



FLORIDA | THE FUTURE IS HERE.

Finding the Right Location for Your Company's Next Logistics/Distribution Center

***IF YOU'RE NOT CONSIDERING FLORIDA** for one of your company's logistics and distribution hubs, you're missing out on a major opportunity to effectively and efficiently service your customers in today's fast-paced distribution environment.*

Consider adding the Sunshine State to your company's short list of options for logistics, distribution, and supply chain, if you haven't already. After all, with the state's 15 major deepwater ports; an extensive highway network; a robust freight rail network; and an I-10 corridor that extends across the entire U.S., the state is convenient to both global and domestic markets. Not to mention, Florida has an extensive multi-modal transportation system allowing companies to move their products literally anywhere in the world.

Florida's Key Advantages

As the third-most populous state in the country—and one that boasts a high volume of year-round visitors as well as a robust business infrastructure—Florida presents a plethora of opportunities for companies that are shipping both within the state itself, and throughout the southeastern region.

A major import-export state and a long-time domestic center for freight distribution, Florida is an economic super-state that boasts the fourth-largest economy in the U.S. The benefits of building a supply chain in the Sunshine State don't end there. Florida also offers a pro-business government, low tax rates, and streamlined regulations, all of which provide a stable economy for shippers across all industries.

Discovering Florida

To help business decision-makers understand Florida's strategic corporate, trade, and supply chain advantages, **Peerless Research Group (PRG)**, on behalf of *Logistics Management*, conducted a survey for **Enterprise Florida, Inc.**, a public-private partnership that serves as the principal economic development organization for the state.

Through this research, PRG studied 161 corporate executives and top logistics managers who are responsible for their organization's usage of freight carriers and shipping services. The research examines how Florida's pivotal location and supporting infrastructure enable organizations' supply chains to easily access important international commercial centers.

Logistics
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Wanted: A Strategic Logistics Location

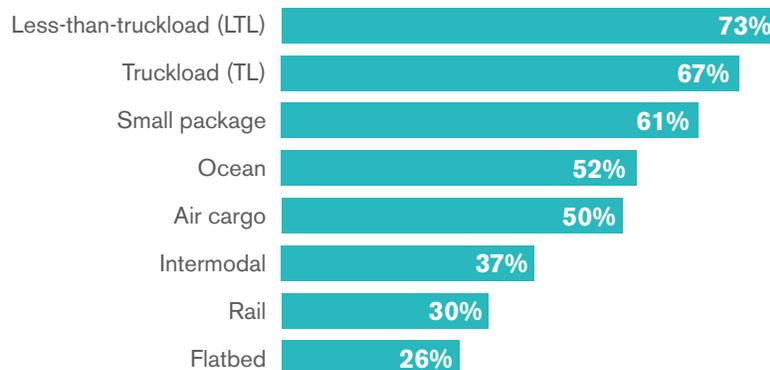
Last year, more than \$147 billion worth of goods flowed through Florida's ports and airports, fueled by the state's strategic location and impressive trade support services. In fact, Florida is home to one in five U.S. exporters. When selecting distribution hubs, most organizations see Florida's geographic position, growing business base, robust transportation infrastructure, large consumer base, and year-round warm climate converging to create a robust logistics and transportation foundation.

"The state's favorable business tax structure, government policies, and competitive costs make planning for future growth easy," one survey respondent pointed out. "Florida consistently ranks among the best states for business, thanks to its pro-business state tax policies, competitive cost of doing business, and streamlined regulatory environment."

Relying on a combination of shipping methods for transporting freight, more than one-half of the organizations surveyed work with providers of trucking (both LTL and TL), ocean, and air services to handle their cargo. (Figure 1)

FIGURE 1

Modes of transportation use for freight shipments



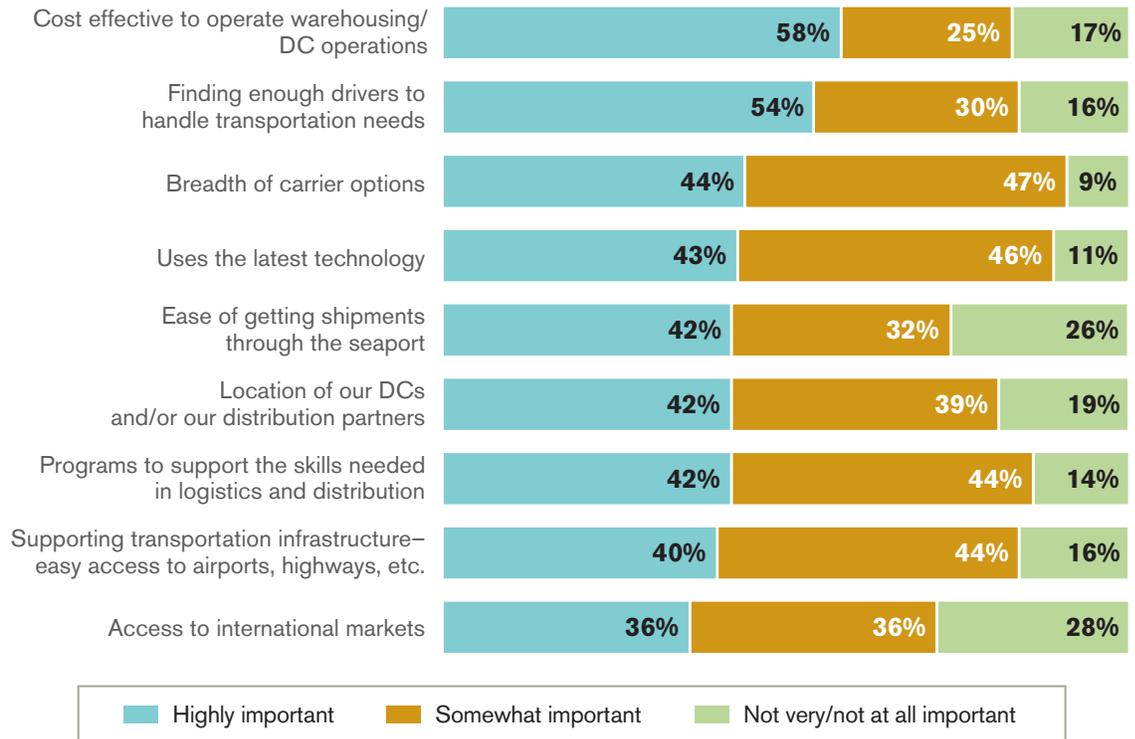
When scouting new locations for their logistics operations, companies look for cost-effective options, enough drivers to handle their transportation needs, and a breadth of carrier choices (Figure 2). They're finding those and other advantages in Florida, where land remains affordable, distribution centers are being built in nearly every corner of the state, and the available workforce is ample.

Other key considerations include the ease of getting shipments through seaports and proximity to distribution partners and customers—both of which are solved by locating distribution operations in the Sunshine State.

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FIGURE 2

Attributes considered important as they relate to freight operations



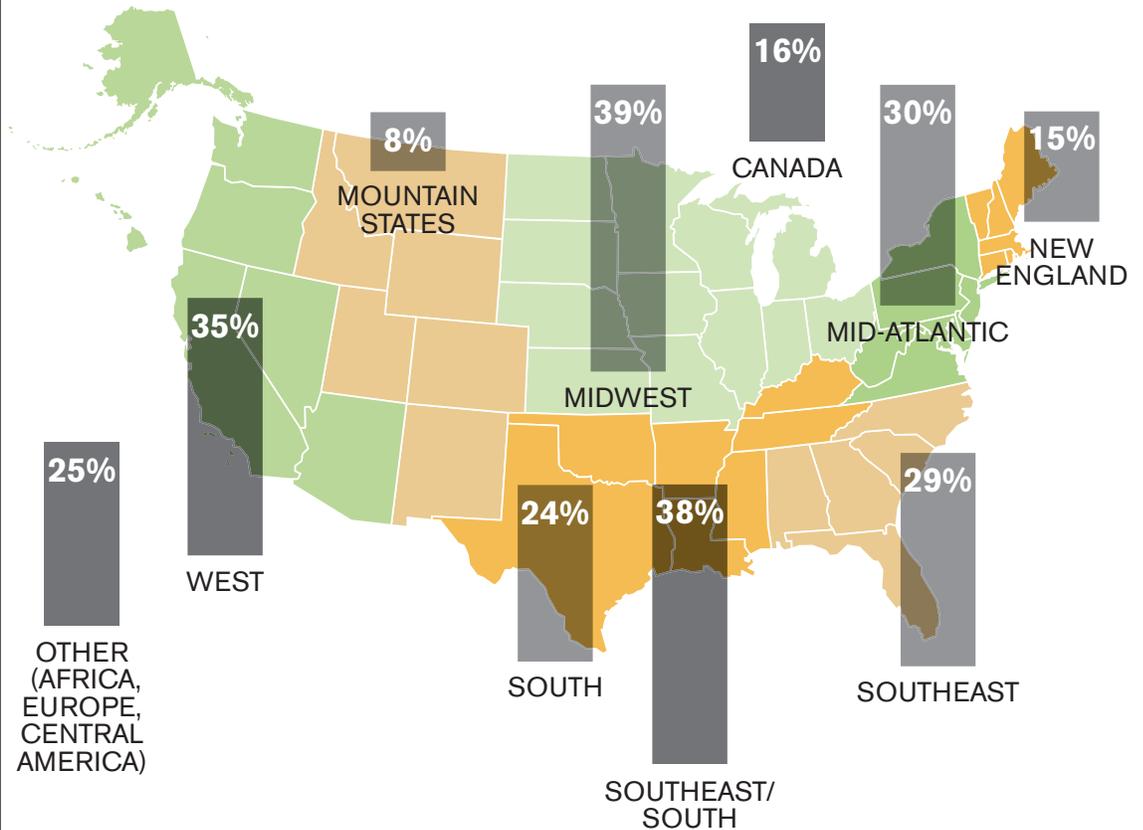
Opportunity Knocks

As a leading international trade center, Florida excels at getting people, products, and services anywhere — fast. Most key global shipping lines and airline alliances, (including specialized cargo operators), third-party logistics firms (3PLs), and value-added logistics providers (VALs) have a presence in Florida. According to the survey, 38% of companies are either already running—or planning to open DCs—in the Southeast/South. Other key locations for such operations include the Midwest (39%) and the West (35%). (Figure 3)

Ranked #1 in the Southeast for business tax climate, Florida is the top state where Americans want to live. With 122,000 miles of highway and 3,000 miles of freight rail tracks, the state ranks high for both total number of airports and total number of enplanements. Its broader wholesale trade, transportation, and logistics industry is home to more than 69,000 companies that employ 705,000 workers.

FIGURE 3

Regions where organizations are running DCs or planning to open DCs within the next two years

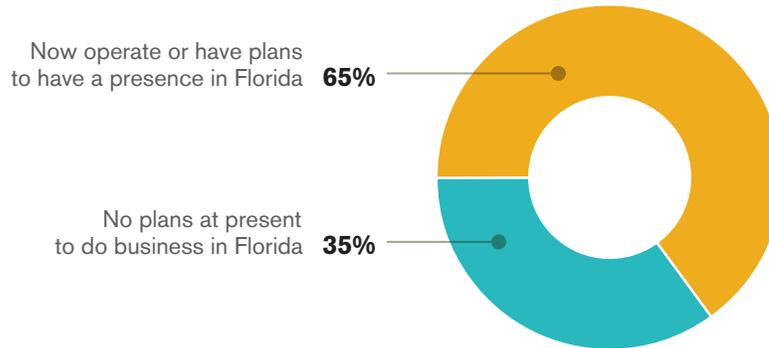


Not surprisingly, business executives recognize the opportunities and competitive edge that Florida delivers. The majority of respondents (65%) say their company maintains corporate offices in the state and rely on Florida-based business partners. They also run DCs and ship cargo through Florida's seaports (i.e. Miami, Ft. Lauderdale, Tampa, Jacksonville, and Port Canaveral). Other firms already have a plan in place to open business operations in the state during the next two years. (Figure 4)

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FIGURE 4

Southeast/Southern-based companies with operations in Florida



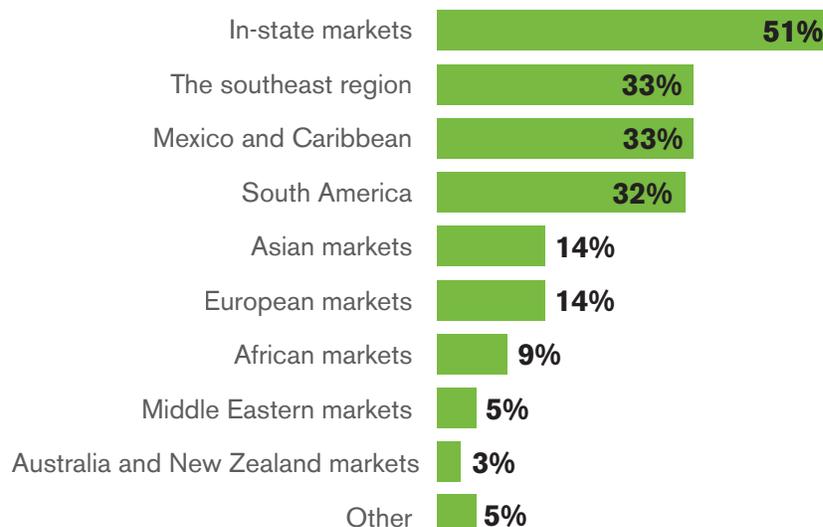
Improving Supply Chain Efficiency

Due to its geographic makeup, Florida presents unique opportunities that are best addressed by situating DCs in the state or aligning with third-party logistics firms that already have robust operations in Florida.

In addition to ports in the Tampa Bay and Space Coast regions, companies are looking at South Florida (44%) and North Florida (39%) as key geographic targets for their warehousing and distribution operations in the state. From those operational centers, companies can serve in-state markets (51%), the Southeast region (33%), Mexico and the Caribbean (33%), and South America (32%). Other key shipping targets for Florida-based logistics hubs include Asia, Europe, and Africa. (Figure 5)

FIGURE 5

Markets servicing/would service by having distribution operations based in Florida



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Robust Seaport Infrastructure

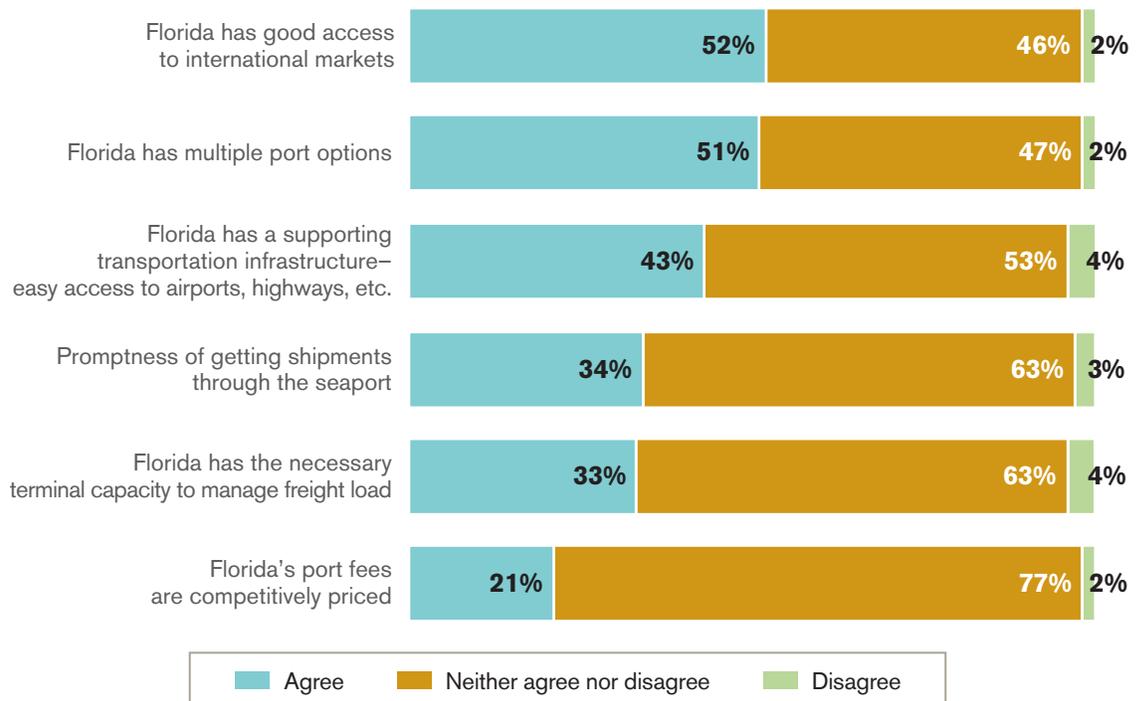
As a business hub, Florida provides direct access to international markets and ample seaport options. Shippers especially like the access to international markets (52%), multiple port options (51%), transportation infrastructure (43%), and expedient movement of ocean shipments (34%). Cumulatively, the state’s 15 deepwater ports provide a robust oceangoing infrastructure for shippers across all industries.

To best position itself as a prime conduit for trade, Florida continues to invest in its seaport and airport infrastructures. More than \$1.4 billion has been invested in the state’s seaports since December 2010, including new cranes at Port Tampa Bay; an intermodal yard at JAXPORT; and terminal expansions and dredging at PortMiami and Port Everglades to handle the larger ships passing through the Panama Canal. Another \$3.3 billion in capital improvements will be made over the next five years.

Florida’s logistics industry is supported by a well-developed infrastructure that spans the state, ranked first in the nation by 24/7 Wall Street. Innovative supply chain and distribution facilities connect the state’s rich multimodal transportation networks and help facilitate the development of strong, connected supply chains. Finally, Florida’s network of roadways and easily-reached airports make the state a practical center for conducting regional, national, and global trade competently, efficiently, and cost-effectively. (Figure 6)

FIGURE 6

Florida’s seaports and infrastructure





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Plant Your Stakes in the Sunshine State

As one of the nation's top states for transportation, Florida offers a wide range of benefits for companies that position their headquarters, corporate locations, logistics operations, and/or DCs in the state. Improved in-state distribution, access to an ample workforce, a direct connection to a huge consumer base, and easy overseas connections are just a few of the key benefits that shippers realize when they locate in the Sunshine State.

"Florida represents the largest population centers for customer shipments for many catalogers. Moving a West Coast company closer to the Midwest or the mid-Atlantic area makes sense based on outbound freight," one survey respondent pointed out. "Florida offers a cost-effective means of port exporting to Central and South America, Mexico, and the Caribbean—and provides good intermodal connections," another respondent noted.

A great location that's not impacted by many of the seasonal weather issues that hamper logistics and transportation operations in many other areas of the country, Florida presents real opportunity for companies that want to establish versatile, flexible logistics hubs to serve their customers. Florida is host to regional and hemispheric headquarters of companies from all over the world, including a vibrant international banking center and a diplomatic hub with a Consular Corps representing 87 countries. Many international firms base other facilities, such as warehousing, distribution, and manufacturing in the state to take advantage of its easy access to global markets. Come and see what Florida has to offer.



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Survey Methodology

This study was conducted by Peerless Research Group on behalf of Logistics Management for Enterprise Florida, Inc. (EFI). The research was executed in May of 2018, and was administered over the Internet among subscribers to Logistics Management magazine. Respondents were prequalified for being involved in decisions regarding the usage of freight carriers and shipping services for either their company or for those with whom they consult. Results of this research are based on information provided by 161 executives who are mostly top corporate executives (34%), logistics or distribution managers (22%), purchasing managers (8%), supply chain managers (7%), and operations managers (7%). Roughly one-third of respondents are employed in manufacturing (32%), consulting or supply chain management (13%), transportation or carriers (11%), 3PLs (10%), wholesalers (10%), and retailers (6%). This research encompasses businesses of all sizes.

About Enterprise Florida

Enterprise Florida, Inc. (EFI) is a public-private partnership serving as the principal economic development organization for the state. EFI's mission is to expand and diversify the state's economy through job creation. In pursuit of its mission, EFI works closely with a statewide network of economic development partners. Discover what a future in Florida means for your business at floridathefutureishere.com/access.



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