

# Rail infrastructure manufacturer seeks tax break for HQ move to Memphis

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Pandrol USA, a maker of rail infrastructure, has plans to locate its North American headquarters in Memphis, bringing 73 jobs and investing more than \$9 million in capital into a vacant warehouse at 611 Winchester Road.

The company is seeking a 15-year PILOT (payment-in-lieu-of-taxes) that could be worth \$1.5 million over the term of the incentive. The Economic Development Growth Engine (EDGE) for Memphis & Shelby County is scheduled to vote on that incentive at its board meeting on Wednesday, May 15.

Instead of a traditional jobs PILOT, Pandrol is seeking to be incentivized through EDGE's Community Builder PILOT program, which are targeted to projects occurring in census tracts that qualify for New Market Tax Credits. The Community Builder incentive has traditionally been used to bring retail to areas of Memphis where it's lacking, such as with the Whitehaven Landing and the Binghampton Gateway Project.

Memphis-based Olymbec USA LLC owns the 20-acre property at 611 Winchester; it was purchased in 2014 for \$650,000. The 233,000-square-foot warehouse dates to 1968.

With a global headquarters in France and North American headquarters currently located in Bridgeport, New Jersey, Pandrol manufactures and installs rail fastening products such as railroad clips, crosstie plates, and screw spikes. In its bid to relocate its headquarters to Memphis, Pandrol is attempting to better position itself competitively.

"Due to growth in this highly competitive industry, Pandrol USA is looking for another manufacturing facility and a corporate location closer to its customers," the company's application with EDGE stated.