



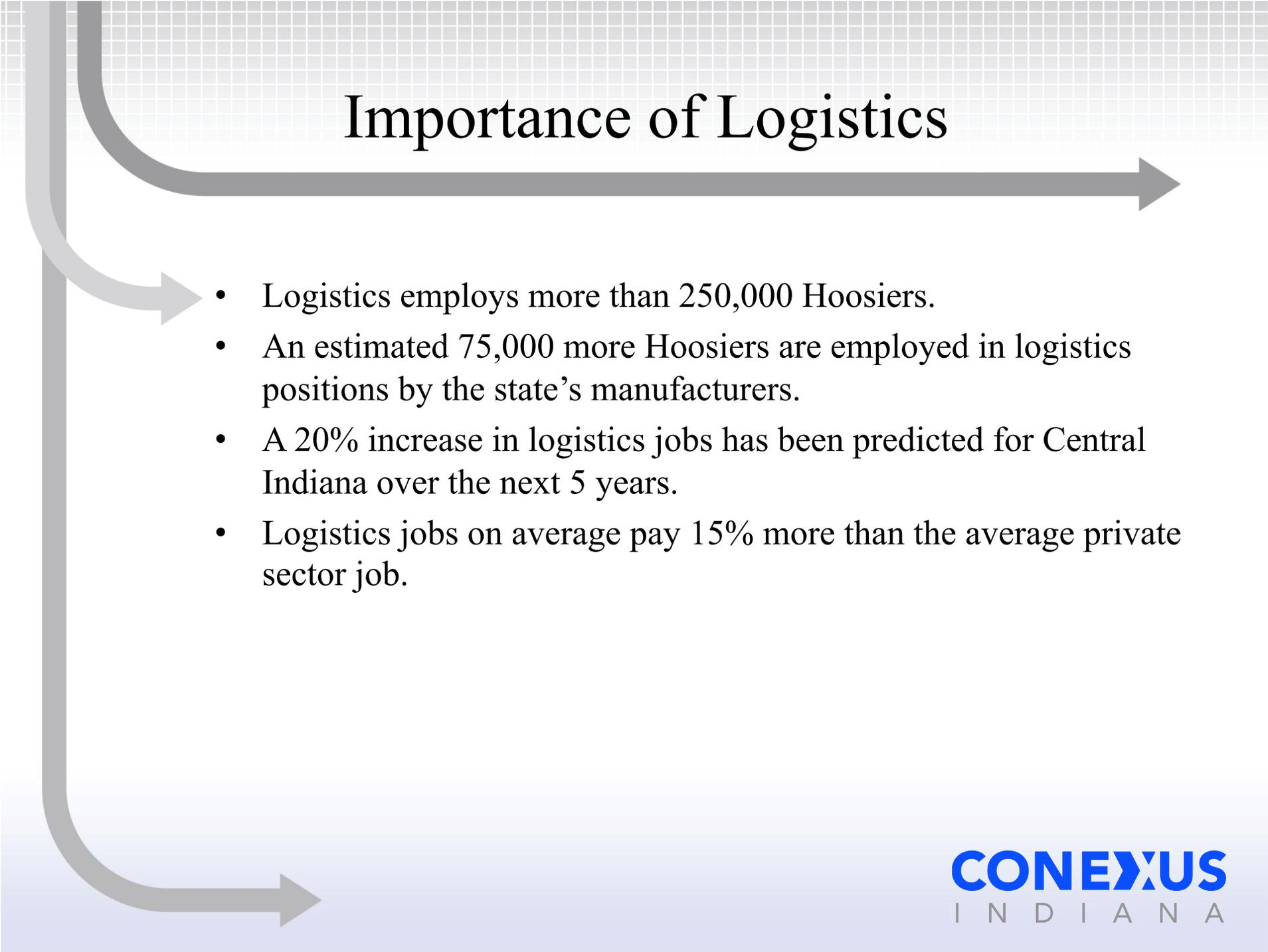
**2012 Mid America Freight Coalition
Annual Meeting
April 18, 2012**

**Phase I: A Plan for Indiana's Logistics
Future**

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Importance of Logistics



- Logistics employs more than 250,000 Hoosiers.
- An estimated 75,000 more Hoosiers are employed in logistics positions by the state's manufacturers.
- A 20% increase in logistics jobs has been predicted for Central Indiana over the next 5 years.
- Logistics jobs on average pay 15% more than the average private sector job.

“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.)



Executive Summary

- The Conexus Indiana Logistics Council (LC) is a forum of 45 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.
- LC 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

- Chaired by Chip Edgington, Executive Vice President of Redcats
- Five Task Force Groups
 - **Infrastructure** – Chaired by Torrance Richardson, Ex. Director of Fort Wayne-Allen County Airport Authority in Fort Wayne
 - **Public Awareness** – Chaired by J. Mark Howell, President of Brightpoint Americas, Inc. in Plainfield
 - **Public Policy** – Chaired by Don Miller, Jr., President of Mt. Vernon Barge Service in Mount Vernon
 - **Recruitment** – Chaired by Cathy Langham, President of Langham Logistics
 - **Workforce Development** – Chaired by Chip Edgington, Executive Vice President of Redcats in Indianapolis
- 45 Members from around the State

Logistics Council Members



Appian



HOLLADAY PROPERTIES



REDCATS

SUMMIT REALTY GROUP



IDS

LANGHAM

ICEMILLER LLP
LEGAL COUNSEL



KM STEMLER
GENERAL CONTRACTORS

FedEx

CANAL BARGE



SODREL
TRUCK LINES INC.

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

FORT WAYNE INTERNATIONAL AIRPORT SMITH FIELD AIRPORT

KATZ, SAPPER & MILLER
Certified Public Accountants



BRIGHTPOINT

Bounce Logistics



HP Products



ICEMILLER LLP
LEGAL COUNSEL



Walsh & Kelly Inc.
YOUR SINGLE SOURCE PARTNER IN TECHNOLOGY DEPLOYMENT

telamon



Indianapolis Airport Authority

URS



BERNARDIN-LOCHMUELLER & ASSOCIATES, INC.



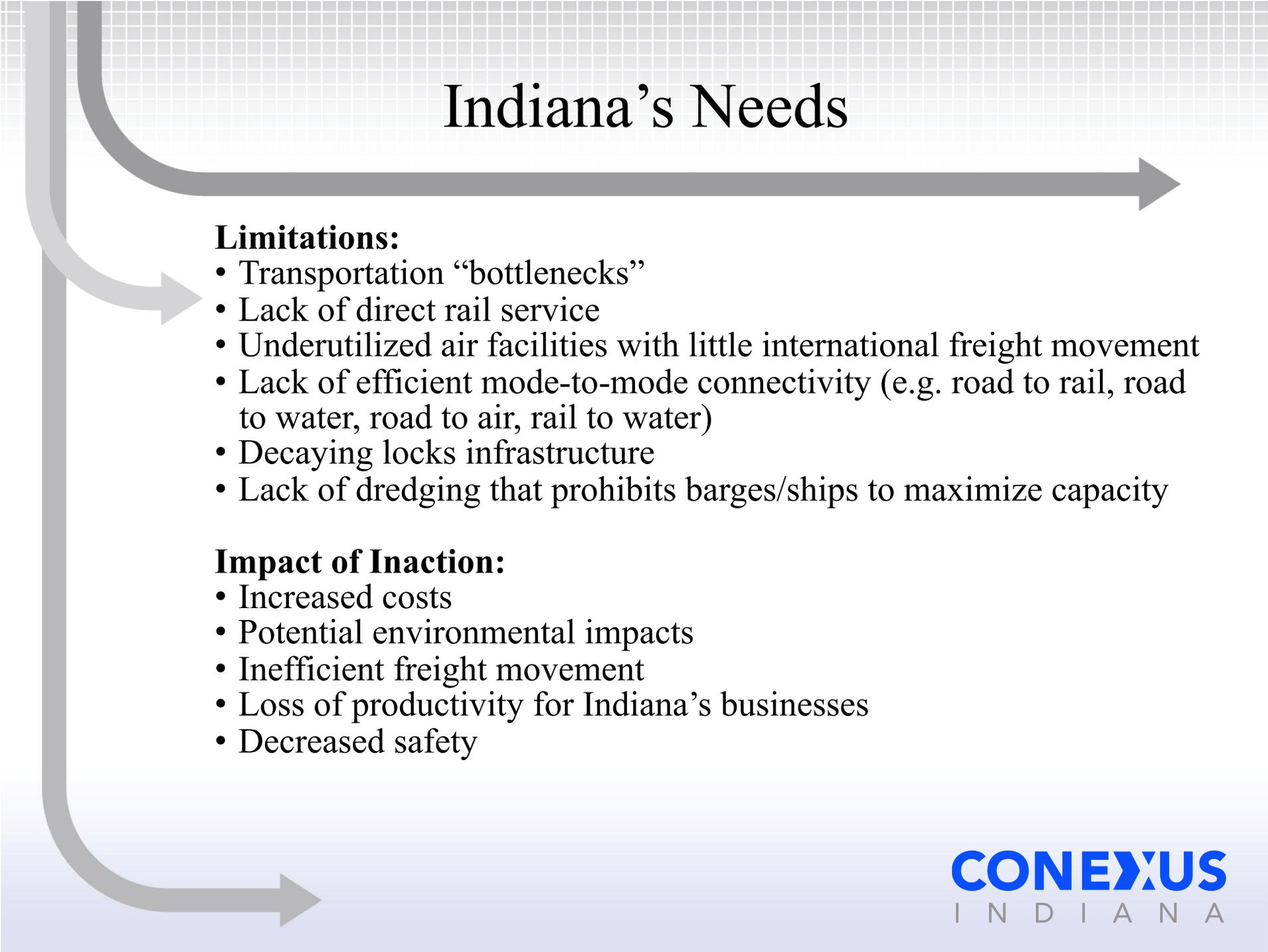
Allison Transmission



Backhaul Direct

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INDIANA

Indiana's Needs



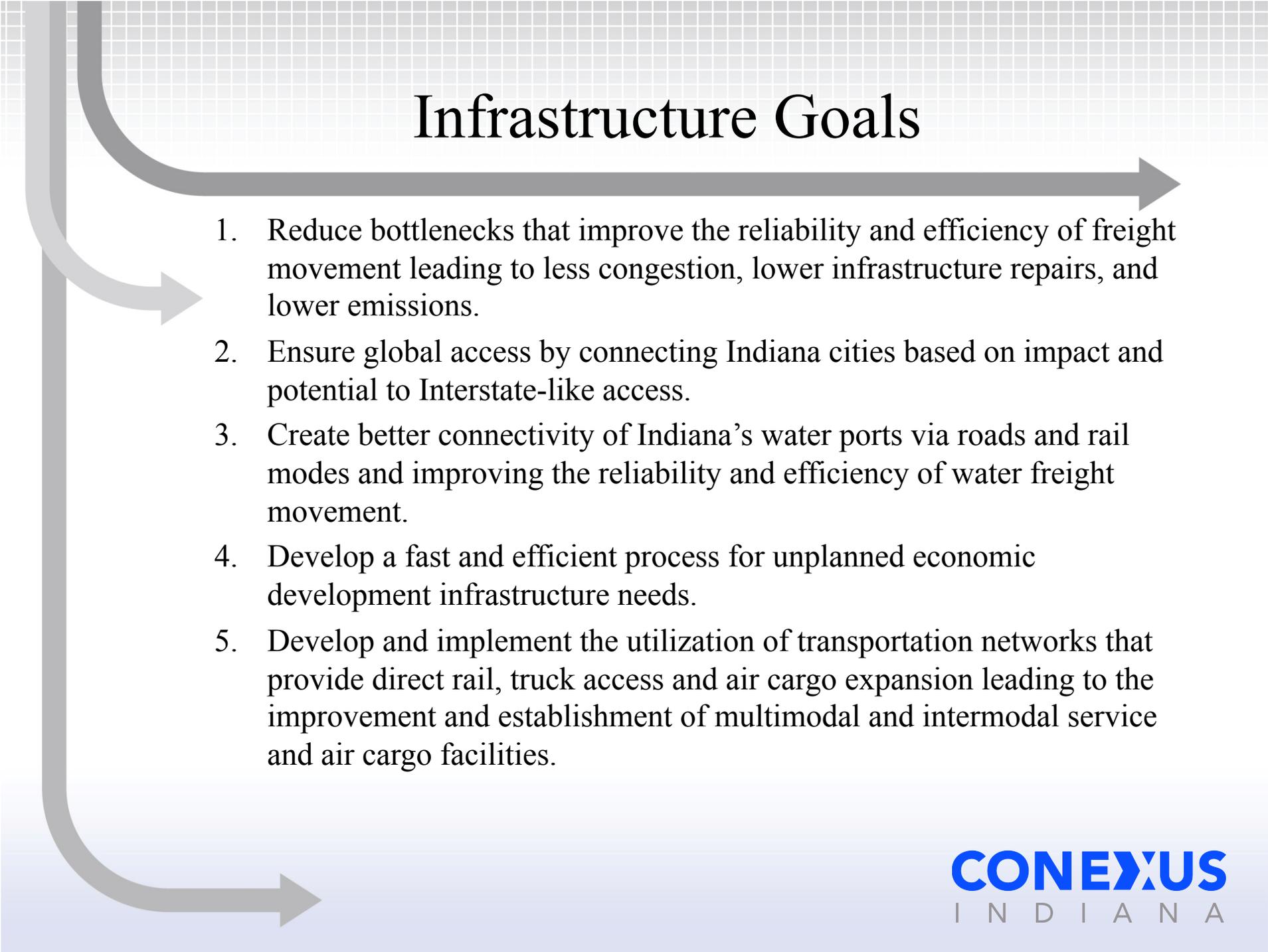
Limitations:

- 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

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.

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 (In Process)
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 (Completed)

Public Policy:

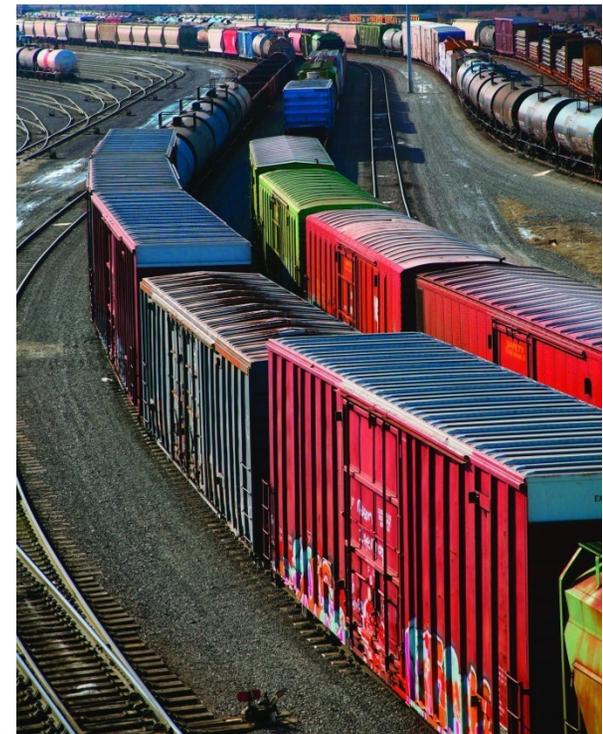
1. Develop a public policy package to be provided to the Governor and General Assembly representing the needs of the logistics industry (In Process)
2. Become a resource to public and private sectors (Ongoing)

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)

Intermodal Rail Sites

- **Avon Yard**
 - Working with CSX, Ports of Indiana and the State of Indiana
 - Capacity increased to 150,000 lifts per year
 - Estimated cost of \$18 million
- **Fort Wayne**
 - Working with CN, RailAmerica and TransPoint
 - Capacity of approximately 90,000-100,000 lifts per year
 - Estimated cost of \$20 million
- **Evansville**
 - Working with CSX and Evansville community leaders
- **La Porte**
 - On hold due to current economic climate
 - Working with Northwest community leaders



Air Cargo Plan

Overview

- Airports Involved – Gary, South Bend, Fort Wayne, Grissom, Indianapolis, Terre Haute, Evansville, and Louisville
- Study – Volume Levels
- Example – Roche Diagnostics Flights to Luxembourg in Europe

Outcomes

- Increase Indiana's global reach and accessibility
- New attraction for businesses to locate and grow in Indiana
- Increased economic activity for current Hoosier companies
- Lower costs



Phase II

Phase II of the Strategic Plan:

- Public Policy Package to the Governor, General Assembly, and Congressional Delegation
- Calculate Costs for Implementation Tactics in Phase I
- 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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