Thinking like Gumby

I am fascinated when I see the popular culture of my youth recycled for a new generation. While “Get Smart” and “The Incredible Hulk” seek blockbuster status, I remember that one of the earliest attempts at this cultural cross-over was the independently produced “Gumby: The Movie” nearly 15 years ago.

Gumby and his sidekicks were known for their incredible flexibility. This ability to easily adapt to different—and changing circumstances—is essential to those of us in the transportation industry.

As an asset-based, network-operating industry, we constantly encounter a need to support increased demand through a fixed-capacity system. While calls for increased infrastructure spending are more frequent, those making them fail to recognize that additional capacity is not always the answer.

Expanding capacity can transform “Field of Dreams” into a nightmare. “If you build it, they will come—and then leave.” Many small cities and towns that expanded airport infrastructure to accommodate regularly scheduled air service find themselves devoid of any service. Hagerstown, Md., spent years—and $61.4 million—to build a runway capable of handling regional jets. The runway was dedicated last November—two months after all air service to the airport had been canceled.

In response to skyrocketing fuel prices, airlines have reduced capacity by shrinking their networks. More than 30 cities in the past year have found themselves without service. In the same period, scheduled flights have decreased at 400 other airports.

Even the surviving airports face economic trauma, as airlines seek to renegotiate rents and landing fees. This is a sign to many that their intended economic development benefits may never be realized, as networks adapt to new business realities. Many of these airport initiatives failed to recognize that economies of scope and scale drive fewer—not more—network nodes.

“White elephant” terminals extend beyond airports. For nearly a decade, local advocates have pushed for a rail intermodal terminal in Meridian, Miss. While their argument centers around support for local industry, the proposal overlooks the fact that the city is already served by other regional ramps Atlanta, Memphis, New Orleans and Jackson, Miss. Stripping away business to a low-volume ramp would only result in a higher-price, lower-service product—the antithesis of their stated goal.

The major justification for Meridian is that it is an interchange point between two railroads, a reason that evaporates when it is an interchange point between two railroads, a reason that evaporates when

The industry ultimately must determine if we are facing a permanent shift or just experiencing a cyclical fuel price spike. Making these determinations is critical to our success. The only thing worse than inadequate infrastructure is “stranded” infrastructure, that consumed scarce resources for the wrong outcome. Hopefully, we can deliver flexible solutions.

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