

## International cargo hub at Gateway pushed for Mesa

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A plan to turn Mesa-based Williams Gateway Airport into an international cargo hub capable of producing millions in revenue and creating hundreds of jobs is about to be unveiled by a group of business and government leaders.

For years, Arizona business executives and public officials have envied Los Angeles International Airport's lucrative position as one of the world's busiest cargo destinations.

Now pencil in Williams Gateway, which will become Phoenix-Mesa Gateway Airport on Oct. 15, as a looming international player for the same types of direct air freight deliveries to and from international markets.

It's called Arizona Direct, a project orchestrated by Valley business, government and public entities to equip and market the airport as a world-class cargo hub that would also elevate Arizona's international profile.

To augment creation of the airport's international import-export status, the project also seeks to provide direct rail access and establish regional truck service, aerospace research and development and manufacturing.

Project participants such as Barry Broome, president and CEO of The Greater Phoenix Economic Council, say the operation should have tremendous appeal to manufacturers in Southwestern states east of California, and their international suppliers.

The message is that they can reduce costs by as much as 54 percent, save fuel and lower carbon emissions by moving international freight through Williams Gateway and its duty-free Foreign Trade Zone instead of hauling it to and from California's airports and seaports, said John Barry, the airport's director of marketing and development.

"Do you realize that one more hour in the air and all that cargo that flies into LAX can be forwarded here and land at the soon-to-be Phoenix-Mesa Gateway Airport and could take off from the same airport," said Phoenix industrialist Mark Dobbins. "We have all the tentacles out and now it's time to exercise them. There's a big, beautiful world out there and it's time for Arizona to jump into it."

Gov. Janet Napolitano cautioned last month that while the value of Arizona's exports is on track to jump again in 2007, the state has much work to do to compete globally.

The project is planned to evolve in steps as it is marketed to the domestic and international manufacturing industry, cargo service airlines and trucking companies and Union Pacific Railroad.

Prospective shippers and tenants will learn of Williams Gateway's little-publicized capability to handle the world's largest aircraft and the airport-based university and community college that can help produce a competitive workforce.

But to get it moving, said Dobbins, state political leaders, including the governor's office, will have to get behind it.

Dobbins, who is chairman of a steering committee that designed Arizona Direct, named it and will begin marketing it Oct. 17, is among Arizona business executives that have a substantial interest in the international market.

Dobbins is senior vice president of human resources and general affairs for SUMCO USA, the Phoenix-based subsidiary of SUMCO Corporation of Tokyo, the world's second-largest supplier of silicon wafers to the semiconductor industry.

"We currently ship to California, primarily San Francisco, and our operations are in Arizona, Albuquerque and Cincinnati with the exception of a sales office in San Jose, Calif.," he said. "For us to move our chain of projects both in and out of the United States, we're dealing with a remote site. How much cheaper and more business-effective it would be to have it in Arizona."

Dobbins said lower transportation costs could also woo companies like Intel, Honeywell and Boeing, because of their international manufacturing ties.

Arizona Direct has been in planning for almost two years with input from more than 20 business professionals, entrepreneurs, trade groups and economic development organizations, including the state Commerce and Economic Development Departments, Blue Chip Investment Co., and East Valley Partnership, said Lynn Kusy, Williams Gateway's executive director.

The project's key participants, he said, include Arizona State University/Polytechnic whose campus is on the airport, Mesa, the airport's five-member governing authority and Paragon Properties, a Carefree-based partnership that plans to build a major trade center on more than 900 acres south of the airport.

Kusy said plans are to launch the project with about \$100,000 in start-up costs. Additional businesses and groups are expected to come aboard as stakeholders as the project unfolds, he said.

"We've got to get the governor and the Legislature involved," Broome said. "We've got to get everyone at the state Capitol to think of Williams Gateway Airport as part of their mission. It really is an asset for the entire state and this is a once-in-a-lifetime opportunity to establish a global environment around the airport."

"The biggest thing we have to realize," said Barry, "is that it's not going to be an easy process to get Arizona manufacturers to make this change. But once we can get them to do what Dobbins is talking about they'll realize the cost savings associated with all of that trucking time. If we have Colorado, New Mexico, Nevada, Utah and Arizona all involved there could be as many as 12 flights a week coming into Williams from Asia alone."

Each of those flights would carry 200,000 pounds of freight, he said.

Broome said project participants have been assessing interest among potential global customers.

"We've been talking to Europe and Dubai, for example," he said. "There's a lot of interest there in Williams Gateway Airport."

Albert McHenry, provost of ASU/Poly said the project would propel the airport and the area around it as a regional jobs center while enhancing Arizona's much-needed global trade identity.

"We are in a global environment and looking for ways of making ourselves at least interactive with it even if we don't totally embrace it," he said. "I think we should embrace it because we can't make it go away."

He said the university would help produce a knowledge-based workforce that's crucial to the operation of Arizona Direct global logistics centers that would run on modern-day technology.