

Target Cluster Profiles

Logistics

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Logistics is one of the largest sectors in the Clackamas County economy, comprised of nearly 1,100 firms and 13,750 employees. The cluster is represented by a mix of wholesalers servicing food manufacturers, durable goods wholesalers servicing high-tech and advanced manufacturing sectors, and specialized and general trucking firms.

NAICS 423: Durable Goods Wholesalers

Wholesalers of durable goods are a critical part of the outbound and inbound supply chain. Clackamas County has concentrations of firms that deal in lumber and wood products, medical equipment, metals, and electronics products

NAICS 424: Nondurable goods Wholesalers

The vast majority of nondurable goods wholesalers in Clackamas County are linked to the Food Systems sector, specializing in grocery, farm, and beverage production

NAICS 425: Wholesale Trade Agents

Wholesale trade agents act on behalf of buyers and sellers in the supply chain and are closely related to the products purchased and sold in the local economy.

NAICS 484: Truck Transportation

The location of some of Clackamas County's key employment areas along key transportation corridors has led to a concentration of trucking and distribution uses. This sector employs 2,000 workers in the county.

NAICS 493: Warehousing and Storage

Warehousing and storage is the smallest part of Logistics in Clackamas County, but the warehousing functions of several large firms like Bob's Red Mill are essential to those firms' supply chain.

Economic Impacts (dollars in millions)

Firms in the anchor sectors of **Logistics** employ over 13,750 employees in Clackamas County. The annual direct contribution to the local economy is large at **\$2.31 billion dollars in value-added output**. Secondary effects contribute an additional 12,400 jobs and \$1.38 billion in value-added output.

Impacts	Jobs	Labor Income	Value Added	Output
Direct	13,750	\$1,412.2	\$2,316.4	\$4,312.4
Indirect	9,800	\$635.3	\$887.5	\$1,604.8
Induced	4,600	\$270.4	\$494.0	\$808.7
Total	28,150	\$2,317.9	\$3,697.9	\$6,725.9

Major Employers

- Con-Way Freight
- Fred Meyer (non-retail)
- International Wood Products
- Milestone Systems
- Biotronik
- Medline Systems
- Waste Connections

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The **Logistics** cluster relies on **68 different goods and service categories** in a production function that allows it to support over \$4.3 billion dollars in annual economic output and **\$2.3 billion in value-added output**.

Logistics centers consume a lot of space and require detailed planning and management, so real estate, corporate management, and back office (administrative) services are key inputs. Because this use relies on a very diverse range of inputs, of the \$1.5 billion in commodity inputs that support its output, only **13.2 percent** is cross spending within other anchors of the cluster.

Key Industries by Gross Inputs

Gross Inputs are the goods and services that make up the production function that produces another good or service, *regardless of where these inputs are sourced*. In the **Logistics** Cluster, the top 20 inputs represent **87.9% of all production inputs**. Aside from management and real estate, other key inputs include petroleum products (gas) automotive repair, insurance, and plastics and rubber products (tires and packaging).

TOP SECTORS	GROSS INPUT (millions)
Professional, Scientific, and Technical Services	\$201.4
Management of Companies and Enterprises	\$135.9
Administrative and Support Services	\$118.8
Real Estate	\$100.6
Petroleum and Coal Products Manufacturing	\$89.5
Couriers and Messengers	\$77.6
Merchant Wholesalers, Nondurable Goods	\$62.3
Warehousing and Storage	\$60.3
Repair and Maintenance	\$58.5
Insurance Carriers and Related Activities	\$48.7
Rental and Leasing Services	\$42.2
Scenic and Sightseeing Transportation	\$40.6
Support Activities for Transportation	\$40.6
Merchant Wholesalers, Durable Goods	\$37.6
Credit Intermediation and Related Activities	\$31.4
Utilities	\$28.7
Gasoline Stations and Fuel Dealers	\$26.7
Monetary Authorities-Central Bank	\$22.5
Truck Transportation	\$22.3
Plastics and Rubber Products Manufacturing	\$22.2

SOURCE: IMPLAN and ECONorthwest

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Firms in the **Logistics** sector support a broad range of other sectors within the Clackamas County economy. Across all inputs that support **Logistics**, **61 percent** of production inputs are purchased within the County.



Local Absorption Rate

Inputs that are large parts of the overall production function and have high rates of local purchase are core elements of what makes up a cluster. In **Logistics** these include:

Example Local Inputs with High Regional Purchase Coefficients (RPC)

- 99.6%** Real Estate
- 54.0%** Management of Companies
- 97.6%** Repair and Maintenance
- 93.2%** Machinery Leasing
- 86.4%** Gasoline
- 64.1%** Advertising

Key Industries by Regional Inputs

Regional inputs are the goods and services that make up production function but *are purchased locally within the local economy*. In the **Logistics** Cluster, the largest non-anchor regional inputs include a mix real estate, corporate management, and business management services, employment services, and advertising services.

TOP SECTORS	REGIONAL INPUT (millions)	GROSS INPUT (millions)
Professional, Scientific, and Technical Services	\$137.9	\$201.4
Administrative and Support Services	\$104.7	\$118.8
Real Estate	\$100.5	\$100.6
Management of Companies and Enterprises	\$73.4	\$135.9
Repair and Maintenance	\$55.7	\$58.5
Couriers and Messengers	\$45.2	\$77.6
Rental and Leasing Services	\$34.7	\$42.2
Merchant Wholesalers, Durable Goods	\$31.3	\$37.6
Merchant Wholesalers, Nondurable Goods	\$29.8	\$62.3
Insurance Carriers and Related Activities	\$25.3	\$48.7
Gasoline Stations and Fuel Dealers	\$23.3	\$26.7
Scenic and Sightseeing Transportation	\$21.1	\$40.6
Support Activities for Transportation	\$21.1	\$40.6
Utilities	\$20.0	\$28.7
Truck Transportation	\$19.5	\$22.3
Credit Intermediation and Related Activities	\$19.3	\$31.4
Warehousing and Storage	\$17.0	\$60.3
Wholesale Trade Agents and Brokers	\$15.5	\$16.0
Postal Service	\$13.3	\$22.1
Monetary Authorities-Central Bank	\$11.6	\$22.5

SOURCE: IMPLAN and ECONorthwest