

Logistical Gold

ATLANTA'S LOCATION AND INFRASTRUCTURE MAKE IT AN EASY CHOICE FOR SUPPLY CHAIN EXPERTISE. **BY HEATHER SKYLER**

► When the Western & Atlantic Railroad between Georgia and Chattanooga, Tennessee, started running in 1837, the area that is now Atlanta became the line's terminus—and that was just the beginning of Atlanta as we know it today.

By 1839, the Atlanta settlement had homes and a store. Soon rail lines arrived from four different directions, and the rapidly growing town became the rail hub for the entire southern United States.

Today, Hartsfield-Jackson Atlanta International Airport is the busiest in the world—a fact that many executives cite as a reason for relocating here. The airport has nonstop service to 150-plus domestic destinations and nearly 70 international cities. That's an amenity that's hard to beat, not only for purely business reasons.

CLOCKWISE FROM FAR LEFT: Hartsfield-Jackson Atlanta International Airport; MARTA trains; Control tower at Hartsfield-Jackson Atlanta International Airport.

"For executives, every single one spends so much time on the road for work," says Eloisa Klementich of Invest Atlanta. "If you can get to 80 percent of the United States in [a two-hour flight] from Atlanta, that's a big deal. You can catch a 7 a.m. flight, go to your meeting and you're back home for dinner."

Atlanta proper is home to four interstate highways, the nation's ninth-largest public transit system (Metropolitan Atlanta Rapid Transit Authority) and a growing network of bicycle and pedestrian trails. It also remains one of the nation's most important freight hubs.

Add to this the fact that approximately 25 percent of the U.S. population is within a one-day truck drive from Atlanta and more than 80 percent of U.S. commercial and consumer markets can be reached within two days by truck, and you have a prime location for companies that ship and receive goods on a regular basis. And with the rise of e-commerce, that means most of the large companies out there.

When you think about the way goods are moved around the country, things really haven't changed much over the years. Ships, trains, trucks and planes remain the primary methods of shipping. What has changed is how large the shipments are and how they are tracked by software.

Eric Lamphier, a senior director of product management at the software company Manhattan Associates—which counts supply chains, inventory and omnichannel operations among its areas of expertise—explains some of the changes he's witnessed over the years: "We now see smaller, more personalized orders, more frequent shipments and a predominant rise of e-commerce in the logistics space. We're seeing a lot more innovation and a lot more nimble transportation."

"If you listened to the nightly news when I was a kid, the economic portion of the news would talk about business inventories," says Mike Alexander, director of the Center for Livable Communities at the Atlanta Regional Commission. "No one talks about that anymore." Instead, Alexander explains, large companies such as Amazon are trying to understand human behavior and predict where and when people will need products, instead of worrying about inventories. "Companies now keep a much lower inventory because you don't want to sit on those [items]," he says. "They want a faster delivery time once that click purchase has been made."

The Home Depot makes use of all that Atlanta has to offer. Incorporated in 1978, the com-

Innovator

TODD HARRIS

COO and co-founder, Hi-Rez Studios

E-sports is the latest headline-making venture for Hi-Rez Studios, an international gaming company based in Alpharetta, Georgia, just outside of Atlanta.

COO and co-founder Todd Harris announced this year that his company would be partnering with Facebook to exclusively live-stream the Paladins Premier League, featuring Hi-Rez's first-person shooter game, *Paladins*. Professional players will

go head to head before an online audience of millions.

How did you get your start in the gaming industry?

I was in seventh grade when my father brought home one of the very first IBM PCs; I started programming games as a hobby, with an eye toward doing it professionally one day. My first job after college was at NCR in Atlanta. I remained in the fintech

industry for 25 years at other Atlanta companies. In 2005, I got to rediscover my gaming passion when Hi-Rez Studios was formed.

Hi-Rez Studios ensures that all of its games are free to play. Why is free-to-play important?

We are building a community more than a game. With free-to-play, there is no pay gate to join, so our community can be global and diverse and grow through positive word of mouth.

What has been the impact of e-sports on

the gaming industry? The daily viewing audience for video games is actually already higher than the audience for ESPN.

Atlanta is becoming a leader in e-sports since we have all the elements here—game publishers like Hi-Rez but also media broadcasters and event organizers. Universities also are getting involved, with Georgia State University recently announcing a varsity e-sports program.

What exciting things are on the horizon for Hi-Rez Studios?

The Hi-Rez Expo is



the World Cup for our competitive games. January 4 - 7 at the Cobb Energy Performing Arts Center, we'll host 3,000 live attendees with more than 5 million viewing online to watch teams from around the world compete in our games

Smite, Paladins and Hand of the Gods. After four days of competition, well over \$1 million dollars in [prizes] will be awarded to the very best players and teams. — SARAH NETTER

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IF YOU BUILD IT, THEY WILL COME

Aerotropolis Atlanta Alliance puts the areas around the world's busiest airport on the map.

In the 19th century, economic development centered around rail and shipping lines. Today, airports are the huge economic hubs, and Atlanta's new Aerotropolis Atlanta Alliance—a collaborative economic development effort serving areas around the airport, including communities in Fulton and Clayton counties—is aiming to take advantage of being located around the world's busiest airport.

Hartsfield-Jackson Atlanta International Airport has long been a driver of metro Atlanta's economy. The Aerotropolis Atlanta Alliance development group, backed by a diverse group of investors, is charged with leveraging that role and segueing it into a hub of growth: Porsche Cars North America Inc. and a luxury hotel are already in place, while a mixed-use development featuring office space and a travel plaza is in the works. Shelley Lamar, a former airport official, is Aerotropolis Atlanta Alliance's first executive director. She says that about 10 years ago she and her team started to notice that each city around the airport was doing its job, but cities weren't connecting with each other.

"Everyone was doing wonderful things, but there was no cohesive plan," Lamar



says. "We saw the chance to improve the whole ecosystem of the region by creating this connection that would help everybody." The Solis Two Porsche Drive hotel, part of the five-star luxury hotel and resort chain, opens this month, overlooking Porsche Cars North America's new corporate campus—including Porsche's 1.6-mile track at the new Porsche Experience Center Atlanta—as well as the airport's runway. The hotel's interior features an eighth-floor restaurant and viewing deck called Overdrive Lounge. General manager Mike Sutter says the hotel will provide 125 jobs "with the hope of bringing even more jobs to the area in the future."

Lamar says the Aerotropolis area won't be "cookie cutter" and that the goal is to create a place with character. "The airport shouldn't just be planes coming in and going out with vacant property around it. That area is an opportunity for business and we want to take advantage of it." — n. s.

ERIC SIMPSON

pany's headquarters remain here for a variety of reasons. Stephen Holmes, director of corporate communications for The Home Depot, says that proximity to the port of Savannah and the interstate system are big reasons why the company is still here, but Atlanta's talent pool is also an important factor. The company has an innovation center at Georgia Tech where students work to help The Home Depot assess and develop new technologies. "A lot of people would be surprised to learn that The Home Depot is one of the largest software developers not only in Atlanta, but in the world," Holmes says.

Thousands of IT workers are employed by The Home Depot in Atlanta, which makes sense, considering the growing importance of e-commerce. Holmes explains, "I would underscore that retail has changed more over the past three to five years than it has in our entire company history, with the application of technology and online business. It's an extremely important part of our longtime strategy for growth."

The methods used for manufacturing goods also have had an impact on logistics. The possibilities created by 3-D printing, for example, may allow companies to manufacture goods in-house rather than making them in one spot and shipping them to another. Alexander points out,

however, that 3-D printing strawberries isn't going to happen in the near future, and food distribution is a huge part of shipping.

Kimberly-Clark enjoys the logistical advantages of Atlanta. "Atlanta is a progressive and dynamic city providing a gateway to the world," says Sandra MacQuillan, senior vice president and chief supply chain officer for Kimberly-Clark. "This is important to us as our products are used by consumers in more than 175 countries around the world. Atlanta is becoming a hub for supply chain expertise—you see that come through in the investments being made in infrastructure and capabilities and the companies who have a presence here."

Kimberly-Clark primarily uses traditional trucking, but the company is exploring some of the newer forms of transportation such as autonomous trucks and drones.

"One in four of the world's population use our products, so it's vital that we leverage a variety of transportation options in our logistics network," MacQuillan says.

So while software, drones, automated trucks and 3-D printing are slowly changing some of the methods of logistics, the trains, trucks and planes of Atlanta won't be disappearing from the supply-chain model anytime soon. ▽



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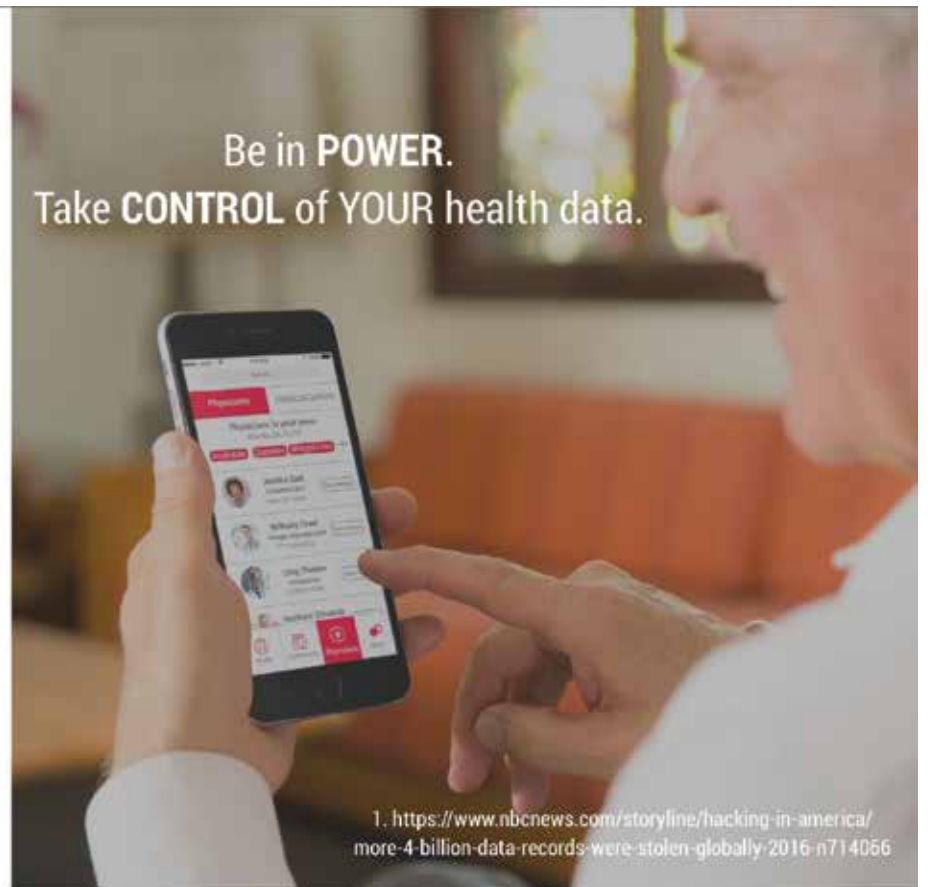
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1. <https://www.nbcnews.com/storyline/hacking-in-america/more-4-billion-data-records-were-stolen-globally-2016-n714056>