South Carolina’s economy has grown significantly in the last two decades and projections forecast even stronger economic performance in the future.
SC’s Scope Keeps Growing:
Made up primarily of logistics users and logistics providers.

Land Use experts provide:
- Advice on infrastructure opportunities
- Availability of property for infrastructure development
SC Logistics is a unique public/private collaborative effort to strengthen our state’s economy, create jobs, attract investment, and become a global leader in the logistics industry.
THE WORK OF THE SC LOGISTICS EXECUTIVE FORUM IS FOCUSED ON:

1 | Managing, marketing and connecting the logistics cluster
2 | Growing the logistics cluster
3 | Expanding the talent pipeline to serve the logistics sector
4 | Promoting competitive infrastructure and business environment
5 | Featuring and enhancing research/innovation/technology solutions

SC Logistics is an industry cluster supported by the South Carolina Council on Competitiveness, the SC Department of Commerce and industry partners.
National rankings of South Carolina’s economy indicate the robust nature of our economy and some competitive advantages of SC over other neighboring states.
Fortunately, recent and ongoing investments in transportation and distribution infrastructure strengthen South Carolina’s competitiveness as a logistics hub.

Investments by the state, the federal government and associated agencies have made the following projects possible:

- The opening of South Carolina’s first inland port in Greer
- Deepening of the Charleston Harbor
- Creation of the Jasper Ocean Terminal
- Establishment of a second inland port in Dillon to connect the I-95 corridor to the Port of Charleston
LOGISTICS
REFERS TO THE MOVEMENT OF RAW MATERIALS & FINAL PRODUCTS FROM ONE COMPANY TO ANOTHER, OR TO
A CONSUMER, VIA RAIL, GROUND, SEA OR AIR TRANSPORTATION.

THIRD PARTY LOGISTICS (3PL) COMPANIES USE TECHNOLOGY TO COORDINATE AND FACILITATE EVERY STEP OF THE TRANSPORTATION PROCESS.
600+
SC LOGISTICS COMPANIES**

**Includes South Carolina companies with 10 or more employees.
Only companies with 10 or more employees are included in the study's calculation.

SC LOGISTICS COMPANIES BY TYPE

- 45% | Trucking and Ground Transport Freight Providers
- 29% | Distribution/Warehousing Provider
- 13% | Third Party Logistics Provider (3PL) or Freight Forwarder
- 6% | Rail Freight Providers
- 3% | Maritime Freight Providers
- 2% | Air Freight Providers
- 2% | Freight Packaging
- <1% | Agribusiness/Forestry/Food

*Only companies with 10 or more employees are included in the study’s calculation.*
Resources now available - new SC Logistics website

One of the core elements of our mission at SC Logistics is to manage, market and connect the industry cluster. Looking for a freight partner, customer or service provider? Here you will find a listing and location of transportation, distribution and logistics companies in the state of South Carolina.

We are in the process of updating company contact info. If you do not see your company or would like to correct your information, please contact us.
The Lifeblood of State Commerce
The Economic Impact of S.C. Logistics on South Carolina

Joseph Von Nessen, Ph.D.
Research Economist
December 2017
joey.vonnessen@moore.sc.edu
Key Findings

• S.C. Logistics permeates every South Carolina industry – it is a foundation of the state’s economy

• The economic impact of S.C. Logistics is significantly larger than is generally documented
Key Findings

• Advanced manufacturing – South Carolina’s fastest growing industry since 2010 – relies on the logistics cluster at twice the rate of the average S.C. industry

• Logistics occupations are experiencing an increase in demand in South Carolina; maintaining an appropriate workforce supply among these occupations should be a priority for workforce development efforts
Defining Logistics…

The processes associated with the flow of goods and services from a point of origin to the point of consumption
(1) Provider Functions: Logistics functions existing primarily to transport raw materials and/or final products from one firm to another or from a firm to a final consumer.

(2) Embedded Functions: Logistics functions existing within a firm in service of that firm’s operations.
S.C. Logistics – Size and Scope

• Logistics defined as a set of related occupations, not as a set of related industries

• Provider functions span 26 occupations; embedded functions span 2 occupations
# Largest Occupations within S.C. Logistics

<table>
<thead>
<tr>
<th>Occupation Description</th>
<th>Total Employment</th>
<th>Occupation Description</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logisticians</td>
<td>2,990</td>
<td>Laborers and Freight Movers</td>
<td>50,090</td>
</tr>
<tr>
<td>Transportation Managers</td>
<td>1,100</td>
<td>Heavy and Tractor-Trailer Truck Drivers</td>
<td>26,520</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>Light Truck or Delivery Services Drivers</td>
<td>13,390</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>Packers and Packagers</td>
<td>8,340</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>Industrial Truck and Tractor Operators</td>
<td>7,580</td>
</tr>
</tbody>
</table>

**Total Direct Employment in S.C. Logistics: 113,865**

**Percentage of Embedded Function Occupations: 3.5%**

Breaking Down Components of S.C. Logistics

Truck Driver

- Trucking Company
  - External Provider
- Concrete Company
  - Internal Provider
Breaking Down Components of S.C. Logistics

This industry subset is what is often considered to constitute the entirety of the logistics cluster, when it actually only represents about **31% of logistics in S.C.**

The Economic Impact of the Logistics Cluster on South Carolina
South Carolina Economic *Impact*

Total Employment: 113,865
Total Compensation: $5.4 billion
Total Economic Impact: $32.9 billion

Economic Impact by Logistics Function
(in billions)

- $21.45 Internal Providers
- $10.38 External Providers
- $1.16 Embedded

## Economic Impact of Logistics by Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
<th>Economic Impact (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation and Warehousing</td>
<td>32.0%</td>
<td>$10.56</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>14.0%</td>
<td>$4.63</td>
</tr>
<tr>
<td>Administrative and Support and Waste Management</td>
<td>13.7%</td>
<td>$4.53</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>11.8%</td>
<td>$3.88</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>10.9%</td>
<td>$3.60</td>
</tr>
<tr>
<td>Construction</td>
<td>2.1%</td>
<td>$0.69</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical</td>
<td>1.4%</td>
<td>$0.47</td>
</tr>
<tr>
<td>Real Estate</td>
<td>1.2%</td>
<td>$0.40</td>
</tr>
</tbody>
</table>

Average Annual Wage Comparisons

- All Jobs Supported by S.C. Logistics: $47,247
- All Jobs in S.C.: $40,293

+17.3% Wage Premium

Who Relies on the Logistics Cluster?
LOGISTICS refers to the movement of raw materials & final products from one company to another, or to a consumer, via rail, ground, sea or air transportation.

THIRD PARTY LOGISTICS (3PL) companies use technology to coordinate and facilitate every step of the transportation process.
The advanced manufacturing sector relies on external logistics firms at twice the rate of the average South Carolina business.

Source: S.C. Council on Competitiveness
Key Findings

• S.C. Logistics permeates every South Carolina industry – it is a foundation of the state’s economy

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Key Findings

• Advanced manufacturing – South Carolina’s fastest growing industry since 2010 – relies on the logistics cluster at twice the rate of the average S.C. industry

• Logistics occupations are experiencing an increase in demand in South Carolina; maintaining an appropriate workforce supply among these occupations should be a priority for workforce development efforts
Thank You!

joey.vonnessen@moore.sc.edu
SOUTH CAROLINA’S LOGISTICS INDUSTRY IS LARGE AND DIVERSE.
EVERY BUSINESS IN SOUTH CAROLINA RELIES ON LOGISTICS BY WAY OF:

- RAIL
- SEA
- GROUND
- AIR

113,000 TOTAL LOGISTICS EMPLOYMENT*

$32.9 BILLION ECONOMIC IMPACT

600+ LOGISTICS COMPANIES**

*Includes internal, external and embedded employment.  ** Includes South Carolina companies with 10 or more employees.
What’s next?
2018 Focus Areas

- Research topics w/educational institutions and state agencies
  - E-commerce growth and impact on SC
  - Multi-state benchmarking of logistics industry health
- Strong Focus on innovation/technology solutions
- Continue focus on workforce development and education