

CASE STUDY

UPS SUPPLY CHAIN SOLUTIONS



FAST FACTS

COMPANY

The world's largest package delivery company and a leading provider of specialized transportation and logistics services.

CHALLENGES

- ▶ Maximize third-party logistics division's operational efficiency.
- ▶ Develop strategically-located logistics campuses to support the division's growth.
- ▶ Develop facilities flexible enough to house multiple customers and different industry uses over time.

RESULTS

- ▶ Provided logistics campuses in four strategic U.S. locations.
- ▶ Supported growth of full-service supply chain management division.
- ▶ Delivered turnkey build-to-suit services from site evaluation to move-in and warranty enforcement in multiple markets.

LOGISTICS CAMPUS DEVELOPMENT

UPS Supply Chain Solutions (UPS-SCS) is the third-party logistics division of the world's leading freight services company. It serves customers in the retail, consumer products, e-commerce, technology and health care industries and is a key growth driver for UPS.

A vital component of the division's strategy is physical distribution campuses in strategic locations across the United States. Logistics campuses allow for future expansion and maximized operational efficiencies in areas including labor and transportation. UPS-SCS chose IDI Logistics to develop a 710,000-square-foot build-to-suit distribution facility in 1998 in Hebron, Kentucky, located just outside Cincinnati, Ohio. IDI Logistics developed subsequent UPS-SCS campuses in Hebron; Elizabethtown, Kentucky; Mira Loma, California and Dallas/Fort Worth, Texas, and single (non-campus) facilities in Louisville, Kentucky and Carol Stream, Illinois. In each case, IDI Logistics conducted site search, acquisition and due diligence, zoning, permitting, design, construction, material handling integration, move-in, warranty fulfillment and construction financing on UPS-SCS' behalf.

In the 10 years since occupying its first IDI Logistics facility, UPS-SCS' annual revenues grew five times to \$5.08 billion in 2009. In total, UPS has occupied 16 IDI Logistics facilities covering more than six million square feet.