

NCTCOG FACT SHEET

July 2023

QUICK TAKE

What:

Air cargo is time-sensitive, high-value, low-weight shipments. Items such as electronics, high-fashion clothing, seafood and fresh flowers are typically shipped by air. Additionally, urgent business documents, medical equipment and emergency replacement parts and products are transported by plane.

Significance:

North Texas relies heavily on aviation facilities to sustain growth and economic prosperity. Through connectivity to global markets, more than 400 aviation facilities provide economic development opportunities, the ability to engage in business activities related to aviation and the movement of cargo, as well as leisure and tourism opportunities throughout the world. The region's airports serve as an unconventional inland port system, providing global access and economic growth.

By the Numbers:

\$6.4 trillion is the value of goods shipped internationally by air each year, accounting for approximately 35% of world trade by value.

Air Cargo: Vital Part of North Texas Economy

Despite being the largest metropolitan area in the nation without access to a water port, North Texas is a leader in global and domestic trade. The region's location, along one of the nation's major trade corridors, provides the freight industry access to a variety of modes to transport goods. This access allows for the timely and efficient delivery of goods, helping to reduce costs and increase savings for the region's consumers. Air cargo is one component of the region's comprehensive freight system. The region's success in air cargo is due to:

1. Major distribution hubs for FedEx and UPS
2. DFW Airport's status as one of the nation's top 15 air cargo airports and top 20 foreign trade zones for value of foreign merchandise imported
3. A large network of regional general aviation airports, including air cargo providers and three major air cargo airports

(Continued)



Photo: Getty Images

Dallas-Fort Worth is one of the nation's leaders in air cargo. Its central location makes it an attractive hub for e-commerce and the transportation of freight between Latin America and Asia.

2021 US Air Cargo Airport Rankings

Rank	City	Total Cargo (metric Tons)
1	Anchorage, AK	11,439,000
2	Memphis, TN	11,280,000
3	Louisville, KY	7,940,800
4	Los Angeles, CA	6,708,300
5	Miami, FL	5,118,200
6	Chicago, IL	3,896,800
7	Hebron, KY	3,845,700
8	Indianapolis, IN	3,247,800
9	Ontario, CA	2,424,200
10	New York, NY	2,277,300
11	Dallas-Fort Worth, TX	1,775,600

Sources: Bureau of Transportation Statistics, Airports Council International

Shipping cargo by air is essential for the economic growth in a region without access to a water port, as it provides shippers with the ability to reach inland markets more efficiently. Dallas Fort Worth International Airport, Alliance Airport and Love Field benefit the region's economy by providing scheduled air cargo operations. While several of the region's general aviation airports aid businesses by allowing shippers to provide critical just-in-time cargo shipments to their customers, this seamless connectivity has contributed to the region's reputation for inland movement.

North Texas' Air Shipments to and from the World

International air cargo shipments play a vital role in the world's economy. According to the International Air Transport Association, 65.6 million metric tons of cargo are transported by air each year (about 140,000 metric tons daily). The annual value of these goods is \$6.4 trillion – or 35% of the value of goods traded internationally. North Texas is a major international air cargo gateway to Asia, with 48% of international air cargo flying on trans-Pacific routes to and from Dallas-Fort Worth. DFW's central location makes it both an attractive hub for e-commerce and the transportation of freight between Latin America and Asia. This is expected to continue in the future, with Boeing predicting air cargo operations between North America and Asia will grow 4.4% per year by 2041.

Foreign Trade Zones

The federal government created foreign trade zones in 1934 to provide an incentive for the US to trade its goods internationally. Foreign goods admitted to FTZs are not immediately subject to customs duties or excise taxes. Firms may defer payment of duties until goods are delivered to their destinations. The region currently has foreign trade zones at DFW Airport and AllianceTexas international trade.

AllianceTexas

Within the Alliance Global Logistics Hub, the 9,600-acre FTZ, there was \$100-250 million in export activity in 2021, and \$5-10 billion in merchandise received.

DFW International Airport

At DFW Airport, 2,500 acres are designated as an FTZ. This includes a 21-acre business park north of State Highway 114 and two cargo distribution centers with direct airport ramp access. DFW International Airport is ranked in the top 20 FTZ in the nation, for the category of merchandise received.

