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\$200M Georgia rail terminal project to fuel Bluff City logistics growth

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A multimillion-dollar Georgia rail development is expected to help grow the logistics market in the Bluff City.

Georgia Ports Authority (GPA) executive director <u>Griff Lynch</u> will brief the Memphis World Trade Club on Savannah's expanding rail service to Memphis at a virtual luncheon on Tuesday, Nov. 17, from 11:30 a.m. to 1 p.m.

The Port of Savannah's \$200 million Mason Mega Rail Terminal is being promoted as the largest on-dock intermodal rail facility for a North American port.



GEORGIA PORTS AUTHORITY/JEREMY POLSTON Georgia Ports Authority's \$200 million Mason Mega Rail Terminal project at the Port of Savannah will help improve the capacity and fluidity of cargo movements to and from Memphis.

The Mason Mega Rail project will combine the current on-dock CSX Transportation and Norfolk Southern rail terminals into one facility, and provide each railroad with nine 2,700-foot working tracks.

"First and foremost, [Georgia Ports Authority] has made a major investment to improve the connectivity between Memphis, Chicago, and Savannah, which is an important thing because the volume to the Georgia ports has been growing," said Michael Symonanis, director of North America Logistics for Louis Dreyfus Co.

By doubling the Port of Savannah's rail lift capacity to 2 million container units per year, the Mason Mega Rail Terminal project is expected to improve the capacity

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and fluidity of cargo movements to and from Memphis, according to a GPA news release. With phase one of the Mason Mega Rail now operational, CSX and Norfolk Southern are able to make cargo available for pickup in Memphis within three days of being offloaded from a vessel.

"The Mason Mega Rail Terminal will have a tremendous impact here in Memphis," said Randy Richardson, executive director of the Memphis and Shelby County Port Commission. "Memphis is a major port of call for the Port of Savannah and we will definitely see increased numbers at the Intermodal Gateway Memphis facility in the Pidgeon Industrial area. Savannah is a major East Coast port, serving hundreds of businesses throughout Tennessee and dozens of trains carry ocean freight from Savannah to Memphis every week."

Memphis World Trade Club president <u>David Underwood</u> said it's critical to know what infrastructure developments assist the global trade flows between Memphis and the rest of the world.

"Up to 42% of the intermodal exports going through the Savannah gateway originate from the Memphis region, and fluid transportation networks between both regions is critical to the economic success of Memphis," Underwood said.

Memphis is seen as the best example of Savannah's market share growth. According to GPA figures, even in the midst of the COVID-19 pandemic, loaded exports from Memphis — through Savannah — grew by 24% in August compared to the same month a year ago. During fiscal year 2020 from January to August, Memphis customers accounted for 178,000, 20-foot equivalent units [TEU] of import and export rail cargo for the Port of Savannah — making it GPA's secondbusiest inland destination after Atlanta.

Lynch said GPA's total amount of loading containers between Memphis and Savannah in August — 10,000 containers — was a 17% increase from the same period in 2019.

"This is during a time where everybody is struggling, so that is really impressive," he said. "Just to put that in perspective, our overall business for August was up 1% year-over-year, but yet our rail business to Memphis was up 17%. ... With part of the Mason Mega Rail operational and opened up, we had new customers come into Memphis and vice versa." 11/6/2020

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Memphis exports crossing GPA docks include logs, chemicals, machinery, and cotton. Lynch said for fiscal year 2020, GPA's cotton export through Memphis grew by 61% over the same period in 2019.

Some of the major imports that cross GPA docks on their way to Memphis includes auto parts, electronics, furniture, and apparel. Construction of the Mason Mega Rail Terminal is slated to be finished by October 2021.

"What any city — and any logistics hub like Memphis — wants is to have options for moving goods," Lynch said. "I think what Savannah is doing right now is creating a brand new option that is probably the best option from a low-cost standpoint. Memphis is a massive location and there isn't a lot of gateways that can successfully service Memphis in the way that we can because we are close to it."

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