

# Cargonews Asia

March 24, 2008

## Texas on a roll despite economic slowdown

*By Ian Putzger*

Seemingly unaffected by the slowdown in the US economy and the high cost of aviation fuel, Dallas/Fort Worth appears to be on a roll. The latest expansion at the Texan hub comes courtesy of Schenker, which is doubling its capacity at the airport.

Construction has commenced of a 19,000 sq m logistics centre for the forwarding giant. The new facility, which will handle Schenker's air cargo as well as national supply and distribution business, is slated to open some time this autumn.

According to Schenker, Dallas/Forth Worth is a strategic hub for the company. Besides functioning as a gateway for traffic originating in Asia and Europe for distribution throughout the central US, the centre is used for consolidating freight from Texas and the US Southwest for pan-North American distribution or exports to the rest of the world.

Schenker is not the only forwarder that is boosting its footprint at Dallas/Fort Worth. US cargo agent Seko recently moved into a larger facility close to the airport to offer full-service logistics operations serving most of Texas and Louisiana. The new building gives Seko 40 percent more dock space and 35 percent more office space.

On the carrier side, the most recent boost for Dallas/Fort Worth came in October, when Lufthansa Cargo boosted its freighter flights to the airport to four a week and extended the route to Mexico City

for two of these frequencies. A number of carriers and US forwarders have stepped up their business in Mexico in response to growing demand during the past year.

Dallas/Fort Worth currently has 39 weekly freighter links to Asia, including B747F service from Cathay Pacific, Air China, China Cargo Airlines and Singapore Airlines. More are on the horizon. Jade Cargo Airlines has designated Dallas/Forth Worth as the destination for its first US operation, and Air Bridge Cargo wants to route B747-400 freighters from its Siberian hub to Dallas/Fort Worth to link the US gateway with its China flights. No decisions have been announced so far from either carrier when the planned services will take off.

In another part of Dallas, the authorities are hoping for a bigger piece of the logistics pie too. The 6,000-acre Dallas Logistics Hub, which is located adjacent to the intermodal rail terminal of Union Pacific and close to four major highway connectors, has been included in the expansion plans for a foreign trade zone.

According to the local authority, the hub is "a key component of the NAFTA (North American Free Trade Agreement) infrastructure and will serve as a major 'inland port'", handling imports from Asia landing in California, Houston and the new deep-water ports in western Mexico for regional and national distribution.