

# Memphis logistics company plans \$20M investment, adding 200 jobs

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A local trucking company plans to invest **\$20 million in the Memphis market.**

Memphis-based JNJ Logistics LLC is seeking a 15-year Expansion PILOT (payment-in-lieu-of-taxes) from the Economic Development Growth Engine (EDGE) for Memphis & Shelby County.

According to documents from EDGE, the company plans to spent \$2 million to buy two properties located at 5000 and 5050 American Way, if approved for the PILOT.

JNJ would then invest \$7.1 million to renovate the existing buildings on the properties, nearly \$9.8 million for new construction and site work and \$1.7 million for new personal property. Community Reinvestment Credit was also requested.

The company's PILOT term sheet said:

*"The company has outgrown its current facility and is exploring options in the Mid-South region for relocation of its corporate headquarters, operations center, vehicle maintenance facility and on-site warehouse with cross-dock. This PILOT will help JNJ Logistics restore the Circuit City and Delta Square Shopping Center site that has been vacant for more than 10 years. The company has proposed a major renovation into a multi-functional complex housing its large fleet of vehicles, 151 management, accounting and information technology employees, 36 maintenance and warehouse employees and more than 325 Memphis-based truck drivers."*

As a result of its expansion, **JNJ plans to retain 290 employees and create 222 new jobs.** The average salary for the 512 employees — excluding benefits — would be \$65,410. Located on Old Getwell Road, JNJ was founded in Memphis in 1992 and provides brokerage services, shuttling and just-in-time delivery services across 48 states. They currently have terminals in Georgia and Florida and, according to PILOT documents, are looking at additional sites west of the Mississippi River. **The company has more than 450 trucks.**

**Prominent JNJ customers include:**

- FedEx
- Amazon
- UPS
- Walmart
- PepsiCo.
- Nestle
- Frito Lay
- Dillards
- Bed Bath & Beyond
- McKesson

The project would generate nearly \$36 million in local taxes over the life of the PILOT, according to staff estimates, with the company receiving about a \$5.9 million tax break. JNJ's PILOT will be heard by the EDGE board Wednesday, July 25, at Memphis Bioworks Foundation.

### **Largest Memphis Area Truckload Carriers**

Ranked by Local full-time employees

Rank	Rank	Local Full-Time Employees
<b>1</b>	Ozark Motor Lines Inc.	807
<b>2</b>	Intermodal Cartage Co. Inc.	420
<b>3</b>	JNJ Express	363