



Summary - The main findings of the lunch seminar on the Clustering of Distribution Centers around Amsterdam Airport Schiphol

On the 21th of November 2007, Airneth organized a seminar on the clustering of European Distribution Centers (EDCs) around Amsterdam Airport Schiphol. The main speaker, Dr P.M.J. Warffemius presented the findings of his PhD research. Main objective of his seminar was to show why EDC's are concentrated in the Schiphol Region. In this summary, we highlight some of his conclusions.

The Netherlands is an attractive location for EDCs. Approximately one-half of all EDCs in Europe are located in The Netherlands. Schiphol represents an important concentration of EDCs. The amount and nature of distribution centers located in the surrounding areas of Schiphol is a prime concern for Dutch policymakers because of two reasons. First, attracting EDCs means attracting all kinds of international goods flows, investments and employment. Second, EDCs are space demanding whereas the amount of open space available outside the airport is limited and earmarked for airport-dependent (or airport-related) firms. In his thesis, the author explains why European Distribution Centers (EDCs) cluster around Amsterdam Airport Schiphol.

The traditional answer to the question why distribution centers cluster around Schiphol is that they are attracted to the airport due to the importance of having air transport services at their disposal (destinations and frequencies). However, Warffemius shows that this is only a partial answer. Forty percent of the questioned EDCs declared that they are clustered around Schiphol, because of the agglomeration advantages. These include: concentration of suppliers and consumers, large labor market, development of knowledge and innovation (EDCs can learn and imitate each other) and the available infrastructure (transport, roads, ICT, geographical position). These agglomeration advantages seem to become more important than the traditional airport advantages.

Agglomeration disadvantages have occurred in the past few years: congestion at the airport, congestion on the road in the Schiphol region, rising ground and rental prices and a stressed labor market. However, these disadvantages do not give incentives to the EDCs to move their their business to another location. They mention that they have invested too much in the current location. As Warffemius notes: they are locked-in.

The policy of the Dutch government is to give access to EDCs around Schiphol that have an actual link with the activities with the airport. But through the years, many EDCs became independent of the airport facilities. These unwanted side-effects are hard to reverse. In addition, it is hard to predict what the future outcomes will be of the current location policy. Warffemius (2007) states that the main message of his study is that the clustering of EDCs near Schiphol needs to be accompanied by new insights

concerning location policy. We refer to the [PhD thesis of Warffemius](#) for a detailed overview of his recommendations

Source:

Warffemius, P.M.J.(2007).Modeling the Clustering of Distribution Centers around Amsterdam Airport Schiphol, *TRAIL Thesis Series*, The Netherlands. (thesis can be found at our [website](#))