

Geography of Transportation



Definition

- The transport of materials to and from a factory
 - Key factor in determining why industries locate in particular places
 - Goal: minimize cost of transporting



Bulk-Reducing Industry

- Industry in which inputs weigh more than the final product
- Example: Iron Ore



Bulk-Gaining Industry

- Making something that gains volume or weight during production
- Example: Cars



Other Industries

- Single-Market Manufacturers
 - Specializers with only 1-2 customers
 - Ex. Motor vehicle parts
- Perishable Product Manufacturers
 - Both industries must locate close to customers
 - Ex. milk



How to Transport?

- Truck – short-distance, best for one-day delivery
- Train – Longer distance, no need for stops
- Ship – Low cost, cross-continental
- Air – High cost, for small, high-value packages



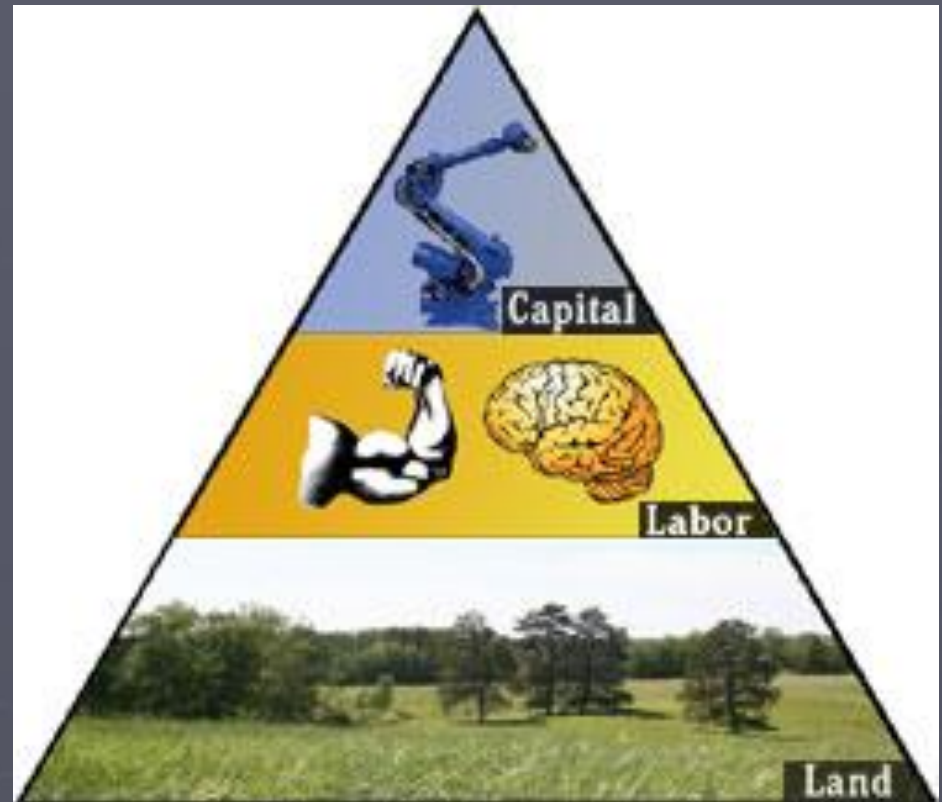
Break-of- Bulk Point

- Break-of-Bulk Point
 - Location where transfer of travel modes is possible
 - Cost rises with additional break-of-bulk points



Factors of Production

- The unique characteristics of a location
- Three traditional production factors:
 - Labor
 - Land
 - Capital



Labor

- Workers
- The most important site factor
- Labor-intensive industry
 - Industry where paying workers is high percentage of total costs



Land

- New factories need lots of space (one-story facility)
- Proximity to major highways is most important



Capital

- Key source: borrowed money
- Industries located near available capital
 - ‘Auto Alley’ – Michigan, Indiana, Illinois
 - LDCs have great difficulty obtaining capital

