



THE LOGISTICS INDUSTRY

IS THRIVING IN NORTHEASTERN PENNSYLVANIA

WELL KNOWN COMPANIES OCCUPY TENS OF MILLIONS OF SQUARE FEET OF DISTRIBUTION SPACE IN THE REGION.

WHY IS THE LOGISTICS INDUSTRY

GROWING IN NEPA?

Northeastern Pennsylvania's (NEPA's) I-81 Corridor has become one of the most sought after locations for companies wishing to distribute their products from Maine to Virginia and west to Ohio. The region consists of communities such as Scranton, Pittston, Wilkes-Barre, and Hazleton and is at the crossroads of five major interstate highways. Here are a few of Northeastern Pennsylvania's assets that companies in the logistics industry find appealing.



LABOR QUALITY & AVAILABILITY

The region is known nationally for its exceptional work ethic. In fact, John Rhodes, Senior Executive with acclaimed national site selection consultant Moran, Stahl & Boyer said, *"It's almost like Northeast PA defines what work ethic is. People come to work with an eagerness and willingness to get the job done."*

Dick Kane, President of Kane is Able, a large 3PL based in the region added, *"The workforce here is very strong. The work ethic is fantastic. We feel a lot of our success as a company is due to the fact that our associates have a genuine concern about doing a great job for our customers. That's what makes us successful in Northeastern Pennsylvania."*

Despite the growth of the logistics industry in NEPA, labor remains readily available. As the following comparison of annual unemployment rates shows, the region's rates continue to be considerably higher than state and national averages.

TRANSPORTATION SERVICES

Dozens of FTL and LTL trucking firms serve the region. Some of the better known trucking firms with terminals in NEPA include:

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|-----------------------------------|----------------------------|
| ABF Freight System, Inc. | A. Duie Pyle |
| Bolus Freight Systems | Con-Way Freight |
| Evans Distribution Systems | Estes Express Lines |
| FedEx National LTL | Kane is Able |
| M.S. Carriers | NFI Logistics |
| New Penn Motor Express | Pitt Ohio Express |
| Prime, Inc. | R.C. Moore |
| R & L Carriers | RLS Logistics |
| Ward Trucking | YRC National |

FedEx Ground, FedEx Express, and UPS have major facilities in NEPA. Two Class I railroads, Norfolk Southern and Canadian Pacific, as well as several shortlines, serve the area.

Rick Cohen, Managing Director at Benco Dental said, *"The five interstate highways that connect in Northeastern Pennsylvania make it very easy for us to distribute our products to more than one third of North America's population overnight. This area's great access, combined with a dedicated and highly productive workforce, has helped Benco Dental become the nation's largest independent dental distributor."*

	NEPA CIVILIAN LABOR FORCE	EMPLOYED	UNEMPLOYED	NEPA RATE %	PA RATE %	U.S. RATE %
2014	534,300	495,300	39,000	7.3%	5.6%	6.3%
2013	532,100	484,600	47,000	9.0%	7.9%	7.6%
2012	530,600	482,300	48,100	9.1%	7.6%	8.2%
2011	527,800	479,400	48,300	9.2%	7.9%	8.9%



MERICLE COMMERCIAL REAL ESTATE SERVICES

Mericle is the largest privately-owned developer of industrial space along Pennsylvania's I-81 Corridor. Mericle has developed more than 18 million square feet of industrial, office, and flex space in 15 local business parks and has provided logistics space to dozens of nationally known firms. A few of the well-known companies that occupy logistics facilities developed by Mericle include Amazon.com, Corning Life Sciences, CVS Caremark, FedEx Ground, Home Depot, Kimberly Clark, Michael's Stores, Neiman Marcus, PepsiCo, and Sears.

In the fall of 2012, Mericle announced its ground-breaking ReadyToGo!™ Program, a major investment in new speculative buildings and fully prepared sites that will facilitate the creation and retention of thousands of local jobs. For its ReadyToGo!™ Sites Mericle obtains all permits and full subdivision, land development, and utility approvals. In most cases, all grading, including the placement of compacted stone sub-base in the building and pavement areas, is completed and the parcels are made completely ready for the immediate construction of building foundations.

Mericle is fully preparing more than 90 ReadyToGo!™ Sites and building dozens of speculative commercial buildings on the approximately 1,700 acres it owns in 11 business parks in Luzerne and Lackawanna Counties. For more information on all of Mericle's properties, visit mericle.com.

TAX INCENTIVES

Most of Mericle's best industrial sites and buildings are located in special zones that offer significant tax breaks to businesses.

For example, all of Mericle's properties in Center-Point Commerce & Trade Park have LERTA approval. Real estate taxes on buildings/improvements are 100% abated for 10 years in CenterPoint. Mericle also owns several available properties which are located in Keystone Opportunity Zones (KOZs). Eligible companies that locate in KOZs have virtually all of their state and local taxes abated through the end date of the zone - typically December 31 of 2017, 2019, or 2020.

LOGISTICS COMPANIES IN NORTHEASTERN PENNSYLVANIA

Dozens of top corporations have established large distribution centers in the region.





TRAVEL DISTANCES TO KEY CITIES

Northeastern Pennsylvania is the center of the I-81 Corridor

CITY	MILES	KILOMETERS
Delaware Water Gap, PA	57	92
Allentown, PA	67	108
Morristown, NJ	96	155
Philadelphia, PA	113	189
Harrisburg, PA	116	187
Port Newark, NJ	126	203
New York, NY	128	206
Syracuse, NY	152	245
Baltimore, MD	194	312
Hartford, CT	198	319
Washington, DC	237	381
Pittsburgh, PA	290	467
Boston, MA	301	484

The region is in the center of the Boston/Washington Corridor and is at the confluence of five major highways. Interstates 81, 80, 84, 380, and 476 meet here and provide excellent access to firms wishing to serve Maine to Virginia and west to Ohio.

DEEP WATER PORTS

The region is close to these key ports

PORT	MILES	KM
Philadelphia	120	193
New York/New Jersey	121	195
Wilmington	132	212
Baltimore	191	307

DEVELOPMENT DIVISION
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Developing Northeastern Pennsylvania's I-81/I-78 Corridor Since 1985