THE BINSWANGER BRIEF

Why Inland Port Access is
Reshaping Industrial Site Selection

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INLAND PORTS
AND THE NEW LOGISTICS MAP

For decades, industrial site selection followed a simple rule: get as close to a coastal port as possible. That rule is being rewritten. Companies now weigh total network cost, resilience and speed to market over raw proximity to the ocean, and that shift is putting inland ports at the center of the conversation.

An inland port is a multimodal freight hub, typically anchored by rail and often by river barge, that connects directly into the same global supply chains as a coastal marine terminal, without carrying a coastal terminal's cost, congestion or exposure. Cargo moves from ship to rail or barge, travels inland, and reaches a facility that functions like a port in everything but geography. For occupiers, that combination of connectivity and distance from the coast has become a genuine competitive advantage rather than a compromise.

THE COST AND CAPACITY EQUATION

Coastal port markets have grown expensive and constrained. Rents in the busiest port-adjacent submarkets carry a significant premium over the national average, and available large-block land near the coast is limited. Inland hubs with rail and barge access offer the same connectivity to global trade lanes at a fraction of the cost, with room to build bigger, more efficient buildings on more affordable land.

RESILIENCE IS NO LONGER OPTIONAL

Tariff volatility, labor disruptions at coastal terminals and extreme weather have all shown how exposed a single-node coastal supply chain can be. Companies are responding by building redundancy into their networks: multiple points of entry, multiple transportation modes, and distribution points positioned closer to the customer. An inland port with river, rail, interstate and air access in one location gives occupiers exactly that kind of built-in flexibility.

KEY TRENDS
DRIVING INLAND PORT DEMAND

Several forces are converging to make inland port locations a priority for occupiers and their advisors:

Reshoring and Nearshoring
Manufacturers relocating production closer to U.S. customers need distribution points inland, not just at the coast, since finished goods increasingly move by truck and rail rather than by container ship for their final leg.

Multimodal Redundancy
Sites with more than one way in and out, whether river barge, dual Class I rail, interstate highway or air cargo, reduce a company's exposure to disruption at any single chokepoint.

Rising Coastal Costs
Persistent rent growth and land scarcity near major seaports have pushed large-format users to evaluate inland markets that offer comparable connectivity at lower total cost.

Foreign Trade Zone Access
Inland ports that carry Foreign Trade Zone designation let companies defer, reduce or eliminate certain duties, an advantage once associated only with coastal gateways.

Power and Utility Capacity
As automation, cold storage and advanced manufacturing raise a facility's energy needs, inland industrial parks with new, high-capacity utility infrastructure have an edge over older coastal districts.

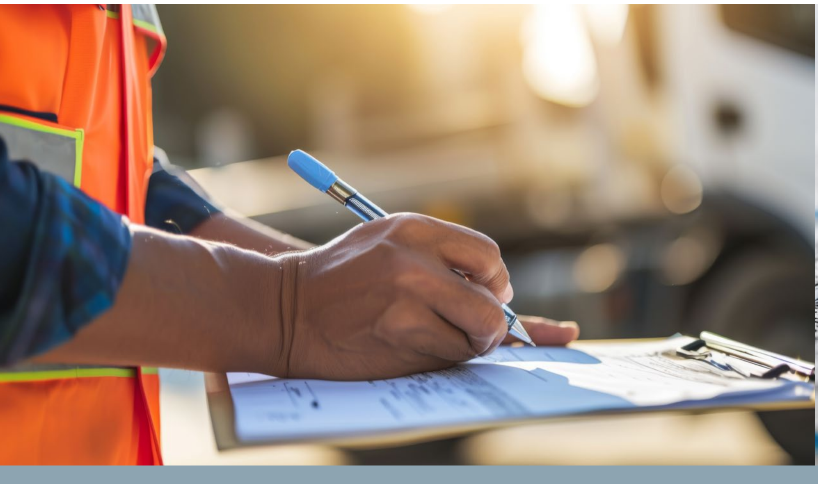
WHAT TO LOOK FOR
IN AN INLAND PORT LOCATION

Not every inland location delivers the same value.
When evaluating a site, occupiers and their advisors should look for:

- **Multimodal connectivity**
  River, rail and highway access in a single location, ideally with dual Class I rail service.
- **Trade zone designation**
  Foreign Trade Zone status or a clear path to establishing one.
- **Power capacity**
  Utility infrastructure sized for modern automation, refrigeration or manufacturing loads, not legacy demand.
- **Building specifications**
  Clear heights, dock door counts, column spacing and a footprint that can be subdivided as tenant needs change.
- **Workforce depth**
  A regional labor pool deep enough to support multi-shift operations.
- **Local partnership**
  Established relationships with the port authority, utility providers and local officials who can move projects forward quickly.

CONCLUSION

LOCATION STRATEGY IS **SUPPLY CHAIN STRATEGY**



Inland ports are no longer a fallback for companies priced out of the coast. They are a deliberate strategy for reducing cost, adding resilience and shortening the last mile to the customer.

As trade patterns keep shifting, the sites that combine multimodal access, power capacity and modern building specifications, wherever they sit on the map, will be the ones that win the next generation of industrial investment.

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