

SPECIAL
ADVERTISING
SUPPLEMENT

Arkansas has long been known for its geographic diversity and scenic beauty.

Now it's a burgeoning **Natural Wonder** when it comes to transportation, logistics, and trade.



Arkansas

A Natural Wonder





Two of the nation's leading companies - motor freight carrier J.B. Hunt and retailer Walmart - call Arkansas home.

SHOPPING WALMART'S CACHET

Having the world's largest corporation, and arguably most sophisticated and innovative supply chain, headquartered in your state goes a long way when selling potential suitors on the merits of its location. But Bentonville-based Walmart isn't alone. Dillard's department stores, Murphy Oil, and Tyson Foods are three other homegrown Fortune 500 companies that call Arkansas home, joined by 100-plus Fortune 500 parent firms that operate about 310 facilities in state.

Still, Walmart's prestige leaves an enduring mark on the state. "Its effect has been helpful in economic development," says Haley. "Having homegrown companies succeed on the global stage says something about our state."

True to point, Walmart's supplier compliance acuity has made Arkansas the likely location for many of the company's vendors, with Heinz, Clorox, General Mills, Pfizer, Mattel, Pepsico, Coca Cola, Procter & Gamble, Johnson & Johnson, Gillette, and Hershey's all operating distribution centers in state.

The discount retailer also is seeding tier-one and tier-two suppliers throughout the state, not just in Northwest Arkansas. "They want to be within 75 miles of Walmart," says Joe Holmes, AEDC marketing and communications director.

Given the timeliness and immediacy of its replenishment needs, Walmart wants to have major supply offices in state, which can help facilitate just-in-time logistics and deliveries, Holmes explains.

The largest corporation in the world brings a certain level of cachet and expectation, especially in terms of transportation and logistics capabilities and performance. This benchmark bleeds into all aspects of the state's development - from

Famous for its wealth of resources and down-home charm, the state of Arkansas has fast become the perfect match for transportation- and distribution-minded businesses.

Aptly coined The Natural State for its geographic and geological diversity, and scenic beauty, Arkansas is equally becoming known as A Natural for Business. Arkansas is earning a reputation as a magnet for transportation, logistics, and trade. Home to the foremost consumer goods retailer in the world, two leading motor freight carriers, the largest U.S. river system, a major east-west highway, and the country's largest rice crop, opportunities abound in Arkansas. Businesses are mining the state's potential and polishing its appeal; all the while its reputation strengthens.

"We're down to earth, approachable, and ready to do business," says Maria Haley, executive director, Arkansas Economic Development Commission (AEDC).

Businesses can appreciate this down-home recognition and reception, but public and private sector Razorbacks are reluctant to rest on their "natural assets" to attract and grow business. Instead, under the leadership of Governor Mike Beebe and through the example of leading transportation and logistics visionaries, the state is devising a blueprint for economic development that empowers business through education and innovation.

"Everything spins from workforce growth and education," adds Haley. "We have a strategic plan for economic development. Without a plan, you don't know where you're going."

For Arkansas, the destination is already in sight.



**WHAT DO THE WORLD'S LARGEST RETAILER AND THE
NATION'S BIGGEST TRUCKING COMPANY SHARE? A HOME.**

There's a reason why global companies like Wal-Mart, J.B. Hunt and Tyson Foods call Arkansas home. No other state offers the unique combination of central geography, talent, technology, and training to propel sophisticated logistics and supply chains. In fact, more than 56,000 Arkansans are employed in the logistics industry, all with the experience to help your business go global.

Learn why business moves forward at arkansasedc.com, or call 1-800-ARKANSAS.

 **ARKANSAS**
A natural for business

transportation and distribution infrastructure to education.

At the University of Arkansas, Walmart's legacy is front and center. The Sam M. Walton College of Business is named after the retailer's astute architect, and the company's presence throughout the school is overt. The marketing and logistics department is the largest in the Walton College and offers undergraduate degrees in retail and industrial marketing, and transportation and logistics.

"Walmart has brought a need for logistics education," observes Holmes.

In terms of bringing investment and

development to the state, educated labor is attractive, and education and economic development are inseparable.

"We have a targeted industry where we are able to educate the workforce and create an immediate labor pipeline for the state. This is very important for the growth of Walmart, its suppliers, and Arkansas," says Haley.

Walmart's presence is a great advertisement, but Arkansas' product sells itself.

Bordering the Mississippi River, proximate to the Gulf of Mexico, steadfast along the fast-blowing wind corridor, and mere miles from Memphis – home to the

busiest air cargo hub in the world – the state is positioned favorably in terms of transportation and market accessibility.

While Walmart-squired business development is rampant in Northwest Arkansas and the Little Rock area, Memphis has drafted a second and entirely unrelated economic development vacuum in the state's eastern region.

There are miles and miles of trucks and tracks at Union Pacific's state-of-the-art intermodal facility on 600 acres in Marion, just north of where Interstates 40 and 55 converge. Nearby is Burlington Northern Santa Fe's Harvard Yard, as well as immediate access to three other rail carriers. Only 20 minutes from downtown Memphis, companies such as Smuckers and Toyota have located facilities in the West Memphis/Marion area.

No less important, these intermodal facilities are adjacent to the Mississippi River, which serves as the primary inland water artery in the United States and Arkansas. There are 1,000 miles of commercially navigable waterways in the state, with the largest – the McClellan-Kerr Arkansas River Navigation System – running through the center of the state, enabling barge traffic between Catoosa, Okla., and the Mississippi River. This system serves public ports at Fort Smith, Little Rock, and Pine Bluff, as well as many private terminals and numerous large industrial sites throughout the state. The Foreign Trade Zone at the Little Rock Port is located in a 104,000-square-foot building, with sub-zones in El Dorado, Forrest City, and West Helena.

On the airfreight side, Little Rock National Airport features three runways and can accommodate large aircraft, including the Boeing 747. Eight freight carriers serve the airport, and UPS Air Cargo maintains a regional freight hub there. The state also lays claim to the Arkansas Aeroplex in Blytheville, formerly Eaker Air Force Base, the state's second-largest industrial complex and one of the largest commercial airstrips in the central United States.

Underpinning Arkansas' transportation infrastructure is a network of highways

Digging In

A variety of companies are setting down stakes in Arkansas:

■ Chicago-based **Schulze and Burch Biscuit Co.**, a leading manufacturer of snack foods, is locating a new 500,000-square-foot production facility in Searcy that was formerly home to Maytag. The company currently operates a 500,000-square-foot facility in Chicago. The manufacturer's growing pastry and granola bar business demanded additional manufacturing capacity, which predicated its decision to expand production capacity in the south central region.

■ **Boyd Metals** has broken ground on a new 10-acre manufacturing and distribution facility within the industrial park at the Little Rock Port. The Fort Smith, Ark.-based company is investing \$6 million in the 36,200-square-foot building, which will employ 46 people. Boyd distributes a broad range of carbon steel, stainless steel, aluminum, and fiberglass products. Production at the new facility will begin in late Fall 2009.

■ Chicago-headquartered **Nordex USA**, a leading global manufacturer of wind turbines, is locating a manufacturing facility in Jonesboro and will invest approximately \$100 million in the new facility. The German company's U.S. division is building out 187 acres in the Craighead Technology Park. The new plant in Jonesboro is a key pillar in Nordex's international strategy that will enable it to serve the United States, one of the fastest growing markets for wind energy. The manufacturer's Jonesboro operation will be an OEM for every wind turbine component except the tower, producing rotor blades and assembling nacelles.

■ **Caterpillar**, the world's largest manufacturer of construction and mining equipment, is locating its new North American motor grader production facility in North Little Rock, where it will invest \$140 million and employ approximately 600 people. Production of commercial motor graders is expected to begin in early 2010.



and byways served by two of the country's premier motor carriers: Arkansas Best Freight (ABF) and J.B. Hunt.

Situated midway between Mexico City and Montreal, within a 550-mile radius Arkansas can serve a market of 103 million people, or 42 percent of the U.S. population, Haley notes.

Interstate 40 is a major east-west, coast-to-coast thoroughfare, while Interstate 55 intersects I-40 in eastern Arkansas, and provides distribution opportunities from New Orleans north to St. Louis and Chicago. Interstate 30 connects with I-40 in Little Rock, and continues west to Dallas, creating a corridor to the southwest United States. In 2005, the state completed a \$1-billion reconstruction plan that overhauled 372 miles of the state's 589-mile interstate highway system.

NATURAL ATTRACTION

The breadth of Arkansas' transportation infrastructure and resources accommodates an array of industries with unique logistics demands. Shippers moving consumer goods with just-in-time requirements or glacial-like project cargo with out-of-the-box specs, via LTL or barge, next-day air, or rail are well-provided for.

Manufacturing, agriculture, and forestry are staple industries that have given way to specialization in food production, lumber, aviation and aerospace, and the renewable energy industry, which has been further distilled into rice, bottled spring water, paper, furniture, and wind turbine components.

"Arkansas' top export industry is aviation and aerospace," says Haley, "and our single largest export is component manufacturing for major companies such as Lockheed Raytheon. Eighty-three automotive and industrial equipment suppliers are located here."

The complexity of the aerospace supply chain, as with automotive, requires high-caliber logistics resources and expertise – capabilities that fit well with Arkansas' emerging wind turbine industry. Situated conveniently near major Gulf



The Port of Pine Bluff serves as the major trade center for the southeast portion of Arkansas, and is the anchor of the city's Harbor Industrial District.

Coast ports that have become primary gateways for wind turbine component imports and exports, Arkansas is on the periphery of a wind corridor that stretches from Texas to Canada.

"There has been tremendous growth in wind turbine manufacturing," Haley says. "Four international wind manufacturers have located in state in the past two years. We've seen growing blade and turbine manufacturing activity for use in the United States as well as for export to South

America. We need tremendous logistics capabilities to support this industry."

Recently Nordex USA, the American arm of the German wind turbine manufacturer, announced plans for a manufacturing facility in Jonesboro, Ark. As a result of the Nordex project, Jonesboro and the surrounding region expect numerous suppliers for the company to locate in the area.

While these natural attributes draw notice, Arkansas' state government has worked hard to nurture a business environment that keeps interest and investment in the state flowing.

"Leadership understands the needs of business – of getting public and private sector on the same page. Governor Beebe has focused us on working together and educating all the different agencies – education, labor, transportation and logistics, science and technology – to build a workforce for the future," says Haley.

With 56,000 people employed in transportation and warehousing jobs in the state, and more than 80 distribution facilities and 20 major trucking firms, Arkansas has committed resources, capital, and its future to the growth of supply chain and logistics industries and jobs.

It's little wonder then that Arkansas is a natural fit for transportation and logistics industries. The land of opportunity holds no bounds. ■



Hitting the Road

A network of highways and byways bolsters Arkansas' strategic location and is served by two of the country's premier motor carriers, ABF and J.B. Hunt. I-30 connects with I-40 in Little Rock, and continues west to Dallas, creating a corridor to the southwest United States.