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The Big Chill

Brooks Royster
comes home to head
MTC Logistics'
huge cold storage
facility in Mobile.

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PORT GAINS MAJOR POULTRY EXPORT CAPACITY

MTC Logistics' \$61 million frozen food facility at the state port quadruples capacity for poultry exports and highlights Mobile's assets as a distribution hub.

BY EMMETT BURNETT // PHOTOS BY MIKE KITRELL

MTC Logistics, one of the nation's oldest and largest temperature-controlled logistics facilities, is on track to have the largest cold storage facility of its kind in Alabama.

Privately owned and founded in 1928, the Baltimore-based company is building a facility in Mobile — its first plant beyond its northern roots. A \$61 million investment adjacent to the Alabama State Port Authority container terminal, which is operated by APM Terminals, the cold storage facility will encompass 12 million

cubic feet, including 40,000 racked pallet positions of storage. Services will include blast freezing, port drayage and LTL (less than truckload) consolidation — just as it did for 90-plus years, only this time, in Mobile's port.

The new plant will offer a seamless supply chain focused on global commerce.

"MTC is a good company with a first-rate business model," says Alabama State Port Authority Director and Chief Executive Officer Jimmy Lyons. "We're extremely pleased to add this high caliber company to our portfolio of port services.

MTC will more than quadruple available capacity for our export poultry producers, as well as attract new shippers."

Lyons also notes that currently the docks ship about 300 containers of poultry products monthly. With the addition of MTC, the number could reach 1,000

Loren Giles (left), of ARCO Design/Build Inc., and MTC's Brooks Royster walk the site of MTC's new cold storage facility in mid-winter. The Port of Mobile, looming in the background, was a big draw for MTC.



Giles and Royster review plans for the structure slated to open late this year.

to 1,200 a month. "We think it will start off with great success."

Mobile Mayor Sandy Stimpson echoed Lyons' sentiments, in a written statement to Business Alabama: "We are pleased and proud to welcome MTC Logistics to Mobile. They are a growing, family-owned business, and we have enjoyed the opportunity to build a relationship with them."

"This project represents a big step for MTC and the future of their business."

The fact that they chose to make this investment in Mobile is validation of our strategy to attract distribution centers connected to the Port of Mobile."

The primary products are frozen poultry export and seafood import in an international, temperature-controlled distribution center. For the company, with distribution centers in Baltimore, Philadelphia, and Wilmington, Delaware, adding Alabama's Port City was a leap of faith greatly enhanced with several years of intense analysis.

"We were looking to expand our footprint for some time," recalls MTC Vice President of Sales Ernie Ferguson. "We specialize in logistics for frozen/refrigerated food, and some of our customer base wanted us to expand locations."

He noted the company ran a 'SWOT' (Strengths, Weaknesses, Opportunities and Threats) analysis, which examined locations from Charleston on the East Coast all the way around the country to Houston. Ferguson adds, "Mobile came out as an ideal location, with its port and close proximity to two interstate highways (I-65 and I-10) and an excellent rail

system."

As for logistics, the company was pleased with the Port of Mobile's overall success. "It has excellent potential for us," Ferguson says. "In addition to quick access to sea routes and a good interstate highway network, it has logistically favorable access to Texas, Georgia and Florida. All of this is from a centralized standpoint in Mobile."

"In addition, growth in the Southeast is important for us, and Mobile came out as the ideal choice of what we were looking for."

Thus the Baltimore to Mobile journey began. On the Alabama end, Team Mobile included the Alabama State Port Authority, the City of Mobile, the Mobile Area Chamber of Commerce, Alabama Power Co., APM Terminals and the Alabama Department of Commerce.

"This was not a quick process," says Hollie Pegg, Commerce's assistant director of business development. "MTC is a family business relatively consolidated in the Northeast. For the company to take this move South was a tremendous step and, for all of us, a two-year process."

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Pegg notes that her team emphasized the port, its growth and location advantages. "We can turn cargo around quicker than is done at some of our competition's locations."

Shelby Zaricor, director of business development at the Mobile Area Chamber of Commerce, adds, "Initially, when MTC considered Mobile for its new location, they were not considering our port. Once the company learned of the capabilities to export from the Port of Mobile, their project size doubled." She adds, "I think what sets us apart from competitors is our 'triple threat' — rail, sea and roads — within minutes of MTC's new location."

The project also has a hometown connection. Brooks Royster, MTC's vice president of international supply chains, will oversee the Mobile project. Royster was born in Gulfport, Mississippi, grew up in Mobile, graduated and moved away in 1983. The MTC project is bringing him home.

"Our analysis, which took over a year, rendered an unemotional business decision that Mobile was the right place to be," says Royster. "Not only will Mobile have the largest of its kind of plant in our company and the state," he says, "there is no facility like this, this size, in the United States."

The uniqueness is "mobile racking."

Basically, frozen food, in its almost 300,000-square-foot freezers, is stored on an automated racking system that slides together or separates as needed, creating aisles. It creates aisles on demand rather than static non-movable shelving. The unique system allows maximum use of storage space in the two-story plant, which will be two football fields long and one football field wide. There is no wasted space.

In addition, MTC will implement its industry leading customer web portal. Developed in-house over 20 years, the electronic data system allows customers inventory visibility, remotely. With an internet connection, orders can be placed, analytics run and reports generated from anywhere on Earth.

MTC Logistics estimates 50 to 75 employees slated for startup, projected for fourth quarter 2020. Positions include management, warehouse workers, clerical and more. Mobile is expected to enjoy peripheral employment as well, including

transportation jobs (trucking-loading), fuel centers and related industries.

Site construction of MTC Logistics, a wholly owned subsidiary of Hoffberger Holdings Inc., should accelerate during 2020 first quarter to meet the somewhat ambitious fourth quarter opening.

Royster sums the company's attitude towards its ambitious endeavor: "This building is very significant. It is going to be big for us, the port, the city of Mobile and the economy. We are absolutely

thrilled to be doing it."

MTC Logistics' motto applies to locations in Baltimore, Philadelphia, Delaware, and soon, Mobile, Alabama — "Warm Service. Delivered Cold." And Mobile is welcoming its new frozen assets.

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