Freight Logistics Optimization Works (FLOW): Innovative Data Sharing Partnership

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Presentation Outline

- What is Freight Logistics Optimization Works (FLOW)?
- Why is FLOW an unprecedented, innovative data sharing partnership?
- What made FLOW possible?

Freight Logistics Optimization Works (FLOW)

- Initiated by the the Biden-Harris Administration in May 2022 to "...Speed Up Delivery Times and Reduce Consumer Costs" through data exchange;
- Is a government/industry partnership to exchange information between supply chain stakeholders;
- Made possible by USDOT/Bureau of Transportation

 Statistics serving as a secure independent steward of the shared data.



What is FLOW?

Uses data provided by supply chain stakeholders to understand the relationship between the incoming containers (demand) and the available assets to move containers (supply) at a given node. For example,

$$FLOW \ Landside \ Ratio = \frac{Aggregate \ demand \ at \ node}{Aggregate \ supply \ at \ node}$$

Focuses on imported containers for now



FLOW Principles

- 1. FLOW is a voluntary, secure national exchange for operational freight information
- 2. FLOW analysis is available only to stakeholders who participate and share data
- 3. FLOW is sustained by benefit to the stakeholders



What made FLOW possible?

- 1. There is buy-in among supply chain participants on the benefits of providing data, e.g.,:
 - ■The ability to understand the health of the supply chain
 - A ability to look ahead or look around the corner
- 2. Data will be protected absolutely by the Bureau of Transportation Statistics.



What is Bureau of Transportation Statistics (BTS)?

- In 1991, the <u>Intermodal Surface</u>

 <u>Transportation Efficiency Act (ISTEA)</u>

 created BTS.
- One of the 13 Principal Statistical Agencies (PSA) with legal authorities to
 - 1. Be independent (49 USC § 6302 (d))
 - Protect data not only from FOIA but also from subpoena/legal discovery (44 USC § 3563).



BTS Data Protection is Absolute

- Legal Authority: Confidential Information Protection and Statistical Efficiency Act (CIPSEA).
- Anyone working on data processing and analysis subject to confidentiality training and non-disclosure agreement -applying to all federal employees, contractors, and agents
- Willful disclosure of confidential information may incur sanctions and penalties
 - Disclosure is the unauthorized release of confidential information
 - Penalties may include removal from office, fines (up to \$250,000), and/or imprisonment (possible felony conviction, up to 5 years)

BTS Data Protection is Absolute (cont'd)

- Agreements between BTS and individual data providers are executed to guide the treatment of FLOW data.
- Only staff working on FLOW have access to any FLOW information
- BTS private network guarantees secure data exchange
 - Separate servers within the private network
 - No sharing of files between DOT main network and BTS private network
 - No direct access to internet
 - Analysis software to allow data analysis within the private network
 - Backups maintained within the private network

Current FLOW Participants by Supply Chain Components

- Beneficial Cargo Owner (BCO): 11
- Intermodal Equipment Provider (IEP): 4
- 3rd Party Logistics (3PL): 8
- Ocean Carrier: 4
- Marine Terminal Operator: 12
- Motor Carrier: 6
- Logistics Real Estate: 1
- Class 1 Rail Carrier: 2

A FLOW Product - Dashboard



Learn more about **FLOW** Program

