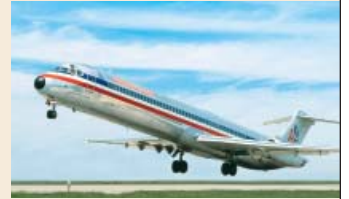


Transportation and Distribution



St!Louis
Perfectly Centered. Remarkably Connected.

From its founding as a fur-trading post to its role as the Gateway to the West, transportation has always been a key part of what makes Greater St. Louis tick. It still is.

In some respects, the area is emerging as an even more important avenue of American commerce. The evidence lies in major new distribution facilities for companies like Procter and Gamble, Hershey Foods and Unilever in Madison County, Illinois.

In part, this is a function of St. Louis' nearly ideal central location. The metropolitan area is near the geographic center of the United States and closer than any other metropolitan area to the population center. St. Louis is within 500 miles of one-third of the U.S. population; it's within 1,500 miles of 90 percent of the North American continental population and gross domestic product.

But St. Louis has other location-related advantages. It's at the confluence of three major rivers — the Mississippi, the Missouri, and the Illinois. And it's the northernmost port on the Mississippi to remain generally ice-free year-round. Because of such advantages, it's the nation's second-largest inland port.

Finally, from the standpoint of natural gifts, St. Louis is also surrounded by abundant quantities of flat land — ideal for the development of distribution-intensive companies.

All these gifts of nature, however, are augmented by other, man-made assets. St. Louis is served by four interstate highways — putting it at the nexus of the north-south and east-west interstate systems. It's served by six Class I railroads, which make rail service to the rest of the country extraordinarily fast and convenient. And it's served by an international airport and a host of regional airports.

Finally, the St. Louis area has a plentiful source of well-trained, hard-working labor. St. Louis was ranked no. 2 of the "Top 10 Logistics Metros" by Expansion Management in 2007. In September 2005, Expansion Management and Logistics Today magazines ranked St. Louis No. 1 in Transportation and Warehousing Workforce out of 362 metropolitan areas which is based on 10 factors, including transportation and distribution industry climate, highway infrastructure, and fuel taxes and fees.

Add it all up, and here's what you get: an ideal location for companies focused on logistics, transportation and distribution, or heavily reliant on those components.

Key Wholesale Trade, Transportation and Warehousing Industries

Transportation and Distribution	Employment	Number of Firms
Wholesale Trade	57,769	5,084
Air Transportation	4,081	46
Rail Transportation	2,727	10
Water Transportation	274	18
Truck Transportation	12,160	1,205
Warehousing and Storage	4,779	179
Support Activities for Transportation	5,813	408
Wholesale Trade, Transportation and Warehousing Industries	98,430	7,246

Source: "Quarterly Census of Employment and Wages, 2007", US Bureau of Labor Statistics.

Infrastructure

Highways

The area's highway system consists of four primary Interstates:

I-70	Links the Atlantic Coast to the western U.S.
I-55	Links the Midwest to Memphis and the Gulf Coast
I-64	Links to both the Southeast and Mid-Atlantic ports
I-44	Links to the Southwest and established NAFTA corridors

Four interstate linkages within the region offer optimal use of these arteries. And I-57, immediately east of the St. Louis area, offers another vital link to Chicago and southern markets.

Rail

The area is a primary gateway for interchange traffic among the six Class 1 rail carriers that serve it: the Burlington Northern Santa Fe, CSX Transportation, Kansas City Southern, Norfolk Southern, Union Pacific, and Canadian Northern. St. Louis offers single-system shipments to all 48 contiguous states as well as Alaska, Mexico, and Canada. Service to the coasts requires less than 50 hours. Intermodal facilities provide uncommon flexibility.

Air

- **Lambert-St. Louis International Airport** has 2 terminals, 85 gates, and serves 10 major airlines, with an average flight time to most major U.S. cities of just one to three and one-half hours. With over 400 daily arrivals and departures and nonstop service to about 70 destinations, Lambert is the fourth-largest hub for American Airlines, the world's largest airline. Lambert has completed a \$1 billion expansion, which includes installation of a third major runway that has increased capacity, especially in inclement weather. A renovation of the main terminal and baggage system is currently underway.
- **MidAmerica St. Louis Airport**, just 24 miles from downtown St. Louis in St. Clair County, Ill., is the region's second-largest airport, with parallel runways of 10,000 and 8,000 feet. Located on 5,500 acres adjacent to Interstate 64 and Scott Air Force Base, MidAmerica is a Foreign Trade Zone and offers air cargo facility development sites of 17 to 200-plus acres. A 50,000-square-foot air cargo terminal with cross-dock truck access was recently completed.
- **Scott Air Force Base**, also in St. Clair County, is home to the U.S. Transportation Command and one of its subsidiaries, the Air Mobility Command. The Transportation Command is America's global defense transportation system; it is in charge of moving the nation's military and its equipment wherever it goes in the world. Many of Scott's more than 14,000 military and civilian personnel offer significant resident expertise in logistics and transportation.
- **Regional airports** include Spirit of St. Louis Airport in St. Louis County, St. Louis Downtown Airport in Sauget, Ill., and St. Louis Regional Airport in East Alton, Ill.

Water

St. Louis has 14 active ports and more than 100 docking facilities extending 70 miles along both sides of the Mississippi River in what is known as the Metropolitan Port of St. Louis. These facilities handle more than 31 million tons of goods and materials a year — mostly petroleum, chemicals, and grain.

Six different port authorities administer the Metropolitan Port of St. Louis, which extends from the northern boundary of Madison County, Ill., to the southern boundary of Jefferson County, MO. On the Illinois side are the Kaskaskia Regional Port District, the Southwest Regional Port District, and the Tri-City Regional Port District. On the Missouri side are the Jefferson County Port Authority, the St. Louis County Port Authority, and the City of St. Louis Port Authority.

Foreign Trade Zones

The St. Louis region has two foreign trade zone sites and seven subzone sites located conveniently close to truck, rail, barge, and air access.

Foreign Trade Zone (FTZ) No. 31 is a public/private sector venture operated by the Tri-City Regional Port District in Granite City, Illinois and includes five other general purpose sites with over 6,000 acres including MidAmerica Airport.

Foreign Trade Zone (FTZ) No. 102 is situated next to I-70 near Lambert-St. Louis International Airport. It includes three general purpose sites with over 1,000 acres. FTZ 102 also has four special use subzones.

Distribution Companies

More than 125 companies operate large distribution facilities in Greater St. Louis. They occupy a combined space of more than 10 million square feet and include:

More Than 1 Million Sq. Ft.	More Than 700,000 Sq. Ft.	More Than 300,000 Sq. Ft.	More Than 100,000 Sq. Ft.
Dial Corporation	Hershey Foods	AmPad	Anheuser-Busch
Fresh Warehousing	Jacobson	ALDI USA	Beltservice
Ozburn-Hessey Logistics/ Lanter Distributing	SuperValu	Buske Lines	Coca-Cola
Procter and Gamble		Grey Eagle Distributors	Craftsmen Industries
Spectrum Brands		Madison Warehouse	CWC Inventories
Unilever		Materialogic	Esselte Pendaflex
Worldwide Technology		Rawlings Sporting Goods	Georgia-Pacific
		SYSCO Corporation	Graybar
		Trane Company	Kraft/Capri Sun
		UPS	
		U.S. Foodservice	

Sources: Inbound Logistics magazine, June 2005 and "St. Louis Industrial Overview" Colliers Turley Martin Tucker, July 2009.

Based here are:

- **Graybar**, a Fortune 500 company, the leading North American distributor of high-quality components, equipment, and materials for the electrical and telecommunications industries and a specialist in supply-chain management services.
- **UniGroup Inc.**, which operates Mayflower Transit and United Van Lines among other transportation services.
- **Logistics Management Solutions (LMS)**, which specializes in operating load control centers for companies such as BASG, Monsanto, and Eaton.
- **XTRA Corp.**, a Berkshire Hathaway Co., and a leading global transportation equipment lessor with operations in North American over-the-road and domestic intermodal markets. The company manages a diverse fleet consisting of over-the-road ("OTR") trailers and intermodal equipment, including chassis, intermodal (or "piggyback") trailers.

In addition, **GENCO**, a leading provider of third-party logistics, manages distribution centers of more than 1 million square feet each for Hershey Foods and Unilever in Madison County, Ill.

The St. Louis Regional Chamber & Growth Association (RCGA) is the chamber of commerce and economic development organization for Greater St. Louis, which includes 16 counties in Missouri and Illinois. RCGA markets the St. Louis region nationally and internationally to attract targeted industries to the area. It further spurs economic development by aiding the expansion and startup of companies within the region.

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