CONTRIBUTIONS OF PROPOSED INVESTMENT IN
THE NORTHWEST TENNESSEE REGIONAL PORT AT CATES LANDING
TO THE REGIONAL ECONOMY

FINAL REPORT

Murat Arik, Ph.D.
Associate Director

David A. Penn, Ph.D.
Associate Professor and Director
Business and Economic Research Center
Jennings A. Jones College of Business
Middle Tennessee State University
Murfreesboro, TN 37132

Prepared for
Northwest Tennessee Regional Port Authority
Dyersburg, TN
TABLE OF CONTENTS

EXECUTIVE SUMMARY | 4
I. INTRODUCTION | 7
  a. Study Area | 7
  b. Project Background: NWTRP at Cates Landing | 8
    i. History
    ii. Proposed Improvement
  c. Study Goals and Research Questions | 9

II. STUDY REGION AT A GLANCE: INDICATORS OF SOCIOECONOMIC DISTRESS | 11
  a. Employment and Unemployment | 11
  b. Population Growth | 11
  c. Income | 12
  d. Poverty | 13

III. CONCEPTUAL FRAMEWORK, ASSUMPTIONS, AND DATA | 15
  a. Cargo Volume and Economic Impact | 15
  b. Benefit-Cost Analysis | 20
  c. Assumptions and Data | 21
    i. Construction
    ii. Port and Industrial Park
    iii. Industry Relocation
    iv. Cargo Basic Assumptions
    v. Transportation Cost Saving Assumptions

IV. FINDINGS | 29
  a. Benefit-Cost Analysis | 29
    i. Efficiency: Transportation Saving
    ii. Safety: Fatality and Injury Reductions
    iii. Livability: Green House Emission and Hazardous Material Spill Reduction
    iv. Total Cost and Benefits: Benefit-Cost Ratio (BC)
  b. Economic Impact Analysis | 32
    i. Port and Industrial Park: Construction and Operation
    ii. What-If Scenario: Steel Mill Construction and Operation
    iii. Related Jobs
c. Related-Jobs
   i. Recent layoffs
   ii. Export-Dependency and Job Retention

V. IMPLICATIONS OF PROPOSED INVESTMENT FOR THE REGIONAL ECONOMY:
   INDICATORS OF DISTRESS ARE REVISITED

   a. Wage
   b. Employment, Unemployment, and Population
   c. Income
   d. Poverty

VI. CONCLUSION

VII. WORKS CONSULTED AND DATA