

BUSINESSMAGAZINE

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"PASSION FOR EXCELLENCE"

Gateway to the World

Jim Berlin
Founder and CEO



A three-dimensional mural project is under way to help restore the rich history of Union Station.



Jim Berlin sits on the edge of his seat when he talks about the future of Erie's historic Union Station.

There are too many things going on, too many plans taking shape for the excitement not to build.

Looking out at a freshly painted, patriotic-themed Logistics Plus sign spanning the Peach Street rail overpass, Berlin appears to be a man with big ideas.

More importantly, he is someone who knows how to make them happen.

"I have a very passionate personality, and when I get into something, I'm in it all the way," he says, matter-of-factly. "And I know this place is going to be bustling."

As owner of one of Erie's most widely known landmarks, the 54-year-old Berlin has spent close to \$2 million to transform the centrally located railroad station on 14th Street between Peach and Sassafras into an international gateway for business, food and entertainment.



In addition to growing his already successful freight management company, Logistics Plus, Berlin is welcoming a bevy of new tenants, including the BREWERIE at Union Station, The Concourse at Union Station banquet hall, a Middle Eastern-style Hookah Café featuring an array of flavored tobacco, and on the horizon, an upscale New York City-type steakhouse and a marketplace for Erie's growing immigrant community to set up shops. He is also teaming up with Edinboro University's art department on a three-dimensional 34-panel mural project, which he hopes to fund through sponsors, to transform and rejuvenate the outside of the building and surrounding neighborhoods downtown.

It's an investment that has as much to do with the structure itself as it does with the city and its morale.

"We thought this was a cool place to be; it fit our style, our character, and the logistics angle," Berlin says. "I always said if downtown Erie comes back, I'll look like a genius, but at the time I bought the building, I looked like the dumbest guy in town. I find it's hard to get people in Erie excited about Erie. It seems we have an inferiority complex with people saying, 'Erie's not that bad.' Why not just go out and make it something? Why be apologetic about it? Make something happen."

Making the impossible possible has been Berlin's anthem since he purchased and relocated to Union Station in 2004. Logistics Plus, headquartered on the building's third floor, has attracted most of the attention, as it has successfully navigated through 10 years of startup, relocation and expansion to become a \$40 million company in an industry that now stands at an estimated \$900

While freight management company Logistics Plus is growing by leaps and bounds, a bevy of new tenants — including restaurants and shops — are in the works for the historic Union Station.



Gateway to the World



Logistics Plus has relied on a diverse and expert team of employees to get freight where it needs to go — 24 hours a day, seven days a week.

billion in the United States and \$3.43 trillion across the globe. The company, which employs about 130 people worldwide and serves such varied customers as GE, Ameridrives, Lord, Railpower, ERS, Riley Power, Sterling Technologies, Snow Dragon, Erie Cotton, ISM, Paragon, Indeck Keystone, TM Industries, Formtech, The Exercise Store and Arvite Technologies, has recently expanded its contracted customer base to Indiana, South Carolina and eastern Pennsylvania. The development has enabled the company to create a buzz and build its corporate identity, while planning for its newest expansion - the acquisition of another logistics firm.

From Berlin's vantage point, business is looking up.

"A lot of people don't realize that three of the last clients we signed up have nothing to do with Erie," he notes. "Their freight doesn't come here; there is nothing to connect them to Erie other than us."

What makes this so remarkable is that Logistics Plus has accomplished this feat while having no actual sales force; rather the business has grown considerably from company to company by word of mouth. "A supplier says, 'Well, you did a good job for them, what can you do for me?'" Berlin says. "It never ends. The connections keep happening."

Berlin, who has more than 20 years of experience in the trucking industry, credits this growth to a simple yet proven approach. No matter what technology is available or capable of doing, it's the people who get the freight where it needs to go.

"Logistics is just a sexy term for transportation. There certainly

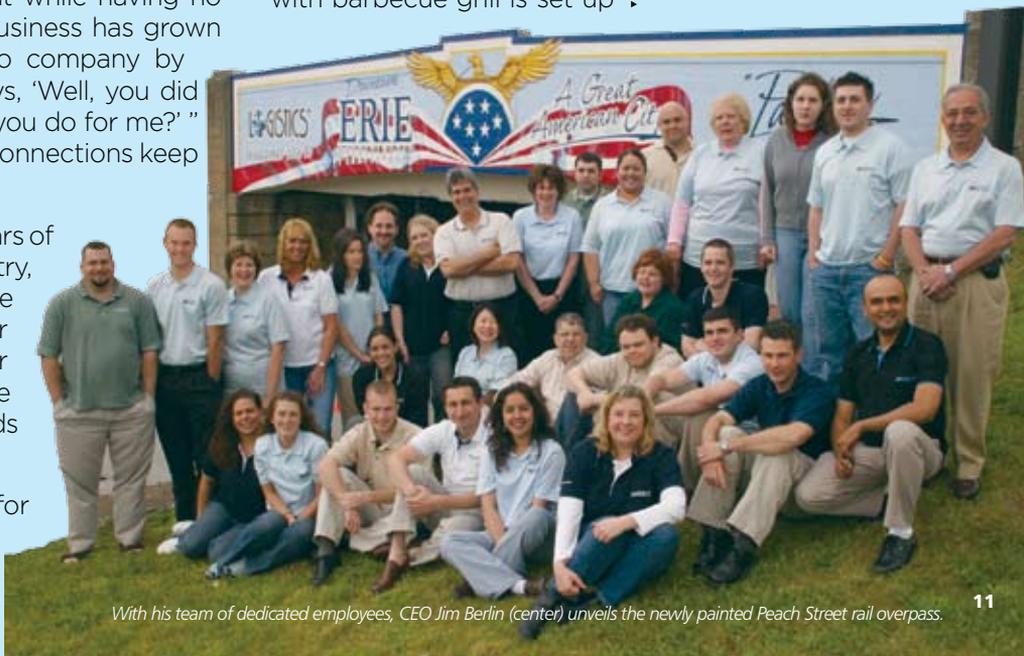
are strategic aspects to logistics, and oftentimes, that is our specialty — but then it comes down to the day to day," Berlin adds. "Logistics is details. It's making sure that the right part shows up at the right place at the right time and at the best price, undamaged. We are small enough, flexible enough and creative enough to mold ourselves to the specific needs of each of our customers."

As such, Logistics Plus has proven itself as a company that knows the ins and outs of moving freight to all corners of the universe — be it Iraq, Germany, India, Brazil or China. The whatever-it-takes-to-get-the-job-done attitude has been instrumental in keeping the company's momentum going for its domestic and international divisions, which include Canada and Mexico.

"To me it's kind of like the lessons from Iraq. We found out it's not the bells and whistles that win the war, it's the boots on the ground," he says. "We have Web-based online e-shipping (www.eshipplus.com) where you can ship anything, anywhere through us, and I love that. But the freight world is unpredictable. Ninety percent of the time things go right, and it's easy. But the 10 percent of the time when things get screwed up, you need to know when and how to intervene and how to find solutions.

"Our people are passionate about excellence," he continues. "If it means staying late and making a few extra phone calls, you do that, and that's not what a lot of companies would do. Our guys don't go home until the job is done. We tell them when we hire them that this isn't a 9-to-5 job. Planes, trains, trucks and ships don't stop moving at 5 p.m. anywhere on the earth."

That said, Logistics Plus has made attempts to make the work environment as comfortable as possible to accommodate employees' round-the-clock schedules. Overlooking the railroad platform outside Union Station, a deck complete with barbecue grill is set up .



With his team of dedicated employees, CEO Jim Berlin (center) unveils the newly painted Peach Street rail overpass.



At Logistics Plus, each employee is also a manager, overseeing every detail of a shipment from sales, operations to customer service.

so that employees can eat and enjoy the outside during mealtimes. An onsite fitness center, which helps promote the company's health and wellness program, is also available to employees to use day or night. Additionally, a farmer's market, developed by the City of Erie and sponsored by Logistics Plus, is held in nearby Griswold Park during the summer months. Berlin even has plans to post a legion of 50 flags along Union Station's parapet, showcasing all the countries where it does business and showing everyone that Erie businesses can be intimately connected to the global economy.

"You need to make the workspace more enjoyable for your employees because really you spend more time with them than your own family," Berlin says. "Every customer who comes in here sees that this place hums. I think there is a spirit here that is really the soul of who we are. You can tell we have fun and play hard but we work hard too, and take great pride in what we do."

For Logistics Plus employees Steve Frank, an account executive in the North America Division, and Yuriy Ostapyak, an international development manager, the atmosphere is certainly what makes the job both new and exciting. At Logistics Plus, each person acts as their own manager, and as such, each is faced with their own daily challenges. Nothing about the logistics business, they say, is routine.

"The logistics industry is very challenging because there are constantly things that are uncontrollable," Ostapyak notes. "There are always delays now with new homeland security regulations. A lot of our containers and shipments get pulled on exams, so there's constantly something we're working on to meet and exceed our customers' expectations."

According to Ostapyak, just a few weeks ago a vessel coming into New York from India was involved in an accident as it was heading into port; the ship had to be secured and no containers could be unloaded. After some quick maneuvering and negotiations, the Logistics Plus team was able to get their containers offloaded.

"I think we're different than a lot of other logistics companies in that we go above and beyond," adds Frank. "Each project is kind of like your own baby. You take it and have the latitude to decide how to best get the job done. From start to finish, you do sales, operations and customer service, which is cool."

Working in the Union Station complex has proven to be just as appealing. The location is a perfect setting both for operating a logistics company and as a destination for food and entertainment.

The building, dedicated in 1927, was once a thriving railroad station and a hub for people traveling by rail to and from Erie, until air travel took flight and the Interstate Highway system was built. Berlin has salvaged many of the signs, mementos and treasures from those days in a reception area on the third floor of Logistics Plus. The basement of the building still houses rations from the Cold War, three enormous boilers and cavern-like passageways that continue to echo of days past.

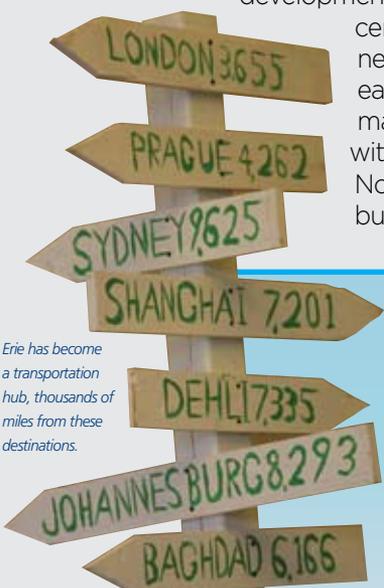
It is nostalgia that Berlin is eager to preserve and one that he hopes others will embrace, making Union Station an urban gathering place once again. "I think this place should be a welcoming place for Erieites, recent immigrants and visitors to Erie," he says. "We need to show that Erie is a place that does business all over the world." ★

For more information about Logistics Plus and Union Station, see www.logisticsplus.net.

What Does Logistics Plus Represent?

Logistics - The process of planning, implementing and controlling the efficient, cost-effective flow of raw materials, in-process inventory, finished goods and related information from the point of origin to the point of consumption for the purpose of conforming to the customer requirements.

Plus - The '+' in Logistics Plus is doing all those extra things that make the above possible. It also means changing (and not just conforming to) the customers' requirements, by showing them solutions that will result in greater efficiencies, profitability and success than they may have originally imagined.



Erie has become a transportation hub, thousands of miles from these destinations.