



Services Provided: Demand, revenue, economic, and cost/benefit assessment of Maglev freight feasibility.

Description of Project: TEMS completed a national and regional analysis of Maglev and its potential to serve as a transportation system for the 21st Century. The study showed the characteristics of Maglev are such that it can only be developed as a national system if (1) freight traffic pays the base and average costs for a transcontinental network while passenger traffic pays the marginal costs; and (2) there is a comprehensive regional network in the Northeast, Midwest, Southeast, Texas, and the

West Coast states for which passenger traffic pays the base costs.

The analysis showed that Maglev could pay both capital and operating costs and still make a return on investment.

Furthermore, the development of a Maglev system would generate 3 to 4 million new jobs over and above those associated with the construction and operation of the Maglev system. The new jobs would largely be in the high value-added and service industries and would reflect the industrial base of the next century rather than that of today.

A specific analysis of the contribution of freight traffic to the regional networks showed that Maglev could obtain a significant share of the finished and intermediate goods cargo markets by diverting long-distance traffic from truck and rail and a smaller share of the food and raw materials markets.

Project Start Date

September 1995

Similar Issues

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