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## Atlanta still rising as logistics powerhouse

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From trucks and trains hauling freight to and from the Port of Savannah to one-hour home deliveries from Amazon warehouses, the movement of goods from one place to another has become big business in metro Atlanta.

“This is a very large industry for our state and region and of course Atlanta was founded as a logistics hub,” said [Troels Adrian](#), director of supply chain and ecosystem expansion at the Metro Atlanta Chamber. “Terminus (Atlanta’s original name) was at the intersection of two main railroads back in the 1850s. It’s a pretty exciting industry to be working on here in the state because this is a state that gets logistics like none other.”

In fact, metro Atlanta is one of the nation’s leading supply chain and logistics hubs. The region is home to more than 12,300 logistics providers that employ more than 150,000, according to Georgia’s Center of Innovation for Logistics in the Georgia Department of Economic Development.

The metro area is ranked fifth nationally for transportation and logistics employment with an estimated employment of 61,636, and sixth for distribution and e-commerce employment, with more than 143,471, according to a study by the Institute for Strategy and Competitiveness at the Harvard Business School

It is also home to seven of the world’s top 10 supply chain management software suppliers, including Manhattan Associates Inc. and [Chainalytics](#).

Location and infrastructure have fueled the state’s rise as a logistics center. Products coming into the Georgia ports can be distributed along the Eastern Seaboard through a well-developed network of highways and rail.

Companies have also responded to the fast population growth in the area.

“Fifty years ago the Southeast was a much poorer region than it is now relative to the rest of the country,” Adrian said. “So when you have fast-growing population and fast-growing incomes you get a lot of consumption growth.”

With that growth comes increased demand for products, both consumer and business, he added.

Warehousing — particularly on Atlanta’s Southside — has flourished, providing ample space for storage as goods are moved throughout the country.



RENDERING/SPECIAL

Coyote Logistics' new location at Armour Yards.

Another indication of the importance of the industry can be found in availability of venture capital. [American Global Logistics LLC](#) recently raised \$16 million to help fuel its expansion. Founded in 2007, the company employs cloud-based technology to provide logistics services to large shippers.

“Atlanta really has emerged in the last couple of decades as a very strong hub for multimodal transportation of goods,” said [Jon Slangerup](#), chairman and CEO of American Global Logistics. “It’s a logical choice for a number of companies to headquarter with the big ones being [UPS](#) and Manhattan Associates and Home Depot, even [Honeywell](#).”

The company has experienced fast growth in recent years owing to a strengthening economy.

“With that strong U.S. consumer demand, the entire import and export business has been very strong while the rest of the world has actually gone through some really tough ups and downs,” Slangerup said.

[C.H. Robinson Worldwide](#) is another company that has been expanding in the metro region. As a third-party logistics (3PL) firm, it does not own trucks and aircraft, but instead contracts with carriers to move its customers’ freight.

The company is consolidating its North American Surface Transportation business from two offices in Duluth and East Point into a 20,000-square-foot space at the former Centennial Tower in downtown Atlanta. The move will also create more than 200 jobs over the next few years.

Another recent logistics expansion was announced by [Coyote Logistics](#), a 3PL which expects to create 325 jobs as it opens a second office, nearly 50,000 square feet at 255 Ottley Drive in the loft office development Armour Yards. The Coyote expansion is fueled as the United Parcel Service Inc. (NYSE: [UPS](#)) subsidiary broadens its geographic footprint and services portfolio. The Armour Yards office will house Coyote’s brokerage division and include information technology, customer service and sales employees.

Along with the companies that move goods, Atlanta has also become a center for logistics technology. A wide variety of companies are marketing new ways to both handle goods and manage their transport. For many of these companies the city is a good location with its large logistics community and a large pool of tech talent.

The Germany-based warehouse logistics and automation company Knapp is one of those that has transformed the once largely manual warehouse into a fast-moving and automated center of technology.

Historically filling warehouse orders was done largely manually. Today, a lot of technology is involved.

“Now robotics is a big part of what we do and provide as part of our systems,” said Knapp CEO Josef Mentzer. “(We provide) a lot of software that is highly complex with algorithms that allow us to fill thousands of orders an hour and do so in the right priority and within the cut-off times that enable a company to ship orders as quickly as same day. ”

To accommodate its expanding business, the company recently purchased a new 50,000-square-foot building next door to its current location in Kennesaw. Technology is creating far-reaching changes that give shippers and freight handlers greater insight into the supply chain. Decades ago, a company might never be sure where a shipping container was or even if it had been lost in the handoff from one shipper to another.

Now technology that can gather data from a wide variety of sources has made the supply chain more transparent and driven greater efficiencies.

Supply chain optimization solutions like those marketed by Atlanta-based Blue Ridge Global are also helping logistics customers such as retail operations to make demand projections based on customer transaction analysis, pattern recognition and predictive analytics.

Building those solutions require a large pool of tech talent.

"If you think about what Atlanta is to technology and to supply chain, there is a ton of talent here," said Greg White, president of Blue Ridge Global.

#### BY THE NUMBERS

Logistics in Atlanta

12,300 logistics providers

150,000 jobs

#5 transportation and logistics employment

#6 distribution and e-commerce employment

*Sources: Georgia's Center of Innovation for Logistics, Institute for Strategy and Competitiveness at the Harvard Business School*

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