



GOVERNOR'S COUNCIL FOR WORKFORCE AND ECONOMIC DEVELOPMENT

EDUCATION

ECONOMIC DEVELOPMENT

EMPLOYMENT

STATE OF OKLAHOMA

2005 LOGISTICS CLUSTER ANALYSIS

DEFINITION OF INDUSTRY

The Transportation, Distribution and Logistics (TDL) Cluster is composed of those business establishments that either directly engage in the transportation of people/products or facilitate the transportation of people/products. Industries that directly engage in the transportation of people/products include the scheduled air transportation, railroads, freight trucking, warehouse, etc. industries. Industries that facilitate the transportation of people/products include air traffic control, support activities for water transportation, and other airport operation industries.

SIGNIFICANCE AND HIGHLIGHTS

With three major interstates, two regional airports, an inland port, and a location in the middle of the nation, the state of Oklahoma is adequately situated to build a competitive advantage in the TDL Cluster.

Nationally in 2004, the Transportation, Distribution and Logistics Cluster accounted for approximately 2.9% of total national employment. Comparably in Oklahoma, the TDL Cluster accounted for approximately 3.7% of the state's total employment. Since the proportion of total employment employed in the TDL sector is greater in Oklahoma than in the nation, Oklahoma's 2004 location quotient in the TDL sector equals 1.05. This indicates that the TDL Cluster is more heavily concentrated in Oklahoma than the nation and that Oklahoma's TDL Cluster's share of total employment is approximately 105% of the nation's share of total employment.

DATA SOURCES

Data used for this analysis was obtained from the Oklahoma Employment Security Commission and included filings of Oklahoma employers as of March 2004.

CLUSTER STATISTICS

Employer Units	3,550
Number of Employees	51,630
Percent of Total Oklahoma Employment	3.7%
Net Employment Change between 2002 and 2004	-1,502
Average Annual Wages	\$41,024
Location Quotient	1.05
Change in Location Quotient 2002-2004	+0.10

TOP SIX INDUSTRIES IN THE LOGISTICS CLUSTER

The top six industries in the logistics cluster employ 33,508 people, which represents 64.9% of the total employment (51,630) in the cluster.

NAICS	Industry	Employment	Percent of Cluster
481111	Scheduled Air Passenger Transportation	9,262	17.9%
484121	General Freight Trucking, Long-Distance	9,256	17.9%
491110	Postal Service	(D)	(D)
492110	Couriers	3,913	7.6%
493110	General Warehousing & Storage	2,669	5.2%
484110	General Freight Trucking, Local	2,592	5.0%

(D) = Data suppressed for disclosure reasons.

TOP FIVE OCCUPATIONS IN THE LOGISTICS CLUSTER

Occupation	Mean Annual Wage
Laborers and Freight, Stock, and Material Movers, Hand (21,680)	\$19,280
Truck Drivers, Heavy and Tractor-Trailer (20,690)	\$31,580
Truck Drivers, Light or Delivery Services (10,400)	\$21,280
Automotive Service Technicians and Mechanics (7,970)	\$27,760
Shipping, Receiving, and Traffic Clerks (7,630)	\$22,610
% of cluster occupations (68,370/132,860)	51%

Source: Oklahoma Employment Security Commission (2004). Oklahoma Wage Network. Retrieved May 13, 2005 from: <http://www.oesc.state.ok.us/lmi/edspub/TOC000.htm>.

INDUSTRY LOCATION QUOTIENTS

NAICS	Industry	Location Quotient	Percent Change
486990	All Other Pipeline Transportation	19.96	4410.1%
486110	Pipeline Transportation of Crude Oil	6.04	4.7%
486210	Pipeline Transportation of Natural Gas	5.78	15.1%
486910	Pipeline Transportation of Refined Petroleum Prod.	5.08	14.3%
493130	Farm Product Warehousing and Storage	3.41	-19.1%
488190	Other Support Activities for Air Transportation	2.64	28.7%
481111	Scheduled Passenger Air Transportation	2.02	8.3%
484121	General Freight Trucking, Long-Distance, Truckload	1.90	13.2%
488490	Other Support Activities for Road Transportation	1.82	-18.9%
488111	Air Traffic Control	1.65	41.8%
484220	Specialized Freight Trucking, Local	1.33	22.0%
488999	All Other Support Activities for Transportation	1.21	165.9%
484110	General Freight Trucking, Local	1.16	42.7%

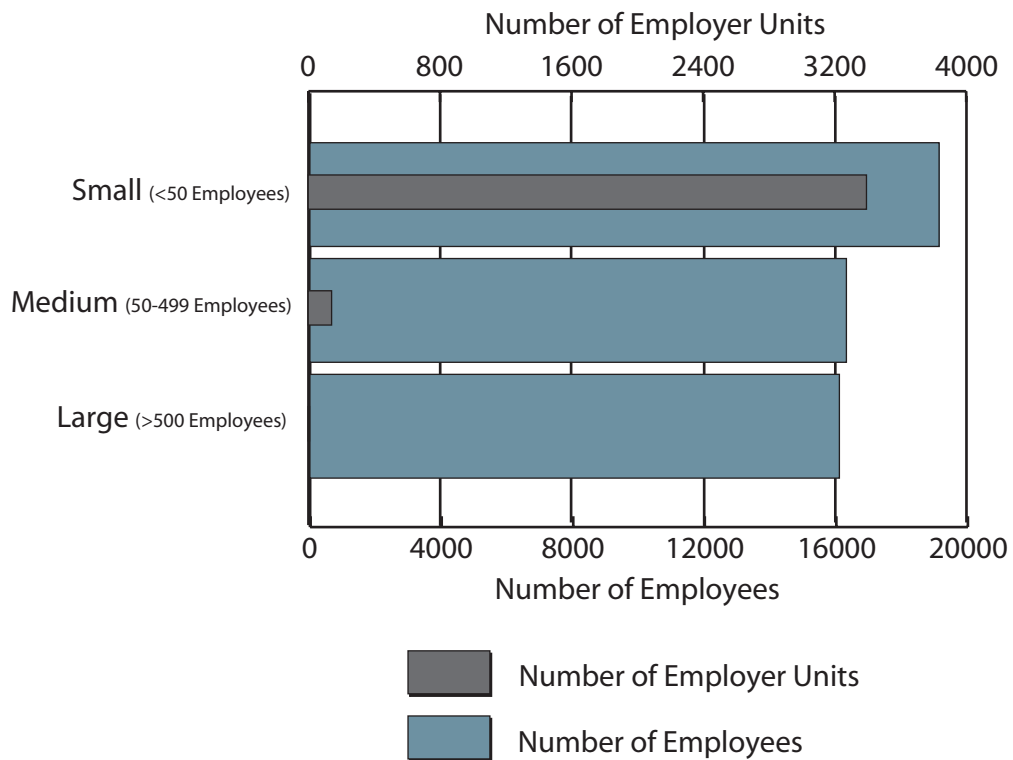
INDUSTRY LOCATION QUOTIENTS (CONTINUED)

NAICS	Industry	Location Quotient	Percent Change
491110	Postal Service	1.06	8.6%
493190	Other Warehousing and Storage	0.99	247.2%
484210	Used Household and Office Goods Moving	0.98	3.2%
488119	Other Airport Operations	0.94	-21.2%
484230	Specialized Freight Trucking, Long-Distance	0.93	19.2%
481211	Nonscheduled Chartered Passenger Air Trans.	0.83	12.5%
485510	Charter Bus Industry	0.82	-12.8%
492110	Couriers	0.77	12.6%
488210	Support Activities for Rail Transportation	0.75	15.2%
492210	Local Messengers and Local Delivery	0.73	43.2%
493110	General Warehousing and Storage	0.58	16.5%
493120	Refrigerated Warehousing and Storage	0.57	2.1%
481219	Other Nonscheduled Air Transportation	0.56	170.0%
484122	Gen. Freight Trucking, Long-Distance, < Truckload	0.54	-29.6%
488991	Packing and Crating	0.49	-18.2%
485310	Taxi Service	0.39	3.7%
481112	Scheduled Freight Air Transportation	0.38	6.3%
485999	All Other Transit and Ground Passenger Trans.	0.35	83.0%
488320	Marine Cargo Handling	0.32	238.5%
485113	Bus and Other Motor Vehicle Transit Systems	0.29	-14.8%
488510	Freight Transportation Arrangement	0.26	2.0%
487110	Scenic and Sightseeing Transportation, Land	0.17	-35.1%
481212	Nonscheduled Chartered Freight Air Trans.	0.14	7.7%
488390	Other Support Activities for Water Transportation	0.10	-54.6%
485210	Interurban and Rural Bus Transportation	0.09	-71.4%
485410	School and Employee Bus Transportation	0.07	-3.7%
485991	Special Needs Transportation	0.02	-46.8%
482112	Short Line Railroads	(D)	(D)
485111	Mixed Mode Transit Systems	(D)	(D)
488310	Port and Harbor Operations	(D)	(D)

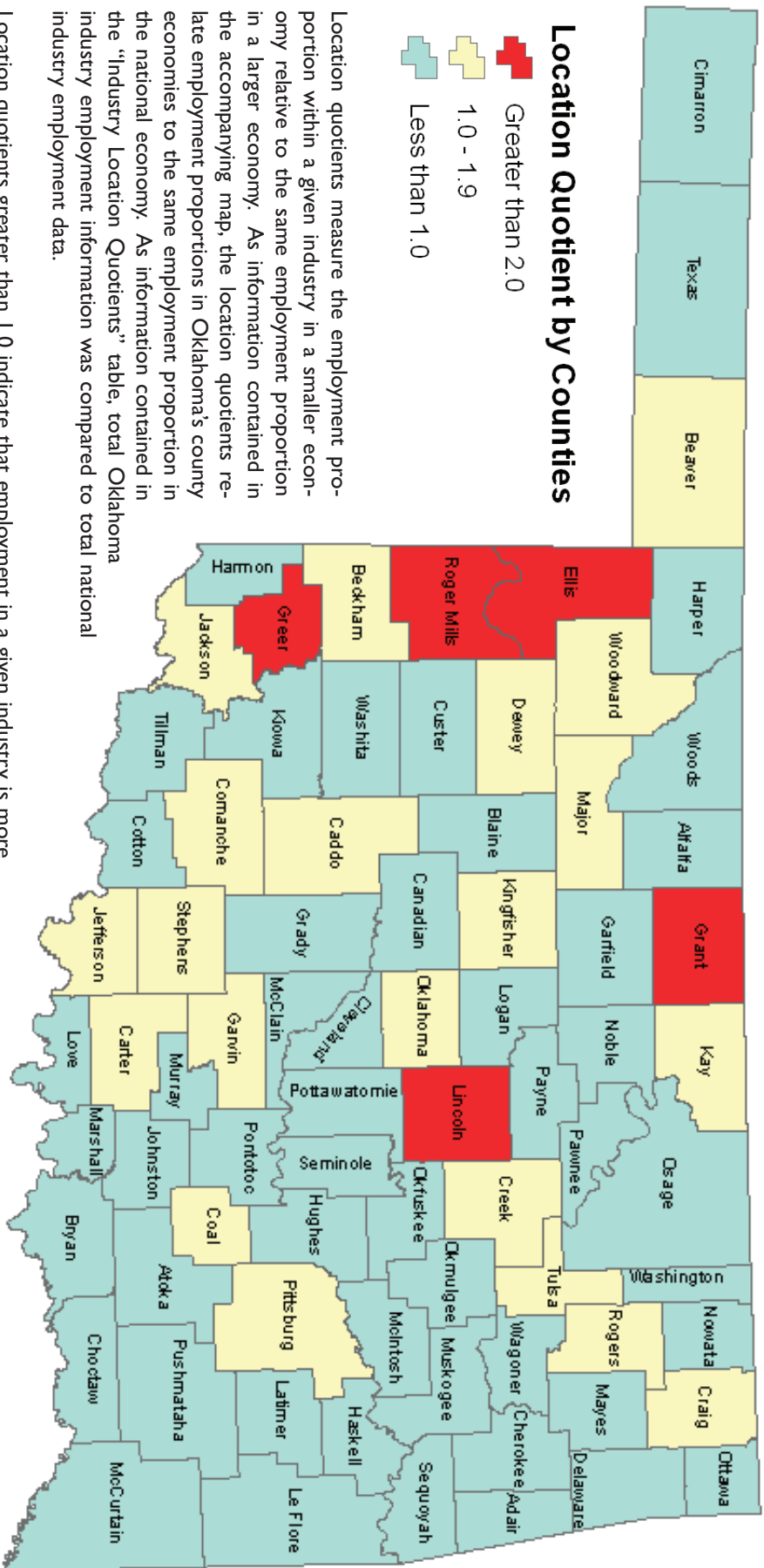
(D) = Data suppressed for disclosure reasons.

DISTRIBUTION OF EMPLOYER UNITS & JOBS BY EMPLOYER SIZE (MARCH 2004)

Range	Employer Units	Employees
Small (<50 employees)	3,393	19,118
Medium (50-500 employees)	145	16,304
Large (>500 employees)	11	16,091



LOGISTICS CLUSTER COUNTY LOCATION QUOTIENTS



Location quotients measure the employment proportion within a given industry in a smaller economy relative to the same employment proportion in a larger economy. As information contained in the accompanying map, the location quotients relate employment proportions in Oklahoma's county economies to the same employment proportion in the national economy. As information contained in the "Industry Location Quotients" table, total Oklahoma industry employment information was compared to total national industry employment data.

Location quotients greater than 1.0 indicate that employment in a given industry is more concentrated in the county economy when compared to the national economy. Conversely, location quotients less than 1.0 indicate that industry employment is less concentrated in the county economy when compared to the national economy. Location quotients equal to 1.0 indicate that the employment proportions within a given industry are equal in the county and the national economies.

In the Logistics cluster, Greer county's location quotient equals 3.18. This indicates that the proportion of people employed in the Logistics cluster in Greer county is 318% of the Logistics employment proportion in the nation as a whole. Conversely, Kiowa county's location quotient equals 0.66, which indicates that the proportion of people employed in the Logistics cluster in Pontotoc county is 66% of the HRT employment proportion in the nation as a whole.

From the "Industry Location Quotients" table, the location quotient for the Pipeline Transportation of Natural Gas Industry (NAICS 486210) equaled 5.78, which indicates that the proportion of people employed in this industry in Oklahoma is 578% of the same national proportion.

The most current national data available to compute location quotients is from the U.S. Bureau of Labor Statistics for 2004.

LOGISTICS INDUSTRIES & NAICS DEFINITIONS

481111 SCHEDULED PASSENGER AIR TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing air transportation of passengers or passengers and freight over regular routes and on regular schedules. Establishments in this industry operate flights even if partially loaded. Scheduled air passenger carriers including commuter and helicopter carriers (except scenic and sightseeing) are included in this industry.

481112 SCHEDULED FREIGHT AIR TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing air transportation of cargo without transporting passengers over regular routes and on regular schedules. Establishments in this industry operate flights even if partially loaded. Establishments primarily engaged in providing scheduled air transportation of mail on a contract basis are included in this industry.

481211 NONSCHEDULED CHARTERED PASSENGER AIR TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing air transportation of passengers or passengers and cargo with no regular routes and regular schedules.

481212 NONSCHEDULED CHARTERED FREIGHT AIR TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing air transportation of cargo without transporting passengers with no regular routes and regular schedules.

481219 OTHER NONSCHEDULED AIR TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing air transportation with no regular routes and regular schedules (except nonscheduled chartered passenger and/or cargo air transportation). These establishments provide a variety of specialty air transportation or flying services based on individual customer needs using general purpose aircraft.

482112 SHORT LINE RAILROADS

This U.S. industry comprises establishments known as short line railroads primarily engaged in operating railroads for the transport of cargo over a short distance on local rail lines not part of a rail network.

484110 GENERAL FREIGHT TRUCKING, LOCAL

This industry comprises establishments primarily engaged in providing local general freight trucking. General freight establishments handle a wide variety of commodities, generally palletized and transported in a container or van trailer. Local general freight trucking establishments usually provide trucking within a metropolitan area which may cross state lines. Generally the trips are same-day return.

484121 GENERAL FREIGHT TRUCKING, LONG-DISTANCE, TRUCKLOAD

This U.S. industry comprises establishments primarily engaged in providing long-distance general freight truckload (TL) trucking. These long-distance general freight truckload carrier establishments provide full truck movement of freight from origin to destination. The shipment of freight on a truck is characterized as a full single load not combined with other shipments.

484122 GENERAL FREIGHT TRUCKING, LONG-DISTANCE, LESS THAN TRUCKLOAD

This U.S. industry comprises establishments primarily engaged in providing long-distance, general freight, less than truckload (LTL) trucking. LTL carriage is characterized as multiple shipments combined onto a single truck for multiple deliveries within a network. These establishments are generally characterized by the following network activities: local pickup, local sorting and terminal operations, line-haul, destination sorting and terminal operations, and local delivery.

484210 USED HOUSEHOLD AND OFFICE GOODS MOVING

This industry comprises establishments primarily engaged in providing local or long-distance trucking of used household, used institutional, or used commercial furniture and equipment. Incidental packing and storage activities are often provided by these establishments.

484220 SPECIALIZED FREIGHT (EXCEPT USED GOODS) TRUCKING, LOCAL

This industry comprises establishments primarily engaged in providing local, specialized trucking. Local trucking establishments provide trucking within a metropolitan area that may cross state lines. Generally the trips are same-day return.

484230 SPECIALIZED FREIGHT (EXCEPT USED GOODS) TRUCKING, LONG-DISTANCE

This industry comprises establishments primarily engaged in providing long-distance specialized trucking. These establishments provide trucking between metropolitan areas that may cross North American country borders.

485111 MIXED MODE TRANSIT SYSTEMS

This U.S. industry comprises establishments primarily engaged in operating local and suburban ground passenger transit systems using more than one mode of transport over regular routes and on regular schedules within a metropolitan area and its adjacent nonurban areas.

485113 BUS AND OTHER MOTOR VEHICLE TRANSIT SYSTEMS

This U.S. industry comprises establishments primarily engaged in operating local and suburban passenger transportation systems using buses or other motor vehicles over regular routes and on regular schedules within a metropolitan area and its adjacent nonurban areas.

485210 INTERURBAN AND RURAL BUS TRANSPORTATION

This industry comprises establishments primarily engaged in providing bus passenger transportation over regular routes and on regular schedules, principally outside a single metropolitan area and its adjacent nonurban areas.

485310 TAXI SERVICE

This industry comprises establishments primarily engaged in providing passenger transportation by automobile or van, not operated over regular routes and on regular schedules. Establishments of taxicab owner/operators, taxicab fleet operators, or taxicab organizations are included in this industry.

485410 SCHOOL AND EMPLOYEE BUS TRANSPORTATION

This industry comprises establishments primarily engaged in providing buses and other motor vehicles to transport pupils to and from school or employees to and from work.

485510 CHARTER BUS INDUSTRY

This industry comprises establishments primarily engaged in providing buses for charter. These establishments provide bus services to meet customers' road transportation needs and generally do not operate over fixed routes and on regular schedules.

485991 SPECIAL NEEDS TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing special needs transportation (except to and from school or work) to the infirm, elderly, or handicapped. These establishments may use specially equipped vehicles to provide passenger transportation.

485999 ALL OTHER TRANSIT AND GROUND PASSENGER TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing ground passenger transportation (except urban transit systems; interurban and rural bus transportation, taxi and/or limousine services (except shuttle services), school and employee bus transportation, charter bus services, and special needs transportation). Establishments primarily engaged in operating shuttle services and vanpools are included in this industry. Shuttle services establishments generally provide travel on regular routes and on regular schedules between hotels, airports, or other destination points.

486110 PIPELINE TRANSPORTATION OF CRUDE OIL

This industry comprises establishments primarily engaged in the pipeline transportation of crude oil.

486210 PIPELINE TRANSPORTATION OF NATURAL GAS

This industry comprises establishments primarily engaged in the pipeline transportation of natural gas from processing plants to local distribution systems.

486910 PIPELINE TRANSPORTATION OF REFINED PETROLEUM PRODUCTS

This industry comprises establishments primarily engaged in the pipeline transportation of refined petroleum products.

486990 ALL OTHER PIPELINE TRANSPORTATION

This industry comprises establishments primarily engaged in the pipeline transportation of products except crude oil, natural gas, and refined petroleum products.

487110 SCENIC AND SIGHTSEEING TRANSPORTATION, LAND

This industry comprises establishments primarily engaged in providing scenic and sightseeing transportation on land, such as sightseeing buses and trolleys, steam train excursions, and horse-drawn sightseeing rides. The services provided are usually local and involve same-day return to place of origin.

488111 AIR TRAFFIC CONTROL

This U.S. industry comprises establishments primarily engaged in providing air traffic control services to regulate the flow of air traffic.

488119 OTHER AIRPORT OPERATIONS

This U.S. industry comprises establishments primarily engaged in (1) operating international, national, or civil airports, or public flying fields or (2) supporting airport operations, such as rental of hangar space, and providing baggage handling and/or cargo handling services.

488190 OTHER SUPPORT ACTIVITIES FOR AIR TRANSPORTATION

This industry comprises establishments primarily engaged in providing specialized services for air transportation (except air traffic control and other airport operations).

488210 SUPPORT ACTIVITIES FOR RAIL TRANSPORTATION

This industry comprises establishments primarily engaged in providing specialized services for railroad transportation including servicing, routine repairing (except factory conversion, overhaul or rebuilding of rolling stock), and maintaining rail cars; loading and unloading rail cars; and operating independent terminals.

488310 PORT AND HARBOR OPERATIONS

This industry comprises establishments primarily engaged in operating ports, harbors (including docking and pier facilities), or canals.

488320 MARINE CARGO HANDLING

This industry comprises establishments primarily engaged in providing stevedoring and other marine cargo handling services (except warehousing).

488390 OTHER SUPPORT ACTIVITIES FOR WATER TRANSPORTATION

This industry comprises establishments primarily engaged in providing services to water transportation (except port and harbor operations; marine cargo handling services; and navigational services to shipping).

488490 OTHER SUPPORT ACTIVITIES FOR ROAD TRANSPORTATION

This industry comprises establishments primarily engaged in providing services (except motor vehicle towing) to road network users.

488510 FREIGHT TRANSPORTATION ARRANGEMENT

This industry comprises establishments primarily engaged in arranging transportation of freight between shippers and carriers. These establishments are usually known as freight forwarders, marine shipping agents, or customs brokers & offer a combination of services spanning transportation modes.

488991 PACKING AND CRATING

This U.S. industry comprises establishments primarily engaged in packing, crating, and otherwise preparing goods for transportation.

488999 ALL OTHER SUPPORT ACTIVITIES FOR TRANSPORTATION

This U.S. industry comprises establishments primarily engaged in providing support activities to transportation (except for air transportation; rail transportation; water transportation; road transportation; freight transportation arrangement; and packing and crating).

491110 POSTAL SERVICE

This industry comprises establishments primarily engaged in operating the National Postal Service. Establishments primarily engaged in performing one or more postal services, such as sorting, routing, and/or delivery, on a contract basis (except the bulk transportation of mail) are included in this industry.

492110 COURIERS

This industry comprises establishments primarily engaged in providing air, surface, or combined courier delivery services of parcels generally between metropolitan areas or urban centers. The establishments of this industry form a network including courier local pick-up and delivery to serve their customers' needs.

492210 LOCAL MESSENGERS AND LOCAL DELIVERY

This industry comprises establishments primarily engaged in providing local messenger and delivery services of small items within a single metropolitan area or within an urban center. These establishments generally provide point-to-point pickup and delivery and do not operate as part of an intercity courier network.

493110 GENERAL WAREHOUSING AND STORAGE

This industry comprises establishments primarily engaged in operating merchandise warehousing and storage facilities. These establishments generally handle goods in containers, such as boxes, barrels, and/or drums, using equipment, such as forklifts, pallets, and racks. They are not specialized in handling bulk products of any particular type, size, or quantity of goods or products.

493120 REFRIGERATED WAREHOUSING AND STORAGE

This industry comprises establishments primarily engaged in operating refrigerated warehousing and storage facilities. Establishments primarily engaged in the storage of furs for the trade are included in this industry. The services provided by these establishments include blast freezing, tempering, and modified atmosphere storage services.

493130 FARM PRODUCT WAREHOUSING AND STORAGE

This industry comprises establishments primarily engaged in operating bulk farm product warehousing and storage facilities (except refrigerated). Grain elevators primarily engaged in storage are included in this industry.

493190 OTHER WAREHOUSING AND STORAGE

This industry comprises establishments primarily engaged in operating warehousing and storage facilities (except general merchandise, refrigerated, and farm product warehousing and storage).

Source: North American Industry Classification System, 2002, Executive Office of the President, Office of Management and Budget.