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Retail employment in central Ohio is shifting away from stores and toward logistics activities such as trucking and warehousing, a new report on Franklin County retail activity shows. And while employment in the sector continues its decline, the rate is slowing.

Employment in retail fell to 66,657 in 2011 from 93,401 in 2001, according to the annual Franklin County Retail Report, issued yesterday. The year-over-year rate decline, though, slowed to 0.6 percent between 2010 and 2011. That's down from the biggest slip of 5.9 percent, between 2005 and 2006.

The retail sector includes not only stores and restaurants, but also the logistics sector that supports them, and that one is growing.

The growth is being driven by several factors, the report showed, including the explosive rise of e-commerce, tighter inventory management at brick-and-mortar stores and the reduction of store size.

"Retailers just don't need as many employees in stores to stock shelves," said Jung Kim, research director at the Columbus Chamber, which produced the report along with the Franklin County Board of Commissioners. "Today you can order something online on Dec. 20 and have it by Christmas. That wasn't possible 10 years ago. That's why some retail jobs have moved to logistics."

Locally, the growth in jobs in the logistics sector has been fostered by investments in and around Rickenbacker Airport and by the fact that central Ohio is within a day's drive of more than half of North America's population, Kim said.

While jobs in retail shops still greatly outnumber those in logistics, since 2000, the

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“We’ll continue to see that trend, especially as people are shifting later and later in ordering merchandise, and same-day or one-day delivery is making logistics more prominent,” Kim said.

That doesn’t change the fact that people still mostly shop in real-world stores, one local expert said.

“It’s not at all that bricks and mortar are being eaten by e-commerce,” said Bill Lafayette, owner of local economic-consulting firm Regionomics, who previously worked on the report when he was employed by the Chamber. “Bricks and mortar will never go away,” he said. “People like to look at stuff in person, like to try on stuff, like to pick up stuff. Bricks and mortar will go away somewhat, but only so far.”

The health of the bricks-and-mortar part of the retail sector locally is shown in retail vacancy numbers, which stood at 10.2 percent as of the third quarter of 2012, down from a high of 13.2 percent in the second quarter of 2009, the report showed.

Some areas of Franklin County have experienced growth in retail hiring. The area around Easton Town Center, for example, was the top net gainer of retail jobs in the county from 2000 to 2010, at 2,143, or 45.5 percent. Other top gainers of retail jobs include the areas that include Canal Winchester (1,100 jobs) and Reynoldsburg (961 jobs). As a result, Franklin County’s retail-sales-tax revenue jumped in 2012 by 8.6 percent from 2011, an even bigger jump than from 2009 to 2011, when such revenue rose 6.2 percent as the country recovered from the recession.

“We’re now above pre-recession levels,” Kim said.

Areas that lost the most retail jobs in the county included Downtown (2,748, or more than 64 percent between 2000 and 2010) and the Northland and Eastland areas, which lost 3,315 jobs and 2,868 jobs, respectively.

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