



Welcome to CATALYST!

The I-39 Logistics Corridor Association is pleased to present this quarterly issue of CATALYST, the e-newsletter designed to establish "Superior Transportation Infrastructure in the I-39 Logistics Corridor and the Chicago Region". This e-newsletter contains information that helps corridor members stay informed and assisting the association further its goals. We welcome your feedback to the CATALYST and to our group's work.



For the August meeting we have a change in our format. We have invited two guests who represent great assets in our corridor. We will be hearing from representatives of UPS and the Chicago Rockford International Airport. UPS will be updating us about the programs they offer through their Rockford bulk handling facility. The Chicago Rockford International Airport will talk about the Foreign Trade Zone 176 and how the corridor can use the FTZ. In addition we will be firming up plans for Festivus 2009.

I know this has been a trying year for many of us so we have changed the sponsorships that are available for the event. This event only goes forward with your sponsorship so I ask you to consider helping us assure that we can offer this great networking event. It is a great time to network with Chicago area deal makers and present your self for a spring groundbreaking opportunity.

If you are not already participating, I encourage you join our association. Please visit our website <http://www.i39logistics.com/> for more information. Over the past few years, our membership has helped transform the organization, and as a result, our region is better prepared to compete in today's global marketplace. I look forward to collaborating with you in the months and years to come.

I look forward to seeing you on the 19th.

Sincerely,
Janyce Fadden
Executive Director, I-39 Logistics Corridor Association

Expansion and Reorganization of Foreign-Trade Zone #176

In January of this year, the Greater Rockford Airport Authority – as grantee/administrator of FTZ #176 – received approval to expand and reorganize from the FTZ Board in Washington, D.C. This change eliminated undevelopable acreage owned by the RFD as well as several moribund sites; it also added acreage acquired by the GRAA since the original 1991 grant of authority. More important, it replaced this acreage with industrial building sites and prime industrial parks in Winnebago and DeKalb Counties. The net increase is just over 400 acres for a total approved acreage of almost 3620.

What This Means

Approval is the first of two required steps for an importer prior to utilizing FTZ benefits; the second step is called activation, which is akin to 'turning the lights on' in your plant or warehouse. When both steps have been completed, a qualifying company can reduce, delay or eliminate customs duties – or take advantage of other inventory, supply chain and weekly-entry savings offered under the program.

“As a result of this approval, FTZ #176 is 'new and improved' with the addition of 11 sites under the management of nine new partners,” bubbled FTZ Administrator Marge Bevers. “The application for approval is a lengthy and costly process. The step from approval to activation is short and cost-effective. We are working hard to encourage activity at these sites now that they are 'on line'. When other eligible importers realize the potential benefits that will accrue to their neighbors, interest will escalate,” she continued. Bevers said that with almost four-dozen active leads, prospects appear bright for the continued growth of the Zone in northern Illinois.

Chicago-Rockford International Airport Executive Director Bob O'Brien reinforced the good news: “The best news about this expansion is the serious interest in activation at two of the incoming sites from area companies. We know this effort will pay off for job retention and creation during this difficult economy.”

The incoming partners are:

- Abilities Center: Kishwaukee site and nearby Counselor Scale Building (owned by Hendricks Development Group)
- Alhark Corporation: former Mallquist Butter & Egg location on Samuelson
- Amphenol-Antel: 1300 Capital Drive
- City of Rockford: Logistics Park
- Greenlee: 3 locations on Research Parkway & Boeing Drive
- Hendricks Development Group: Essex Wire Building on N. Main
- HSA Real Estate: 4500 Kishwaukee industrial complex
- Target Corp: part of Park 88, DeKalb
- Venture One: Park 88 in DeKalb; Loves Park Corporate Center, Rock 39 in Cherry Valley

I-39 Corridor Expands Distribution Profile

To distributors, the I-39 Logistics Corridor is all about saving time and money. The key is proximity to everything of vital importance to manufacturers, suppliers and customers. To logistics engineers, who determine site-selection criteria, it's all about getting goods in and out of the Chicago area, which handles more freight than any other city in the country.

The primary reason most companies - especially distribution and logistics firms -- locate within the corridor is for the transportation infrastructure. Of the seven major interstate highways accessible within the corridor, six intersect truck-friendly I-39 including I-80, I-88, I-55, I-90, I-74, and I-43 - all with less congestion.

All major transcontinental rail systems converge in the Chicago area and seven of them provide access within the corridor: Union Pacific, BNSF Railway, Canadian National (formerly Illinois Central), CSX, Norfolk Southern, and Wisconsin & Southern. The corridor also provides short lines, Rochelle Dual-Access Railroad and the Iowa, Chicago & Eastern Railroad, in addition to the new Union Pacific Global III Intermodal Facility.

Besides the close proximity to O'Hare International Airports, there are eight airports within the corridor including the Chicago Rockford International Airport, the state's second largest airport and the country's fastest-growing airport. UPS' Air Hub and other airfreight carriers are located at the Chicago Rockford International Airport. Recently UPS completed the construction of a 70,000-square-foot freight-distribution facility as part of its Rockford Air Freight Handling Facility. The new facility enables UPS to serve customers with palletized shipping services in the region around Rockford.

Barge terminals along the Illinois River connect directly to the Great Lakes, St. Lawrence Seaway, Atlantic Ocean, Mississippi River, and the Gulf of Mexico.

Depending on the user requirements, other factors come into play:

- Logistics Support Services -- All major LTL carriers have terminals within the corridor.
- Alternative Energy Corridor - Alternative energy - including wind, solar, ethanol, bio-gas, geo-thermal, nuclear and

hydro electricity - is a growing industry within the I-39 Logistics Corridor. This is important to users who need high power at reasonable rates.

-Available & Affordable Property -- The corridor has an abundance of raw land available at affordable prices, high-end business parks being developed by national and local developers, and existing office and industrial facilities for purchase or lease.

The following are recent big-box distribution centers, located within the I-39 Logistics Corridor:

- 1,500,000 SF Target Corporation's distribution center in DeKalb.
- 1,400,000 SF Lowe's Companies, Inc., regional distribution center in Rockford.
- 1,000,000 SF James Hardie Building Products, Inc.'s production/distribution facility in Peru, IL.
- 1,000,000 SF Manufacturing, assembly, warehouse and distribution space occupied by Daimler Chrysler and its various suppliers in Belvidere.
- 916,000 SF Seneca Foods Corporation's, Janesville, WI - This vegetable-processing, warehouse and distribution facility in Janesville, WI.
- 890,000 SF 3M's three distribution facilities include 410,000 SF, 278,000 SF and 202,000 SF in DeKalb.
- 880,000 SF Wal-Mart Stores' distribution center in Sterling.
- 766,000 SF Anderson Packaging, Inc., expanded its existing 500,000 SF manufacturing/distribution facility by 266,000 SF, 66,000 SF larger than planned, due to increased demand.
- 600,000 SF Bay Valley Foods' TLC Midwest food-packaging and distribution center in Rochelle.
- 518,400 SF Double D Warehouse, LLC's public warehouse facility in Peru.
- 500,000 SF Wildwood Industries' manufacturing/distribution plant in Normal.
- 405,000 SF Chemtool's U.S. headquarters and distribution facility in Rockton
- 400,500 SF Rochelle Foods' distribution center in Rochelle includes expansions totaling 100,000 SF over the last five years.
- 400,000 SF Staples, Inc.'s order-fulfillment and distribution center in Beloit, WI.
- 365,000 SF Del Monte Foods' distribution center in Rochelle.
- 347,000 SF ConAgra's, refrigerated distribution center in Rochelle.
- 326,000 SF Kohl's warehouse/distribution center in LaSalle.
- 280,000 SF Kerry Americas' food plant and distribution facility in Beloit, WI.
- 250,000 SF Helgesen Development's manufacturing/warehousing/distribution facility in Janesville, WI.
- 231,000 SF DMB Holding's warehouse and distribution center in Peru.
- 214,820 SF Clark Steel Framing Systems' manufacturing/distribution facility in Rochelle.
- 210,000 SF Lowe's Companies, Inc.'s manufacturing/distribution facility in Janesville, WI.
- 200,000 SF Southeastern Container, Inc., a company owned by a group of 18 Coca-Cola franchisees, occupies this manufacturing/distribution center in Beloit, WI, where they supply bottles for Coca-Cola bottlers in the region.
- 425,000 SF Sara Lee's distribution center in Rochelle is its largest mixing facility in the U.S. The company recently completed an expansion of 145,000 SF and announced an additional 135,000 SF expansion in July of 2004.
- 128,000 SF Continental Custom Ingredients, Inc.'s headquarters, processing, and laboratory facility in Sycamore.
- 100,000 SF Alliance Development Corporation, logistics facility in Beloit, WI. Alliance also announced the construction of a separate 100,000 distribution/manufacturing facility adjacent to the Kettle project.
- 100,000 SF Freedom Graphic Systems, Inc., production/warehouse/distribution/office facility in Milton. The building will be located within the northeast quadrant of the new intersection of bypass Wisconsin State Highway 59 and Wisconsin State Highway 26.

Membership Benefits and Dues

Participating in the I-39 Logistics Corridor Association offers an array of benefits.

2009 Membership Benefits Include the Following:

- Listing of property information on our website, <http://www.i39logistics.com/sitesbuildings.html>
- Direct marketing advertising exposure
- Opportunity to have banner advertisement(s) featured on the website, <http://www.i39logistics.com/home.html>
- Participation in our membership meetings
- Receive our newsletter, the I-39 CATALYST
- Opportunity to participate in Holiday Festivus, our annual networking event
- Opportunity to display your information at our booth at selected trade shows. We will be at the AIRE Developers Showcase Exhibitor on Tuesday, September 22nd and the Transportation and Logistics Conference, Tuesday, October 20th.

If you would like to become a member and are interested in finding out more, please visit <http://www.i39logistics.com/membership.html> for more information, including a downloadable membership form. We encourage you to pass this newsletter on to those you may know who would benefit from becoming involved in I-39 Logistics Corridor Association as well.



Current Association Members: If you have not already done so, please forward to hillis@rockfordil.com the following information to be uploading to our new website so that we may better feature your business parks and regional projects. Please send ASAP so that our new map and property listings can be accurately updated in a timely manner:

- your business park information information, in PDF format
- any supplemental informational brochures or maps for your property, in PDF format
- updated contact information, including website and all key contacts

Membership Benefits and Dues

THIRD QUARTER MEMBERSHIP MEETING

Wednesday August 19, 2009
11:30am - 1:30pm
NIU Convocation Center, 1525 West Lincoln Highway, DeKalb

Directions:
Go to www.convocationcenter.niu.edu.

2009 FESTIVUS INFORMATION

The I-39 Logistics Corridor Association will host its fourth annual "Festivus" broker event on Thursday, October 22, at The Clubhouse in Oak Brook. Last year over 200 industrial brokers and real estate professionals attended; each year this event continues to be a success with increasing numbers in attendance.

We encourage you to consider supporting this important networking event as an event sponsor. Your sponsorship helps our association stage another first-class broker event that promotes continued awareness and potential investment in the I-39 Logistics Corridor.

For more information about 2009 "Festivus", please contact the association office toll-free at 877-390-3939. We welcome your participation in this premier event.



Holiday Festivus

FOR THE REST OF US



Save the Date!

4:00 PM to 7:00 PM

Thursday, October 22, 2009
at The Clubhouse in Oak Brook

This year begin your holiday season at I-39. During the 2007-2008 period, the I-39 Logistics Corridor booked approximately 8,200,000 SF of new commercial development and leasing activity, representing an increase of 67% over the 2005-2006 period. The significant benefits of locating within the 165-mile corridor are what make I-39 the ideal, highly accessible, low-cost location for business and the driving force of global trade. So come to our holiday soirée, talk to the I-39 developers and help us celebrate the harvest.



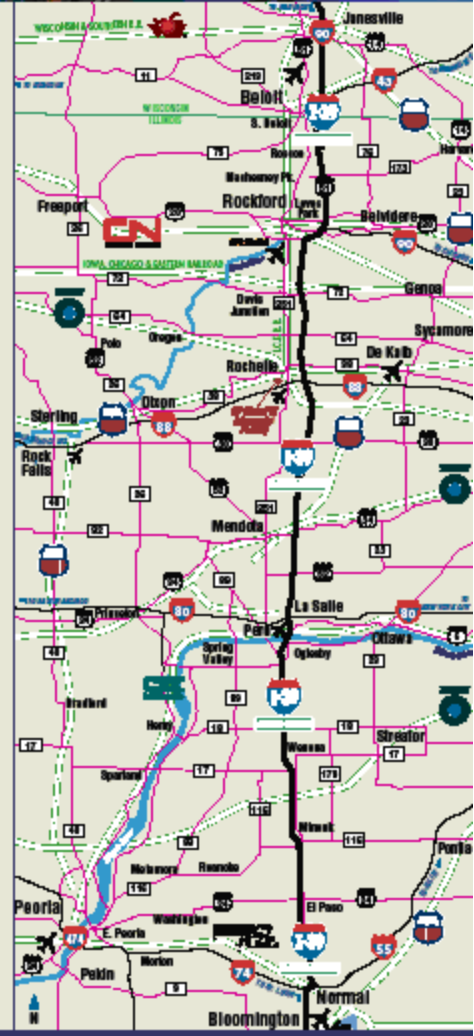
We're not just a cornfield anymore!

Cornucopia of Festivities

- Dealmaking & Merrymaking
- Literature Table
- Libations
- Hearty Hors d'oeuvres
- Freebies
- Door Prizes & Cash Prizes

Directions

The Clubhouse fronts 22nd Street on the southeast corner of Oakbrook Center in Oak Brook, IL. Valet parking is optional. Phone: (630) 472-0800.



R.S.V.P. by **Friday, October 9**



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