

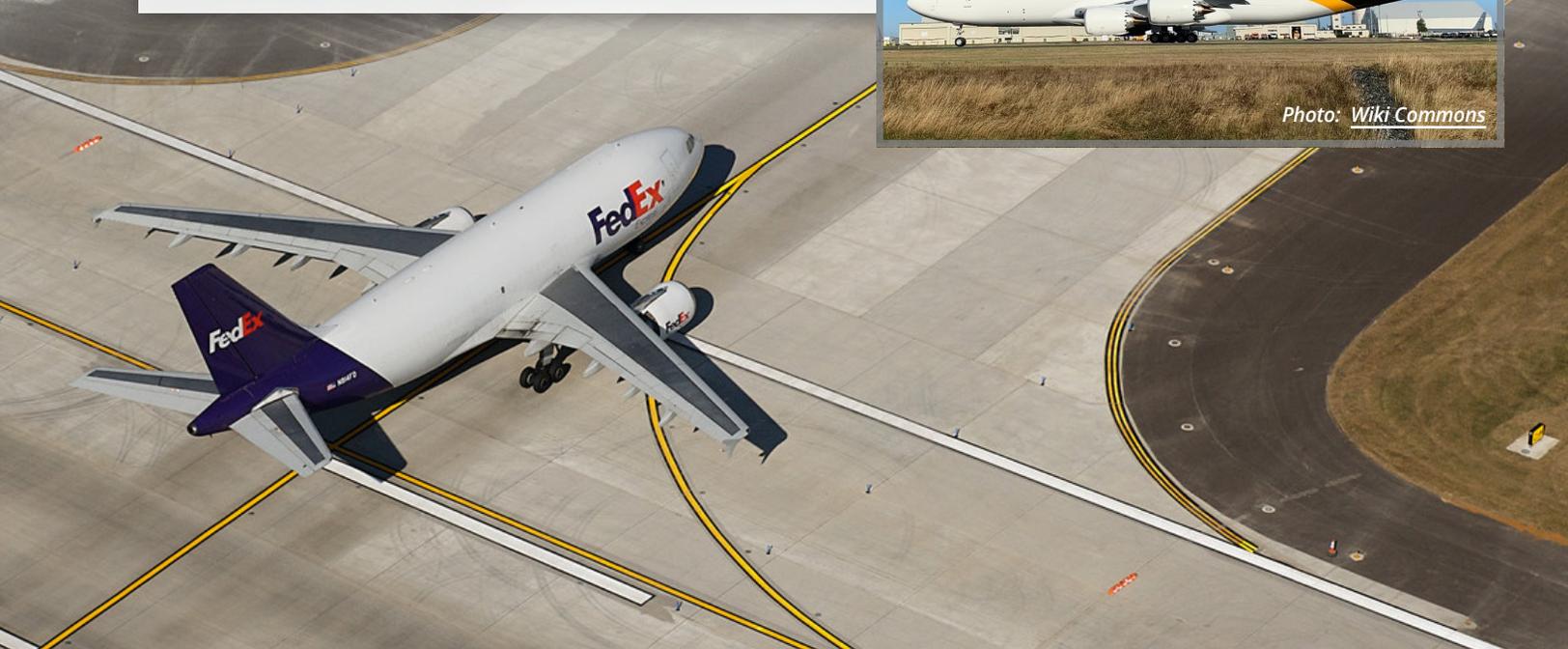
Cargo and Shipping

Cargo operations play a key role in the Tennessee economy by enabling local manufacturers and agricultural producers to transport finished and intermediate goods to customers across the country and around the world. Tennessee's airports are essential for local businesses to access both long-distance domestic and international markets in a timely manner. The cargo services supported by airports also allow Tennessee businesses to acquire specialized goods, use the world to price and acquire commodities, and develop and maintain far-reaching customer bases.

Memphis International Airport – The Busiest Cargo Airport in the World

Memphis International Airport (MEM) is the busiest cargo airport in the world. The airport handles almost five-million tons of cargo every year and more than \$2.8 billion in exports. More than 43 percent of all goods being exported from Tennessee by air are shipped through Memphis International Airport. The airport also handles around 14 percent of all air cargo imports into Tennessee, about \$2.9 billion worth of goods. Cargo and shipping businesses at Memphis International Airport contributed \$2.5 billion to Tennessee's economy in 2019. Cargo shippers primarily use the airport as a port of entry for international and domestic goods, but the presence of cargo shipping operations alone significantly contributes to Tennessee's economy. FedEx's "SuperHub" at the airport is the primary contributor to cargo movement through the airport and generates a large economic impact in Tennessee. FedEx operates almost 400 flights per day and handles more than 180,000 packages and 245,000 documents per hour. Cargo and shipping industries at the airport, including ground transportation and other postal services connected to FedEx's operations, generated 13,000 jobs in Tennessee and \$1.3 billion in labor income. The FedEx facility at Memphis International Airport contributes over \$1.7 billion in economic impact to Tennessee's economy.

The United Parcel Service (UPS) is Memphis International Airport's second-largest cargo and shipping-related tenant. UPS employs 2,000 people at the airport and contributes \$350 million to Tennessee's economy. UPS's presence at Memphis International Airport is expected to almost double as part of an amendment to the company's current lease agreement with the airport. The amended lease will allow UPS to expand by 1.1 million square feet as part of a \$216-million-dollar-investment project to grow operations at the airport and in the region.



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Port of Memphis – Supporting Intermodal Cargo Shipping

The International Port of Memphis is another piece of the intermodal cargo shipping logistical system in Memphis, one of the state's busiest intermodal areas. The Port of Memphis is the second-largest inland port on the shallow draft portion of the Mississippi River and the fifth-largest inland port in the United States. The Port of Memphis is the strategic centerpiece of the cargo system “where the River meets the Road, Runway, and Rail” because its location provides direct connections to three interstates, seven major highways, five Class I railroads, and Memphis International Airport. Because of this, cargo arriving at the port can reach more markets overnight by truck than any other city in the United States. In 2018, the Port of Memphis contributed over \$9 billion in annual economic impact, over 9,000 direct jobs, and over 13,000 indirect jobs to Memphis and the greater Shelby County. As part of the larger cargo-shipping system in Memphis, the port's operations are supported by Memphis International Airport, which handles cargo that is shipped to and received from the port.



Overview

Tennessee's airports support the state's cargo shipping logistical system by serving as hubs for shipping and receiving cargo. Cargo handled through Tennessee's airports arrives from and is destined for local, national, and international locations. In total, air cargo services at Tennessee's airports support over 82,000 off-airport jobs throughout the state and generate more than \$19 billion in economic impact.