

## “Create Advanced Logistics Jobs in Columbus”



### Advanced Logistics Council Co Chairs:

**Nick LaHowchic**

EVP, Limited Brands  
President and CEO, Logistics Services

**Benjamin J. Ritchey**

VP and General Manager,  
Transportation and Space  
Battelle

### Staff Support:

**David Powell**, EVP, Economic Development

**Leslie Weilbacher**

Executive Director, Advanced Logistics Council,  
VP Advanced Logistics Development

**Columbus Chamber**

37 N High Street  
Columbus, OH 43215  
614.225.6905 Direct  
614.893-1706 Mobile  
Leslie\_Weilbacher@columbus.org  
[www.columbus.org](http://www.columbus.org)

# Advanced Logistics Stakeholder Report

April 29, 2005



## “Create Advanced Logistics Jobs in Columbus”

Dear Stakeholder:

On behalf of Advanced Logistics Council Co-Chairs Nick LaHowchic of Limited Brands and Ben Ritchey of Battelle, I thank you for your interest and support of Advanced Logistics job development in Columbus.

The Advanced Logistics Council is pleased to work with community leaders as they focus on growth opportunities for Columbus. Logistics has been identified as a key job growth arena which merits a “full court press” by regional partners.

Our work is possible only through the collaboration of public and private entities with vested interest in transportation-related development. Our efforts are funded by Chamber Members investing in the ColumbusAmerica Economic Development campaign. Thank you for your continuing support!

We continue our efforts to attract and expand transportation related business through direct marketing of our community and it’s excellent logistics assets. We are also working diligently to build Columbus’ competitive advantages in transportation arenas.

I urge each of you to get involved. Respond to calls for information, participate in events, and share information on growth companies looking at Columbus. Together, Columbus can be the Center of Excellence in transportation it has the potential to be.

On behalf of the Advanced Logistics Council and the Columbus Chamber, we look forward to working with you.

Best Regards,

A handwritten signature in black ink, appearing to read "Leslie A. Wallace".

Executive Director, Advanced Logistics Council  
Columbus Chamber

# Advanced Logistics 2005 Annual Report

## Contents:

Goal and Vision.....	4
Why Now?.....	5
The Challenges.....	5
Components Defined.....	6
Accomplishments and Plans:	
People.....	9
Place.....	10
Technology.....	10
Climate.....	11
Job Focus.....	12
What can I do?.....	13
Why Columbus?.....	14

## GOAL and VISION

*GOAL: To create knowledge-based, technology-driven, high-wage Advanced Logistics jobs in Greater Columbus*

To be competitive in Advanced Logistics, communities must provide solid transportation assets and good proximity to markets. To be competitive among the many communities with good infrastructure and access to markets, Greater Columbus must also provide an environment for management-level positions, education, technology and research available in a collaboratively executed, master planned community.

The Advanced Logistics Council, co-chaired by Nick LaHowchic of Limited Brands and Benjamin Ritchey of Battelle, is leading Greater Columbus' ongoing pursuit of Advanced Logistics opportunities. The Council has undertaken the following initiatives focused on the **PEOPLE, PLACE, TECHNOLOGY** and **CLIMATE** to make Greater Columbus a center of excellence in Advanced Logistics.

### *VISION:*

- **PEOPLE**  
***Building a World Class Workforce:*** Promote the full spectrum of a logistics career ladder supported by a regional, integrated high school to university level educational system. Drive linkages in workforce development systems to produce an inventory of highly skilled candidates for growing logistics opportunities.
- **PLACE**  
***Plan and Build an Advanced Logistics Park:*** A master-planned, multi-functional complex grounded in distribution centers and transportation facilities but encompassing a more complete campus including business offices, research centers attracting technology-driven logistics management jobs, and providing retail services, educational facilities, research and amenities to serve park needs.
- **TECHNOLOGY**  
***Establish an Advanced Logistics Innovation Center:*** A public-private research, application and technology partnership in pursuit of tomorrow's commercial logistics solutions in products, services and processes.
- **CLIMATE**  
***Support Competitive Business Climate:*** Identify and support or change economic policies and governmental constructs that enable competitive advantage in attracting, retaining and building Advanced Logistics jobs in Greater Columbus.

## **WHY NOW?**

Transportation and Logistics is a **ONE TRILLION DOLLAR** business in the United States. In Greater Columbus, transportation employment has increased by 51 percent in the last decade; the nation's transportation employment has increased by 11.5 percent. Logistics is where the growth is, and it represents a great opportunity for Greater Columbus.

**This region can not afford to miss out on this opportunity.**

The Advanced Logistics Council has a clear focus and momentum gained through bringing its partners together, identifying opportunities and working collaboratively to pursue them.

Multiple studies have shown that Greater Columbus has the assets to pursue opportunities in the information-driven field of logistics management or "Advanced Logistics." Earlier initiatives such as the Greater Columbus Inland Port, United Shippers Alliance, Industry and Technology Council and North America Trade Point, have built on these assets and yielded jobs.

Today's Advanced Logistics economic growth strategy is sound and has the capacity to yield an even greater competitive advantage for Greater Columbus.

## **THE CHALLENGES**

As with any aggressive plan, there are challenges. The challenges in pursuing our Advanced Logistics strategy and other economic growth opportunities include the following.

- We need to collaborate: Call to focus and apply resources to make significant measured progress within reasonable time frames.
- Clear, Consistent Communication: Led by the Columbus Chamber in collaboration with community partners, efforts are nearing completion which will provide a clear and consistent message both inside and outside Greater Columbus to our internal and external audiences.
- Multi-Jurisdictional Cooperation: The complexity of working with multiple city, county and state governmental entities makes the challenge greater but well worth the pursuit of win-win solutions and jobs for the community.

Community leaders and the Advanced Logistics Council are fully aware of these challenges and continue to move forward.

## THE COMPONENTS DEFINED

### PEOPLE: *Building a World Class Workforce*

- The perception of logistics jobs is at times narrowly thought of as “traffic manager” or box movers and truck drivers. In reality, most of the careers are very disciplined, requiring highly technical, technology-driven, knowledge-based skills critical to competitiveness and profitability. Logistics professionals are well-educated from associate’s degrees to the PhD level.

The true career opportunities and compensation of logistics jobs are not broadly understood by the community at large due to poor coordination and communication by the various educational institutions.

- *95% hold bachelor's degrees, 41% hold master's degrees, and 20% hold professional certification*
- *40% majored in business, 11% in engineering, 14% in logistics, 12% in marketing, and 23% in other fields*
- *The median salary for managers is \$97,000, for directors is \$141,000, and for vice presidents is \$231,000*

*Source: The Ohio State University 2003 Survey of Career patterns in Logistics*

- Greater Columbus has nationally recognized logistics education assets, but they are disconnected and do not effectively form an integrated educational ladder to fill the full breadth of current and planned logistics workforce needs in Greater Columbus.
  - Columbus State has ‘2+2’ transferability of Logistics associates degree credits to Miami University (Oxford, OH) for students wishing to pursue a bachelors degree. This ‘2+2’ does not exist with The Ohio State University (OSU).
  - Within Ohio State University itself, multiple colleges/departments are working in logistics arenas. Examples include: Business, Transportation and Logistics, Engineering, and Information Technology/Computer Science.

## **PLACE: Plan and Build an Advanced Logistics Park**

- Today's transportation networks are under great burden and need to grow. Traditional ports and hubs are operating inefficiently. New information technology drivers and a more skilled workforce are changing the landscape of logistics management.

*"The solution to an overburdened freight transportation system is not just about ocean ports. Freight handling needs to move inland quickly, clearing sea ports for new arrivals. A few communities will establish themselves as these new inland ports."*

*-- An executive from Hillwood, Alliance, Texas, Logistics Park Developer*

- This national need is an opportunity for Columbus. We must leverage our assets to develop the Greater Columbus Advanced Logistics Park and become THE Center of Excellence for Advanced Logistics Management in North America. We have the know-how, facilities, technologies and abilities to help business operate efficiently and competitively AND we have the strategic geographical location to competitively receive national and global products and services, make local products and services, and deliver throughout North America and internationally.
- **What does the Greater Columbus Advanced Logistics Park look like?**
  - A **master planned complex** encompassing Rickenbacker
  - New, high capacity, state-of-the-art **intermodal facility** including rail, air and truck
  - OSU/Battelle research partnership: **logistics technology hub**
  - The "testing grounds" for **research** and its applications
  - **Advanced Logistics development office on site**
  - **Training center** for future and existing employees
  - **Office park** for logistics support businesses
  - **Premier workplace "community"** with retail, child care and other amenities
- As a community, we have benchmarked advanced logistics parks in Alliance, Texas, and Zaragoza, Spain. We learned that to be successful, we must: have a clear, well communicated vision, collaborate with elected officials, engage multiple jurisdictions, develop a "consensus game plan," market jointly, THINK BIG and TAKE ACTION.

**TECHNOLOGY: *Establish an Advanced Logistics Innovation Center***

- To maintain a competitive edge, Greater Columbus needs to pursue partners and establish themselves as a leader in Advanced Logistics Solutions. When the private sector, public sector and researchers at Battelle and OSU come together, innovation happens. Our community has capitalized on an opportunity for the first international cargo security demonstration and operational test of an Electronic Freight Manifest (EFM) system, coupled with other security measures to accomplish greater cargo security and supply chain efficiency.
- We are now taking the next steps to explore the formation of an Innovation Center. In Ohio, Governor Taft has established the Wright Center concept as a public, private, university/research collaboration establishing expertise in Ohio and generating ideas, technologies, and commercial applications building the business base here in Columbus.
- We want to establish the Wright Center for Homeland Security/Supply Chain Resilience as a fully funded institute, staffed to pursue the joint goals of OSU, Battelle and private sector partners.
- There are many excellent examples to take from, including the Wright Center of Innovation in Data Management in Dayton, the Edison Welding Institute and CARS joint research and commercialization program at OSU, and OSU's public/private research effort in the Global Supply Chain Forum.

**CLIMATE: *Support Competitive Business Climate***

- The Advanced Logistics Council has flagged the need to compete economically. Ohio's tax code is overly complex. Business climate as a whole, which includes tax, tort, insurance and regulatory concerns, is a factor in business location/expansion decisions. We will work to identify efforts for needed reforms and engage community leaders and Chamber members in a grass roots campaign for reform.

*Greater Columbus ranks 48<sup>th</sup> among the United States with a combined state and local tax burden of 11.3 percent. Only Maine and New York have higher local and state burdens than Ohio.*

Source: Tax Foundation, Washington DC, April, 2004

## Accomplishments and Plans

**PEOPLE: The Council has inventoried workforce assets and is working to align resources to meet identified needs to enable continued business growth.**

### **Accomplishments:**

- √ **DSCC BRAC ADVOCACY:** Leveraged partnership investments with grants to save and work to expand 6150 Advanced Logistics Jobs at Defense Supply Center Columbus. Hired and managed consultants to advocate for DSCC and Military facilities/missions at Rickenbacker. Efforts Include: Pentagon briefings, 2900 direct letters to elected officials, 15 community resolutions in support of DSCC, facility tours and a huge press education.
- √ **MBLE:** OSU approves new masters program: Masters in Business Logistics Engineering (MBLE). First students will enter the program, Spring 2005.
- √ **COLUMBUS STATE: PROJECT EAGLE:** Grant will leverage new employees into transportation and logistics arenas.
- √ **DELTA NU ALPHA:** Columbus Chapter starts anew with the support of Columbus State focus on young logistics professionals, career exploration.

### **Columbus State Awarded Department of Education Grant for Global Trade/Logistics Studies**

Columbus State Community College's Logistics program has been awarded a Department of Education Title VI B Grant for 2005-2007 to support its work on Project EAGLE (Expanding Access to Global Logistics Education).

Working in partnership with the Columbus Chamber, and the Small Business Development Center/International Trade Assistance Center (ITAC) of Columbus, Project EAGLE will use the two year, \$186,000 grant to enhance global trade education for both degree seeking students and working professionals and to expand global trade activities by the central Ohio business community. In addition to the support of the College and the Chamber, the grant reflects the dedication of the local logistics industry to higher education. More than a dozen organizations have pledged support to achieve the goals of this grant – pledges that total in excess of \$100,000.

The primary *goal* of this proposal is to develop, encourage and promote awareness of global trade by providing affordable and accessible educational and training options for area students, working professionals and small businesses with the goal of increasing participation in global commerce.

### **Plans-**

灋 Community Workforce Investment Board is pursuing a comprehensive Workforce study. When you are contacted for information and input on challenges and needs, please respond with full information that we may work most effectively to meet your needs. Thank You.

灋 The Logistics Council is also working to assemble community partners to pursue an expansive workforce inventory and future needs analysis to identify and undertake strategies to allow Columbus companies to locate, grow and thrive in our community. This study will drill down to occupational and skill levels and offer resolution to meet clearly measured needs. This effort will align existing resources to enable greater positive workforce impact.

**PLACE: The Advanced Logistics Park**

### **Accomplishments:**

√ Advocate for intermodal development- Advocated for Federal Transportation Funds totaling at least 19 million (current draft), State Capital Funding \$5 million and Ohio Transportation investment of \$8 million for intermodal access road expansion. Congratulations to the Columbus Regional Airport Authority as they plan to break ground in the coming months on the new facility!

**The Economic Benefits of the new intermodal facility over a 30 year period include:**

- 15 Billion in economic impact
- 34 million additional square feet of industrial-building development
- 1.2 billion on building construction
- 1.37 billion invested in machinery and equipment
- 805 million in direct tax revenue (local/state governments and school districts)
- 1.26 billion in indirect tax revenues
- 9,500 direct jobs, 10,900 indirect jobs. (Source, CRAA)

√ Support for Columbus Chamber in working with MODE to establish a single point of contact for business attraction, retention/expansion efforts with a common marketing message. The Chamber is building electronic resources - state of the art web resources and shared prospecting databases to enable this centralized approach.

√ The Columbus Chamber is expanding proactive marketing efforts for business traction. Advanced Logistics partners/supporters are key in capitalizing on these network opportunities. Coordinated efforts include marketing and networking through IWLA, WERC, and CSCMP (Logistics associations, executive conferences)

**Plans-**

漑 Continue convening partners to hone and execute the full concept of the Advanced Logistics Park.

**TECHNOLOGY: Columbus as an industry leader in technology development and application**

**Accomplishments:**

√ EFM TECHNOLOGY DEMO IN COLUMBUS: The Electronic Freight Manifest (EFM) demonstration funded for \$6-10 million is underway. This effort is likely to spawn technologies which a full research center can be built upon.

**Plans-**

漑 Inventory of interest/prowess in logistics arenas continues in an effort to further focus resources and opportunity on logistics related research EFM Partnership effort which can result in an Advanced Logistics Innovation Center.

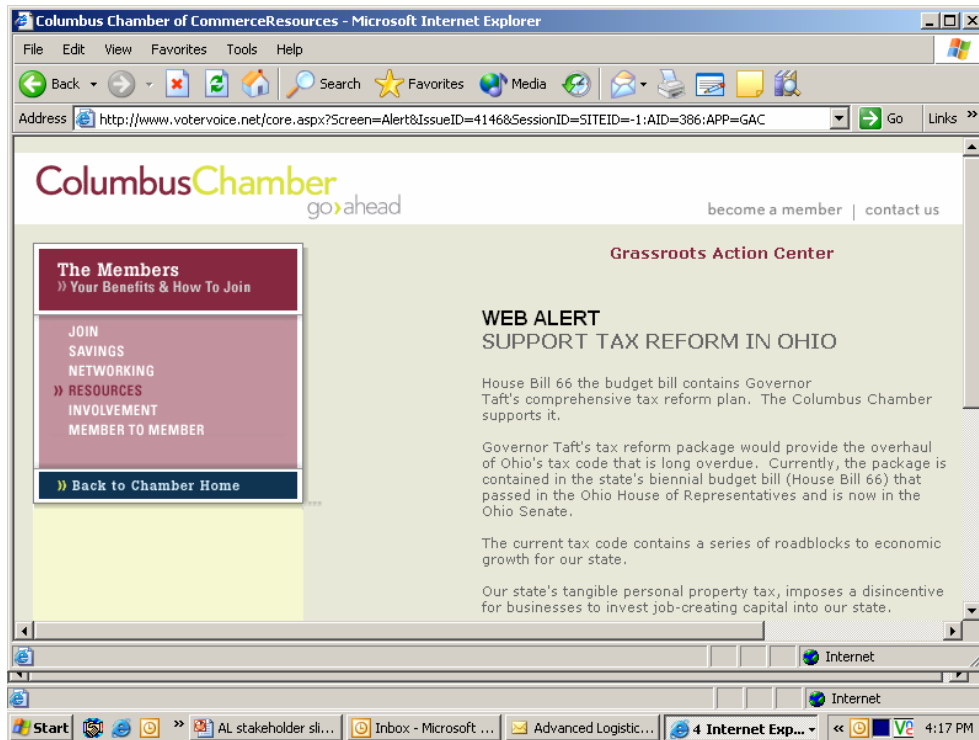
## **CLIMATE: Competitive.**

### **Accomplishments:**

- ✓ TAX REFORM: Worked to educate and support reform to make Ohio more competitive in taxation arenas. Columbus Chamber endorsement of Taft tax proposal which includes removal of personal property tax, which includes inventory as well as machinery and equipment tax, a significant disadvantage in logistics arenas.
- ✓ Columbus Chamber adopted full Public Policy Agenda with an entire section in support of Advanced Logistics initiatives A full agenda can be accessed on the Chamber site: [www.columbus.org](http://www.columbus.org)

### **Plans-**

- 際 GRASS ROOTS SUPPORT: Express your opinions: As individuals and business leaders. Go to the Columbus Chamber Grass Roots Action Center, available at: [www.columbus.org](http://www.columbus.org)



## Job Focus

Columbus is a great city but, too often, not on the radar of expanding companies:

**COLUMBUS NOT ON THE MAP FOR NATION'S BUSINESS EXECES**  
***Chamber challenges local leaders to work together to "secure our economic future"***

A location close to their customers. Good highways and rail. Those are the qualities that national business executives look for in a business site, and they match what Columbus has to offer. But a recent survey, conducted by the Columbus Chamber, shows that two out of three CEOs don't consider the region as a potential location because they don't know enough about it.

The chief of the Columbus Chamber, whose organization conducted the poll, said the results should light a fire under every local organization committed to attracting jobs. "We must work harder together and focus on our long-term future, or we will miss opportunities for growth and prosperity," said Ty D. Marsh, Chamber president and CEO. (February, 2005)

### It's All About jobs:

There are three ways to create jobs in the community:

- o Building new business- entrepreneurship
- o Attracting businesses to Columbus
- o Retaining and expanding businesses already here

The Columbus Chamber is pleased to work with our partners to support and facilitate job growth in these areas.

In 2005 the Columbus Chamber will conduct national and international business development missions with the goal of sharing the message of Columbus as a premier business location. These efforts include various conferences shows and pursuit of personal meetings with consultants influencing the placement of thousands of jobs throughout the nation and world.

2005 Efforts Include:

- Hanover, Germany: Business Development Mission/Trade Show, April 5-15
- WERC (Warehouse Education Research Council): Conference/Trade Show/, May 1-4
- BIO/Philadelphia 2005 Trade Show, June 19-22
- IWLA (Logistics Outsourcing Association): Conference/Trade Show, March 20-23
- CoreNet: Trade Show- Oct 23, 26
- Council of Supply Chain management Professionals (CSCMP): Conference, October 23-26.

## What can I do?

- Join the Columbus Chamber: [www.columbus.org](http://www.columbus.org) or contact Leslie Weilbacher
- Consider Chamber membership at the ColumbusAmerica level, supporting Advanced Logistics and other job growth efforts.
- Take the story of Columbus (Flyer following) with you in your travels and in your conversations with colleagues.
- Work with us to identify companies interested in Columbus at national events, including CSCMP's National Conference.
- Meet us at trade shows and logistics networking events. Introduce us to your clients and let us help you bring the business to Columbus.
- Actively participate in programs and leadership of local logistics organizations and networks including:
  - Council of Supply Chain Management Professionals (CSCMP- formerly CLM)
  - Delta Nu Alpha
  - Columbus Air Cargo Association
  - Columbus Transportation Club

The More we network in pursuit of business for Columbus, the more attractive we become as a transportation center.

- Alert us of companies which may consider expansion/location in Columbus
- Tell your colleagues, nationally and internationally, that Columbus is a great place to do business!



## Why Columbus?

- More than 210 million square feet of warehousing and distribution space.
- Well developed system of local roads and limited-access highways, low congestion.
- Service by class one railroads – Norfolk Southern and CSX.
- Foreign Trade Zone, 24/7/365 U.S. Customs and Border Protection.
- Home to Rickenbacker International Airport.
- Centrally located in the heart of the region.
- Excellent market access: 75% of U.S. within two days drive.

### The growth.

Columbus' existing infrastructure serves the needs of many leading organizations. Efforts are underway to expand intermodal capacity in the Rickenbacker area. This logistics park boasts 130 million square feet of distribution space and thousands of acres for growth opportunities.

### The location.

With prime market access, Columbus is a one-day truck drive to over half of the U.S. population, manufacturing capacity and company headquarters. The region is served by two international airports, a well-developed highway system, two railways and a foreign trade zone. Together, these transportation systems move goods quickly and efficiently around the world. Managing logistics is simple with more than 210 million square feet of warehousing and distribution space located in Columbus.

Columbus, Ohio provides the access companies need to reach North American markets. With excellent market access, a solid transportation infrastructure and a strong workforce, Greater Columbus has been a focal point of distribution for well over a century.

### Call the Columbus Chamber for full, no-cost site selection services:

- Labor market analysis
- Operating cost comparisons
- Tailored research
- Site tours
- Executive recruitment assistance

**Leslie Weilbacher**

[leslie\\_weilbacher@columbus.org](mailto:leslie_weilbacher@columbus.org)

614-225-6905, 1-800-950-1321

37 North High Street Columbus, Ohio 43215

[www.columbus.org](http://www.columbus.org)

### The people.

Columbus is the 15th largest city in the United States and the third fastest growing major metropolitan area in the Midwest. Greater Columbus accounts for two-thirds of the growth in the state of Ohio and offers competitive labor costs and a young, regionally mobile labor force. The vibrant Columbus workforce has access to 18 colleges and universities, serving more than 100,000 students in our community.

The following leading companies call Columbus home: Excel Global Logistics, North American headquarters; Honda of America; Limited Brands including Victoria's Secret and Bath and Body Works; Cardinal Health; Mettler Toledo; The Scotts Company; Big Lots; Abbott Labs; and Worthington Industries.

### The culture.

Central to the region's strength is its research and education system with direct ties to logistics. The nationally known Ohio State University (OSU) offers a top-ranked transportation and logistics program and is one of Greater Columbus' best research and educational resources. Columbus is a growing, vibrant community which carries the strong heartland work ethic adding great value for local employers.

### The technology.

Battelle, a research and development institution, consults internationally in transportation and the application of security technologies. Columbus has the infrastructure, the knowledge and the talent needed by organizations today.

**ColumbusChamber**  
go>ahead

## Advanced Logistics Council: Leading the Way

Co- Chairs:

**Nick LaHowchic**  
Limited Brands

**Benjamin J. Ritchey**  
Battelle



**RADM Linda Bird** (Ex Officio)  
Defense Supply Center Columbus

**S. Martijn Steger**  
Kegler, Brown, Hill and Ritter

**Jeff Clark**  
ODW Logistics, Inc

**Michael Vargo**  
Vargo Material Handling

**Bill Habig**  
Mid- Ohio Regional Planning  
Commission

**Mary Vaughn**  
Columbus State Community  
College

**Jim Miller**  
Pizzuti Companies

**Alex Vulic,**  
ProLogis

**David Paragas**  
Benesch, Friedlander,  
Coplan and Aronoff

**Jason Wiley**  
Mettler Toledo

**Brigette Prosch**  
Woolpert

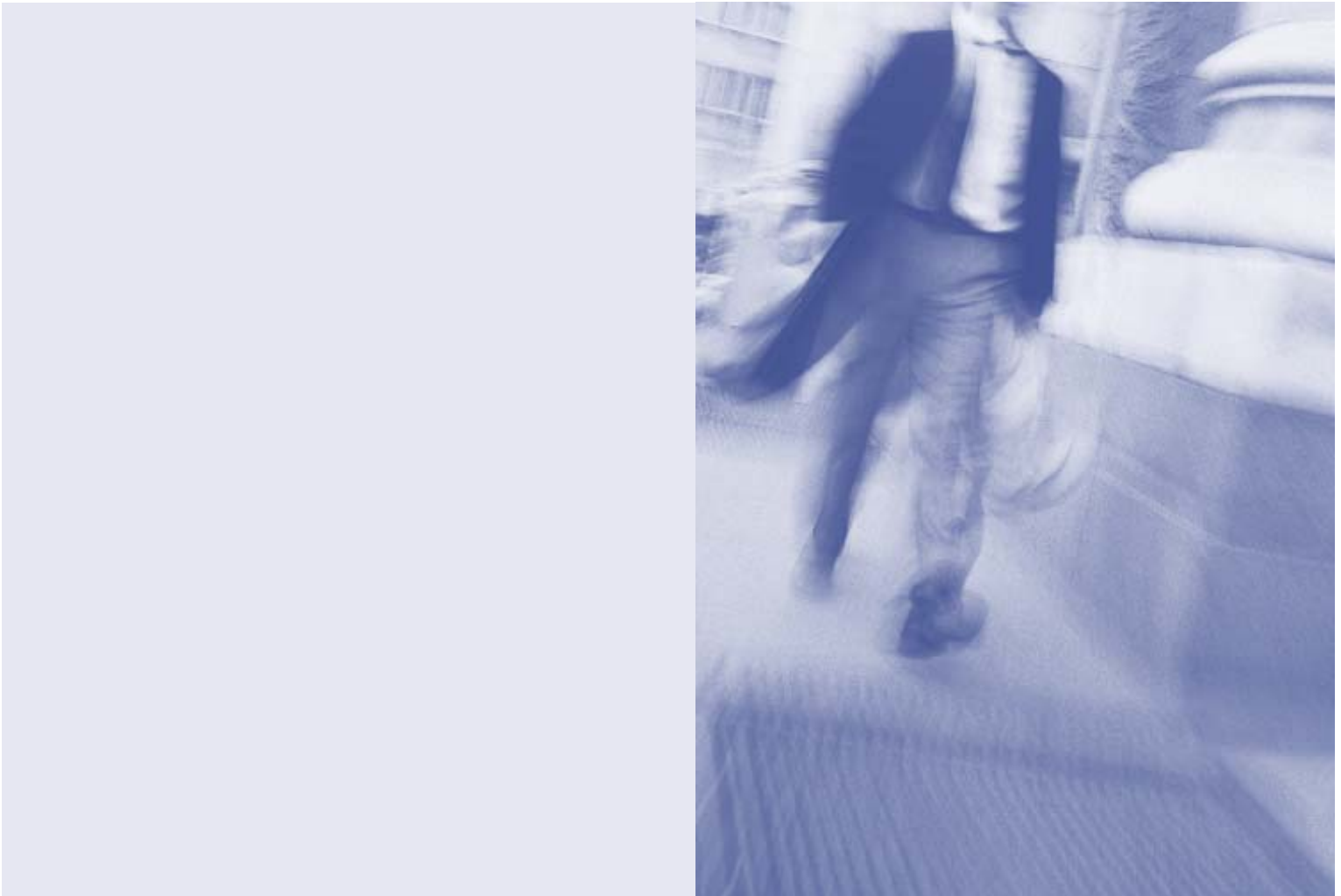
**Tim Williams**  
McGraw-Hill Companies

**Elaine Roberts**  
Columbus Regional Airport Authority

**Walter Zinn, Ph.D.**  
Fisher College of Business,  
The Ohio State University

Thank you for your leadership and dedication building logistics jobs in Columbus.

**“Create Advanced Logistics Jobs in Columbus”**



Contact:

**Leslie Weilbacher**, Executive Director, Advanced Logistics Council

VP, Advanced Logistics Development, Columbus Chamber

37 N. High St. Columbus 43215, (614) 225-6905

[Leslie\\_Weilbacher@columbus.org](mailto:Leslie_Weilbacher@columbus.org)

[www.columbus.org](http://www.columbus.org)