



BUCKEYE POWER CURRENT

September 2014

American Showa, Buckeye Power and Ohio's Electric Cooperatives Responsive to Change

If it seems like the pace of change is faster than ever, you're absolutely right. As Ray Kurzweil, widely considered one of the world's leading inventors, thinkers and futurists, noted in published studies on the Shortening Time Lapse before Mass Adoption of New Technologies:

"It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change."

----Charles Darwin

"It took 46 years for electricity to be used by a quarter of the US population and just seven years for the World Wide Web to reach the same level of usage."

American Showa R&D Expansion

The American Showa Research and Development Building in Sunbury, Ohio will double in size with the addition of 13,800 square feet. The primary function of American Showa's Sunbury R&D division is to support customers in the design and development of shock absorbers, power steering and prop shafts for future models. Customers include Honda Research of America, Harley Davidson, Mitsubishi Motor Manufacturing, Subaru, Mazda, Chrysler and the U.S. plant divisions as well as SHOWA Japan.

American Showa's automaker clients in particular are under pressure to increase engine efficiency and reduce vehicle weights without sacrificing power in order to meet the NHTSA's average fuel economy of new cars and trucks of 35.5 mpg by 2016 and 54.5 mpg for the 2025 model year.



As part of the R&D facility expansion, Consolidated Electric Cooperative has installed an oversized electric transformer to allow for rapid future growth and expansion.

American Showa Warehouse at Rickenbacker Global Logistics Park

The global logistics field is more challenging than ever. Recent headlines illustrate a few of the widespread issues that logistics managers grapple with to ensure timely movement of supplies and products:

"North America's oil and shale gas boom is disrupting traditional logistics networks and reshaping the continent's rail and port systems. The US railroad network is buckling under the weight of demand..."

Bruce McMichael, Industrial Minerals, published August 29, 2014

JLL's annual PAGI Seaport Outlook that tracks 13 major U.S. seaports reported that TEU volume at Gulf/East Coast Seaports increased 19.1% from 2007 to 2013.

“As oil trains hauling North Dakota crude delay rail transport of grain to Pacific Northwest ports, the prospect of growing fossil-fuel traffic has some fearing that such shipping disruptions will become a long-term problem impeding exports and the regional economy.”

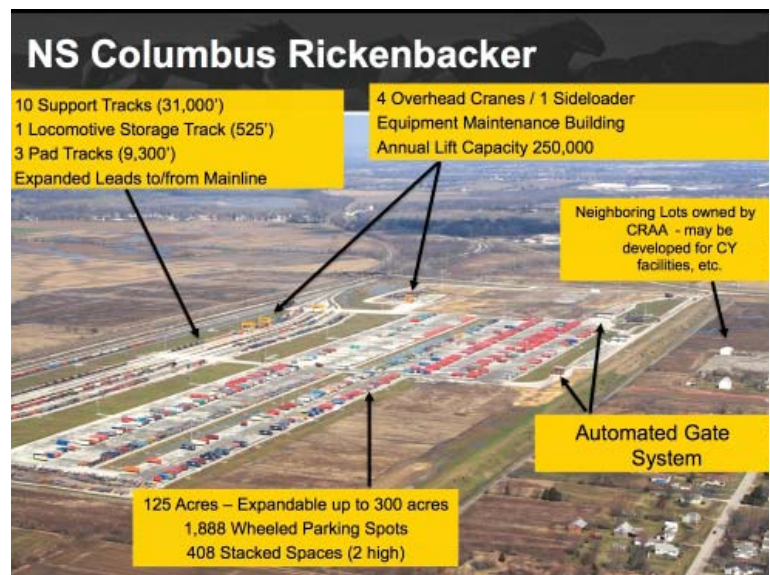
Ángel González, The Seattle Times, published July 26, 2014

Logistics and supply chain managers need locations with efficient transportation connectivity, inter-modal access, global alternatives, and maximum flexibility. “American Showa selected the site at Rickenbacker Global Logistics Park (RGLP) because of its superior transportation options,” said Ron Reynolds, General Manager: Trade Compliance and Logistics for American Showa. “RGLP provides us with immediate access to multiple modes of transportation for maximum flexibility. It is also a designated Foreign-Trade Zone which offers us potential advantages for customs entry procedures and import duties.”

American Showa selected a location in RGLP's Intermodal Campus, one of five campuses within the 1,576-acre park. The unique benefits of the 300-acre Intermodal Campus include proximity to Norfolk Southern's Intermodal Terminal, FTZ designation, and the Loaded-to-Capacity Zone.

Rickenbacker's Loaded-to-Capacity Zone solves a long-standing inefficiency issue by allowing with a special permit issued by the Pickaway and Franklin County Engineers, the movement of containers loaded-to-capacity (gross vehicle weight up to 120,000 pounds) between the Norfolk Southern Intermodal Terminal and designated campuses within RGLP without needing to reconfigure or transload into two or more containers.

An extraordinary logistics location takes an exceptional team effort:



- Rickenbacker Global Logistics Park is a public/private partnership comprised of Columbus Regional Airport Authority (CRAA), Capitol Square, Ltd., and Duke Realty Corporation.
- Duke Realty is constructing the 304,560-square-foot, built-to-suit distribution and manufacturing facility for American Showa.
- South Central Power serves RGLP with five substations including three in very close proximity that provide redundant power sources.
- Norfolk Southern Railroad's Heartland Corridor and Intermodal Terminal at Rickenbacker provide superior intermodal rail connectivity to the container terminals at Hampton Roads/ Norfolk, Virginia and direct double-stack, next-day rail service to and from the port of Norfolk,

Virginia. Norfolk Southern services include on-dock rail connections, allowing for efficient and timely transfer between rail and ship.

The American Showa facility features an energy efficient design and equipment, T5 fluorescent lighting, and electric fork lifts and material handling equipment; several sub-assembly operations which will be primarily electrically driven and controlled are currently being evaluated. American Showa is consolidating its existing distribution centers and designed the building to be expandable by an additional 126,900 square feet.

Change and the increasingly faster pace of change is inevitable. Planning for maximum adaptability will help ensure that American Showa and its logistics and service partners will evolve to successfully meet the challenges and opportunities.

Buckeye Power and Ohio's Electric Cooperatives can help with:

- Comprehensive site and building portfolios
- Preliminary site studies
- Site search tours
- Assistance in identifying financial incentives
- Electric rate analyses
- Community profiles
- State and local government contacts
- Contractor introductions



Contact Us:

Dennis Mingyar

Buckeye Power Inc.

www.buckeyepowersites.com

6677 Busch Boulevard

Columbus, OH 43229

614-430-7876

dmingyar@buckeyepower.com