

LOGISTICS

Logistics and transportation jobs will return when the level of freight returns and the existing work force is stretched to the point where new hires have to be made.

Many industry leaders don't expect significant hiring to start until mid-2010 at the soonest.

Jobs on the operations side, which includes truck drivers, warehouse workers and train operations employees, were the first to be cut when the amount of freight started decreasing as early as 2007. They will be the first types of positions hired back. Next will come lost management positions and then strategic and analytical positions, said Michael O'Leary, The Grimes Cos. president.

Transportation and logistics companies are reluctant to make significant hires even when it looks like the amount the goods and materials needing to be moved is increasing.

"Even when the volumes increase, we won't automatically ramp up drivers," said Stephen Silverman, Raven Transport Co. Inc. chief operating officer. "In-



■ Jobs lost since December 2007: 3,100
■ July 2009 employment: 30,300

stead, we try to keep capacity in our favor so we have pricing power."

He said one of the main reasons the trucking industry nationwide is ailing is that there is 15 percent more capacity than freight that needs to be moved.

RailAmerica's short-line railways are experiencing an increase in volumes, meaning the company is hiring for positions ranging from general managers to signal supervisors. The company, which owns Florida East Coast Railway, recently filled a real estate development position and a human resources position, said John Giles, RailAmerica CEO and president. Still, about 200 employees are furloughed.

"This recession has been deeper and longer than anyone expected, but if you don't prepare to have a leg up, then you're going to be at a huge disadvantage when things improve," he said.

— Mark Szakonyi

MANUFACTURING

Manufacturing in Northeast Florida has taken a beating, with a decline in jobs that is expected to continue.

In a recent survey by the First Coast Manufacturers Association, 41 percent of respondents said there will be no change to employment levels in the second half of the year, while 18 percent expect to add employees. However, 41 percent expect to either furlough employees, have temporary or permanent layoffs or freeze hours, pay or benefits through the year-end.

The deepest employment cuts, not surprisingly, came from industries related to the housing industry, and directly from the production floors.

Companies such as Jacksonville-based Rayonier Inc., which shed sawmill jobs and pared shifts, is awaiting improvements in the housing market before sawmill jobs return.

Manufacturers in consumer product

■ Jobs lost since December 2007: 2,700
■ July 2009 employment: 29,800

packaging are beginning to see consumption levels at least stabilize, if not improve, which means that vacancies or jobs that were filled on a temporary or contract basis are beginning to be replaced by full-time workers.

But others are more cautious. With lean principles, or a system of operating efficiencies based on eliminating waste, adopted by many manufacturers in Northeast Florida, some have learned to effectively do more with less. In several Northeast Florida factories, jobs have been permanently eliminated because they are no longer necessary, which means new jobs will be different from those eliminated.

Overall, the industry does not expect to add employment until 2011.

— Kimberly Morrison

