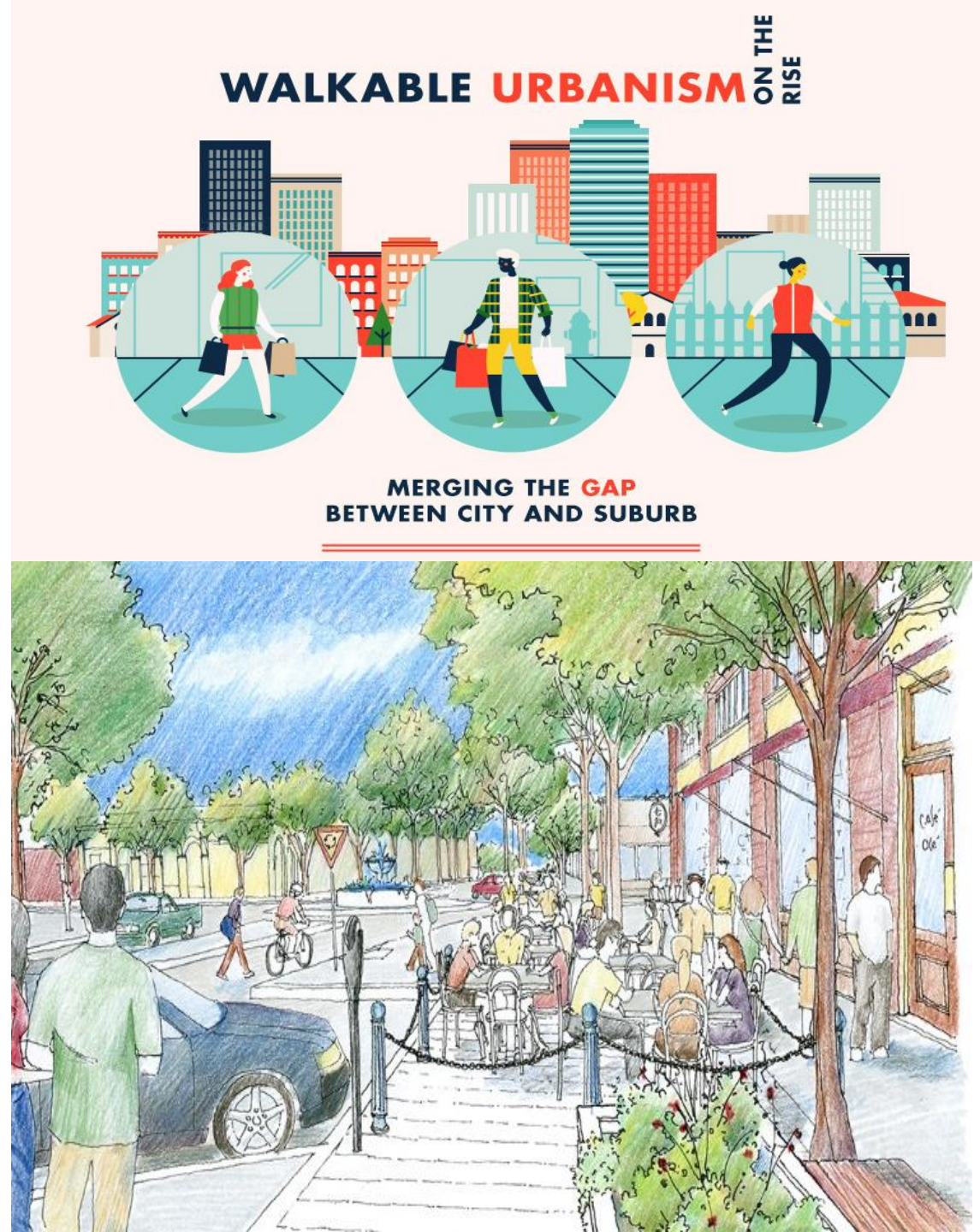
- Cities here and abroad counter urban congestion/pollution, to create more livable, walkable, bikable areas.
- For the first time in 60 years, walkable urban places in all of the 30 largest U.S. metros are gaining market share over their drivable suburban competition, and showing higher rental premiums.
- Cities compete on quality of urban life to attract new businesses, and millennials, to improve the health of their populations, and enhance the tax base.
- Cities were built around the automobile over the last century. Smart cities to remake urban infrastructure around people, not vehicles -- massive shift in asphalt and concrete to more open, green spaces, large investments, shared transport, and jobs
- The problem: too many personal vehicles and double-parked cars and trucks



What Do Urban Planners See As The Fix For Urban Congestion?

Shared Urban Mobility for People

- Ride-sharing services (Uber, Lyft, etc.) to counter 1 person, 1 vehicle
- Autonomous vehicles, especially electric
- Shared mobility expansion, especially bus and metro
- Walkable, transit-oriented development and bike lanes
- ***E-commerce delivery is rarely included in discussions on urban congestion mitigation.***



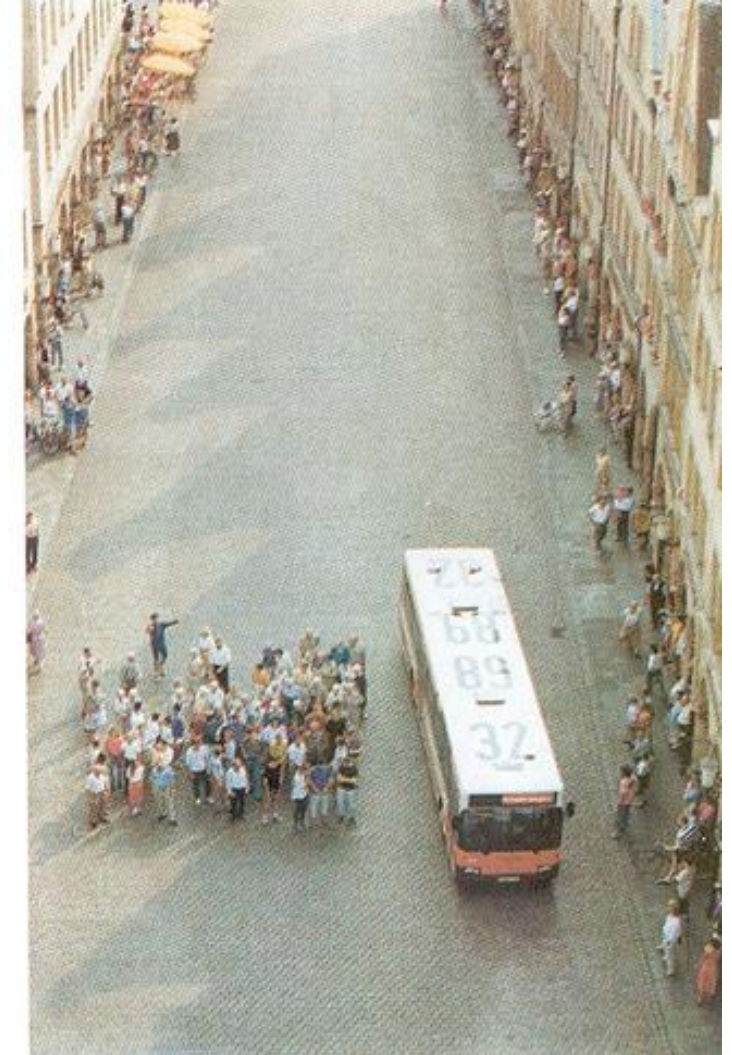
III. Role of E-Commerce in the Smart City: Shared Urban Mobility For Packages and Freight

- Growing at double-digit rates annually
- Changing the face of global commerce, brick and mortar retail, B to C sales.
- Becoming a requirement, not an option in today's society
- Is what helps make alternative transportation modes and walkable urbanism a viable choice.
- Making e-commerce work for packages and freight is *essential* to the smart cities of the future.
- Unfortunately, e-commerce and freight delivery are often missing entirely from the urban planning conversation.

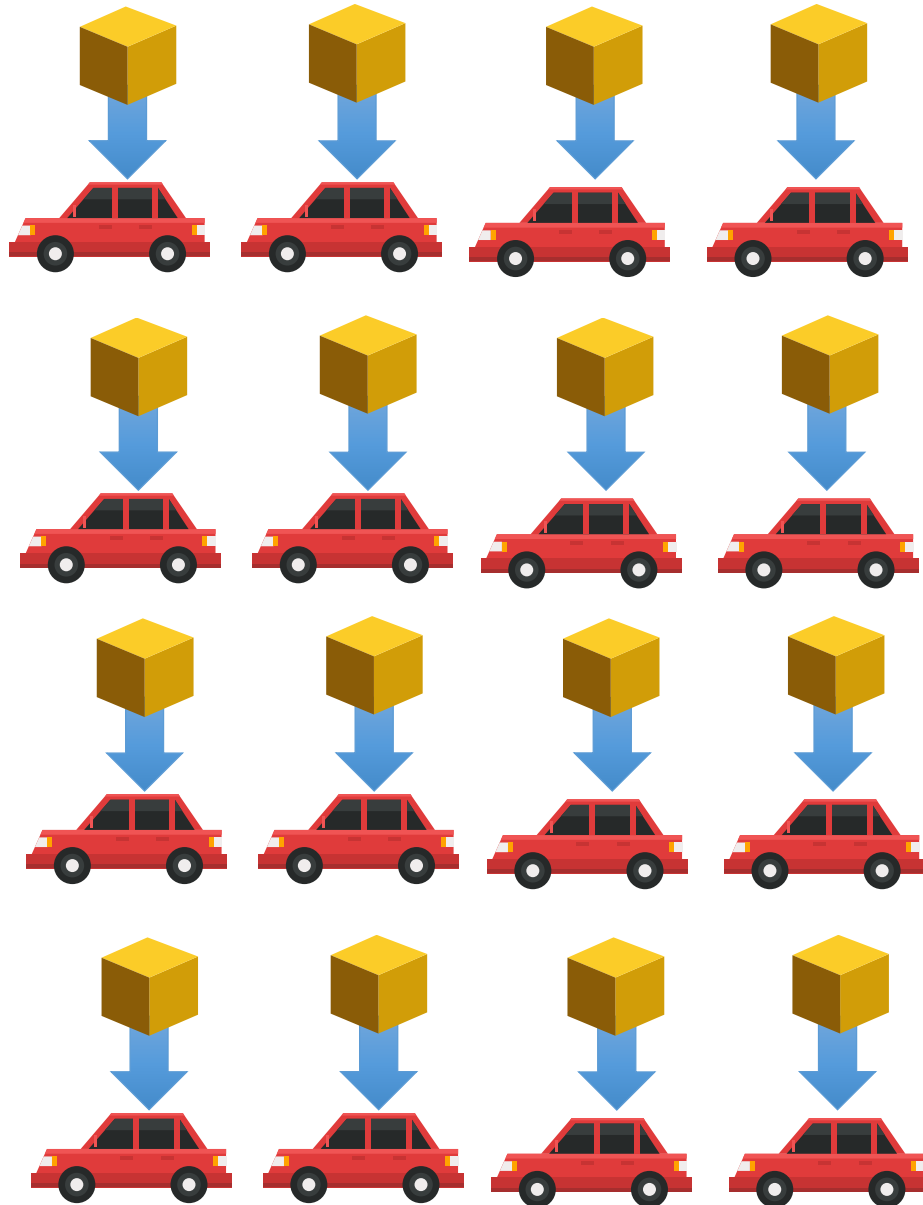


What does this have to do with UPS?

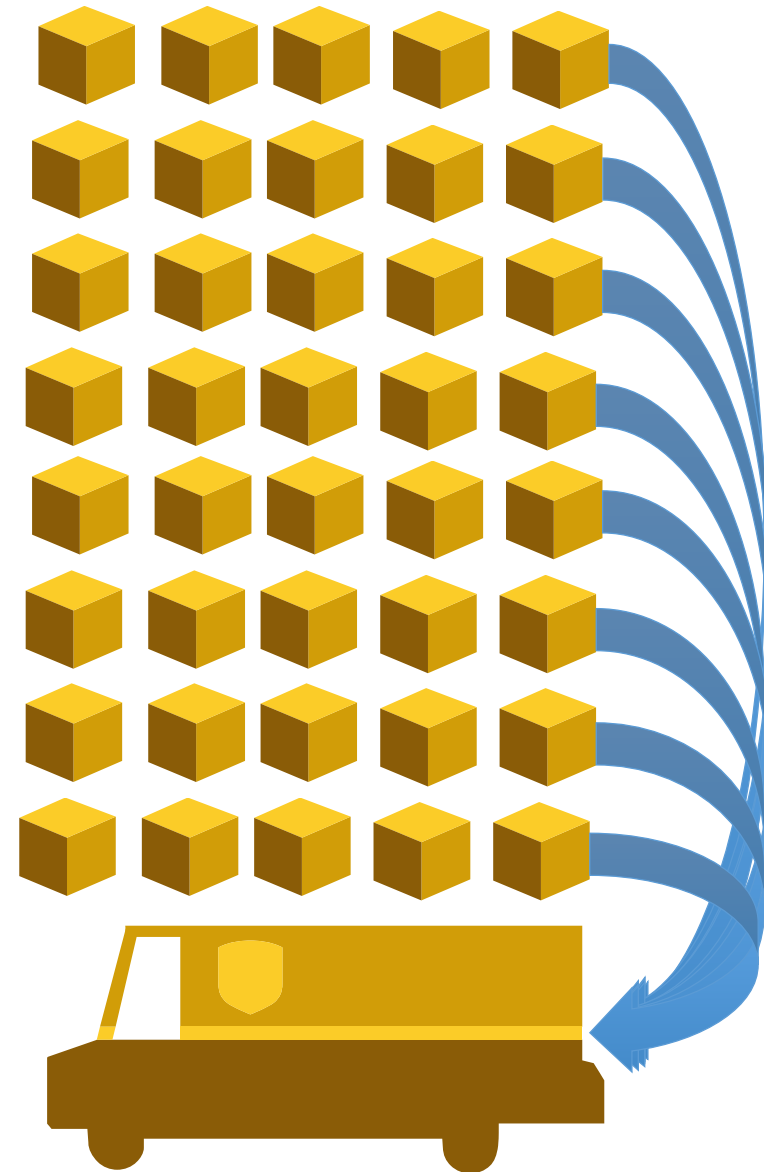
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