

LOGISTICS



GATEWAY TO THE WORLD



GLOBAL ACCESS

The seamless connection of Georgia's logistics infrastructure offers businesses a significant competitive advantage. When companies choose Georgia, they can rely on a solid foundation of air, land and sea transportation that sustains business growth in an increasingly globalized economy.

Logistics giants such as Delta Air Lines, United Parcel Service (UPS), SAIA and Manhattan Associates are headquartered in Georgia, as well as internationally-recognized brands like The Home Depot, The Coca-Cola Company and Gulfstream Aerospace Corporation.

WHY GEORGIA?

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Business-Friendly Climate with Competitive Corporate Tax Structure and Incentives

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Top-Ranked Talent and Free, Customized Workforce Training



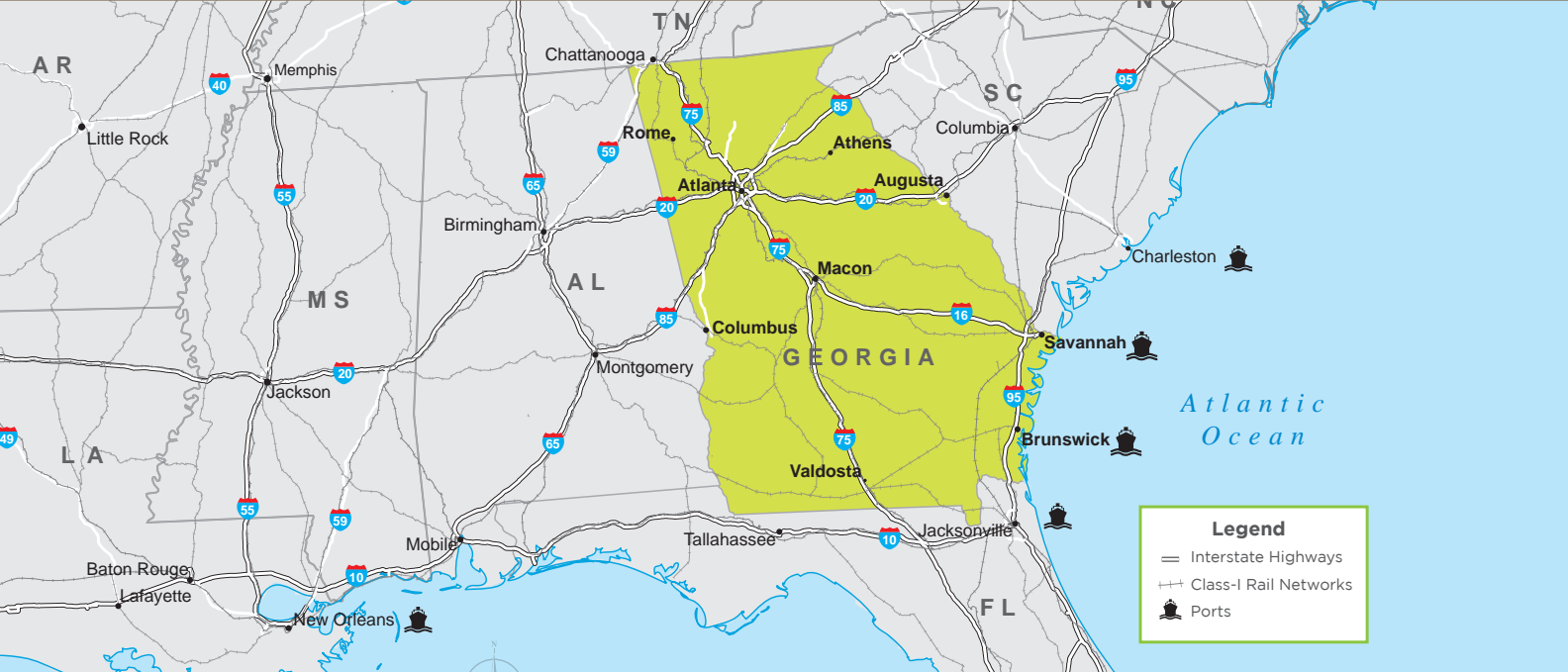
THE HOME DEPOT

Georgia is our home state and very important to The Home Depot. Approximately 20 percent of our imports enter through the Port of Savannah and we leverage that asset every day to bring product to our customers as efficiently as possible."

Mark Hollifield, Executive Vice President, Supply Chain & Product Development The Home Depot



GEORGIA'S PORTS SUPPORT MORE THAN 352,000 JOBS ACROSS THE STATE PROVIDING \$18.5 BILLION IN INCOME.



NORDIC

FACILITY: 10 million cubic feet of convertible temperature-controlled storage space, potential of 262 jobs

“We selected Savannah as our expansion site because of the strength of Georgia’s logistics assets. The proximity of the fourth-largest and fastest growing port in the country and the easy-to-access and extensive highway system are unparalleled in providing national access. Not to mention how seamless the state and local resources made the expansion, including the Savannah Economic Development Authority (SEDA), the Georgia Department of Economic Development (GDEC), the Georgia Ports Authority (GPA), Quick Start, Savannah Technical College and all of the other local city and community officials involved.”

*Ross Maple, Director of Business Strategy
Nordic Cold Storage*

**GEORGIA IS THE #1 STATE TO CONDUCT BUSINESS (SITE SELECTION)
AND A LEADING STATE FOR INFRASTRUCTURE
AND ACCESS TO GLOBAL MARKETS (AREA DEVELOPMENT)**

GEORGIA'S LOGISTICS ECOSYSTEM

Georgia offers a premier location for logistical support and infrastructure. According to Area Development magazine, site selection consultants named Georgia 2nd in the U.S. for infrastructure and access to global markets.

BY SEA

The Georgia Ports Authority (GPA) facilitates global trade through deepwater ports in Savannah and Brunswick, with inland operations in Bainbridge and Columbus.

As a leader in the operation of modern terminals, GPA continues to meet the growing demands of international business. GPA is committed to \$1.4 billion in capital investment on equipment and project improvements over the next 10 years.

With the Savannah Harbor Expansion Project (SHEP), the Port of Savannah will more efficiently serve larger Post-Panamax vessels, lowering transportation costs for companies that ship goods through Savannah.

Port of Savannah

- Fourth-largest and fastest growing U.S. container port
- Convenient single-terminal design with two on-terminal Class 1 rail services, CSX and Norfolk Southern
- Moves 20 percent of the East Coast's overseas containers
- Intermodal connections with state-of-the-art cargo-handling equipment and advanced refrigeration capacity
- Industry's only centralized customer care team
- Largest concentration of retail import distribution centers in the Southeast, involving 37 weekly carrier service options and empties for exports

Port of Brunswick

- Nation's busiest seaport for automobile imports
- Second-largest grain facility on the East Coast
- Handles cargo for 21 domestic and foreign auto manufacturers
- Sixth-largest automobile processing port in the world



GEORGIA'S PORTS HANDLED 8 PERCENT
OF THE NATION'S CONTAINERIZED CARGO
VOLUME AND 11 PERCENT OF ALL U.S.
CONTAINERIZED EXPORTS IN 2013.

BY AIR

Georgia is an international center for air passenger travel, home to the world's busiest and most efficient passenger airport, Hartsfield-Jackson Atlanta International Airport, and one of the world's largest carriers, Delta Air Lines. As the 10th-largest air cargo hub in North America, Hartsfield-Jackson Atlanta International Airport is a critical component of Georgia's infrastructure network for transporting goods.

In addition to the three main cargo complexes, Atlanta's airport houses a U.S. Department of Agriculture-approved Perishables Complex, the only one of its kind in the southeastern United States.

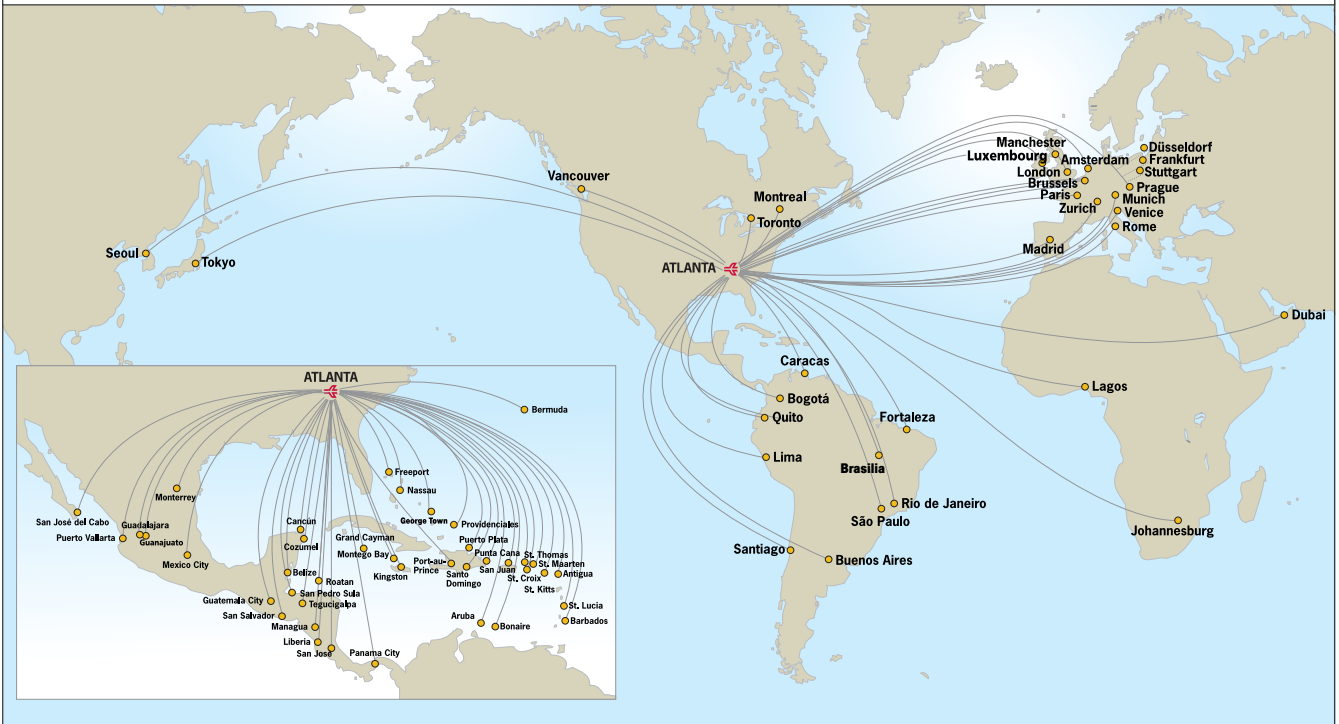
Hartsfield-Jackson Atlanta International Airport

- Accommodates 95 million passengers annually
- Direct flights to 75 international destinations in 50 countries
- Provides access to 80 percent of the U.S. market within a two-hour flight
- Home to 14 cargo-only carriers and 2 million square feet of cargo warehouse space
- Named "Airport of the Year" (Air Cargo Week, 2012)

Georgia also has a network of 105 public-use airports that allow companies to efficiently travel throughout the state.



HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT - DIRECT INTERNATIONAL FLIGHTS MAP



Atlanta has become a very attractive place to film [movies] because of the variety of locations, its strong infrastructure and its excellent distribution system with Hartsfield-Jackson Atlanta International Airport.”

*John Schrimpf, VP, U.S. Regional Operations
Panavision*

BY RAIL

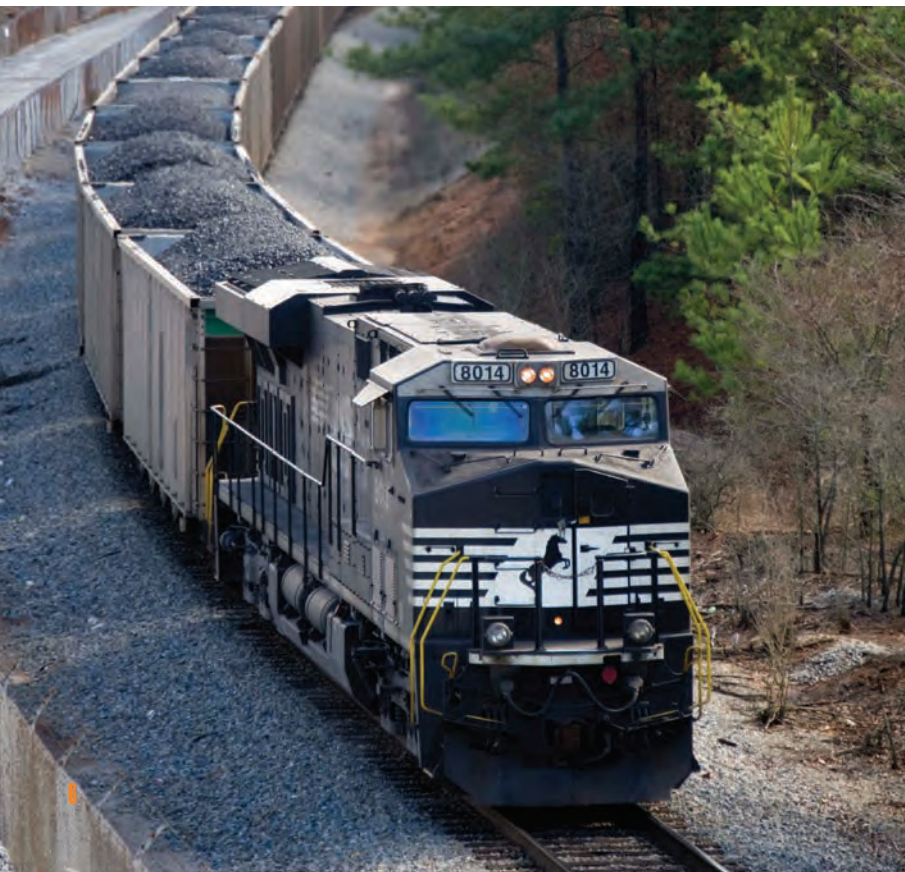
Georgia has a longstanding history as a major railway hub. The state's capital city, Atlanta, was formed from a rail line's terminus. The tradition continues today with the most extensive rail system in the Southeast and two Class 1 railroads, CSX and Norfolk Southern.

- Largest intermodal hub in the Southeast
- 5,000 miles of rail
- Service by two Class 1 railroads and 24 short-line companies

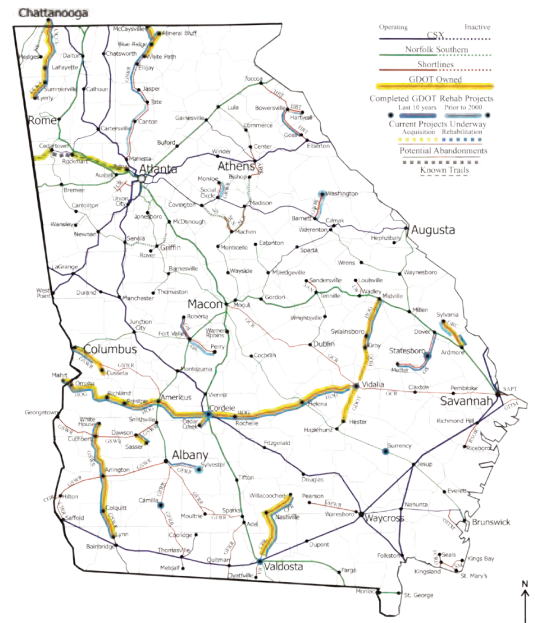
BY ROAD

Georgia has an extensive interstate highway system facilitating the efficient movement of freight by truck. Georgia's six interstates connect to 80 percent of the U.S. population within a two-day truck drive.

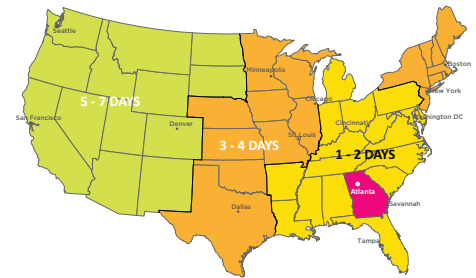
- Two major transcontinental interstate highways (I-95 and I-75)
- Four additional interstates (I-20, I-85, I-16, I-59) connect Georgia to 15 states
- 1,200 miles of interstate highway and 20,000 miles of federal and state highway
- 5.9 million tons of freight on average transport via roads across the state weekly
- Consistently top-ranked interstate highway system



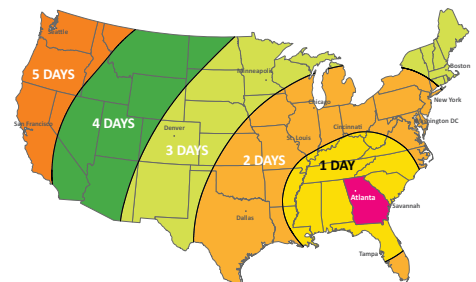
RAIL SYSTEM IN GEORGIA



RAIL TRANSIT TIMES FROM GEORGIA



TRUCK TRANSIT TIMES FROM GEORGIA



**GEORGIA IS THE #1 STATE IN RAIL
AND HIGHWAY ACCESSIBILITY
(AREA DEVELOPMENT)**

DISTRIBUTION AND WAREHOUSING

Georgia's extensive logistics network of distribution and warehousing companies reaches customers quickly and efficiently by leveraging the state's world-class logistics infrastructure.

- Four of the top five global public refrigerated warehousing companies have locations in Georgia
- 90 percent of the world's top third-party logistics providers (3PLs) operate in Georgia
- Within a 2.5 hour radius of the Port of Savannah, area distribution centers offer 14 million square feet of warehousing and generate in excess of 500,000 TEUs annually
- 75+ cold chain facilities located in Georgia
- 14+ million square feet of cold storage space
- Port of Savannah has more refrigerated container capacity than any East or Gulf Coast terminal, with more than 1,900 reefer rack slots

Georgia's 10 Largest Third-Party Logistics Providers (by total square footage)

Americold
Saddle Creek Logistics Services
APL Logistics
Atlanta Bonded Warehouse Corp.
NFI
Lineage Logistics
Nordic Cold Storage
RBW Logistics
Schneider Logistics
Matson

SUPPLY CHAIN TECHNOLOGY

The information chain to manage and optimize the logistics process is also a critical element. Georgia's nationally ranked IT community includes a growing cluster of nearly 400 IT companies that specialize in supply chain related applications and devices. Of the top 20 supply chain management software providers, 70 percent are located in Georgia and 25 percent are headquartered in the state - completing Georgia's full suite of resources to support any supply chain.



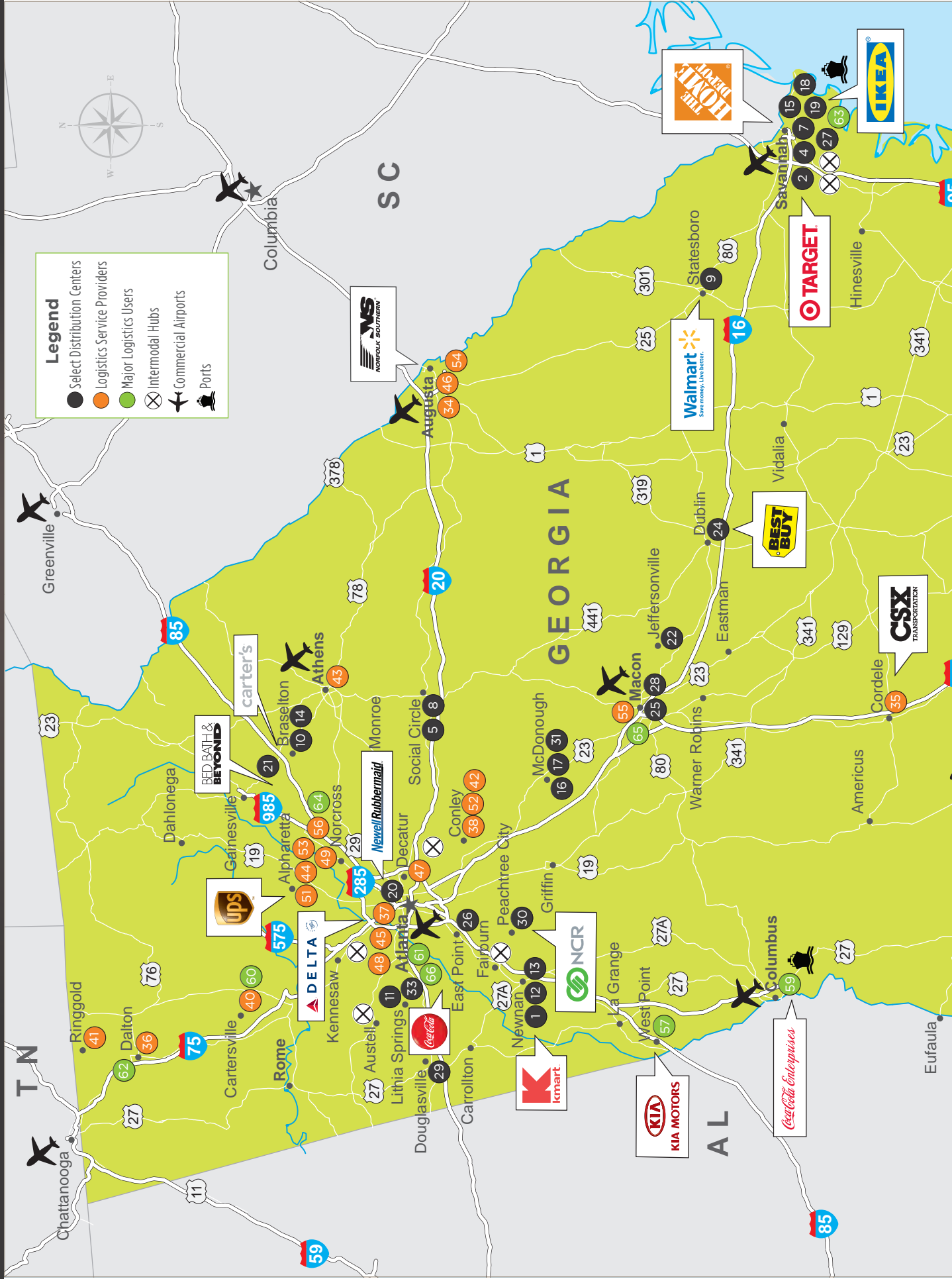
TOP 100 LOGISTICS IT PROVIDERS HEADQUARTERED IN GEORGIA

Manhattan Associates | Logility | LogFire | Blue Ridge | SMC3

Source: *Inbound Logistics Magazine*



GEORGIA'S LOGISTICS ECOSYSTEM



Legend

- Select Distribution Centers
- Logistics Service Providers
- Major Logistics Users
- Intermodal Hubs
- Commercial Airports
- Ports



GEORGIA'S WAREHOUSING & DISTRIBUTION FOOTPRINT

COMPANY	STATEWIDE SQ. FOOTAGE	COMPANY	STATEWIDE SQ. FOOTAGE
Walmart	5,975,000	Fresh Del Monte Produce Inc.	808,000
Target	5,000,000	Havertys	808,000
Mohawk Industries, Inc.	4,390,000	ProBuild	800,000
Lowe's	3,941,000	Kroger	795,900
The Home Depot	3,937,590	Pactiv	792,000
Shaw	3,040,000	Nestle USA	789,000
JCPenney	2,224,000	IKEA	785,000
Kmart	2,200,000	MSC Industrial Supply Co.	783,000
Solo Cup Company	2,006,700	Pier 1 Imports	783,000
Procter & Gamble	1,900,000	ALDI	780,800
Kellogg's	1,830,550	Yamaha Motor Corporation, USA	768,000
Sugar Foods Corporation	1,642,100	Continental Tire	758,400
Carter's	1,618,000	Newell Rubbermaid	755,000
Kraft Foods Group	1,615,300	Toyo Tire USA Corp.	750,000
DSC Logistics	1,600,000	Colgate-Palmolive	744,300
Kimberly-Clark	1,600,000	GE Appliances	725,000
General Mills	1,500,000	NCR	712,800
Kenco Logistics Services	1,500,000	Kelly Tires	710,450
Whirlpool	1,500,000	Goodyear	710,000
PVH Corp.	1,412,950	Best Buy	700,000
Dart Container	1,300,000	McMaster-Carr	700,000
Academy Sports + Outdoors	1,298,600	SCP Distributors LLC	700,000
Sears	1,297,370	JLA Home	689,400
Georgia-Pacific	1,250,600	Tractor Supply Company	688,000
John Deere	1,232,000	BrandsMart USA	676,000
Owens Corning	1,200,680	Carlisle Transportation Products	676,000
Clorox	1,200,000	Orgill	676,000
Publix	1,200,000	Sara Lee	661,170
Walgreens	1,118,400	Sony	661,100
Dollar Tree	1,000,000	DICK'S Sporting Goods	657,200
Kubota Manufacturing of America Corporation	1,000,000	fred's	650,000
Kumho Tire	1,000,000	Global Equipment Company Inc.	647,200
Toys "R" Us, Inc.	972,000	F&P Georgia	643,000
Macy's	966,640	Kubota Tractor Corporation	635,500
Ollie's Bargain Outlet	962,000	True Value Company	625,000
Quebecor World	947,500	Staples	615,000
Gatorade/PepsiCo	913,000	LG Electronics	612,000
Quaker Oats/Gatorade	913,000	Covidien	609,900
PetSmart	877,500	Unilever HPC	600,760
Briggs & Stratton	857,600	United Stationers	600,670
Marshalls	850,000	Advanced Distribution Systems	600,000
Goodyear Aviation Tires	840,000	Cooper Tire & Rubber Company	600,000
T.J. Maxx	826,000	Electrolux	600,000
Bed Bath & Beyond	810,000	Engineered Floors	600,000

Source: The Center of Innovation for Logistics



THE GEORGIA CENTER OF INNOVATION FOR LOGISTICS

The Georgia Center of Innovation for Logistics is the leading statewide resource for fueling logistics industry growth and global competitiveness at the core of Georgia's logistics ecosystem.

The Center:

- Addresses needs and opportunities of companies involved in logistics and freight transportation (both providers and heavy consumers of logistics services)
- Provides industry knowledge and technical expertise
- Connects clients to key state resources in research and innovation
- Links an extensive cross-sector industry network

Georgia Logistics Summit

The annual Georgia Logistics Summit, created and hosted by the Georgia Center of Innovation for Logistics, has become one of the largest logistics events in the country. The Summit brings together the entire logistics ecosystem, offering tremendous networking opportunities and facilitating the exchange of challenges, ideas and solutions for growing a vibrant logistics industry.

Learn more at GeorgiaLogistics.com

“The Center of Innovation has been a tremendous resource in education and providing data, not only in how we run our business but also in how we help our customers.”

*Frank Anderson, Vice President
RBW Logistics*

“The Center gives us the ability to bring people together to discuss the world's best practices and bring companies like us together to discuss the technology that's available to make supply chains more effective.”

*Eddie Capel, President and CEO
Manhattan Associates*



BUSINESS-FRIENDLY CLIMATE

Georgia has a business-friendly, cost-competitive climate for operating a business:

- Six percent corporate income tax rate
- Single factor gross receipts (or sales) apportionment for corporate income tax
- Job tax credits are valued at \$1,250 - \$4,000 per job, and may apply to payroll withholding tax in some cases
- Qualifying businesses that increase their port activity by at least 10 percent may earn an additional \$1,250 per job
- Sales tax exemption for material handling equipment where total purchase or expansion is valued at \$5 million or more
- Local property tax relief possible for qualified land, building and equipment

CORPORATE INCOME TAX RATES AND APPORTIONMENT

	Corporate Income Tax Rates, 2013	Corporate Income Tax Based on
Georgia	6.0%	Single-factor sales
Alabama	6.5%	Property, payroll and double-weighted sales
Kentucky	6.0% over \$100K	Property, payroll and double-weighted sales
Louisiana	8.0% over \$200K	Property, payroll and sales
Mississippi	5.0% over \$10K	Single-factor sales unless otherwise designated
North Carolina	6.9%	Property, payroll and double-weighted sales
South Carolina	5.0%	Single-factor sales
Tennessee	6.5%	Property, payroll and double-weighted sales
Virginia	6.0%	Property, payroll and double-weighted sales

Source: Tax Foundation, Federation of Tax Administrators

“Carter’s has been doing business in Georgia for nearly 90 years and we are proud to call Atlanta home. Our new Atlanta global headquarters and Braselton multi-channel distribution center are intended to enable us to support growth in our Carter’s and OshKosh B’gosh brands, continue to improve the efficiency of our operations, and better serve our customers.”

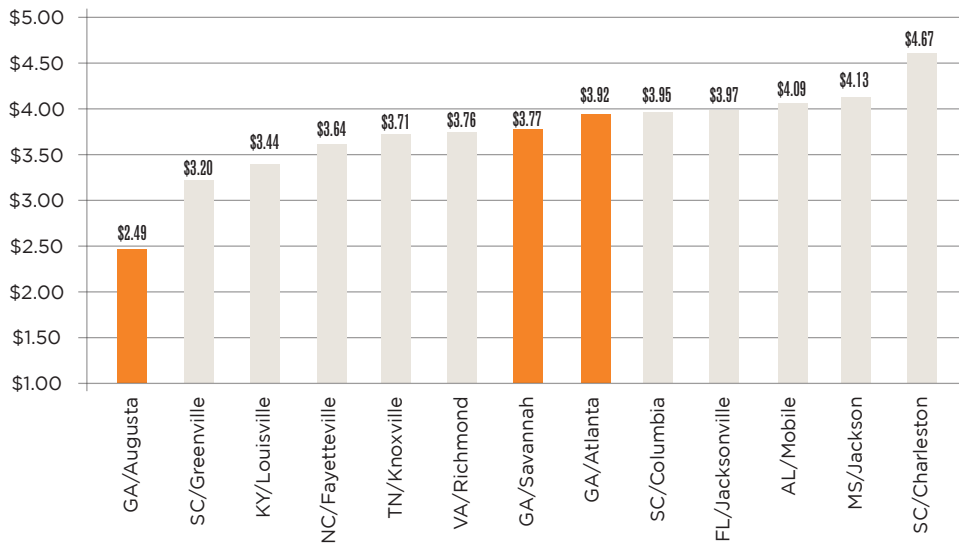
Richard F. Westenberger, Executive Vice President and Chief Financial Officer Carter’s



AFFORDABLE REAL ESTATE

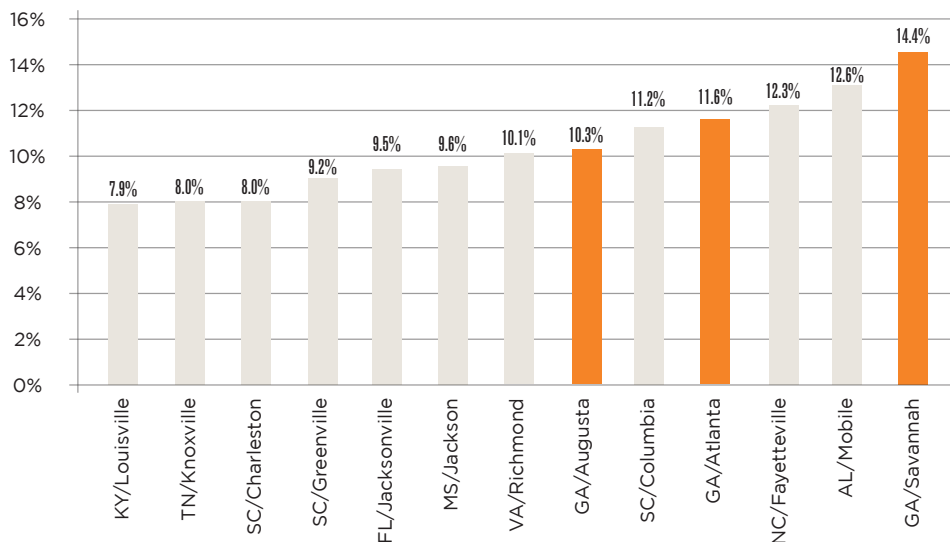
Georgia's availability of land translates into affordable industrial space. With more than 1,500 available buildings, there are a significant number of options to retrofit an existing facility. The state also has more than 30 available shovel-ready industrial sites that are certified under the Georgia Ready for Accelerated Development (GRAD) Sites Program.

INDUSTRIAL LEASE RATES (\$/SQ. FT.)



Source: CoStar Industrial Market Report, 2013 Quarterly Average

INDUSTRIAL VACANCY RATES



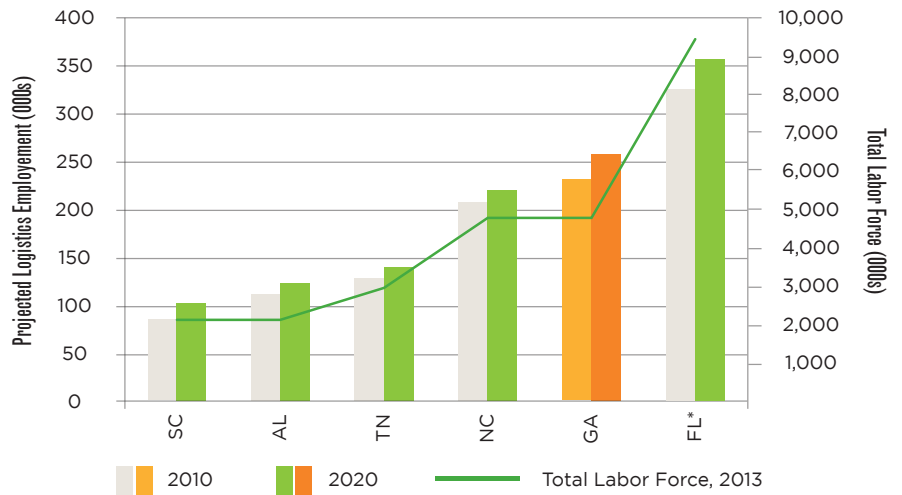
Source: CoStar Industrial Market Report, 2013 Quarterly Average

TAPPING TOP TALENT

A company's success depends on recruiting, training and keeping quality talent. Workforce training and education are top priorities in Georgia to help businesses grow.

- 6.3 million working-age population (ages 18-64)
- Approximately 100,000 truck drivers and more than 75,000 laborers and freight, stock and material movers
- Competitive cost of labor
- Right-to-work state
- A reliable workforce with low turnover rates

PROJECTED LOGISTICS OCCUPATIONAL GROWTH



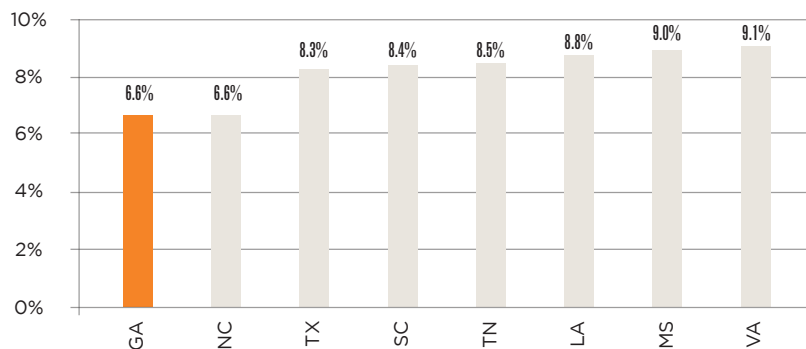
Source: Departments of Labor of Georgia, Alabama, Florida (*for 2013 to 2021), North Carolina, South Carolina and Tennessee

GEORGIA IS HOME TO 12,300 LOGISTICS SERVICE PROVIDERS

1 MILLION LOGISTICS-CONNECTED EMPLOYEES IN GEORGIA

GEORGIA RANKS NO. 5 NATIONALLY IN LOGISTICS EMPLOYMENT

WORKFORCE TURNOVER RATE IN TRANSPORTATION AND WAREHOUSING



Source: U.S. Census Bureau, Quarterly Workforce Indicators, 2012 Q1

GEORGIA'S TECHNICAL COLLEGES AND UNIVERSITIES CONFERRED MORE THAN 300 DEGREES AND CERTIFICATES IN 2012 IN LOGISTICS, MATERIALS AND SUPPLY CHAIN MANAGEMENT, AND MORE THAN 400 IN INDUSTRIAL ENGINEERING.

QUICK START TRAINING

Continuously ranked No. 1 in the U.S. for workforce training, Georgia Quick Start is the premier partner for developing and delivering a strategic workforce. Quick Start provides free, comprehensive workforce solutions for new and expanding companies.

Bass Pro Shops state-of-the-art distribution center in Macon, Ga. needed a well-trained workforce on the day the doors opened, meaning Quick Start needed to begin training employees before the facility was built. To meet this challenge, Quick Start's team studied Bass Pro's operations in Missouri, documented the process and created a virtual distribution center with animations, video and multimedia technology. Training in this simulated working warehouse was supplemented by Quick Start's customized core skills and job-specific courses.

HIGHER EDUCATION

Georgia's statewide network of two- and four-year colleges and universities respond to meet the rapidly changing workforce demands in the logistics industry.

The Technical College System of Georgia has a targeted fast-track certification program, as well as a number of Associate of Applied Science degree programs in logistics and supply chain management.

Georgia Tech's Supply Chain & Logistics Institute has 60 years of active collaboration with the industry, more than 30 participating faculty and eight major research centers. It is the largest supply chain and education logistics enterprise in the world.



I've been very impressed with the Quick Start team – they did everything they said they were going to do. Not only did they keep their promises, but often even exceeded them. For any new employer looking at Quick Start, quite honestly, I do not believe they can appreciate what Quick Start can do for them until they've seen it done. I know I was surprised, pleasantly surprised. I expected them to be good trainers. But they were fantastic trainers. I expected them to understand our business. But they were part of our business. It's the level at which they got involved with my people and with my business that impressed me so much."

*Bruce Beasley, Vice President of Distribution
Bass Pro Shops*

Bachelor's and Higher Degrees in Logistics, Materials and Supply Chain Management

- Albany State University
- Clayton State University
- Georgia College & State University
- The Georgia Institute of Technology
- Georgia Southern University

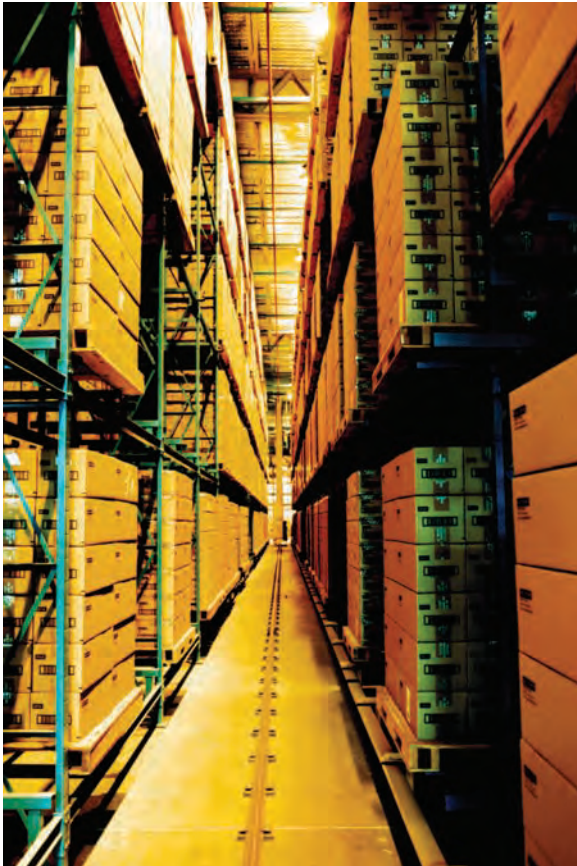
QUICK START[ED] LOGISTICS CLIENTS IN GEORGIA

Academy Sports + Outdoors | Amazon | Bass Pro Shops
Bed Bath & Beyond | Best Buy | Carter's | Chico's
D&H Distributing | DICK'S Sporting Goods | fred's | Frito-Lay
Havertys | IKEA | Kohl's | Lowe's | Tractor Supply Company
Walmart | **Learn more at GeorgiaQuickStart.org**

MORE THAN 100 LOGISTICS-RELATED COURSES, CERTIFICATES AND DEGREE PROGRAMS ARE AVAILABLE ACROSS THE STATE.

START THE CONVERSATION

The Georgia Department of Economic Development's logistics team helps the world's leading logistics companies with everything from site selection to workforce training. To take advantage of our complimentary expertise and connections, **contact us at 404.962.4822** or visit **Georgia.org/Logistics**.



ABOUT US

The Georgia Department of Economic Development (GDEcD) plans, manages and mobilizes state resources to attract new business investment to Georgia, drive the expansion of existing industry and small business, locate new markets for Georgia products, inspire tourists to visit Georgia, and promote the state as a top destination for arts events and film, music and digital entertainment projects. Visit **Georgia.org** to learn more.

We **SPEAK** Business



Georgia Department of Economic Development
75 Fifth Street, NW, Suite 1200 | Atlanta, Georgia 30308 - USA | Georgia.org | +1.404.962.4000