



COLORADO

KEY INDUSTRY
**TRANSPORTATION &
LOGISTICS**



INDUSTRY FACTS

2013 TOTAL EXPORTS
\$500 MILLION

TOP 3 EXPORT MARKETS

- 1. Canada
- 2. New Zealand
- 3. Mexico

NUMBER OF COMPANIES

16.7K

AVERAGE ANNUAL EMPLOYMENT

197.5K

5.3% EMPLOYMENT CONCENTRATION

Colorado's transportation and logistics industry is an integral part of the state's economy, supporting the manufacturing base and distribution sectors.

This industry includes a variety of components: logistics, transportation, warehousing, aviation, and other transportation and logistics services. In particular, the industry is responsible for managing the flow of goods, services and information between a point of origin and destination to meet customer demand. Companies included in this industry provide truck, rail and air transportation, ground passenger transportation, and warehousing and storage. This industry also includes wholesale trade companies that connect goods producers with retailers and distributors in a timely and efficient manner. Both producers of non-durable goods—such as food and beverages, pharmaceuticals and apparel—and durable goods such as machinery, cars, computers and electronics, and furniture are included. Transportation and logistics companies provide the integration of these subsectors, including warehousing, transportation, inventory, packaging and material handling. Couriers, messengers and transportation support services are also included. Companies in the transportation and logistics industry also provide aircraft manufacturing, airport operations and air traffic control.

Transportation & Logistics Assets

Colorado's transportation and logistics industry is enabled by multimodal transportation elements that are privately and publicly owned and operated. With access to major state and federal highways, local roadways, freight and passenger railroads, private and public transit systems, airports, and pedestrian and bicycle facilities, Colorado is one of the nation's premier transportation hubs. Colorado is the crossroads of major Interstate Highways (I-25, I-70 and I-76), and has numerous state and federal highways that serve a critical function in supporting interstate commerce. Local roadways, scenic byways, and pedestrian and bicycle facilities are important for local commerce, tourism and recreation across Colorado. Rail lines are a significant component of the nation's transportation system and are vital to Colorado's economic health and global competitiveness. Colorado is home to 14 freight railroads operating on more than 2,660 miles of track, and two Class I railroads: the Burlington Northern Santa Fe and Union Pacific railroads. Nearly one-fourth of all freight handled in Colorado is moved via rail. Another important asset—Colorado's airports—play a critical role in fostering business growth and economic development in the state. Colorado's robust system of 76 public use airports—including Denver International Airport—generate \$36.7 billion in economic output annually. These airports provide the connectivity to worldwide markets and destinations, a key component to Colorado's rapidly expanding business community and world-renowned tourist destinations. With North America's longest commercial runway, DIA offers nonstop service to more than 170 domestic and international destinations including Europe, Asia, Canada, Mexico and Central America.

Major Employers

- Arrow Electronics
- Denver International Airport
- FedEx Corporation
- Frontier Airlines
- Oracle Corporation
- Regional Transportation District
- SkyWest Airlines
- Southwest Airlines
- United Airlines
- United Parcel Service

TOP BY EMPLOYMENT OCCUPATIONS

1. Sales Representatives, Wholesale & Mfg., Except Technical & Scientific Products

2. Heavy & Tractor-Trailer Truck Drivers

3. Laborers & Freight, Stock, & Material Movers, Hand

4. Light Truck or Delivery Services Drivers

5. Customer Service Representatives

ANNUAL PAYROLL
\$13.4 BILLION

DID YOU KNOW?

CO's transportation network includes almost 1K miles of Interstate highway, 300+ miles of other freeways/ expressways, and almost 87.1K miles of arterials, collectors and local roads. (Colorado Department of Transportation, 2014)

CO is an ideal hub for interstate and international commerce. The state's total exports grew 6.4% between 2012-2013, compared with a 2.1% national increase. (U.S. Department of Commerce, 2014)

DIA occupies the largest airport site in the nation and is the 2nd-largest international airport in the world by land size. (Denver International Airport, 2014)

Note: An establishment is defined as a single physical location that produces some form of economic activity. One company can have multiple establishments.

Sources: QCEW Employees, Non-QCEW Employees, Self-Employed, & Extended Proprietors – EMSI 2014.2 Class of Worker; WISERTrade.

Workforce

Colorado's transportation and logistics industry includes a large pool of talented, skilled workers. Compared with the age distribution across all industries, the transportation and logistics industry has a larger share of employees between the ages of 35 and 64 years old.

Fifty-six percent of transportation and logistics-related occupations in Colorado require a high school diploma or equivalent, while nearly 14 percent require a bachelor's degree or higher. More than 77 percent of the transportation and logistics-related occupations require some sort of on-the-job training.

Education and Training

The higher education system in Colorado provides an excellent support system for the transportation and logistics industry in the state and offers a broad range of technical, scientific, and specialized degrees. There are 28 public institutions of higher education in Colorado, consisting of 13 four-year and 15 two-year public institutions offering transportation and logistics-related programs. In addition, there are nearly 40 private and religious accredited institutions and about 20 private occupational and technical schools offering nearly 230 transportation and logistics-related programs throughout the state.

Key Locational Factors

1. A central location with easy global access

- Nine cargo airlines and 13 major and national airlines provide an extensive freight network between Denver and other cities, which offers close proximity to I-70, one of the country's primary east/west commerce routes. (Denver International Airport, 2014)
- DIA was the fifth-busiest airport in the nation and 15th-busiest worldwide in terms of passenger traffic in 2013. (U.S. Bureau of Transportation Statistics, 2014; Airports Council International 2014; and Denver International Airport, 2014)
- Three general purpose Foreign Trade Zones in Metro Denver and northern Colorado allow manufacturers to expedite customers and reduce or eliminate fees and tariffs on imported materials. Aspen Distribution, Inc. operates the original site located near the former Stapleton Airport, and the second zone, WorldPort at DIA, is just minutes from DIA. The newest and largest zone geographically—Great Western Industrial Park in Windsor—connects to the Burlington Northern Santa Fe and Union Pacific rail lines via the Great Western Railway of Colorado. (City and County of Denver)

2. Low transportation costs

- Colorado's average price per gallon of regular gasoline (\$3.42) in 2013 was 2.5 percent below the national average (\$3.51). (U.S. Department of Energy, Energy Information Administration, 2014)
- Transportation costs in Metro Denver are 5 percent below the national average and are well below that of many other major cities. Across the state, transportation costs in Colorado Springs, Grand Junction, Pueblo and Gunnison are at least 1 percent below the national average. (The Council for Community and Economic Research, Cost of Living Index, Annual Average 2013)

3. Access to transportation and logistics-related training programs

- The Aviation and Aerospace Science Department at Metropolitan State University of Denver (MSUD) is one of the largest and most advanced collegiate aviation programs in the country, offering majors in aviation management and aviation technology, and certificate programs in airport management and space commercialization. (Metropolitan State University of Denver, 2013)
- The University of Denver offers an Executive Transportation Management Master's Degree designed to develop the next generation of leaders in the global transportation industry. This practice-based degree prepares leaders and managers in the transportation, supply-chain management, and logistics industries to become increasingly integrative in their approach as the industry becomes more intermodal and interdependent. (University of Denver, 2014)

Learn more about Colorado's transportation & logistics industry at www.advancecolorado.com/transportation.



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