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**Abstract:** The article reports on the cargo business of Georgia's deepwater ports at Brunswick and Savannah. It is informed that business at the port has increased by 150 percent in the past decade and will likely do the same in the next 10 years. The state is setting records for tons shipped and the speed with which cargo is unloaded. In the fiscal year ending June 30, 2005, a total of 18.3 million tons of cargo went through Georgia's deepwater ports in Brunswick and Savannah and inland barge terminals in Columbus and Bainbridge, an 11 percent increase over the previous year.

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### Setting Records

**So many ships and so much cargo pass through Georgia's deepwater ports at Brunswick and Savannah — with so much efficiency — that business has increased by 150 percent in the past decade and will likely do the same in the next 10 years.**

It's 9 a.m. on a muggy Wednesday and men who have already been at work for hours gather on a dock beside a massive, spanking new white and orange ship that looks like a huge floating warehouse — which it is.

"What's it carrying?" a visitor asks.

"We'll see," replies Bill Dawson, Georgia Ports Authority's general manager of operations in Brunswick. "It's a Noah's Ark."

Before hiking up the ramp into the ship, everyone pulls on soft, bright yellow vests with Velcro closings and visitor's tags. Then they cover their watches with black, stretchy sport wristbands bearing the letters W&W, the logo for Wallenius Wilhelmsen Lines, which owns the ship. Another question: "Why the wrist bands?"

Before Rick Caauwe, W&W's Brunswick port manager, can answer, Dale Parks, Volvo Cars of America's local representative, strides up and says, "So you won't scratch my cars."

At that moment the group is inside the ship and surrounded by rows of shining new Volvos parked breathtakingly close together but not touching on steel decks. Stevedores wearing soft, surgical white smocks are driving hundreds of cars off the ship one by one in oh, so neat lines with uniform space between the bumpers. Also rolling off the ship are dozens of heavier vehicles: tractors, bulldozers, even a couple of tour buses.

Crew members escort the visitors through the ship into an elevator, then down a long hallway to the captain's offices. Captain Romeo Cabana Santos greets each visitor with a handshake and a bow, then leads them into the wheel room for a ceremony to commemorate the maiden voyage of the Toronto. "Welcome to Brunswick," Dawson tells the captain. "We're glad to have you here, and we look forward to visiting with you more when you come back."

Dawson inquires about the ship's schedule. The captain says he began unloading at 7 a.m. and plans to depart at 1 p.m.

Such is a typical business day for a Georgia port. In fact, so many ships and so much cargo pass through the state's ports with so much efficiency that business has increased by 150 percent in the past decade and will likely do the same in the next. The state is setting records for tons shipped and the speed with which cargo is unloaded.

In the fiscal year ending June 30, 2005, a total of 18.3 million tons of cargo went through Georgia's deepwater ports in Brunswick and Savannah and inland barge terminals in Columbus and Bainbridge, an 11 percent increase over the previous year. In July, the ports opened the new fiscal year with 19 percent monthly increases in both Brunswick and Savannah, according to GPA statements. A University of Georgia economic impact study says the ports contribute more than 275,000 jobs and \$10.8 billion in income across the state.

What's behind this remarkable growth?

Meet Doug Marchand, the longtime Galveston, Texas, port director who became general manager of the Georgia Ports Authority in 1995.

He's a modest, medium-sized brown haired man who's been criticized by environmentalists on the coast for seeking to deepen the rivers leading to his ports, zinged by legislators in the capitol for spending on lavish meals and hotel rooms in New York to wine and dine customers and skewered a bit by former employees who note his obsessive attention to detail. He's had his face immortalized in the distinctive black and white line drawing of the Wall Street Journal.

Marchand took over the Georgia Ports at a time when the West Coast was eating their lunch by heavily importing from Asia. Retailers were complaining that all Georgia did was export regional products and they couldn't get the merchandise they wanted from China and Japan into the state. Indeed, the Georgia ports were dominated by shipping lines that pulled up empty and left with bulk loads like grain and kaolin or container shipments.

Now Georgia ranks second on the East Coast in the fast-growing Asian import market — behind only the Port of New York/New Jersey — having convinced retailers that it's faster and cheaper for them to send their East Coast and Midwest bound goods here. Savannah has also become the only major port with a 50/50 ratio of imports to exports.

### [Courting Retailers](#)

How'd they do that? By going after retailers, and landing them. First Home Depot and Wal-Mart. This year, Target. Marchand has succeeded in attracting major retail distribution centers to the Georgia coast, thereby insuring import business. Now other ports are copying his strategy.

"We've had a good, strong tradition of exports. What we weren't strong in was imports," Marchand says. "Now, we have a balance. So, it's a loaded move in both directions. By concentrating on the import cargo, we've been able to lure carriers here without losing the exports. Now, we have the warehouses close by. We have the inland economics."

Not one to seize credit for himself, Marchand attributes much of the port's success to the GPA's stunningly well-connected board of directors, starting with the chairman, former U.S. Sen. Mack Mattingly, a one-time Atlanta area businessman who now lives on the coast, St. Simons Island. "We've had extremely good cooperation from our board and leadership," Marchand says. "We've proven to them that if they invest in us, it pays off."

In fact, Mattingly's connections paid off big time this year when the new federal budget came out absent funds for finishing Brunswick's crucial harbor deepening project. Mattingly worked with Georgia's sitting congressmen to lobby Washington. The result was the addition of \$19 million in new appropriations for the Port of Brunswick. This yielded Mattingly a special thank you in Marchand's state of the port address this year for "using his considerable influence to advance our projects."

Another important factor in the growth of the ports under Marchand has been the concentration of specialties in different locations: containers exclusively at Savannah's Garden City Terminal; automobiles at Brunswick's Colonel's Island Terminal, bulk and break bulk at Savannah's Ocean Terminal and Brunswick's Mayor's Pointe. "We're not competing with ourselves," Marchand says. "We think that's being the best steward of" the state's resources."

"That's our vision," says Brunswick's Dawson, referring to the specialization of the deepwater ports in Savannah and Brunswick. "Brunswick is complementing the overall vision of the ports authority, which is to develop the ports and enhance international trade."

Dawson is a Brunswick native who has been with the port since it opened in 1975 and saw it through its absorption by the GPA in 1988. He saw the beginning of development on Colonel's Island, now the automobile entry point, in 1985.

"I pinch myself all the time because it's amazing," Dawson says. "This island was literally virgin land. I've been fortunate to see the growth. It's been good for Brunswick."

### **The Eyes Have It**

By 2 p.m. that same Wednesday, a crowd has gathered on the terrace behind the Savannah Convention and Trade Center on Hutchinson Island. All eyes are on a temporary stage flanked by U.S. and Georgia flags overlooking the Savannah River. The historic buildings of Georgia's first city serve as a backdrop. Two tugboats stand at attention on the river saluting each other with spraying arcs of water, their cheerful yellow and red decorating the scene. Among those seated front and center are Marchand, Mattingly and Gov. Sonny Perdue.

"Today's been a long time coming," Marchand says. That day's morning newspapers in Savannah and Atlanta have reported that the governor is to announce Target's decision to locate a major distribution center near the port. The announcement unfolds with fanfare.

Mitch Stover, Target's senior vice president for distribution, tells the crowd the company has already begun construction on a 2 million-square-foot import warehouse at the Savannah River International Trade Park. He says the facility will employ 200 people when it opens in the summer of 2007 and several hundred more thereafter. About half will be hired locally and the rest transferred. "This will be our most popular location," says Stover, a Georgia native who calls the move "a chance to come home."

The last to speak is the governor. "Target's decision reflects Georgia's continued growth as a distribution center, Folks, we do this well," Perdue says. "The good news about the Georgia Ports Authority is that those jobs ripple throughout the state."

The governor goes on to say that Target is Georgia's customer now and will be treated as such. He also apologizes for the love bugs, those annoying little heat-loving insects that travel in pairs, which are landing on everyone and everything on this hot afternoon. Then he turns to the tugboats. The crowd grows silent. The tugboat crew pulls a rope and suddenly unfurls a giant white banner showing the famous red and white builds-eye logo and the words: "Georgia welcomes Target."

The tugboat toots. The crowd erupts into laughter and applause. It's a red-letter day for the Port of Savannah.

After pictures and handshakes, the governor pauses inside the cool air conditioning of the trade center to speak to reporters. "This is an affirmation of the Georgia Ports Authority and the job that they are doing. It's more than just job impact. It has psychological impact that world class retailers like Target have said Savannah can get it done."

Later that day, the proximity of those new retail distribution centers to the Savannah port becomes a highlight of a tour guided by Robert Morris, director of external affairs for GPA. "Trucks only have to drive four miles away to a distribution center. In many ports, they have to go 20 miles or 40 miles," Morris says. "This economy in Savannah has taken off because of the port related businesses. Savannah is leading the state's economy."

Morris shows off Savannah's sprawling Ocean Terminal, where bulk (such as grain, sand, gravel) and break bulk (such as paper and wood) are handled, and Garden City Terminal, the massive container facility where red, blue, green, yellow and brown steel boxes are stacked five deep by giant \$7 million cranes as far as the eye can see. "Garden City is the largest single container facility on the entire East Coast and Gulf," Morris says.

By 6 p.m., the tour is done. He jumps out of his car and dashes back into his office to put the finishing touches on a power point presentation for the next day's "state of the port" report.

### **State Of The Port**

That Thursday at noon, business and political leaders from the area fill the grand ballroom at the trade center to dine on steak and chocolate mousse and listen to Marchand give the "state of the port" report over coffee. There's plenty of good news to tell, in addition to the Target announcement. The overall growth numbers are stellar. One category — auto parts exports — was up more than 100 percent in one year.

Marchand also gives a sober account of the challenges facing Georgia's biggest port. Mainly, the Savannah River must be deepened from 42 feet to 48 feet to allow the passage of newer, bigger ships. The slow-moving project has been in the works for years. If all goes well, it will get federal funding in 2007 and be completed by 2012.

In addition, Marchand says, Savannah must invest in major road improvements to continue moving trucks efficiently into and out of the port facilities. "The roads cannot handle the growth," he says.

Growth management is a critical issue for the port and the city, says Page Siplon, director of the Maritime Logistics Innovation Center, operated in conjunction with Georgia Tech. "As we grow another 150 percent in the next nine years, how do you handle that?"

Siplon says he expects the river deepening project ultimately to allay the fears of environmentalists concerned about the incursion of salt water up the river. He believes the channel can be deepened and the environment protected at the same time. He says the river deepening project and road improvements are critical for Savannah to keep its competitive advantage, which is efficiency. Even though the ships have to travel 24 miles up river from the ocean, they can unload and load their cargo with record speed. And deepening the river channel will ease the way.

"The most critical issue is getting the harbor deepened to 48 feet. For us to remain competitive and use the full potential of the port, we have to get that depth," says Steve Green, a commercial real estate broker and investor, a member of the Savannah Airport Commission, a former Chamber of Commerce president and currently vice chairman of the Georgia Ports Authority. "So much of our local economy is affected by the port, but the whole suite is affected by the port."

Chatting at the trade center after the state of the port report and before heading across the imposing Talmadge Bridge — which connects South Carolina and Hutchinson Island to Georgia's oldest city and overlooks the sprawling Savannah port facilities — Green says, "The next 10 years will be the greatest economic boom in the history of the area. The port is the single greatest economic engine."

"We've had a good, strong tradition of exports. What we weren't strong in was imports," says Georgia Ports Authority General Manager Doug Marchand. "Now, we have a balance. So, it's a loaded move in both directions. By concentrating on the import cargo, we've been able to lure carriers here without losing the exports."

"This is an affirmation of the Georgia Ports Authority and the job that they are doing," says Gov. Sonny Perdue. "It's more than just job impact. It has psychological impact that world class retailers like Target have said Savannah can get it done."

PHOTO (BLACK & WHITE): Strong showing: Ports Authority efforts to convince retailers to transfer Asian-made goods inland via Savannah have paid off, Georgia now ranks second on the East Coast for Asian imports and counts leading names such as Home Depot, Wal-Mart and Target among its clients.

PHOTO (BLACK & WHITE): Specialization: Port Manager Bill Dawson says a focus on automobiles allows Brunswick to flourish, yet not compete with Savannah

PHOTO (BLACK & WHITE): At the helm: Georgia Ports Authority General Manager Doug Marchand

PHOTO (BLACK & WHITE): Well-tuned engine: The bustling Port of Savannah is posed to become an even more powerful driving force in the region's economy

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By Katheryn Hayes Tucker

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