DHL: CONTINUED INVESTMENT IN AMERICAS HUB AT CINCINNATI/NORTHERN KENTUCKY INTERNATIONAL AIRPORT IS KEY FOR FUTURE GROWTH IN REGION

News / Airlines, Finance

DHL, the world's leading global express and logistics company, is continuing to invest in its Americas hub at the Cincinnati/Northern Kentucky International Airport (CVG) to ensure that it will have the capacity needed to meet the demands of future growth generated by international shipping and global trade.

In the last seven years, DHL Express has expanded its operations at CVG, its main international hub for the Americas, with continued capital improvement projects totaling $281 million. The latest investment – the $108 million North Ramp expansion project just getting under way – will provide

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.

additional warehouse space, up to 16 more aircraft gates to accommodate route expansions, new equipment to increase sorting capacity as well as faster unloading and reloading of planes.

The current $108 million investment project will create 50 new jobs when it is completed in late 2016. Near term, DHL will have 200 additional jobs – both part-time and full-time – to fill in order to keep up with expected volume growth including the traditional surge in volume seen at year-end. Staff at the DHL CVG hub has grown about 50 percent in the last seven years to 2,400 from 1,600.

“This new $108 million investment is a clear sign of our commitment to the Americas, of our expectations for strong growth and of our dedication to the regional Northern Kentucky and Cincinnati economy,” said Stephen Fenwick, CEO, Americas, DHL Express. “As our business has grown here, we are proud to have steadily added new jobs at our CVG hub, the backbone of our Americas network. The continued growth we have seen also benefits our partners at the airport as well as businesses in the surrounding communities that supportCVG.”

International e-commerce is one factor in the future growth that DHL anticipates. Current forecasts predict U.S. volume of online sales will grow nearly 38 percent by 2017 from 2014. E-commerce volume in the Asia Pacific region, already the world’s largest B2C e-commerce market, is expected to nearly double by 2017. The growth outlook for Latin American e-commerce is also strong with a 30 percent gain by 2017. 1

“I’m honored to celebrate the accomplishments of DHL Express since opening its U.S. air hub in 2009,” said Gov. Beshear. “DHL has been a great corporate citizen, investing $281 million in the Commonwealth and providing an increasing number of jobs to families in Northern Kentucky. DHL’s operations are a key piece of Kentucky’s logistics advantage that allows companies of all sizes to easily grow and expand domestically and internationally. We look forward to a long, rewarding partnership with DHL and CVG.”

DHL is seeing rising demand for automated e-commerce solutions in several industry sectors including fashion, consumer electronics, media products and consumer pharmaceutical products. In the U.S., DHLworks with the majority of the major e-commerce companies as well as a growing array of start-up e-tailers.

“Our entire Greater Cincinnati/Northern Kentucky region is benefitting from DHL’s success and growth atCVG,” said Boone County Judge-Executive Gary Moore, also chair, Tri-County Economic Development Corporation (Northern Kentucky Tri-ED). “DHL has now expanded eight times since 2009 and employs 2,400 at its Americas hub here in Northern Kentucky. This $108M announcement is truly fantastic and will continue DHL’s ability to assist Northern Kentucky to attract new employers and jobs to the region. DHL is a significant partner in the success of our region and I thank them for growing and investing in Northern Kentucky.”

“Our partnership with DHL is one of the important relationships we have at the airport,” said Candace McGraw, chief executive officer, Cincinnati/Northern Kentucky International Airport. “The additional cargo traffic generated by DHL allows CVG to keep costs low and stable. DHL’s success brings more jobs to the region and increases the overall positive economic impact.”

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.

The CVG hub, one of three DHL global hubs, connects the United States to the DHL global network spanning Asia, Europe and the Americas. Processing approximately 50 million international shipments annually, theCVG hub handles shipments bound for the U.S., Canada, Mexico and Latin America. It also connects nearly 100 service centers, gateways in Los Angeles and New York, and a hub in Miami to more than 220 countries and territories around the world. The two other global hubs operated by DHL are located in Leipzig, Germany and in Hong Kong.

To encourage investment and job growth in Northern Kentucky, the Kentucky Economic Development Finance Authority (KEDFA) has approved DHL for tax credits through the Kentucky Enterprise Initiative Act (KEIA) and the Kentucky Business Investment (KBI) program.

DHL also became one of the signatory airlines at CVG, allowing the company to take on a larger participation and decision-making role along with the other signatory airlines regarding the approval of future expansion projects at the airport. In 2014, DHL accounted for 56 percent of the landed weight moved through CVG, which is now placed at ninth overall among U.S. airports ranked by cargo tonnage.

24 AUGUST 2015

ARTICLE LINK:
https://ut.50skyshades.com/news/finance/dhl-continued-investment-in-americas-hub-at-cincinnatinorthern-kentucky-international-airport-is-key-for-future-growth-in-region

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.