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by John A. Evans

Growing Together: Promoting Government and Industry Collaboration

In Michigan, a state that's undergoing an unprecedented shift in its economy, Governor Jennifer Granholm established a new committee to create opportunities for the logistics and transportation sector. The group, comprised of politicians, business leaders, community organizers, and supply chain professionals, advises the governor and state agencies on supply chain management initiatives to help the economy and create jobs.

Logistics thought leaders around the country must follow this example and seize every opportunity to promote the sector's and economy's overall success. There are three main areas where logistics and the government can work together.

1. Regulatory issues. Ensuring logistics companies have what they need to grow is critical. One way to do this is by making recommendations on regulatory, tax, and investment issues to ensure they are equitable and balanced.

Michigan, for example, passed legislation a few years ago extending a six-percent sales tax on warehousing and logistics services. Evans Distribution explored all options to repeal, overturn,

or modify this legislation including: meeting with government officials, lobbying legislature with industry associations to exclude warehousing from the tax, partnering with local organizations also fighting to repeal the law, and sending the legislature 5,000 letters written by Evans' employees.

We met with senators and representatives to inform them of the severe consequences to the state should they proceed with taxing the industry. The grassroots lobbying and marketing effort to get the service tax canceled was aggressively executed so that logistics companies wouldn't have to increase their prices and risk losing customers in a weak economy.

2. Workforce training. A skilled workforce may be a region's greatest asset. The government can design and fund training and vocational programs to teach the logistics language, how to operate class-eight trucks and hi-los, and the demands of just-in-time manufacturing.

State agencies can support recruiting, screening and assessment, and training in specific skill areas. Reaching out to local representatives and suggesting

grants to fund these initiatives is one way to ensure the continued strength of an area's labor pool.

3. Infrastructure. States require reliable, efficient modes of transportation to connect local companies to national business centers and world markets. Yet infrastructure continues to be a problem in cities nationwide.

Logistics professionals and the states must work together to prioritize and coordinate investment in transportation infrastructure. While many states have a solid infrastructure foundation, an aging system often requires updates and redevelopment. Improving mode connectivity would benefit logistics operations. After all, infrastructure investments often lead to more business growth.

Collaboration benefits both parties. It can help explore methods for attracting, supporting, and growing the supply chain and logistics sector. Whether a supply chain manager for a major corporation, owner of a trucking company, or president of a third-party logistics provider, logistics professionals should get involved in the decisions that affect our business. ■