

Distribution & Logistics



How the Hub City Connects the Southeast

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Executive Summary

Historically, because of our strategic location, the Greater Hattiesburg Area has been referred to as the "Hub City." This name evolved due to the road and rail network connecting Hattiesburg to Gulfport/Biloxi, Jackson, Mobile, and New Orleans. As the local universities grew and students sought out the beach and the French Quarter, the name evolved into the "Ninety-Minute City."

Today, the Hub City has flourished into a thriving metropolitan area, with three counties and eight municipalities, and remains a region prime for distribution of goods to not only the Gulf South, but also the Southeastern United States. According to the U.S. Census Bureau's Economic Census, in 2002 there was an estimated one hundred and two establishments in transportation & warehousing within the area.¹ An unsurpassed location, low operations cost, and comparable state and local incentives, allow our existing distribution and logistics firms to maintain a competitive advantage while creating a desirable location for new industry. Furthermore, future infrastructure planning insures the Greater Hattiesburg Area will maintain its logistics advantages.

With Gainesville, GA, to Houston, TX located within a one-day drive, the Greater Hattiesburg Area is the center of the Gulf South. In fact, the Hub City is located within an eight hour drive of forty-five Metropolitan Statistical Areas (MSA's), reaching as far north as Nashville, TN and as far south as Tallahassee, FL. This region has an urban population alone that exceeds twenty-five million people and is forecasted to reach nearly thirty million by 2012.² Within these economic centers are located ninety-five corporate offices of the largest one thousand companies, according to CNN Money.³

Providing road access to these neighboring metros, The Greater Hattiesburg Area is served by three main ground transportation corridors. U. S. Highway 49, U. S. Highway 98, and Interstate 59 provide timely access to Interstate 10, Interstate 20, Interstate 55, Interstate 65, and U. S Highway 84 - El Camino Corridor. All of these vital transportation arteries are supported by a legal gross load of eighty thousand pounds within the State of Mississippi.⁴ To maintain the areas logistical advantages, spring of 2007 began a lobbying campaign for federal funding to assist with the design and construction of a western beltway that will allow through traffic to bypass U. S. Highway 49, U. S. Highway 98, and Interstate 59 within the city limits. The estimated cost of this project exceeds one hundred and thirty million

¹ U.S. Census Bureau. MSA Business Patterns.

² Claritas.

³ Fortune 500.

⁴ Mississippi Department of Transportation.

dollars and will present significant cost and time savings for the transportation industry.

In addition to physical infrastructure, The Greater Hattiesburg Area is served by nine third party, multi-terminal ground transportation firms and numerous independent firms, and our distinctive location allows for quick access to three United States Ports of Entry. Local industries shipping or receiving international goods can choose from ports located at Gulfport/Biloxi, Mobile, and New Orleans to minimize logistics cost while choosing a port that offers the level of desired service. Furthermore, the availability of multiple ports ensures business will flow smoothly regardless of conditions at one location.

Goods coming into these ports can flow to Hattiesburg by both rail and road. The Region is served by three Class 1 rail lines operating at four area industrial parks. Canadian National, Kansas City Southern, and Norfolk Southern all serve the Greater Hattiesburg Area. These rail giants connect our area to the continent while maintaining competitive rates and high levels of service. Furthermore, to increase rail service and decrease transit times, Norfolk Southern recently introduced plans for the "Crescent Corridor." This route connecting New Orleans to the Northeast is slated to bring substantial enhancements to the rail lines in the Greater Hattiesburg Area⁵.

The ADP and our allies understand that successful industry breeds successful communities. Furthermore, maintaining low operations cost is vital to remaining competitive. For that reason, this region has diligently strived to maintain low utility rates, affordable insurance, and a skilled workforce with very competitive wages, all in addition to low property tax rates and a comprehensive state incentive package.

The regions geographic area and public safety infrastructure and personnel provide an environment favorable to industries as well as property and casualty agencies. Furthermore, although the region is quickly accessible to the entire Gulf South, none of the counties within the metro area are located within the insurance wind pool or "hurricane zone". It is for that reason that the American Red Cross selected the area for its Regional Disaster Operations Center in 2006, a distribution center responsible for providing emergency supplies to a multi-state region.

According to The Mississippi Department of Employment Security Commission's 2006 annual average, the civilian workforce in the Hattiesburg

⁵ McClellan, Mike.

MSA is over sixty-five thousand with an average unemployment rate of five percent.⁶ In addition, the areas employment base draws from a much larger geographic area than the MSA's base population of nearly one hundred and forty thousand. The U. S. Census reported in 2000 that there are nearly ten thousand commuters into the Hattiesburg MSA.⁷ Furthermore, excluded from most demographics, college student play a significant role in the areas labor force. With over twenty-five thousand college student in the region, they fill a large number of service oriented jobs. Their impact in the service sector transcends our entire labor market by greatly reducing competition for career oriented employees.

Today's economy demands that employees be both skilled and trainable. In our region, workforce training is charged to Jones County Junior College (JCJC) and Pearl River Community College (PRCC). PRCC serves Forrest and Lamar Counties and JCJC serves Perry County. Both institutions offer fully customized job training for applied manufacturing and information technology for new and existing industry. From safety training to computer software, our Advanced Technology Centers can develop a training program that meets industry needs. This training can be preformed onsite, at PRCC's Advanced Technology Center located within the Forrest County Industrial Park, or at JCJC's Advanced Technology Center located at within the Howard Technology Park in Ellisville.

In addition to a skilled workforce, area industries benefit from extremely competitive wages. In fact, in occupations most affected by the distribution and logistics sector, wages are below the national and state wage levels. This allows our existing industry to maintain a competitive edge.

The Greater Hattiesburg Area has historically had much to offer the distribution and logistic sectors, and that tradition is still maintained today. According to Forbes "Best Places for Small Business," the Hattiesburg MSA was ranked in the top 60 locations.⁸ That, combined with a superior location, methodically planned infrastructure, and low operations cost, makes it easy to understand why over one hundred transportation and warehousing firms have located in the area. The ability to serve forty-five metropolitan areas, with ninety-five Fortune 500 companies within one-day makes us *Your Complete Package* for distribution and logistics in not only the Gulf South, but the entire Southeast.⁹

⁶ Mississippi Department of Employment Security.

⁷ U.S. Census Bureau. Residence County to Workplace County Flows for Mississippi.

⁸ Forbes.com.

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