his month, the intermodal industry celebrates a silver anniversary with its 25th Intermodal Expo. Although rapid rail intermodal growth has slowed, intermodal is the largest commodity moved by railroads. In the quarter century since the Expo started — as the “National Intermodal Forum and Piggyback Exposition” — intermodal volume has tripled from 4 million to 12 million units.

When the first Intermodal Expo was held, the emphasis was on the industry’s hardware and infrastructure. A major goal of the early Expos was the exhibition of new hardware — domestic containers, railcars, chassis — even lift equipment — were displayed with all the flash and glamour of fashion week in Paris.

In fact, the first Expo was used by CSX (nee Seaboard) to highlight the announcement of its new Atlanta intermodal terminal. That terminal, Hulsey, has since been supplemented by an even larger one — Fairburn. Since then, Norfolk Southern has also built a new Atlanta terminal, Austell, to complement its Inman facility. Both terminals reflect the new intermodal trends — large railroad investments, larger terminals designed for intermodal from the beginning, and large tracts of land located in exurbs.

This year, the railroad with a new Atlanta terminal is BNSF. The facility is the result of a cooperative venture between BNSF and CSX that was launched in February to create a high-volume rail corridor connecting California with Atlanta — and the rest of the Southeast.

Not a merger, this alliance is an indicator of partnerships that provide end-to-end market extension. In 1984, the real headline grabber was the double-stack train. Starting in the late 1970s, American President Lines (now APL Ltd.) developed an extensive network of inland rail transportation. Financial constraints had forced APL to serve the U.S. East Coast by rail rather than vessel. Working closely with the railroads, APL transformed the price-service calculus of intermodal.

Atlanta was a transcontinental intermodal hub in 1984. Most of the imports arriving in Atlanta came by rail from the West Coast. That has changed. Following the Ocean Shipping Reform Act of 1998, competitive contracting transformed the way customers and liner shipping companies interacted. Since 2000, the fastest growing services have been all-water to the East Coast through the Panama Canal — the very service originally displaced a generation ago. Today, according to Intermodal Association of North America data, the Southeast is diminishing as a transcontinental destination — not only for ocean imports, but for domestic volume as well.

Originally an event to publicize Atlanta, the Expo quickly became a cash cow for the Georgia Freight Bureau. Unfortunately, the GFB was slow to realize that as intermodal matured, so did expectations for the Expo. In 2001, IANA took over sponsorship of the show when the GFB went out of business. Carrier attendance reflects the change. Railroads and ocean carriers have downsized (or abandoned) their exhibits. Many carriers no longer exist.

Today, the Expo’s — and industry’s — hardware has literally been replaced by software. While there are still many industry suppliers, exhibitors today are much more likely to be companies selling information technology solutions.

What I find fascinating is what hasn’t changed. While truckload carriers face increasing economic challenges, the intermodal industry is still transfixed by the challenge of diverting that business off the highway. Of course, there have been success stories. At an early Expo, J.B. Hunt (the man and the company) stated that he could never use rail intermodal because his customers would never accept it. Today, the intermodal unit is the crown jewel of the company.

Trucking today suffers from higher fuel cost, regulatory challenges (such as hours of service and engine emissions), higher insurance premiums, driver shortages and a downturn in industrial production. Intermodal is still struggling to be viable under 500 miles, which is the average motor carrier length of haul. And although intermodal has been hugely successful in long-haul markets, even that business is under renewed pressure.

The Expo is a legacy to intermodal’s growth. The prospects for the golden anniversary show in another 25 years will depend on the decisions made by the industry today. Will current alliances and business relationships persevere? Or will we be looking at an industry that continues to transform itself?

Ted Prince is president of Consolidated Chassis Management LLC. He can be contacted at (804) 754-2291, or at ted.prince@atlarge.net.