

## MANUFACTURING, WAREHOUSING & DISTRIBUTION

Metro Orlando's central location in Florida positions it as a hub with exceptionally quick, easy access to air, land, water and space transportation routes. This distinctive geographical advantage makes the region an ideal location for general manufacturing, warehouse and distribution businesses.

A full range of manufacturers and warehouse/distributors are represented in Metro Orlando, supplied by a deep, diverse talent pool of experienced employees. Major corporations headquartered in the region include Mitsubishi Power Systems, Inc. and HD Supply. A proliferate number of mid-sized manufacturers and distributors further fuel the region's economic engine.

As businesses in this sector continually explore ways to reduce transportation shipping costs, Orlando's locale is increasingly recognized as a valuable asset. Orlando International Airport is within overnight trucking distance of many major U.S. cities, and has scheduled non-stop service to more U.S. airports than any other Florida airport.

Strategic partnerships between educational institutions and business also have a positive impact on the sector. Companies wishing to start up in or relocate to Metro Orlando can find a wealth of support and assistance in practically all aspects of their business.

### Overview and History

The Metro Orlando region is one of the world's only quadramodal transportation centers, providing global shipping opportunities via land, air, sea and space. The region's superior network of air routes, rail systems and interstate highways, as well as nearby deep water ports and launch facilities at the Kennedy Space Center are a distinct advantage to the manufacturing, warehouse and distribution sector. The region's varied transportation options combines with other critical needs, such as widely available land for new facilities construction and a young workforce qualified to fill a variety of jobs.

With location and transportation assets that place Metro Orlando near suppliers and customers, the region's locale is becoming increasingly valuable to the sector. A strong network of support companies that handle outsourcing of various business needs further makes Metro Orlando attractive to manufacturers. Industries that have a major presence in the region include plastics, metal fabrication and parts, infrastructure materials, defense, power plant systems, microelectronics and laser equipment.

Metro Orlando is a major center for warehouse and distribution in Florida and the Southeast, with a total of 98.7 million square feet of industrial space. The types of goods stored in and moved through these facilities include groceries; restaurant items; health care products; building supplies; auto parts; consumer electronics products and major household appliances.

Industry leaders often cite the world-class Orlando International Airport (OIA) as being integral to worldwide sales efforts because of its convenient flight routes. OIA also features robust air cargo operations. As one of the world's few airports able to accommodate the new generation Class 6 aircraft, the facility offers an infrastructure designed for optimum cargo processing. Because many major U.S. cities are within overnight trucking distance of OIA, land transportation to warehouses and distribution centers is convenient, fast and economical. OIA's Foreign Trade Zone #42 provides a significant economic advantage to the sector by permitting imported goods to be stored or processed without being subject to import duty. The 205-acre zone is part of Orlando Tradeport, a 1,400-acre fully integrated cargo center that is master planned with high-quality design criteria, intermodal transportation capacity, and direct airside access.

Also vital to Metro Orlando's air access to international and domestic markets is Orlando/Sanford International Airport. Rated for wide-body air carriers, the airport has aircraft service facilities and a U.S. Customs office. A 395-acre industrial park with rail service available is located on airport property, along with a 50,000-square-foot cargo building in the Airport Commerce Park that facilitates cargo handling, pallet preparation and receiving. Orlando/Sanford International Airport is part of Foreign Trade Zone #250 — the largest trade zone in the state. Convenient access to such major highways as Interstate 4, Interstate 95 and Florida's Turnpike permits easy and efficient distribution throughout the state and the Southeast. Trucking in Florida is deregulated, which serves to keep prices as much as 10 percent below the national average.

Located less than an hour east of Metro Orlando, Port Canaveral provides more than 3,200 feet of docks for petroleum, frozen and perishable food shipments and other general cargo. Covered dry freight storage capacity on port property totals 750,000 square feet. The Port of Tampa – Florida's largest seaport – is only an hour and a half west of Metro Orlando.

The region's impressive range of resources and diversity of businesses ensure that the manufacturing, warehouse and distribution sector is well positioned to build upon its current success, and in doing so create an even more prosperous economic climate.

## **Marketplace**

According to the Manufacturer's Association of Central Florida (MACF), Metro Orlando is home to about 2,200 manufacturing companies, most of which employ between 50 to 100 people. In addition to vigorous mid-sized manufacturers that help diversify the economy and provide higher-paying jobs, the region claims such high-profile companies as Mitsubishi Power Systems, Inc., HD Supply, G&T Conveyor, Mercury Marine and Constar International Inc.

Plastics is Metro Orlando's most commonly manufactured product. The Society of the Plastics Industry, Inc. (SPI) ranks Florida in the top 10 states, with facilities for processing a wide variety of plastics fabrication. SPI reports that 139 manufacturing facilities (not including machinery and moldmaking operations) are based in the region. These operations account for almost 4,000 jobs and generates nearly \$900 million in shipments.

The manufacturing sector is also ideally poised for major growth. According to Real Estate Research Consultants Inc., Metro Orlando has approximately 70 million square feet of total industrial space, including warehouse and distribution space. The region boasts more than 60 business parks, most of which offer platted sites and in-place utilities.

Major distributors already in Metro Orlando include DaimlerChrysler Corp., and Kraft Foods Nabisco Division. Built in 2002, DaimlerChrysler's parts and distribution center is a \$19.6 million, 485,000-square-foot facility located at Airport International Park of Orlando (AIPO) — a 1,350-acre master planned commercial mixed use park that is the third largest of its kind in the Central Florida area, with more than 3.5 million square feet of buildings constructed. AIPO also houses the distribution center for Kraft Foods Nabisco Division.

Not only is Metro Orlando an important distribution point of goods for corporations based elsewhere, it is also home to HD Supply, a leading distributor of building materials, industrial PVC, electrical, plumbing, water and sewer equipment. HD Supply distributes more than 240,000 products through more than 459 branches in 34 states for commercial, residential, industrial and infrastructure markets.

Other major distributors include American Hotel Register, Behr Processing, Lowe's, McLane Foodservice Inc., Walgreens and Whirlpool Corporation.

## **Workforce**

The manufacturing, warehouse and distribution sector pulls from a diverse employee base that includes a mix of experienced workers and young, motivated graduates of the region's state university, community colleges and vocational/technical schools. The region also gains from state and local government commitment to providing employers with a well-rounded, skilled workforce.

Collaboration between private industry and educational institutions has led to the development of valuable training programs and internships that further strengthen the employee pool available to businesses in this sector. Several industry organizations and funded programs also provide extensive support and customized training to employees in such areas as increasing productivity.

As one of the nation's leading metropolitan research institutes, the University of Central Florida offers a curriculum designed to meet various levels of industry staffing requirements through academic degree programs in business administration and industrial engineering, as well as its affiliation with the adjacent Central Florida Research Park. Seminole State College of Florida offers courses of study in business administration and management, while Valencia Community College features manufacturing courses as part of its Associate in Applied Science Degree program.

Florida is a Right to Work state, which secures the right of employees to decide whether to join or financially support a union. With only 6.6 percent of Metro Orlando's approximately 849,000 employed workers as union members — much lower than the national average — employers in this sector are able to offer salaries and wages that reflect industry standards, thereby allowing them to set more competitive prices for goods and services.

## **Education**

Metro Orlando's educational institutions prepare students for an array of careers in the manufacturing, warehouse and distribution industry. Areas of study range from advanced research and development to engineering, information technology and specialized trades. This diversity easily enables companies in different business concentrations and varying sizes to meet their individual personnel needs.

Vocational, technical and trade schools provide curriculum that also directly supports the sector. Ongoing career education programs established by Workforce Florida Inc. help employees retrain for a new field of work, or keep up-to-date with the latest skills and trends.

The University of Central Florida (UCF) is one of the nation's leading major metropolitan research universities. UCF delivers a comprehensive program of teaching, research and service, providing intellectual leadership through quality undergraduate and graduate programs. It serves as a vital resource, developing creative partnerships with public and private enterprise, and assisting in the region's economic development.

UCF's College of Engineering and Computer Science (CECS) offers bachelors, masters, and doctoral degrees in the areas of Computer Engineering, Electrical Engineering and Computer Science. Of special note is UCF's Advanced Materials Processing and Analysis Center (AMPAC), which was founded to excel in the development, processing and characterization of advanced materials, and to create a world-class materials processing and analysis facility. The center works to further develop microelectronics, lasers and energy technologies. To help achieve this goal, AMPAC is home to the Materials Characterization Facility (MCF), a \$10 million facility outfitted with state-of-the-art surface and materials characterization equipment.

Metro Orlando also features high-performing community colleges that provide manufacturing curricula. Seminole State College of Florida serves the community by anticipating and meeting the needs of local industry with a comprehensive range of programs and services. The college offers a two-year associates degree in Electronics Engineering Technology that prepares students for entry into the electronics field. Students apply electrical and electronic theory and related knowledge to design, build, test, assemble, install, repair, and modify developmental, experimental, or production electrical equipment in a variety of industries.

Valencia Community College enters into and stimulates cooperative relationships with local businesses and industries, public agencies, civic groups and educational institutions as it seeks to assist in the economic development of Metro Orlando. VCC offers an associate's degree in Electronics Engineering Technology with specialization in Electronics Engineering, Microelectronics Manufacturing and Applied Science. Its Electronics Engineering Technology program produces highly-skilled technicians capable of assisting in the design, production, operation and servicing of electronic and microelectronic systems and equipment.

Seeking to provide youth with an early-stage, high-tech foundation, three local high schools have established magnet programs that provide solid introductory vocational training in the areas of engineering, microelectronic engineering, science and technology. These valuable programs are largely supported by institutions such as UCF, along with private industry, which provides opportunities for job shadowing and internships.

## **Industry Organizations and Involvement**

The manufacturing, warehouse and distribution sector is backed by a number of organizations formed to advance the industry by providing integral resources. Following is a sampling of trade organizations supporting the sector:

### **Florida Manufacturing Extension Partnership (Florida MEP)**

Florida MEP is part of a nationwide network of more than 70 not-for-profit centers that provide help and solutions for small- to medium-sized businesses. Located in all 50 states, the centers are linked through the Department of Commerce's National Institute of Standards and Technology (NIST). This network makes it possible for even the smallest Florida firms to access more than 2,000 manufacturing and business specialists — including the staff of the Florida MEP and their specialized knowledge about doing business in Florida.

Among the areas in which Florida MEP supplies expertise are: plant layout, process improvements, machinery automation/specification, computerization and manufacturing software, marketing and business development, ISO certification, business planning, product development, supply chain management, energy audits, Time Wise — Suite of Lean Manufacturing Tools, and health, safety and environmental issues.

### **Manufacturers Association of Central Florida (MACF)**

MACF provides the professional organization and environment through which manufacturing executives work together to improve the business competence and economic opportunities of its members. The organization takes a leadership role in enhancing the quality and competitiveness of member businesses, and in facilitating employment growth in the Metro Orlando manufacturing community. MACF provides training and education and keeps members informed about legislation that impacts the industry.

### **Seminole County Port Authority**

The Seminole County Port Authority has been a leader in assisting small business interests since 1977, when a multi-tenant building program was initiated. These small business incubators provide low investment lease facilities at the Port of Sanford with immediate occupancy and variable lease terms. The Central Florida Business Incubation Center expanded the small business program by offering a host of support services to its clients. These services include accounting, secretarial services, assistance in the development of business plans, business consulting and marketing assistance. Manufacturing, warehouse and distribution facilities as small as 1,500 square feet are available.

### **Society of Manufacturing Engineers (SME)**

SME is the world's leading professional society serving the manufacturing industry. Through its publications, expositions, professional development resources and member programs, SME influences more than 500,000 manufacturing executives, managers and engineers. Founded in 1932, SME has about 60,000 members in 70 countries and supports a network of hundreds of chapters worldwide, including one in Orlando.

### **Southeastern Warehouse Association (SWA)**

SWA is a group of third-party warehouse and logistic providers with the common goal of improving their competitive position through professional development. The organization consists of approximately 160 members — including both warehousemen and associate members — who operate more than 72 million square feet of high-quality warehousing in 12 Southeastern states.

### **Workforce Florida, Inc. (WFI)**

WFI is the state's chief workforce policy organization. Created by the Workforce Innovation Act of 2000, the public-private partnership supports and promotes economic growth through workforce development. WFI is the principal architect in the state's efforts to develop and retain a highly competitive workforce responsive to the needs of employers. WFI's programs promote successful entry into the workforce through education and job experience, including school-to-work initiatives that enlist business and community support to ensure that students have the educational and occupational skills required to succeed in the workforce. WFI programs also serve adults entering the workforce for the first time, and youth programs related to welfare reform.

## **Incentives**

Metro Orlando offers attractive incentives to qualified relocating and expanding companies. This assistance is provided based on each organization's particular needs, including, but not limited to:

- Job creation
- Wage levels
- Capital investments

For more information, please visit the "Relocate & Expand/Incentives" section of the Metro Orlando EDC's website at [OrlandoEDC.com](http://OrlandoEDC.com), which provides a general overview of incentives offered to companies within Metro Orlando.

## Company Profiles

Businesses in Metro Orlando's manufacturing, warehouse and distribution sector represent a wide range of industries and sizes — an impressive testimony to the region's healthy diversity. From flourishing locally-founded companies to divisions of national and international organizations, the sector is a key part of the region's economy. The following list provides a sampling of the area's more high-profile businesses.

### Accord Industries

Accord Industries incorporates three divisions: Southern Manufacturing, concrete products and Universal 100 PVC products. Established in 1939, Southern Manufacturing produces custom lighting, architectural metals and custom enclosures, as well as internally lighted signage, pole arms, wireway and copper bus, sports lighting crossarms and cages. The concrete division specializes in quality prestressed concrete poles for use in utility, sports, lighting and communication applications. Universal 100 Products manufacturers extruded rigid PVC pipe, with 150 different products in inventory. Custom extrusion capabilities for specialty pipe production — such as vacuum and pneumatic tubing — help the 31-year-old division keep its competitive edge.

### Constar International Inc.

A leader in the polyethylene terephthalate packaging industry, Constar International, Inc. produces water and smaller sized soft drink containers for the consumer market. Orlando is home to one of Constar's 19 locations throughout North America and Europe, which provides convenient access to the packaging sites of its customers.

### DaimlerChrysler MOPAR Parts Distribution Center

As one of 14 national parts distribution centers for the DaimlerChrysler Corp. MOPAR division, the Orlando facility warehouses and distributes original factory maintenance and replacement parts for Chrysler, Dodge and Jeep vehicles. Built in 2002, DaimlerChrysler's parts and distribution center is a \$19.6 million, 493,000-square-foot facility located at Airport International Park of Orlando (AIPO) — a 1,350-acre master planned commercial mixed use park that is the third largest of its kind in Central Florida, with more than 3.5 million square feet of buildings constructed.

### G&T Conveyor Company, Inc.

With over 300 employees, G&T Conveyor is the largest privately held turnkey baggage handling systems manufacturer in the United States. Since its incorporation in 1987, G&T has successfully delivered more than 400 turnkey airport projects on three continents. Located in Tavares, G&T has designed, engineered, manufactured, and installed more than 450 claim and make-up devices and three million linear feet of transport conveyors.

### HD Supply (formerly Hughes Supply, Inc.)

Founded in 1928, Hughes Supply Inc. is one of the nation's largest diversified wholesale distributors. Headquartered in Orlando, Hughes distributes more than 240,000 products through more than 459 branches in 34 states for commercial, residential, industrial and infrastructure markets. Product categories include building materials; concrete products; electrical; electric utilities; fire protection; HVAC; industrial and mechanical PVF; maintenance repair and operations; plumbing; water and sewer; and water systems and irrigation.

### McLane Company

McLane Company is one of the nation's leading distribution and logistics companies, serving more than 50,000 customer locations around the world including the convenience store, mass merchandise, quick service restaurant, drug store and movie theater industries. The company's 32 grocery and food service distribution centers service every state and county in the U.S. McLane's Orlando food service center is a 268,600-square-foot state-of-the art facility that provides quick-service restaurant chains with food and supplies.

### **Mitsubishi Power Systems (MPS), Inc.**

Mitsubishi Power Systems' Americas headquarters is home to a growing cadre of power generation professionals with expertise in all facets of gas turbine and combined cycle plant siting, design, qualification, installation and commissioning. The Orlando Service Center is MPS's newest dedicated turbine repair and component manufacturing hub in the Americas, with 24/7 technical support, remote turbine monitoring and diagnostics capabilities, rapid-deployment field response teams and an OEM-certified Training Center.

### **Vac-Tron Equipment**

Founded in 1994, Vac-Tron Equipment manufactures 100 models of industrial trailer- and skid-mounted vacuum systems for a wide variety of wet and dry materials, such as sludge and road construction debris. The young company is enjoying strong growth, with 30 dealers nationwide, as well as new dealers in international markets. Inc. Magazine listed Vac-Tron Equipment as the 13th fastest growing company in the country, while founder/president Don Buckner was recognized as 2000 Florida Entrepreneur of the Year by Ernst and Young in conjunction with NASDAQ, CNN and USA Today.

### **Wiginton Corporation**

Wiginton Corp. provides comprehensive fire protection engineering, installation, products and services for industrial, commercial and residential applications through its divisions. Wiginton Fire Protection Engineering Inc. specializes in contract installations of large and small water-based fire protection systems across a wide variety of occupancies. Wiginton Fire Systems offers expert installation in new and retrofit construction, as well as servicing for all types of fire alarm systems, fire sprinkler systems and specialty systems. Quality Fabrication & Supply — an ISO 9002 registered company — is an industry-leading provider of fire protection piping fabrication and product supply, serving top-level contractors throughout the Southeastern U.S.