Export hub envisioned at port

Agency chief says BMW operation likely to spur growth of distribution, logistics center

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The leader of the State Ports Authority says a BMW export operation is just the beginning of a distribution and logistics hub he expects to develop around the new South Carolina Inland Port in Greer.

BMW announced Wednesday that it was moving the export operation from Duncan to a bigger warehouse near the Inland Port.

The automaker said its logistics vendor, Syncreon, would use the larger, 413,000-square-foot warehouse to export vehicle parts and components to six emerging markets — Russia, Thailand, India, Indonesia, Malaysia and Egypt.

BMW also said the warehouse space — developed by CenterPoint Properties of Oak Brook, Ill., on 45 acres leased from Greenville-Spartanburg International Airport — could be expanded to 750,000 square feet.

The automaker's Greer plant is already shipping parts and components for X3 vehicles to the six foreign markets and will now ship X5 parts and components to the same markets, said Steve Wilson, a spokesman for BMW Manufacturing Co.

The parts and components are assembled into completed vehicles once they arrive, he said.

Most exports from the Greer plant are in the form of complet-

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ed vehicles, but in some countries customs regulations complicate the exporting of completed vehicles, Wilson said.

BMW said the parts and components would travel via rail from the Inland Port to the port of Charleston about 200 miles away.

The company said it would use the same shipping containers to bring back imported vehicle parts from the port of Charleston, mostly engines and transmissions, reducing truck traffic on Interstate 26.

The Inland Port, a freight-handling facility, is scheduled to begin lifting cargo between trucks and trains in mid October, providing overnight delivery of shipping containers via rail to and from the Charleston port.

Jim Newsome, Ports Authority president, said interest in the new facility by potential customers has already exceeded his expectations.

"We fully believe a distribution and logistics hub will develop around the site" and include e-commerce facilities that want to be next to the airport, Newsome said.

The Inland Port is located along a main line of the Norfolk Southern railroad next to the airport, where FedEx and UPS provide daily air freight service. It's a stone's throw from Interstate 85 and just a little farther away from Interstate 26.

Trey Pennington, vice president of industrial brokerage with CBRE/The Furman Co., said he expects more development related to the Inland Port.

"I think it's going to be a very significant engine for us," Pennington said.

Carlo Tamburro, an executive with Syncreon, BMW's logistics vendor, couldn't be reached for comment on whether his company would add jobs as a result of the expanded export operation.

Wilson said the expansion in Greer is not related to office space that BMW recently leased in downtown Greenville.

BMW has said the 10,800 square feet of office space it leased at 22 South Main Street is a temporary location for employees who work in information technology. But it hasn't provided details beyond that.