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[Report details distribution center costs](#)

A new report details the wide range in costs of operating a distribution center in different pa...

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## Report Details Distribution Center Costs

[Soy Transportation Coalition elects officers](#)

The Soy Transportation Coalition announced its newly elected officers at its annual meeting on ...

A new report details the wide range in costs of operating a distribution center in different parts of the U.S. and Canada.

The Boyd Co., a corporate relocation firm based in Princeton, N.J., said, "with fuel and shipping rates projected to spike significantly in 2011, comparative costs for factors like labor, property taxes, energy and real estate are under the site selection microscope like never before.

[Damco partners with Paramount Export](#)

Damco, the freight forwarding and logistics army of A.P. Moller - Maersk, said it has been hire...

"While shipping rates are often negotiable among competing carriers, most other operating costs facing the warehouse site planner are fixed and a less than optimum operating cost structure can lead to a compromise of competitive position that will persist for years."

[Allport merges with CS Logistics](#)

U.K. freight forwarder Allport will merge with CS Logistics Holdings Ltd., the parent company o...

The 78-page report details the cost of operating a 175,000-square-foot facility with 75 nonexempt workers and shipping over-the-road in truckload lots to a national U.S. market.

Costs ranged from a high \$12.6 million in San Jose-Sunnyvale, Calif., to a low of \$7.4 million in Sioux Falls, S.D. Canadian costs range from a high of \$12.1 million per year in Toronto to a low of \$9.7 million in Calgary. Canadian costs are in U.S. dollars at parity.

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Boyd said its analysis goes beyond just shipping cost considerations and covers all major geographically variable cost factors most pivotal to the corporate site selection

decision for new distribution warehouse operations. These include:

- Nonexempt labor costs for warehouse, material handling, packing, light assembly and administrative support workers.

- Industrially zoned land costs.
- New warehouse construction costs.
- Electric power costs.
- Natural gas costs.
- Real estate property taxes.
- Transportation costs.

"In today's weak domestic economy and global cost pressures, many corporations are finding that the best way to improve the bottom line is on the cost side of the ledger, not the revenue side," Boyd said. "In this environment, site selection decisions at every level of the organizational structure, from the corporate headquarters location to manufacturing sites to distribution warehouse sites, are all being made with cost minimization as an overriding objective."