Kinzie Industrial Corridor: Market Research Business Interviews

Twenty-six interviews between January and July 2018

Company Profiles:
- 15 companies with 10+ years in Kinzie Corridor and 11 newer companies
- Range in size from 1 to 340 employees
- Half employ more than 25 people; three employee over 100

Real Estate Profiles:
- 69% own; 31% lease
- Building size range: 2,000 SF – 80,000 SF

Key Findings: Workforce and Logistics

Logistics:
- All companies interviewed rely exclusively on trucking as a mode of transportation
- 42% own some portion of their truck fleet
- Types of trucks used includes a wide range of vehicles

Workforce:
- Workforce skill levels varied greatly, from no high school diploma to graduate degrees
- Half of businesses interviewed anticipate increasing employment
- The vast majority of employees live in the city

Key Findings: National and International Trends

- Consolidation and competition from national manufacturers
- Demands for quicker delivery and custom projects require flexibility in forecasting, warehousing, and shipping logistics
- Increasing safety and environmental regulations require proactive attention and investment in equipment and processes
- Shortage of trained employees and truck drivers, leading to increased transportation costs
- Companies contracting or likely to close are more impacted by national than local trends

Key Findings: Locations

Advantages:
- Central location and proximity to expressways is good for shipping and receiving and attracting diverse labor and talent pool
- Food-related industries benefit from proximity to similar businesses and suppliers
- Proximity to both Downtown and suburbs
- Some areas remain relatively affordable
- Incubator space and services offered by ICNC

Disadvantages:
- Reported incidents of crime and security issues
- Real estate pressures
- Increasing conflicts between heavier industrial users and lighter industrial/commercial uses
- Concerns about taxes, minimum wage requirements, bureaucracy of operating in city
- Narrow streets and on-street parking can make truck deliveries difficult