

*NEWS from Jackson
 Cross Partners...*

**KSG INDUSTRIAL ACQUIRES
 12,500 SF LANSDALE, PA
 FACILITY**



(September 2011) – Jackson Cross Partners, LLC announced that KSG Industrial Supplies Inc. has purchased a 12,500 SF building at 837 W. 3rd Street in Lansdale Montgomery County, PA.

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**Philadelphia Region
 Industrial Vacancy
 Increases to 9.4%**

The Philadelphia Industrial market ended the Third Quarter of 2011 with a vacancy rate of 9.4%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (302,960) square feet.

Tenants moving into large blocks of space in the PA Tri State region in the Third Quarter 2011 include:

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**Small Matters: Manufac-
 turers can do more today
 with fewer workers**

By Bill Dunkelberg

The importance of the manufacturing sector in the U.S. economy has been the subject of hot debate for decades. Many feel that we have lost our position as the leading manufacturer, usually based on the decline in the number of individuals working in “manufacturing.”

A deeper look shows it is more complicated than that.

It depends on how manufacturing is defined. Tasty Baking Co., really, is a manufacturer. These definitions change over time, and the nature of manufacturing has adjusted with technology.

Decades ago, large firms were fully integrated, essentially producing everything they needed inside of the corporate walls. Then it became important to find “core competencies” - what the firm does well - focus on them and outsource all the things that were not in the core.

Consider our automobile companies that provided all the services they needed internally. Not being very good at running copy shops, food services, and such, these firms began to shed these activities. Closing their internal copy shops presented the opportunities for new firms to spring up providing those services. Thousands of workers lost their jobs at the auto companies, but were, in a macro sense, reemployed providing the same services to the firms that formerly employed them.

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Just Listed

**+/- 15,000 SF
 WAREHOUSE/OFFICE SPACE**



FOR LEASE
 210 Shoemaker Road
 Pottstown, PA



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**KSG INDUSTRIAL ACQUIRES 12,500 SF
LANSDALE, PA FACILITY**
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In 1986 Steven Sassa founded KSG Industrial Supplies Inc supplying and servicing Hydraulic Equipment systems to many local industrial companies. KSG provides support to many diverse industries including: food, pharmaceutical, paper, manufacturing and the military. The business has grown to become a major online supplier of Hydraulic and pneumatic components including pumps, motors and valves.

Nick Adams, who represented KSG, said, "Steven made the move to a larger facility to keep up with the growth of his business; the move was only a short distance from his current site which made the transition a bit easier on him the staff and his customers." ■

Industrial Properties for Lease



180 Penn Am Drive
Quakertown, Pennsylvania
FOR SUBLEASE
Manufacturing/ Warehouse/Office
37,660 SF



200 C Furnace Street
Birdsboro, Pennsylvania
FOR LEASE
Warehouse/Manufacturing/Distribution
20,000 SF - 60,000 SF

Just Listed



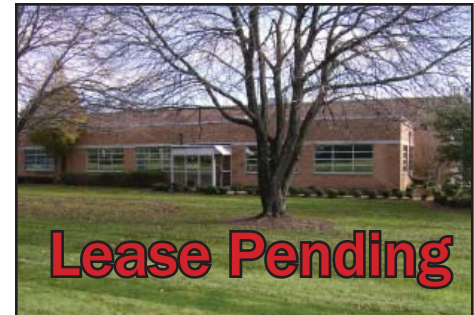
**2000-2038 South 71st St.
Philadelphia, PA**

± 66,000 SF
(predominantly one floor)
with ± 7,000 SF Office
Space

Zoned G-2 Heavy Industrial



103 South Main Street
Quakertown, Pennsylvania
FOR LEASE
Flex/Manufacturing
2,000 SF - 24,000 SF



506 Stump Road
Montgomeryville, Pennsylvania
FOR LEASE
Warehouse/Assembly/Office
+/- 20,000 SF



6610 Hasbrook Avenue, Building 2
Philadelphia, Pennsylvania
FOR LEASE
Single story building
21,000 SF



949 East Erie Avenue
Philadelphia, Pennsylvania
FOR LEASE
Fit-out to suit
+/- 32,000 SF

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**Philadelphia Region Industrial
Vacancy Increases to 9.2%**
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- Domtar Paper 299,000 SF- Bucks County
- Computer Science Corporation 279,675 SF- New Jersey
- Estee Lauder 241,977 SF - Bucks County
- Centurion Medical Products 98,000 SF - Montgomery County
- Lyon, Conklin & Co Inc 82,750 SF – Montgomery County
- SP Industries, Inc 82,000 SF- Bucks County
- FMI Fragrance Manufacturer 100,000 SF- Lehigh County ■

**Featured Listing
For Lease**

6142-52 Keystone Street, Philadelphia, PA
21,000 SF (divisible 10,000/11,000)

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**Small Matters: Manufacturers can do more today
with fewer workers**

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Employment in “business services” and other such areas expanded dramatically. But there was the measurement issue - a copy-shop employee working for an automaker was classified as a “manufacturing” worker, but those working at an independent copy shop providing services to the auto firm were classified as “service” workers.

The loss of these “manufacturing” jobs really did not reduce the number of workers truly involved in manufacturing. Since 1950, the percentage of our workers in the service industry has increased from about 50 percent to 85 percent. Manufacturing accounts for about 10 percent of employment today. Manufacturing employment has been declining in the United States since 1979 (from about 19 million to 12 million workers). Over that period, manufacturing output increased 600 percent. We are producing lots of manufactured products, much of which we sell to other countries. Most of these jobs have been lost to higher productivity, not to other countries. It takes just 177 manufacturing workers today to provide the same output that 1,000 such workers made in 1950.

Agriculture provides a parallel example. Fifty years ago, 11 million workers were employed in agriculture. Today, with a much larger population to feed, only two million people work in agriculture. This, of course, is due to new technologies, such as bigger and better tractors and farm equipment, better seeds, better irrigation, more science, better fertilizer and pest control. By providing this capital input, each worker can produce and earn much more.

We do not have nine million unemployed farmers; over time they have become employed in other occupations.

We employed the highest percentage of the adult population in history in 2000. If all the jobs we have allegedly lost came back looking for work, we would not have been able to accommodate them. In simple terms, we do not need rising levels of manufacturing employment - or agricultural jobs - to keep our economy “fully employed.”

Although small-business owners have been fairly pessimistic since the recession started in 2008, manufacturers have been more optimistic than their peers in other industries. The growth in the economy over the past few years has been driven by manufacturing to restore inventories and to meet export demand. Many small manufacturers are in the supply chain for larger producers that have been doing well in the recovery, and exporting. The percentage of manufacturing firms planning to create jobs has exceeded the planned cuts as much as 15 percent.

On average, manufacturers have been increasing overall employment this year, compared with declines in the general small-firm population. The problem is that we can produce a lot of output using relatively few workers, so the manufacturing sector cannot be expected to solve our unemployment problem, no matter how well it performs. Manufacturing productivity is responsible for the availability of a wide range of goods at very low costs - we all have the “stuff” they make - and for that, we all enjoy a much improved standard of living than we had 20 or 30 years ago. ■

Industrial Properties for Sale



3370 Collins Street,
Philadelphia, Pennsylvania

Industrial building
+/-7,000 SF industrial building
plus 1,000 SF mezzanine office space



1224-36 Belmont Avenue
Philadelphia, Pennsylvania

Industrial building
56,000 SF



6610 Hasbrook Avenue
Philadelphia, Pennsylvania

Industrial Investment Sale
100% Occupied



East Pumping Station Road
Richland Township, Bucks County, Pennsylvania

Land for Sale
40 Acre Development



2536 S. 59th Street
Philadelphia, Pennsylvania

Warehouse
26,000 SF
Also available for lease



Northfield Business Campus
Quakertown, Bucks County, PA

Build to Suit, Shovel Ready
30,000 SF



210 Industrial Park Road
Elysburg, Pennsylvania

Warehouse/Office/Distribution
264,000 SF



5137 Bleigh Avenue
Philadelphia, Pennsylvania

Remarkable crane served building
27,800 SF

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