

# SAVE OHIO JOBS

During the DPWN press conference of May 28, 2008 announcing the U.S. restructuring plan, several questions were raised about the loss of jobs in the United States resulting from the proposed contract with UPS. DPWN officials addressed the loss of jobs for those employees work directly for DHL. However, they were unable to provide any specific information about the number of jobs that would be lost by employees employed by DHL contractors and vendors, particularly those employed at the DHL hub located in Wilmington, Ohio.

As the members of the Save Ohio Jobs Coalition and as longtime residents of the Wilmington, Ohio community, we are well qualified to provide a brief and comprehensive answer to that question.

## **Potential community devastation:**

First and most present in our minds, is what the state of Ohio and Wilmington will lose with the proposed agreement:

- **One out of every three households in Wilmington, Ohio has a family member employed by ABX Air or DHL.**
- **Hundreds of the employees have worked at the Wilmington hub for over 20 years.**
- **The closure of the Wilmington hub translates to the immediate loss of 10,000 ABX Air, ASTAR Air Cargo and DHL jobs.**
- **As the seismic effects of this closure roll through Wilmington, present estimates show Wilmington losing up to 30,000 jobs as more businesses are forced to close their doors.**
- **The regional economic taskforce has estimated that 18 businesses may be forced to relocate, due to the proposed agreement.**
- **The regional economic taskforce estimates a total short-term economic impact to the area would be over half a billion dollars.**

## **Brief history of the growth of DHL in Wilmington:**

In 1980, Airborne Express purchased Midwest Air Charter, as well as the Clinton County Air Force Base, located in Wilmington, Ohio. It was the first airline in history to own and operate an airport. At the time, Airborne Express employed 300 employees at the Wilmington hub and operated 50 aircraft.

As Airborne Express increased its market share in the U.S. Express Delivery Service market, the number of employees at the Wilmington hub increased dramatically and the community

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continued to develop around this growth. Citizens from other communities in the region found work in Wilmington and major retailers located stores in and around Wilmington, new hotels opened, restaurants expanded, and several small shops and businesses developed to serve the needs of citizens and workers.

When DHL acquired Airborne Express in August of 2003, there were approximately 8,500 employees at the Wilmington Hub and a total of 115 aircraft. Airborne Express had steadily increased its share of the U.S.

Express Delivery market share to over 18%, which led to this tremendous growth. During its history, Airborne Express had just one unprofitable quarter.

At the time of the acquisition, the Wilmington community was hopeful that DHL would increase its market share. In order to secure DHL's utilization of the Wilmington hub, the state of Ohio, the county, and the city of Wilmington developed an economic incentive package worth over \$400,000,000.

### **In conclusion:**

The loss of the DHL hub in Wilmington touches every family in the region. It will have a devastating impact on the already struggling non-profit organizations, schools and healthcare providers. The already weak housing market will collapse in Wilmington. Families will have little choice but to rely on charitable donations and many will be forced to walk away from their homes and leave this community in search of work.

Retirees who reside in the region will likewise suffer. Taxes for basic services provided by the city, county and state would escalate as the tax base shrinks dramatically.

Tragically, the Wilmington Community will no longer exist, to the extent that it has since 1980. The director of the White House Domestic Policy Council has characterized the DHL decision as, "the largest economic impact issue currently in the country."

**We can only conclude that DHL has disregarded one of its core corporate values, "to accept social responsibility which includes committing to goals that generate benefits for the communities where it works and respecting the traditions, structures and values of the countries where it operates."**

For additional information about the loss of jobs in this community, please contact Collette Tucker, spokesperson for the Save Ohio Jobs coalition at [ctucker@saveohiojobs.com](mailto:ctucker@saveohiojobs.com).