



Phase I: A Plan for Indiana's Logistics Future

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Executive Summary

- The Conexus Indiana Logistics Council Executive Committee (LCEC) is a forum of 36 logistics executives and thought leaders from throughout Indiana representing the following logistics sectors – air; infrastructure; rail; trucking; warehousing/distribution; waterborne; advanced manufacturing and service firms. Logistics users are manufacturers; distributors/warehousing; and third party providers.
- LCEC is working to:
 - Enhance the environment for companies in advance manufacturing and logistics to grow their business, taking advantage of Indiana’s position at the heart of the global supply chain;
 - Create a more attractive environment for manufacturing and logistics companies to relocate to or expand in Indiana, thereby creating jobs and increasing state and local revenue; and
 - Create high paying jobs for Hoosiers: the average wage of Indiana manufacturing and logistics jobs is more than 33% higher than the state’s median income.

Logistics Council Executive Committee



YOUR SINGLE SOURCE PARTNER IN TECHNOLOGY DEPLOYMENT



LCEC Members

- Mark Howell, President of Brightpoint Americas in Plainfield, Chair
- Noah Sodrel, President & CEO of Sodrel Truck Lines in Jeffersonville, Vice Chair
- Dave Adams, COO for Schneider Corporation in Indianapolis
- Tim Almack, Partner for Katz, Sapper & Miller in Indianapolis
- Jim Birge, Partner for Baker & Daniels in Indianapolis
- Scott Brown, Partner for Katz, Sapper & Miller in Indianapolis
- Barry Cox, President & COO of the Cox Group in Mt. Vernon
- Mark DeFabis, President & CEO of Integrated Distribution Services in Plainfield
- Chip Edgington, Executive VP of Operations for Red Cats USA in Indianapolis
- Dennis Faulkenberg, President & CEO of Appian in Indianapolis
- Reggie Henderson, President-Automotive Division for Telamon Corp. in Carmel
- Tom Hoback, President & CEO of the Indiana Rail Road Company in Indianapolis
- Paul James, President of Hiner Logistics in Huntington
- Kevin Kelly, President of Walsh & Kelly in South Bend
- Andre Lacy, Chairman of LDI in Indianapolis
- Henry Lampe, President Chicago SouthShore & South Bend Railroad in Michigan City
- Cathy Langham, President of Langham Logistics in Indianapolis
- Keith Lochmueller, Chairman & CEO of Bernardin, Lochmueller & Associates in Evansville
- Ramon Loucks, President of H&B Specialties in Portland
- Chris Matney, Air Service Director for Indianapolis Airport Authority in Indianapolis
- Don Miller, President of Mt. Vernon Barge Service in Mt. Vernon
- Craig Newlin, President of Ryki Logistics in Indianapolis
- Bob Palmer, Vice President for AGFS-Central with FedEx Corporation in Indianapolis
- Bruce Payton, Airport Director of Monroe County Airport in Bloomington
- Charlie Podell, Senior VP for Duke Realty Corporation in Indianapolis
- Dawn Replogle, Vice President of URS Corporation
- Nathan Sanders, Regional VP for OHL in Plainfield
- Mark Sell, Principal of MD Logistics in Plainfield
- Bridget Shuel-Walker, President & CEO of HP Products in Indianapolis
- Steve Spaulding, VP-Engine Business Purchasing Unit & Supply Chain for Cummins in Columbus
- Kerry Stemler, President of KM Stemler General Contractors in New Albany
- Jeff Wagoner, Manager Regional Development for CSX Transportation in Indianapolis
- David Witzerman, President of Wheaton World Wide Moving in Indianapolis
- Doug Williams, President of Venture Logistics in Indianapolis
- Dan Zuerner, Director, Client Services Group for Garmong Construction Services in Terre Haute
- Brian Zurawski, Principal of Summit Realty Group in Indianapolis

“Crossroads of America”

Economic Impact:

- \$9.837 trillion or 3.9% of Indiana’s 2008 GDP
- Employs approximately 310,000 people in Indiana

Indiana’s Infrastructure:

- 1st in Interstate Access with 14 Interstate Highways
- 1st in pass-through interstates
- 12th in interstate highway miles
- 9th in rail miles with 4,446 miles
- 4 Intermodal Rail Facilities
- 2nd largest FedEx hub in the world
- Strong network of airport facilities
- 4 of the top 125 cargo airports serving Indiana (wait for Laura’s changes)
- 3 Public Ports
 - 2 on the Ohio River
 - 1 on Lake Michigan

Indiana’s Advantages:

- 75% of U.S. & Canadian Populations within a Day’s Truck Drive
- Indiana has a trade surplus
- Leader in exports/imports of important commodities (coal, iron/steel products, grains, food products, scrap metals, etc.)



Indiana's Needs

Limitations:

- Transportation “bottlenecks”
- Lack of direct rail service
- Underutilized air facilities with little international freight movement
- Lack of efficient mode-to-mode connectivity (e.g. road to rail, road to water, road to air, rail to water)
- Decaying locks infrastructure
- Lack of dredging that prohibits barges/ships to maximize capacity

Impact of Inaction:

- Increased costs
- Potential environmental impacts
- Inefficient freight movement
- Loss of productivity for Indiana's businesses
- Decreased safety

Mission and Objectives

Mission:

- The mission of LCEC is to work with a sense of urgency to strengthen the logistics sector in Indiana by identifying and acting on concrete opportunities for enhancement, which better positions the State to grow existing business, attract new business, and thereby create new jobs.

Objectives:

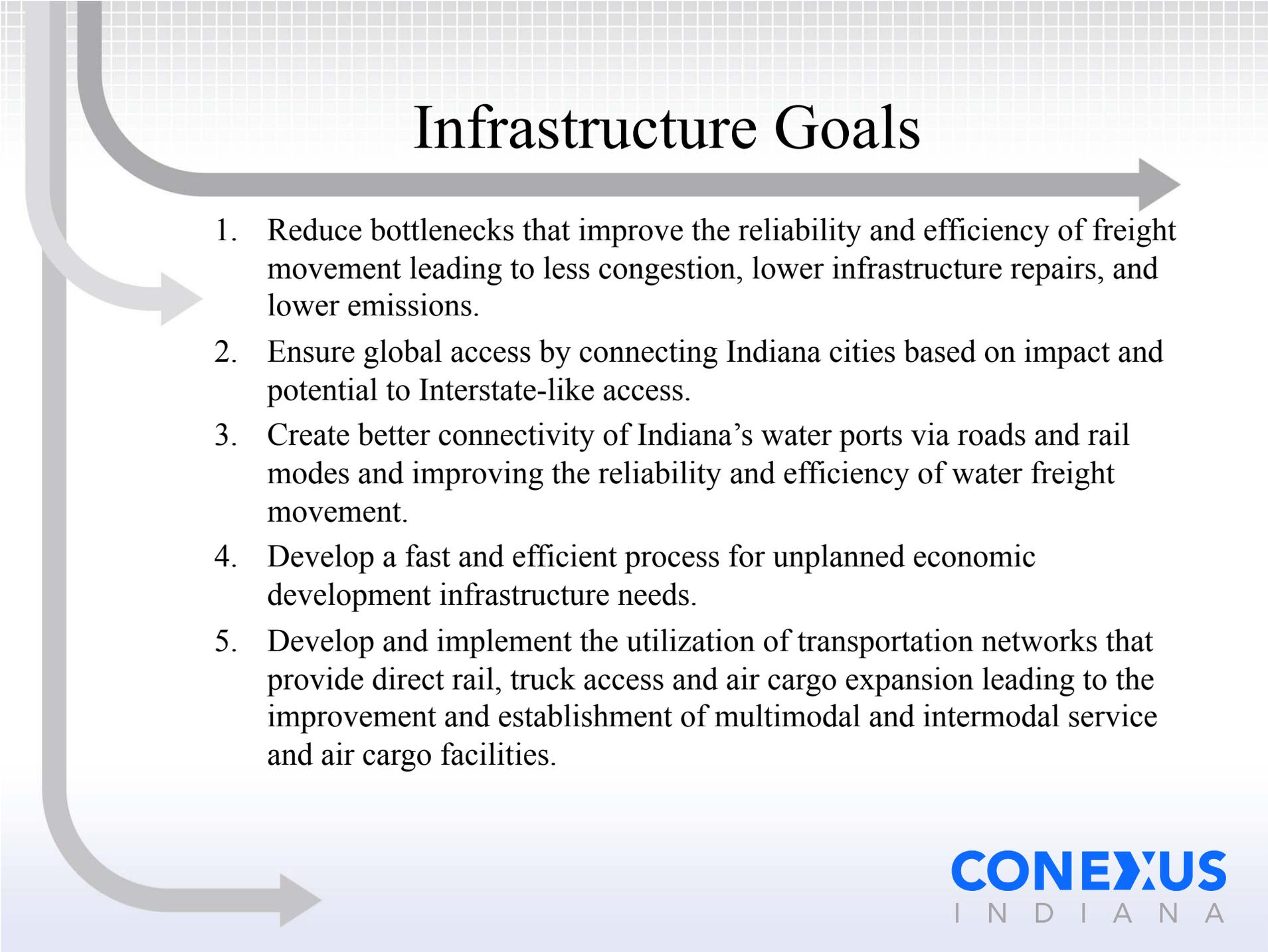
1. Executive Forum: Provide a forum for logistics executives to discuss issues affecting the industry;
2. Infrastructure: Develop a comprehensive plan to strengthen our public and private logistics infrastructure;
3. Public Awareness: Develop paid and earned media to promote the sector;
4. Public Policy: Identify state and federal public policy areas that impact the logistics industry and work with state and federal thought leaders from government, academic, and associations to enhance the sector;
5. Workforce Development: Develop and implement strategies to build the human capital needed to support the growing demand for logistics services through innovative workforce programs.

Logistics Strategies



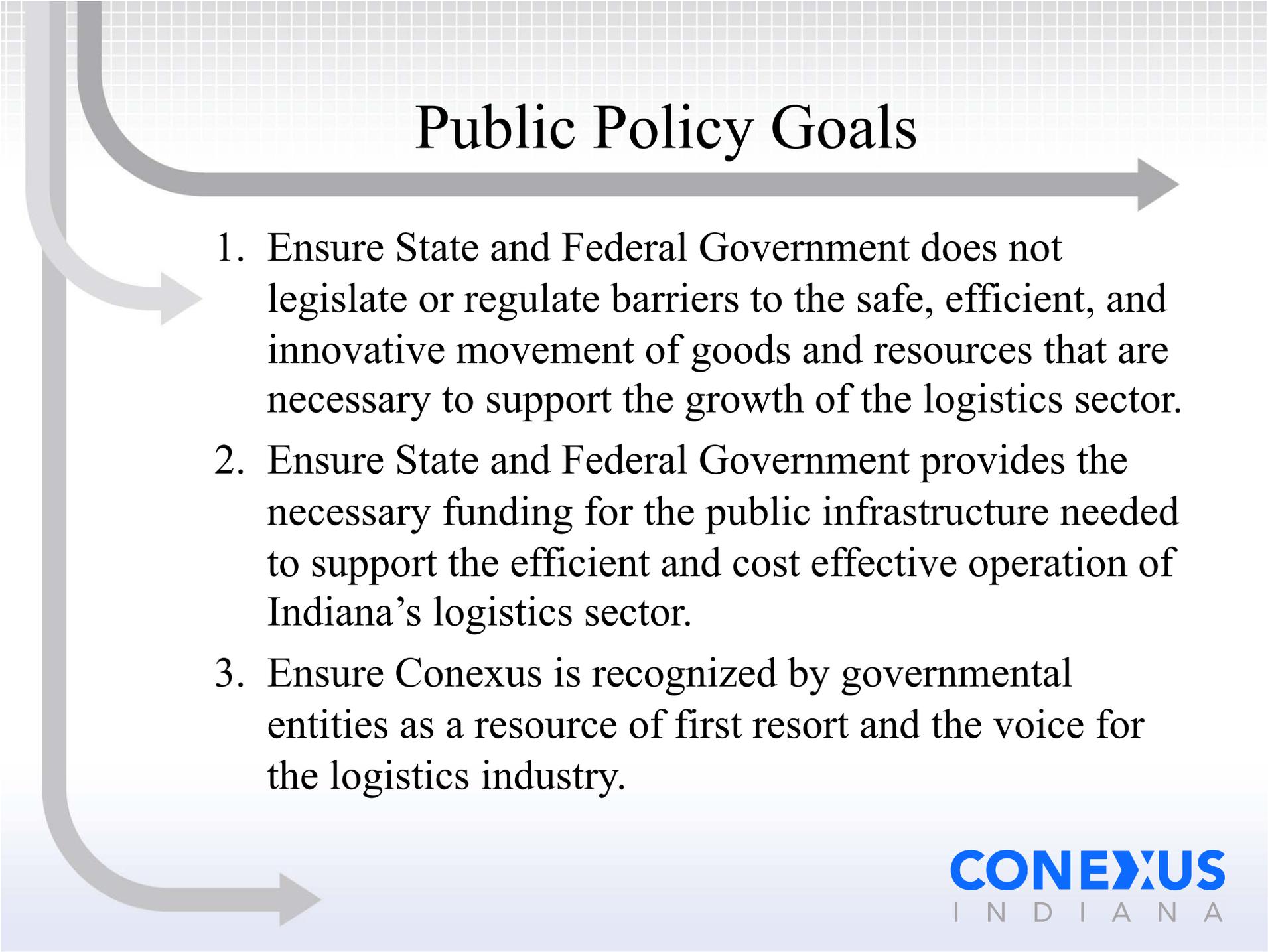
- Increase the flow of goods originating, terminating, and adding value within the State of Indiana over the next three years, thereby, creating an increase of net new jobs and growing the logistics sector.
- Provide a broad-based forum, consisting of statewide business executives throughout the logistics industry, for collectively vetting critical relevant logistics public policy issues of commonality, therefore optimizing the business climate.
- Strengthen and grow the logistics qualified workforce by creating portable skills curricula leading to academic degrees/certifications that will increase the pipeline of qualified workers over the next three years.
- Increase the public's awareness of the importance of the logistics industry on the State of Indiana's economy.

Infrastructure Goals



1. Reduce bottlenecks that improve the reliability and efficiency of freight movement leading to less congestion, lower infrastructure repairs, and lower emissions.
2. Ensure global access by connecting Indiana cities based on impact and potential to Interstate-like access.
3. Create better connectivity of Indiana's water ports via roads and rail modes and improving the reliability and efficiency of water freight movement.
4. Develop a fast and efficient process for unplanned economic development infrastructure needs.
5. Develop and implement the utilization of transportation networks that provide direct rail, truck access and air cargo expansion leading to the improvement and establishment of multimodal and intermodal service and air cargo facilities.

Public Policy Goals

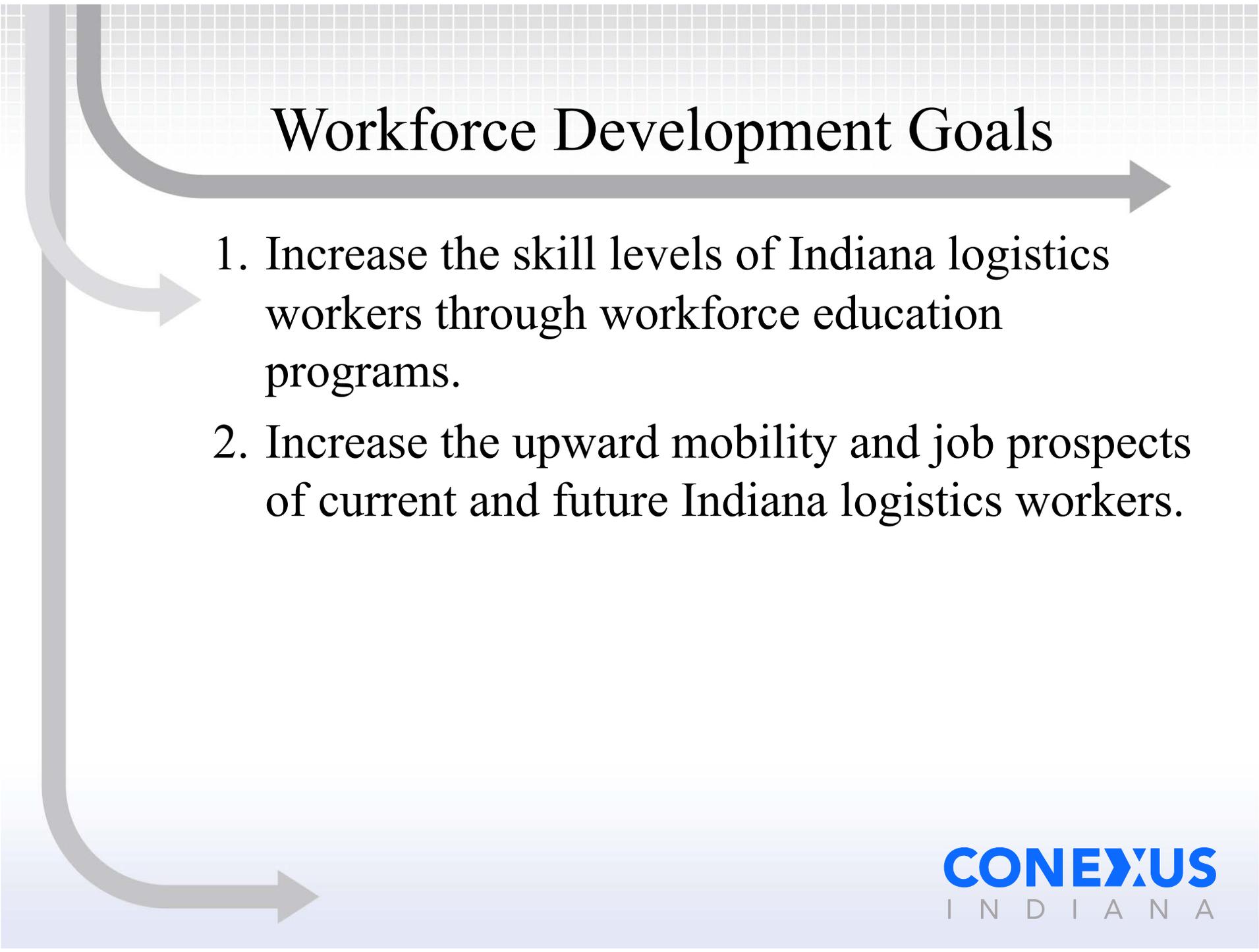


1. Ensure State and Federal Government does not legislate or regulate barriers to the safe, efficient, and innovative movement of goods and resources that are necessary to support the growth of the logistics sector.
2. Ensure State and Federal Government provides the necessary funding for the public infrastructure needed to support the efficient and cost effective operation of Indiana's logistics sector.
3. Ensure Conexus is recognized by governmental entities as a resource of first resort and the voice for the logistics industry.

Public Awareness Goals

1. Develop brand awareness of Conexus Indiana.
2. Create general public understanding of logistics by ensuring that the population has a basic understanding of logistics.
3. Increase the perception of the need to improve/expand Indiana's infrastructure.
4. Highlight Indiana's logistics companies by bringing awareness to their products and services.
5. Increase the public's understanding of the positive impacts of global trade on Indiana's economy and jobs.

Workforce Development Goals



1. Increase the skill levels of Indiana logistics workers through workforce education programs.
2. Increase the upward mobility and job prospects of current and future Indiana logistics workers.

Key Go-Gets

Infrastructure:

1. 2 or 3 large intermodal/multimodal facilities for Indiana (In Process)
2. Construction and redesign of key locks (In Process)
3. Plan to attract air freight business to Indiana (Meetings in April)
4. Completion of key infrastructure projects in bottleneck regions (Ongoing)
5. Identify and create a plan to improve/provide infrastructure-like access to regions/cities with limited access based on impact and potential (Meetings in April)

Public Policy:

1. Develop a public policy package to be provided to the Governor and General Assembly representing the needs of the logistics industry (Meetings in May)
2. Become a resource to public and private sectors (Ongoing)

Workforce Development:

1. Identify logistics job skills gap areas (Complete)
2. Work with postsecondary education to develop curriculum for portable logistics curriculum (In Process)
3. Identify a company that will create a logistics on-line educational program using new curriculum leading to portable credential (After Completion of #2 Above)

Other Items in the Plan

- Advanced Manufacturing and Logistics Skills Template
- Logistics Market Analysis
- Indiana's Transportation Mode's Strength, Weaknesses, Opportunities, and Threats (SWOT) Analysis
- Current Financing for all Transportation Modes

Phase II

Phase II of the Strategic Plan:

- Public Policy Package to the Governor, General Assembly, and Congressional Delegation
- Recommend ways to Improve the Financing Mechanisms for Infrastructure
- Long-term Goals and Tactics



Questions & Answers?

For more information, please contact David Holt, Vice President of Operations and Business Development, at (317) 638-2108, dholt@conexusindiana.com, or visit **ConexusIndiana.com**

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