

CHARLESTON, SC - OCT. 21, 2019 - South Carolina Ports Authority President and CEO Jim Newsome has always had a vision for S.C. Ports, ensuring its best days are ahead.

Newsome, who celebrates 10 years at the helm of S.C. Ports Authority this year, delivered his 11 th State of the Port address today to more than 900 business executives, elected officials, SCPA customers and members of the maritime community. The Propeller Club of Charleston hosted the annual event in North Charleston.

Newsome said the overarching vision for SCPA remains consistent - to be the preferred port of the top 10 U.S. container ports. S.C. Ports is known for its efficiently run terminals, reliable service and customer-centric operations.

Newsome attributes those successes to SCPA's 700 talented employees and a dedicated maritime community.

"Only eight states in the country have a top 10 container port, and South Carolina is one of them," Newsome said. "Global businesses locate near major ports, and our port is incredibly well run. The secret to making our port work is the people, and I am immensely proud of the work they do to make us the preferred port in the U.S."

In fiscal year 2019, SCPA invested in infrastructure, moved into a new headquarters building, further deepened Charleston Harbor and handled the most cargo in Port history.

SCPA handled nearly 2.4 million twenty-foot equivalent container units (TEUs) in fiscal year 2019, up 8.8% from the year prior. SCPA moved approximately 195,000 vehicles and more than 625,000 pier tons.

Inland Port Greer, now in its sixth year of operation, had its busiest year ever with 143,204 rail moves, up 22% year-over-year, while Inland Port Dillon handled 29,580 rail moves in its first full year of business.

"S.C. Ports continues to build on our unprecedented growth and exceptional operations," Newsome said. "We are equipped with an incredibly strong team, a strategy to grow cargo volumes and a plan to increase capacity. I know our best days are ahead."

Diversifying, growing cargo volumes

S.C. Ports has doubled container volume since 2009 and consistently breaks its own cargo volume records year-over-year.

SCPA's impressive growth since 2009 can be largely attributed to a boom in advanced manufacturing in South Carolina. The port will continue supporting the manufacturing sector, while also diversifying and expanding its cargo base to encompass high-growth markets, such as retail goods, synthetic resin exports and refrigerated cargo.

SCPA is particularly focused on growing retail volumes and recruiting distribution centers to handle the influx of retail imports for the Southeast, which is the fastest-growing region in the country.

S.C. Ports has expertise in moving goods for global manufacturers who operate just-in-time production facilities, setting the stage for the port to handle goods for more global retailers who demand reliable operations and fast delivery in the era of e-commerce.

SCPA plans to expand the state's rail network, grow its two rail-served inland ports and increase port rail volumes. SCPA now moves 24% of its containerized volumes by intermodal container rail.

Newsome said the agency also supports the development of port-related industrial parks and distribution hubs in South Carolina. SCPA owns a 950acre, rail-served industrial site in Ridgeville that is poised for distribution center operations.

"We plan to diversify our cargo base with SCPA's mission in mind: to support waterborne commerce, meet the needs of our customers and benefit South Carolina citizens," Newsome said. "Growth is critical for our success, and with the best team in Port history, I know our future is very bright."

Realizing major infrastructure projects

S.C. Ports expects to complete three major infrastructure projects by the end of 2021: upgrading Wando Welch Terminal, opening a new container terminal and deepening Charleston Harbor.

SCPA remains focused on modernizing Wando Welch Terminal, leading to a capacity of 2.4 million TEUs. By the end of 2020, the Wando terminal will be able to handle three 14,000-TEU ships simultaneously.

SCPA has made major strides on building the future Hugh K. Leatherman Sr. Terminal in North Charleston; it is the first greenfield container terminal in the U.S. since 2009.

The first phase, which includes a 1,400-foot wharf and five 169-foot-tall shipto-shore cranes, is set to open along the Cooper River in early 2021. The three-berth Leatherman terminal will double Port capacity at full build-out with an additional 2.4 million TEUs of capacity.

Upgrades to Wando terminal and the opening of Leatherman terminal will enable S.C. Ports to handle four 14,000-TEU ships at once, as well as handle a 19,000-TEU ship, which is one of the largest ships deployed today.

The ongoing Charleston Harbor Deepening Project is crucial to these infrastructure projects. All dimensions of Charleston Harbor will be improved by deepening and widening the harbor and adjoining rivers, as well as enlarging turning basins.

Deepening of the entrance channel to 54 feet is underway, and deepening of the lower harbor up to Wando Welch Terminal recently started with the awarding of the third contract. Deepening this section of the Wando River to 52 feet and widening the turning basin to 1,650 feet will greatly increase capabilities at the Wando terminal.

Future project work involves deepening the Cooper River to 52 feet up to the Leatherman terminal.

The \$550 million Charleston Harbor Deepening Project is fully funded after receiving \$350 million from the S.C. Legislature, \$108 million from the U.S. Army Corps of Engineers and \$138 million set aside in President Donald Trump's budget.

By 2021, Charleston will have the deepest harbor on the East Coast at 52 feet. This will ensure large container ships can access SCPA terminals at any time, regardless of the tides.

"Further developing our infrastructure and deepening our harbor will guarantee we can handle growing cargo volumes and mega container ships for decades to come," Newsome said. "These projects would not be possible without the support of our elected leaders, board of directors, senior managers, partner agencies and the SCPA team."

Impacting S.C.'s economy

S.C. Ports continues to drive economic growth in South Carolina, serving as a key competitive advantage for the state and supporting the state's thriving business community.

S.C. Ports makes a \$63.4 billion annual economic impact on South Carolina and creates 1 in 10 S.C. jobs, according to a new Economic Impact Study by the University of South Carolina's Darla Moore School of Business.

The analysis, authored by research economist Joey Von Nessen, finds that S.C. Ports's operations and all associated activities correspond to nearly 225,000 jobs in South Carolina. Port operations account for 10% of the state's economy and generate around \$1.1 billion in tax revenue annually for the state, the study found.

"S.C. Ports enables businesses to export products to global markets and import in-demand goods to Southeast consumers," Newsome said. "I am incredibly proud that S.C. Ports makes a positive, lasting impact on our state's economy and on South Carolinians by generating well paid, highly skilled jobs."



Two 14,000-TEU ships pass by one another in Charleston Harbor. (Photo/SCPA)

About South Carolina Ports Authority

South Carolina Ports Authority (SCPA), established by the state's General Assembly in 1942, owns and operates public seaport and intermodal facilities in Charleston, Dillon, Georgetown and Greer. As an economic development engine for the state, Port operations facilitate 225,000 statewide jobs and generate nearly \$63.4 billion annual economic activity. SCPA is soon to be home to the deepest harbor on the U.S. East Coast at 52 feet, and the Port is an industry leader in delivering speed-to-market, seamless processes and flexibility to ensure reliable operations, big ship handling, efficient market reach and environmental responsibility. For more information on SCPA, please visit www.scspa.com.

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