

Kansas City Business Journal - December 15, 2008
kansascity/stories/2008/12/15/story1.html

KANSAS CITY BUSINESS JOURNAL

Friday, December 12, 2008 | Modified: Tuesday, December 16, 2008

Coleman will set up camp in KC

Kansas City Business Journal - by [Rob Roberts](#) Staff Writer

The Coleman Co. Inc. has made happy campers of Kansas City-area economic development officials.

The Wichita-based manufacturer of outdoor recreation gear has decided to locate a 1.1 million-square-foot distribution center in the **Midwest Commerce Center**, a new 151-acre industrial park in Gardner.

Referred to as Project Erle before local officials landed it, the new Coleman facility will deliver about 200 jobs and \$45 million in capital investment, said Tom Riederer, president of the **Southwest Johnson County Economic Development Corp.**

More significantly, the project represents the beginning of a wave of big-box industrial users expected to be enticed by freight-cost savings afforded by three new intermodal shipping hubs now under development in the area, said Chris Gutierrez, president of **Kansas City SmartPort Inc.**, a nonprofit economic development group.

"For Kansas City to see deals landing late in the year in a troubled financial market is testament to the transportation logistics strengths of this region," Gutierrez said.

Gutierrez said another big-box industrial user, which the **Kansas City Area Development Council** and others have been pursuing under the code name Project Play Ball, has decided to locate a 520,000-square-foot facility in Topeka, part of the 18-county bistate area promoted by KCADC.

That yet-to-be-identified company, which will bring about 400 jobs to the region, relies exclusively on trucks for inbound and outbound freight, Gutierrez said. Coleman, on the other hand, will benefit from its new facility's location near a truck-rail intermodal hub that **BNSF Railway Co.** is developing at a Gardner site along its southern transcontinental main line.

Coleman spokeswoman Joan Carter said the company would lease the new facility, to be completed in Midwest Commerce Center by the third quarter of 2009, for distribution of Coleman's imported products.

"The new distribution center will be near a railhead and nearer the centroid of Coleman's outbound customers," Carter said in a statement. "The new distribution strategy does not affect (Coleman's) manufacturing in Wichita; Sauk Rapids, Minn.; Maize, Kan.; or New Braunfels, Texas. The products manufactured at those locations will continue to be distributed from the factories."

Paul Licausi, president of Overland Park-based **LS Commercial Real Estate**, which is co-developing Midwest Commerce Center with USAA Real Estate Co. of San Antonio, did not respond to interview requests regarding the Coleman facility — the area's biggest industrial project in recent history. But during a recent interview, Licausi said he had foreseen the surge in big-box industrial deals and worked to give some of those deals a place to land before the new intermodal hubs were up and running.

Dan Jensen, a principal of **Kessinger/Hunter & Co. LC**, has pursued a similar plan. Jensen recently completed a 600,000-square-foot speculative warehouse building in Olathe that he hopes to lease in the first quarter of next year. In addition, he expects to close in the next few days on 200 acres at U.S. Highway 56 and 151st Street in Olathe, where three more buildings totaling about 2.5 million square feet will be constructed.

Jensen said the tough economic times are increasing interest in local projects where companies can save money by relocating and consolidating distribution operations.

"More people are thinking outside the box and looking at re-laying out their truck lanes now than when things were blowing and going," Jensen said. "All of a sudden, the CFO is coming into the supply-chain guy's office and saying, 'You need to get 10 percent out of your numbers, or we're going to start cutting heads around here.'"

To accommodate such users, **The Allen Co.**, a San Diego-based developer, is planning to construct more than 7 million square feet of big-box industrial buildings in the 1,000-acre Logistics Park Kansas City adjacent to the BNSF intermodal hub in Gardner.

That project, the 970-acre CenterPoint Industrial Park being developed adjacent to a new **Kansas City Southern** truck-rail hub in south Kansas City and the 800-acre KCI Intermodal BusinessCentre being developed near **Kansas City International Airport** area all are evidence of the area's high hopes for the emerging big-box industrial market.

No buildings have been constructed in any of the three new intermodal parks yet. But according to Riederer of the Southwest Johnson

MEDIA



County Economic Development Corp., regional assets such as rail, highway and affordable land access have been attracting 400,000-square-foot and larger office-warehouse users for the past few years.

Pacific Sunwear of California Inc. announced plans for its 400,000-square-foot distribution center in Olathe two years ago, and **Kimberly-Clark** opened a 450,000-square-foot distribution center at the **New Century AirCenter** near Gardner in 2007.

Meanwhile, Musician's Friend Inc. selected a site in Kansas City's Northland Park for its 700,000-square-foot distribution center, and Pure Fishing chose a site in SkyPort Business Park near KCI for its 400,000-square-foot distribution center.

Pure Fishing was purchased in 2007 by **Jarden Corp.** (NYSE: JAH) of Rye, N.Y., which acquired The Coleman Co. in 2005. Coleman and Pure Fishing now are now part of Jarden's Outdoor Solutions division, which posted \$1.7 billion in revenue last year.

rroberts@bizjournals.com | 816-421-5900

All contents of this site © American City Business Journals Inc. All rights reserved.