

Halifax eyes link to Memphis

Railway line key port's connection to U.S. South

By TOM PETERS
Business Reporter

The CN rail connection to the American South may be the key to new business between the Port of Halifax and Memphis.

"I see great opportunities when you are connected to a major seaport and half the world and the best run railroad. You've got a pretty good team and pretty good opportunities," B. Lee Mallory, honorary Canadian consul in Memphis, said Wednesday.

"We are looking for export opportunities for our shippers and producers in the heartland of America, and most of what is being consumed that comes through Halifax will be consumed in the U.S.," he said.

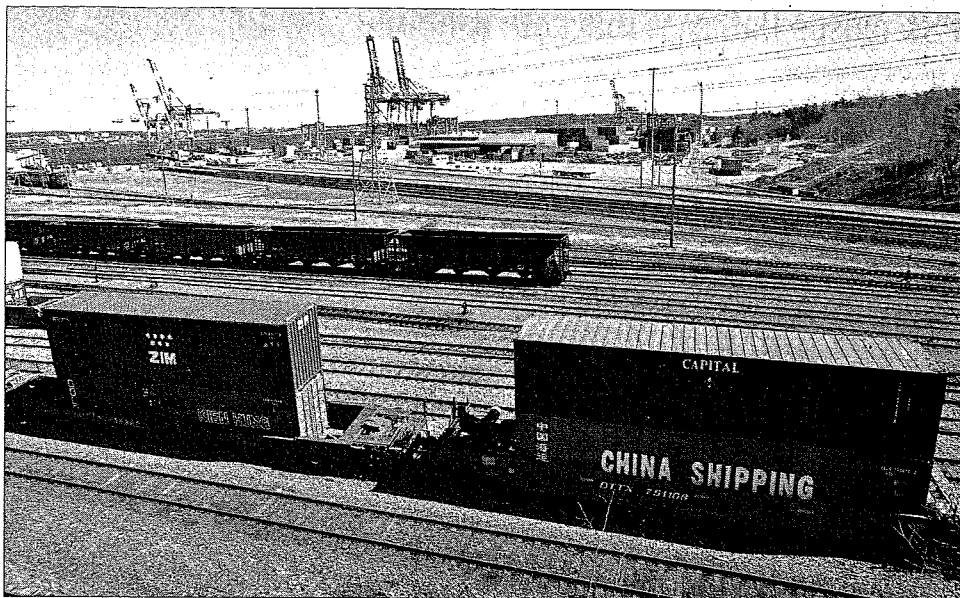
A Memphis delegation, including Mr. Mallory, executive vice-president of Mallory Alexander International Logistics; Dexter Muller, senior vice-president, community development for the Memphis Regional Chamber; Robert Bathgate, president and CEO of the American Chamber of Commerce in Canada, and David Gough, Halifax facilitator, Atlantic Canada chapter of the American Chamber, has been in Halifax meeting with private, government and port interests.

"We are in Halifax to establish some partnership relationships and build an understanding of how we can help Canada with (its) gateway projects," Mr. Mallory said.

"Memphis is connected to Halifax and the rest of Canada with CN, which funnels through Memphis and ends up in New Orleans."

Stephen Dempsey, chief executive officer of the Greater Halifax Partnership, said Wednesday, "CN is here working with us and we want to strike an agreement with Memphis that would see us partner to develop trade flows on the Atlantic."

Memphis potentially offers a lot of opportunity for the Atlantic region. It is the second largest inland port on the



The Port of Halifax and a delegation from Memphis, Tenn., are discussing ways to increase business traffic between the two ports. The prospect hinges in part on the effectiveness of the CN rail connection.

(TIM KROCHAK / Staff)

Mississippi; the fourth largest inland port in the U.S.; has the largest cargo airport in the world; is one of the largest distribution centres in North America with several major companies and over one million square feet of warehouse space.

Mr. Muller said Memphis, which has a population of about 1.2 million, has an economy where logistics is a major driver.

In addition to its air cargo business, the city is served by five major railroads, its seaport, and is at the crossroads of two major interstate highways.

"You can reach 66 per cent of the U.S. population within one day's drive by truck," Mr. Muller said.

The Memphis officials see the Port of Halifax as another option for their shippers and producers.

Approximately 83 per cent of the products coming into Memphis come through the ports of Oakland and L.A./Long Beach on the West Coast and ship-

pers don't want to be dependent on just those ports.

Halifax offers a 93-hour, single rail line connection to Memphis and is a day or two closer to Europe and the Suez Canal than U.S. East Coast ports. Both the rail line and port have available capacity and Halifax is not congested.

And Mr. Muller says with the CN connection, Memphis has a much better chance of getting products coming through Halifax than it would if they moved through New York or Norfolk or Savannah.

Mr. Muller said Memphis wants to build a relationship with Halifax and will do it methodically.

"The first thing is to identify our people currently shipping, either importing or exporting, and secondly, to think of who could be shipping out of here... and potentially work on joint marketing agreements," he said.

Memphis has widely distributed to businesses a DVD put together with

Prince Rupert which includes considerable coverage of Halifax and the Atlantic Gateway, "so we have already been marketing Halifax for two years," Mr. Muller said.

Mr. Mallory stressed that shippers in the global supply chain are looking for port options.

"Halifax has not been on our radar... until the connection with CN was consummated and our shippers are looking for options out there and Halifax is certainly a good option," he said.

George Malec, Halifax Port Authority vice-president of business development and operations, said the Memphis connection opens up some interesting opportunities for the port.

"One of our focus markets is developing the Suez service and that service is particularly well connected now over CN through Chicago... and strengthening of the Chicago-to-Memphis corridor not only benefits Prince Rupert, it benefits Halifax equally," he said.

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