

# Connections

Accessing the World through Northwest Illinois

WINTER, 2011



## Welcome from the President's Desk

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Welcome to the first edition of a new quarterly newsletter—*Connections*—from Illinois International Trade Centers, LLC (IITC) at **Savanna Depot Park**.

**Savanna Depot Park** is that slumbering giant whose economic impact was put to sleep some ten years ago through the federal government's Base Realignment & Closure program (BRAC). Now the giant is beginning to stir!

It's stirring not only with the promise of making a significant contribution to the growth of the regional economy; it's also stirring as it forges new *Connections* between that regional economy and the world.

This newsletter will try to identify the giant's stirrings and the opportunities it creates, and keep you connected.

The **Jo-Carroll Foreign Trade Zone, FTZ #271**, is Illinois' newest. It overlays all 2,930 acres of developable land at Savanna Depot Park and reaches out in a sixty mile radius to bring Zone status and benefits to any business in the region (*See the story on Danisco, Thomson, in the "In the Zone" feature of this newsletter*).

As Operator of **Jo-Carroll FTZ #271**, IITC's job is to see who in the region can benefit from the Zone or who could be successfully invited here because of it. This newsletter will be a window on those opportunities.

From our headquarters high above the Mississippi in Building 21 of the "Upper Campus" of **Savanna Depot Park**, IITC has a good view of more than just what's happening "In the Zone."

We can see what's going on with transportation in the region. Our "On the Road" feature aims to keep you up to date with the wider logistics developments happening at the Park and in the region. We want to identify and encourage any developments that might improve transportation and lower the costs of goods moving to and from our regional, national, and global markets.

IITC's windows also overlook the largest tract of contiguous, underdeveloped, industrial-zoned property in the Northwest quadrant of Illinois, **Savanna Depot Park**.

Look to the "In the Park" feature in this newsletter to find out who's doing what and why, who's coming and who's going,

and what infrastructure or services are being developed at the Park that might help your business or community.

Speaking of Community, our feature, "In the Region," highlights valuable services being offered—and important economic developments taking place—in the wider region.

Lastly, we offer you "Trade Talk," a vital forum for keeping conversations about international trade issues alive at Illinois International Trade Centers and in the region.

We want this newsletter to identify resources and opportunities for this region that can help make this year, and many years to come, prosperous for all of us. We hope you find this information timely and interesting, and we invite your ideas and comments on how we might do it better.

Sincerely,

Bill Hooton

President/CEO

Illinois International

Trade Centers

# IN THE ZONE

## Find a Home in the Zone, Our Place or Yours

### *Take Advantage of National Foreign Trade Zone Benefits and Grow Your Business in the Global Marketplace*

#### Connections

*This is the quarterly newsletter of Illinois International Trade Centers at Savanna Depot Park—Operators of FTZ #271—the Jo-Carroll Foreign Trade Zone*

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#### President's Message

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“**In the Zone**” is where we’ll keep you up to date with the advantages of and changes in the national Foreign Trade Zone (FTZ) program. It’s also the place where we’ll keep you in touch with the comings and goings within your very own **FTZ #271—the Jo-Carroll Foreign Trade Zone**.

FTZ #271 is Illinois newest FTZ and, like all Zones, it provides services and environments that lower the cost of participating effectively in the global marketplace. You can access benefits in two ways: by using the General



FTZ General Purpose Warehouse

Purpose FTZ (GPZ) already approved and activated at **Savanna Depot Park**, or by having your facility designated an FTZ Subzone.

Foreign Trade Zone status overlays all 2,930 acres of developable property at **Savanna Depot Park**. Any business that locates its production or its products in the Park will have immediate access to Foreign Trade Zone benefits in the same way that they will have State Enterprise Zone benefits and federal Hub Zone benefits—they are here for the taking.

The GPZ at **Savanna Depot Park** comes with its own Zone Operator—**Illinois International Trade Centers** (IITC). IITC’s job is to make it easy to identify and take advantage of FTZ opportunities. IITC has leased and activated a 24,000-square-foot public warehouse and distribution center in Building 26 at Savanna Depot Park and offers managed FTZ facilities throughout the Park. IITC provides a full menu of cost effective 3PL services from which you can choose to meet your specific business needs. Users can

take their own long-term space and do their own thing or they can purchase space and services from IITC on an as-needed basis. Either way, IITC can provide surprisingly inexpensive space and 3PL services even if you can’t derive an FTZ benefit.

If your business is located anywhere in the “region” (basically a sixty mile radius from Savanna Depot Park), IITC can help you become a “Sub-zone” of FTZ #271 and have Zone status overlaid on your own property (or parts thereof). **Danisco Sweeteners** of Thomson, IL took advantage of that opportunity and have

now become our first Sub-zone, **FTZ #271A**. Consequently, Danisco has significantly lowered the



Danisco Sweeteners

cost of sourcing critical global inputs into their domestic production and lowered the cost of exporting their outputs to global markets. Access to these FTZ advantages make Danisco more likely to stay and grow in our region. FTZ # 271B could be you! Subzone status is available to any company in the region who can benefit.

Regardless of which method you use to get access to Zone status, the benefits are the same and worth exploring. At no cost, IITC is willing to undertake a preliminary cost/benefit analysis to determine what benefits might apply to your particular enterprise. Contact us now by phone at: **1-815-273-2311**, send us an email at: [IITC.Savanna@gmail.com](mailto:IITC.Savanna@gmail.com), or check us out on the web at: [www.jo-carrollftz271.com](http://www.jo-carrollftz271.com) and get started right away.

# ON THE ROAD

## RVPR Weighs in at Savanna Depot Park

*Expanding Services and Transload Capacity Ease Transition from Road to Rail*

“On The Road” is designed to keep you up to date with what’s happening on the Railroad, in the Park, and around the region that impacts transportation and related logistics capacities. You will find articles on **Riverport Railroad (RVPR)**, our very own Class Three Short Line, Terminal, and Switching Railroad that serves all the property at **Savanna Depot Park**. You’ll also find news about **Burlington Northern Santa Fe Railroad**, the Class One Railroad that serves national and international markets from Savanna Depot Park. (RVPR and BNSF interchange at Robinson Spur within Savanna Depot Park and together provide a powerful capacity to get regional products to global markets and global products to our region.)



Active Interchange Yard

Both **Savanna Depot Park** as a whole and **Riverport Railroad** especially, are establishing environments, amenities and services that support the site as a significant regional transload and transportation center able to serve broad markets and varied products. Through partnerships with other regional transportation providers, we are also addressing the critical “first” and “last” miles of the logistics process with multimodal and integrated transportation solutions.

In November of 2010, **RVPR** was designated a Premier Transloader for the region by **BNSF**. The range and quantity of products handled at The **Savanna Depot Park** is increasing monthly.

To support these activities, **RVPR** has built a certified scale at the entrance to **Savanna Depot Park**. The scale and proposed truck wash facility will be available to all truckers who have a need and should be particularly useful for providing food grade trailers and containers for the region’s agricultural products—

good news and good to know if you’re a trucker “on the road” in these parts.

So, whether it’s **RVPR** ramping up capacity to handle and transload specific commodities consumed or produced in this region, or it’s **IITC** developing a regular service to and from the **Rockford airport UPS facility** to lower the cost of small package delivery and receipt in our region, you will hear it first in this “On the Road” section of

### Connections.



New Certified Truck Scale



Transloading Telephone Poles



Grain Transloading RVPR J Area



Transloading Sterling Steel Wire Products

# IN THE PARK Growing Business Activity Rouses Sleeping Giant

*Stay Informed about New and Growing Businesses Located at Savanna Depot Park*

## ZONE PARKING



*Reserve your space Now!*

“In the Park” is a regular feature that aims to keep you up to date with developments and comings and goings at **Savanna Depot Park**.

It has been a slow and difficult process transforming Savanna Depot Park from military to civilian use. But as the President’s message suggests, the slumbering giant is indeed awaking.

At the heart of these developments is a vibrant and growing Short Line Railroad. **Riverport Railroad** is successfully storing rail car stock and developing a “rail car mall,” where any and every service that adds value to rolling rail car stock can be rendered. Also under development is a transload center where cargoes hauled by rail cars (and any other mode of transportation) can be transloaded, stored, value added, and redistributed. Along with these activities, RVPR is creating an industrial park where the indus-

tries that consume and produce products transported by rail cars (and any other mode of transportation) can find a good home.

**Rescar**, a rail car repair company located at **Savanna Depot Park**, has developed significantly over the last three years, and is now employing over twenty full time workers. Rescar is a prime example of the “giant” starting to rumble rather than snore.

Although it is a significant contributor, not all the developments at Savanna Depot Park are rail related. A Foreign Trade Zone has been established and activated. Its Operator, **IITC**, and its tenants, now have eleven full time employees and provide services and environments that will, in turn, invite others to locate their business here. The Zone gives businesses the advantages necessary to succeed beyond access to rail.

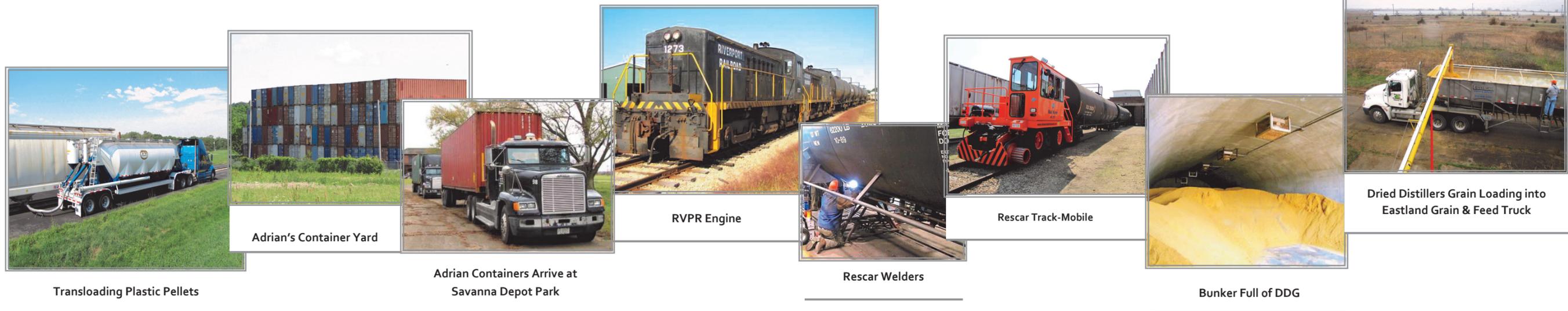
**Adrian Carriers** of Milan, IL has recently committed to establish an international container yard and container drayage service at the site, bringing us one step closer to becoming a significant export/import center for the region.

**Eastland Grain & Feed** of Shannon, IL broke ground in December for a new agricultural products storage and transload facility on land they purchased from the **Jo-Carroll Local Redevelopment Authority**. That facility will have a specific ability to cost effectively “stuff” containers with regional agricultural products destined for export, including the fastest growing export commodity from this region—Dried Distillers Grains—a byproduct of Ethanol production.

**Polly Options** out of Freeport, IL is in the process of purchasing Building 1 on the “Upper Campus” of Savanna Depot Park (adjacent to the

activated FTZ warehouse) with a business plan that calls for the assembly and sale of proprietary “green” consumer products. These products are being designed and tested by a new division of **Poly Options, Twin Images**, who will be sourcing components internationally and taking advantage of FTZ status and services for the final assembly and distribution of their new product lines. This is just the kind of synergistic local development we want to foster and support!

Future “In the Park” columns will feature the first-hand stories of businesses that have selected Savanna Depot Park as their home. We’ll learn about their decision to locate here and what their development plans are. Keep your eyes peeled.



Transloading Plastic Pellets

Adrian's Container Yard

Adrian Containers Arrive at Savanna Depot Park

RVPR Engine

Rescar Welders

Rescar Track-Mobile

Bunker Full of DDG

Dried Distillers Grain Loading into Eastland Grain & Feed Truck

# IN THE REGION

## Joint Outreach Brings Resources to Area Businesses

*IITC Teams with Tri County Economic Development Alliance to Foster International Trade Opportunities*

### Targeted Outreach Partners

We're launching our first collaborative outreach effort to engage Regional businesses in Global Trade opportunities available in this area.

Partnering with us in our efforts, please welcome

#### **Tri County Economic Development Alliance—TCEDA**

Our Zone Grantee—the

#### **Jo-Carroll Foreign Trade Zone Board**

And the  
**Jo-Carroll Local Redevelopment Authority**

#### **Upper Mississippi Port District Board of Commissioners**

Along with  
**Jo Daviess, Carroll and Whiteside Counties**

**Thanks to One and All for input and encouragement**

“In the Region” is the place where we highlight our efforts to reach out to the wider region, and partner with other economic development agencies and assets in the region, in order to help retain existing businesses and enable them to grow and prosper, and to successfully invite new economic development into our communities.

We will also invite those agencies to contribute guest columns to this newsletter describing who they are, how their agencies work, and what they see as the important economic development issues our region needs to address.

January will mark our first, but certainly not our last, collaborative outreach effort in partnership with the newly formed and much welcomed Tri County Economic Development Alliance (TCEDA). *A list of participating agencies in that outreach can be found in the side bar.*

In January and February, **TCEDA** and **IITC** will be undertaking a targeted outreach to companies known to export and/or import. We will be conducting interviews to determine how those businesses are doing, what general obstacles they face, what specific obstacles they confront in the global marketplace, and what resources they

need in order to overcome those obstacles.

We hope the outcome of this outreach will be to immediately identify and deliver needed resources to particular businesses—no matter if that need is specifically defined or more general.

These specific resources may include:

- Access to Foreign Trade Zone status
- Use of the Port Authority's Bounding Authority
- Use of the enhanced storage, transloading, and logistics capacities being developed at Savanna Depot Park

More general, yet crucial-to-success resources are things like better availability of and access to the human resources, capital resources, and community resources necessary for businesses to come to, grow, and stay in our communities. This cooperative outreach is a small but important step in understanding regional business needs and in marshaling the resources in the region to meet them. It is a small but important step in identifying and engaging all the assets in the region who can help.

# TRADE TALK

## Let's Talk Turkey (or China!) on Foreign Trade

### *IITC Opens International Trade Forum; Join the Conversation*

We are making Trade Talk a feature column of **Connections** because we can! After all, it's our newsletter and we are a Foreign Trade Zone. The Zone program helps companies better manage and/or lower costs associated with participating in international trade.

For those of you who wish we didn't have to deal with international issues, international economics, or international trade at all; I am sorry to tell you that that train has long since left the station. As of four years ago, economic data established that over half of the products consumed in the US were partly or wholly of foreign origin. This was true for both goods consumed directly by the public and raw materials, parts and components consumed by US Industry.

Further, for the last fifteen years, and for the foreseeable future, the fastest growing economies have been and will continue to be outside the U.S. It is not a question of whether we are in a global economy but how we can effectively participate in that economy, ensure that U.S. companies can compete fairly and successfully, and sustain our chosen way of life.

Some eighty years ago, the national Foreign Trade Zone program was established precisely to address similar trade issues. Zones were created through depression era legislation intended to level the playing field for companies based in the U.S. so they could compete fairly in the global marketplace and succeed against global competition in this country.

Today, as we try to recover from another financial crisis with global causes and global cures, we find a U.S. For-

eign Trade Zone program that in 2008 transited over 680 billion dollars' worth of goods through its doors. Companies located in Zones directly employ over 370,000 Americans in global trade related jobs. In the process, those Zone industries export a higher percentage of their products than any other sector of the American economy. The benefits and advantages of the Zone program can only be enjoyed by companies who locate their capital, plant, and labor forces in the U.S.; Foreign Trade Zone jobs are not exportable.

The U.S. Foreign Trade Zone program is not a panacea for the communities or businesses it serves. But the Zone program is an important tool and an important environment for enabling American knowhow, inventiveness, and labor to produce and/or add value to products that the world demands from resources sourced from around the globe. We have such a tool in our community.

The trade issue we would like you to consider in this addition of **Connections** is whether this region can and should aggressively "take on" the global marketplace and create our own recipe for success. Take the talents and industry we already have, add the knowledge and resources necessary to compete globally, liberally pour in complementary ingredients from around the world, sprinkle it with FTZ #271 benefits, put it into an Adrian Carriers' container, have Riverport load it onto a BNSF train, and deliver the product to world markets? Should we take an aggressive and profitable place in the global marketplace, or pretend it doesn't exist? We are ready to do our part—Comments and suggestions please.

*"It is not a question of whether we are in a global economy but how we can effectively participate in that economy, ensure that U.S. companies can compete fairly and successfully, and sustain our chosen way of life."*

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