

Distribution/Transportation Industry

Summary

- Alabama is at the center of the fastest growing, most populous region in the United States – the American South.
 - The **population of the American South** is expected to grow from 106.9 million in 2005 to:
 - **120.4 million in 2015**
 - **135.2 million in 2025**
- Alabama is home to numerous, nationally known companies with major distribution operations in the state: Saks Inc., Wal-Mart, ACE Hardware, Target, Bruno's, and SYSCO. Some 11,000 companies are comprised of the following sectors:
- Alabama's comprehensive transportation network is comprised of:
 - Five interstate highways: I-10 (FL to CA), I-20 (SC to TX), I-59 (TN to LA), I-65 (AL to IL), I-85 (AL to VA)
 - Six commercial airports
 - Five Class I railroads
 - A deep-water port
 - One of the largest inland waterway systems in the nation.
 - Ten inland docks

Employment

- Employment within Alabama's transportation and distribution industry was 131,000 in 2004.

Industry	Average Establishments
Rail Transportation	N/A
Air Transportation	63
Water Transportation	20
Truck Transportation	2,250
Transit and Ground Passenger Transport	209
Support Activities for Transportation	525
Couriers and Messengers	167
Warehousing and Storage	205
Scenic and Sightseeing Transportation	30
Pipeline Transportation	34
Postal Service	498
Wholesale Trade-durable Goods	3,224
Wholesale Trade-nondurable Goods	1,595

Source: Alabama Department of Industrial Relations

Industry	Average Employment
Rail Transportation	N/A
Air Transportation	892
Water Transportation	533
Truck Transportation	28,137
Transit and Ground Passenger Transport	5,127
Support Activities for Transportation	6,539
Couriers and Messengers	5,315
Warehousing and Storage	6,294
Scenic and Sightseeing Transportation	73
Pipeline Transportation	534
Postal Service	9,964
Wholesale Trade-durable Goods	39,714
Wholesale Trade-nondurable Goods	27,426

Source: Alabama Department of Industrial Relations

Overview- Birmingham and Mobile are listed among the top 15 Logistics Metros in the Southeast in the June 2005 issue of *Expansion Management*. *Southern Business and Development* magazine has named Alabama "State of Year" consecutively for the last three years, most recently in 2005, based on its record of job growth and economic development. Growth in the automotive industry is only one example of Alabama's successful corporate investments. The state has long been home to many world class companies including Mercedes, Wellborn Cabinets, Honda, 3M, Boeing and more recently EADS, Toyota and Hyundai.

Alabama has recorded strong economic growth numbers. Its economic cycles have mirrored those of the United States, though on a more moderate scale. Manufacturing is at the center of the Alabama economy. The manufacturing sector accounts for almost 20 percent of the gross state product and 16 percent of the state's nonagricultural employment. A major contributor to the state's success is AIDT, Alabama's workforce training program ranked first in the nation by *Site Selection* in 2006. The program provides need-specific workforce training to new and expanding companies in Alabama. AIDT, the only program of its kind in the nation, has been awarded ISO 9001:2000 certification by the International Organization for Standardization

Alabama is a state with great economic growth. The state's pro-business climate allows its corporate citizens to grow, prosper and profit. At the center of the United States' fastest growing, most populous region, and with 11 metropolitan areas and a variety of industry sectors, Alabama's economy is characterized by great diversity and a bright future for success.

Labor Costs

Position	Alabama	SE* Average	U.S. Average
Distribution Manager	\$73,889 annual	\$76,890 annual	\$77,515 annual
Sales Representative 1	\$41,738 annual	\$43,494 annual	\$45,838 annual
Purchasing Agent/Buyer	\$45,111 annual	\$46,175 annual	\$49,220 annual
Warehouse Manager	\$58,482 annual	\$58,917 annual	\$62,293 annual
Laborer Receiving	\$9.72 hourly	\$10.10 hourly	\$11.20 hourly
Laborer Warehouse	\$8.95 hourly	\$9.31 hourly	\$10.19 hourly
Truck Driver Heavy	\$13.50 hourly	\$14.05 hourly	\$15.27 hourly
Stock Handler	\$10.93 hourly	\$11.37 hourly	\$12.51 hourly
Order Filler	\$10.12 hourly	\$10.51 hourly	\$11.65 hourly
Hand Packager	\$9.25 hourly	\$9.62 hourly	\$10.59 hourly
Forklift Operator	\$10.70 hourly	\$11.14 hourly	\$12.27 hourly
Shipping & Receiving Clerk	\$12.44 hourly	\$12.92 hourly	\$14.13 hourly

Median Salaries

Industry: SIC 5000 – Wholesale Trade - Durable Goods

Data as of: January 1, 2006

*Southeast U.S. includes AL/FL/GA/KY/LA/MS/NC/SC/TN/VA.

Source: 2006 ERI Economic Research Institute, Inc. Salary Assessor

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Select Announced Projects 01-05

Company	County	Product	Jobs Created	Investment (Millions)
2005				
Wal-Mart Stores	Cullman	Distribution Center	150	\$30 (Expansion)
Jo-Ann Stores Inc.	Lee	Fabric and craft goods distribution center	425	\$46 (New)
SYSCO Food Services-Gulf Coast, Inc.	Geneva	Broadline foodservice distribution	227	NA (New)
2004				
Dade Paper	Baldwin	Premium paper, plastic, foam disposables and janitorial supplies	125	\$.588 (New)
Associated Pharmacies	Jackson	Pharmaceutical Distributor	5	\$.95 (Expansion)
Style Crest Products	Franklin	Wood Products Distribution	75	\$8 (New)
Ferguson Enterprises	DeKalb	Plumbing/HVAC Distributor	30	\$6.5 (Expansion)
FedEx Ground	Jefferson	Package distribution	135	\$5 (Expansion)
R & D Enterprises	Cullman	Distribution of licensed products	10	\$.565 (New)
2003				
Wood Fruitticher Grocery Co	Jefferson	Food Distribution	50	\$10 (Expansion)
Conrad Yelvington Distributors	Mobile	Aggregate distribution rail terminal	16	\$5.2 (New)
Millard Refrigerated Services	Mobile	Cold storage & distribution	200	\$27 (New)
2002				
American Apparel	Dallas	Distribution Center-military uniforms	100	\$.5 (Expansion)
BTC Wholesale Distributors	Shelby	Grocery Distributors	12	\$3 (Expansion)
Sterilite Corp	Jefferson	Distribution Center	NA	\$5.3 (Expansion)
Sysco of Central Alabama	Shelby	Food Distribution Center	30	\$4 (Expansion)
Herzog Automotive Parts	Jefferson	Distribution Center-wholesale automotive parts	60	\$10 (New)
The Meow Mix	Limestone	Cat food distribution	77	\$12 (New)
2001				
Hilti International	Shelby	Regional Distribution Center	30	NA (New)
Wal-Mart Stores	Pike	Grocery Distribution Center	600	\$40 (New)

Outlook/Trends

- Employment in wholesale trade is expected to increase from 98,000 in 2000 to 109,600 in 2010.
- Employment in trucking and warehousing is expected to increase from 35,000 in 2000 to 42,200 in 2010.

02/06