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[**third-party logistics**]

Recent Acquisition Broadens Saddle Creek's Reach

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LAKELAND | When David Lyons opened his new business in 1966, he already had a motto for the company: "Whatever It Takes."

Today, Saddle Creek Corp. has grown into one of the largest third-party logistics companies in the nation.

And in a time when many companies are downsizing, Saddle Creek bought ServiceCraft Logistics, a third-party logistics company in Buena Park, Calif. The November purchase expands Saddle Creek's warehouse space to 15 million square feet and increases the number of employees to 1,900 across the continental U.S., including about 500 in Polk County.

Saddle Creek provides a combination of services to customers, including warehousing, transportation, packaging and operations support. About 65 percent of its customers are in food- and beverage-related companies.

The central location of Lakeland is an important factor in the growth of the company, said Jim DeGennaro, senior business marketing manager for the Central Florida Economic Development Council.

"Saddle Creek started here because of our logistics. Today, within a 100-mile radius of Lakeland, there are 8.6 million people and no place in the Southeast, not even Atlanta, has that consumer market share," DeGennaro said.



PIERRE DUCHARME | THE LEDGER
Headquarters building at the Saddle Creek Corporation facility in Lakeland, Florida on December 7, 2009

The purchase of ServiceCraft puts Saddle Creek in a better position for East Coast to West Coast operations.

"The recent acquisition gives us a much, much larger presence in the state of California. We added about 3 million square feet and 250 additional employees," said Cliff Otto, president of the company.

And, Otto adds, the primary reason for all the growth is the culture that founder and chairman Lyons created within the company.

"Everybody is really focused on serving the customer and flawless execution," he said.

The company values a focus on integrity, accountability and a commitment of service to the customer, Otto said.

"It is an interesting culture to be in. We really live by those words, they are not just items we hang on the wall," said Tom Collins, director of marketing for the company.

It also doesn't hurt that many businesses use a third-party logistics company to save money, Otto said.

"I think that partly, in difficult economic times, a lot of companies have a hard time getting hands on capital and adequate credit. They can come to Saddle Creek and accomplish their objective without having to come up with capital themselves," he said.

Star Distribution, a third-party logistics company headquartered in Plant City and a competitor of Saddle Creek, is also experiencing an increase in business because of the economy.

Larry Jimenez, the director of sales and marketing for Star Distribution, said being centrally located is a huge plus for both Saddle Creek and Star.

"We can service the entire state of Florida and be back the same day. We are only four hours away from any point in Florida, except for the Keys and the panhandle," he said.

Counting Saddle Creek as one of Polk County's locally owned business is a blessing for the area, DeGennaro said.

"It is one of our gifts that keep giving because of their almost constant expansion in their facilities at Lakeland," he said.

The Lakeland location has 2.3 million square feet of warehouse space, the largest among its locations in 16 cities across the nation, Collins said.

Saddle Creek's success is also drawing attention to Polk County from big businesses, DeGennaro said.

Wal-Mart, which has a 1 million square-foot food distribution center in Winter Haven, looked to Saddle Creek for inspiration, he said.

"They were impressed with Saddle Creek's operations here and piggybacked on their success in a very good logistics market, meaning Polk County."

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