

Sum of All Parts

Projects Fueling Economic Growth

By Symone Salisbury

With a population of just over 52,000, Boone County may not be the state's largest, but the string of lucrative business deals it has secured in the last year made big news and is setting the stage for future growth.

The major coup was signing a deal with Medco Health Solutions to build its 340,000-square-foot automated prescription distribution center in Whitestown, located approximately 20 miles northwest of Indianapolis.

Medco chose Boone County from a pool of locations (including Johnson and Hendricks counties in Central Indiana) in 48 states. The project will create an estimated 1,300 jobs.

The benefits management company will operate out of AllPoints at Anson, part of a 1,700-acre mixed-use development community along Interstate 65 and Indiana State Road 334. Touted as a place to “work, shop and play,” Anson is planned as a self-contained community with retail, residential and industrial offerings.

“The Anson community is going to change the footprint of Boone County,” declares Lebanon Mayor John Lasley. “Approximately 25,000 jobs will be created (along with an anticipated 12,000 jobs outside the development). That’s a lot of people to bring to this community over time and I think once the word gets out, it will build out quicker than what their (individuals closely involved with Anson) expectations are.”

But that’s not all. International companies brought further attention to Boone County. Festool USA (manufacturer of power tools) relocated its U.S. headquarters to Lebanon and worldwide publisher Hachette is expanding its distribution center in the Lebanon Business Park. Also, Indianapolis-based ASI Limited (specializing in ornamental metals and building enclosures) moved its headquarters to Whitestown.

One-stop shop

Boone County government and Duke Realty Corporation began discussing plans for what became Anson in late 2004. Retail and residential buildings occupy its south end, while corporations and other industry populate AllPoints at Anson to



Lebanon Mayor John Lasley says, “The Anson community is going to change the footprint of Boone County.”

the north.

“Anson wants to attract large-scale distribution and manufacturing companies, but they also have a lot of areas for smaller companies, office development and professional space,” comments Kristie McKillip, executive director of the Boone County Economic Development Corporation. “It’s a wide spectrum of opportunities that create a diverse economic base there.”

AllPoints at Anson encompasses the northernmost 620 acres at Anson and is managed by Browning/Duke LLC, a joint venture between Browning Investments and Duke Realty. A related Browning/Duke development in Plainfield, AllPoints Midwest, is a bulk distribution park with intermodal transportation capabilities.

Tom Dickey, vice president and general manager of Anson, points out that the development is a long-term proposition (between 15 and 20 years).

“I’m sure a number of people in the public thought it would be there overnight, and that’s not the kind of development Anson is,” he emphasizes. “There was no general infrastructure in the area. It needed street lights, roads, water utility systems, sewer utility systems. The first few years have been about building that infrastructure.”

More than \$35 million has been invested in infrastructure thus far.

Various retail establishments intersect along the southeast corner of State Road 334 and County Road 650 E. One business currently operating is CVS Pharmacy. In addition, a Lowe’s home improvement store will open in the fall and construction on a Meijer will begin in spring 2009.

Aside from retail, the southern part of Anson will include a medical campus. An undisclosed hotel

developer is expected to begin construction in the near future.

People interested in moving to Anson can choose from three residential product types — apartments and lofts, three-story townhomes and single family homes.

Dickey reflects on Anson's unique advantages. "The idea of creating a place where people enjoy coming to work and can leave their office to walk home for lunch ... there are some places in downtown Indianapolis where you have that luxury, but there aren't many and there aren't new developments being built that way. I think it's a value to everybody that is involved — whether you live there, work there or shop there."

Industry at Anson

Medco's 340,000-square foot facility in AllPoints at Anson will include 75,000 square feet of office space and room for future expansion. Average annual salaries will be \$53,000. At the time this story was written, construction was slated to begin this spring.

"Medco's decision to locate in Anson confirms that we're creating something different, because they had so many choices across the country and they really liked the idea of being part of a master plan community like Anson," Dickey proclaims.

Mark Hosfeld, vice president of leasing with Duke Realty, agrees.

"Based on conversations we've had with Medco officials, they 'buy into' the mixed use (concept)," he states. "The Anson vision really distinguished Anson from a lot of other possibilities for them."

Mayor Lasley is eager to see how the success of Anson affects nearby cities, including his own.

"We're only about six minutes away from Anson," he comments. "The addition of Medco (on the north end of Anson) brings that even closer to Lebanon. There will be people working in Anson that may not want or be able to economically afford to live in Anson. We can provide good, quality housing for people who will be working at Medco."

Established in 1989, ASI's corporate headquarters, manufacturing and distribution centers will occupy the majority of space in a 280,000-square-foot facility. It will also showcase SS Racing LLC, a professional racing team owned by ASI.

"The interesting thing about ASI is that it's not only a

distribution center, but will also serve as their headquarters and as a showroom for the company and the products the company sells," reflects John Hirschman, director of development at Browning Investments.

ASI products are currently being utilized in the construction of Lucas Oil Stadium in downtown Indianapolis.

Another business coming to the mixed-use development community is CEVA Logistics, one of the largest logistics companies in the world. It deals with container rental and packaging, as well as fleet management services.

"It's very attractive for both the organic growth coming out of the Indianapolis market and for out-of-town clients who really want to be part of a master plan community with high standards," Hosfeld observes in stressing AllPoints at Anson's benefits.

Not your average power tools

Established in 1925, German-based Festool manufactures a host of innovative products ranging from saws and vacuums to drills, sanders and routers. A longtime industry leader, the company led the development of common tools such as the chainsaw and portable circular saw.

The Indiana facility opened last July when Festool left California for Lebanon. The business park is located south of I-65 and west of State Road 39.

"This is our sole distribution center for all of the United States," notes senior vice president and CFO Brian Goldthorpe. "We also do training and repair at this facility, and (we) purchased additional space to allow for assembly and production in the future."



Anson's proximity to universities (Butler and Purdue) with strong pharmacy programs helped attract Medco to Boone County.





Festool's hands-on training approach (left) helps sales associates master use of its products. Hachette (right) received state and local funding to assist with expansion.

Like many other businesses, Festool was attracted to Lebanon in part because of its strong workforce. “We had it narrowed down to approximately five states,” Goldthorpe recalls. “We were looking for areas that were not only business friendly, but also had an excellent workforce and we wanted our workers to have a (high) quality of life – such as low crime rates, good education systems.”

He continues, “Even though it’s (Indiana) not completely centrally located, you still have access to most of the contiguous 48 states and with transportation, it makes it easy to get our product to our main customers.”

Training centers at Festool’s Lebanon and Henderson, Nevada facilities help sales agents hone their knowledge of the company’s products. Sessions include theoretical (traditional classroom style instruction) and practical (hands-on) training. The goal is for each training location to hold between 35 to 40 sessions annually.

“We strive to be a different kind of tool company,” asserts Michael Williams, vice president of marketing. “Our tools very much revolve around a system approach, so that when you use a router (for instance), you’re not just using a router. You’re using a router with clamps, templates, guides and dust extractions. It’s a totally different way to work.”

Looking ahead, Goldthorpe observes, “Currently, we employ 36 employees and those will increase dramatically because assembly is much more labor intensive. I think we’ll be up to around 60 employees over the next two years and then our demand of the local labor force will grow dramatically once we get into labor and production.”

Turning a page

Hachette Book Group USA, the world’s third largest book publisher, is in the midst of its third expansion since settling in the Lebanon Business Park during the 1990s. Expansion of its distribution and logistics center (which currently employs 250 people) will create 38 jobs and increase publication shipments, which exceed 400,000 daily, at the facility.

Hachette was formed when French publishing company

Hachete Livre acquired Time Warner in 2006.

Combined with its onsite returns center, Hachette will blanket 900,000 square feet at the park. It processes more than 6,000 orders each day. The company publishes its own imprints, as well as outside brands.

Senior vice president Gerry Cummings worked at the company when it entered the business park more than a decade ago. The merging of three distribution centers on the East Coast prompted relocation to Indiana.

“Lebanon was chosen because it was in the middle of the country with a good environment to build a distribution center and an excellent workforce,” he reveals. “The result is that we are no more than three days from 80% of our customers by ground.”

Training and infrastructure grants from the Indiana Economic Development Corporation were complemented by local assistance.

Cummings contends, “We haven’t had any trouble hiring people. The community continues to be a good community to pull from.”

INFORMATION LINK

Resources: Mayor John Lasley, City of Lebanon, at (765) 482-1201 or www.cityoflebanon.org

Kristie McKillip, Boone County Economic Development Corporation, at (765) 482-5761 or www.booneedc.org

Tom Dickey, Anson, at tom.dickey@dukerealty.com or www.ansonindiana.com

John Hirschman, Browning Investments, at (317) 344-7325 or www.browninginvestments.com

Mark Hosfeld, Duke Realty Corporation, at (317) 808-6800 or www.dukerealty.com

Brian Goldthorpe and Michael Williams, Festool Corporation, at www.festoolusa.com

Gerry Cummings, Hachette Book Group USA, at www.hachettebookgroupusa.com