

EXECUTIVE SUMMARY

UPSTATE FREIGHT SERVICES, LLC DILLON, SC EXPANSION

Our Mission

Upstate Freight Services, LLC offers trucking and logistics companies a wide range of support services and facilities. Our focus is on servicing the inland ports and providing truck fleets with whatever support they may need to maximize their operations, including, but not limited to: truck maintenance facilities, drop yards, truck washes, office space, cross-docking and warehousing.

Opportunity

In 2017 the South Carolina Ports Authority (SPA) handled 2.2 million shipping containers, 125,000 of which were transported via rail to the Greer Inland Port. The Greer location, located near the I-85 and I-26 junction has far exceeded expectations of the SPA, resulting in the launching of a second inland port located in Dillon, SC, one mile off of I-95. The Dillon facility is five times larger than the Greer facility and is expected to handle 220,000 containers within a couple of years. The official start-up date for the Dillon inland port is 4/1/18.

Currently the SPA is constructing the Leatherman terminal, capable of handling three super containers simultaneously. This terminal will double the capacity of the Charleston port. When at capacity, more than four million containers will be moving out of the Charleston area to inland ports or to the I-95 corridor. The Panama Canal has also gone through an expansion which will provide better access of shippers to the east coast of the United States.

Containers landing in Dillon via rail will be claimed by the shipping company, loaded on chassis and then be pulled to final destinations.

Our opportunity lies in providing support for the 220,000 tractors and chassis moving to and from the Dillon inland port, and to the thousands of tractor trailers moving on the I-95 corridor.

Our Company

Our company is Upstate Freight Services, LLC. In 2012 we started our business in a 70-door trucking terminal located on 13 acres of land in Spartanburg, SC. Upstate Freight is approximately 10 miles from the Greer inland port. The majority of our business is directly related to the inland port as we provide drop yard space, a truck shop, cross docking space and office space. Today, approximately 175 jobs are domiciled on our Spartanburg property.

The Upstate Freight Services, LLC management team consist of:

Mitch Burr, the former President of Terminal Trucking, is a CPA with 40+ years of finance experience. A former US Army veteran, he has also been a key player in several successful start-ups, including Innovated Logistics Incorporated, a division of Carolina Freight.

John Petty, the former VP of Operations at Terminal Trucking, is an Army veteran with over 40 years of experience in the trucking industry. He served as the Regional Maintenance manager for two major carriers, overseeing 25 facilities in 9 different states.

John Bolton, the former Controller for Terminal Trucking, is an MBA with over 25 years of experience in finance, commercial and residential real estate and restaurants.

Execution

Land - Purchase of a forty-acre plot of land less than one mile from the inland port.

Drop Yard - Our plan is to make 150 to 300 drop yard spaces available to the shipping community, with the capability of expanding to 1,000 spaces as demand requires. This is important because of the requirement that freight be moved off the inland port timely. Drop yard space gives the trucking company flexibility when scheduling drivers and saves shipping cost as over the road drivers can quickly hook up and pull off our drop yard.

Truck Shop - The Dillon Upstate Freight facility will include a truck shop capable of making simple as well as major repairs to diesel engines. The shop will also have a service truck, able to make roadside repairs 24 hours a day. The shop will be staffed by one of the major shop providers in the United States. Upstate Freight will own the building; collecting rent and profit share based on revenue hurdles.

Tire Shop - The tire shop will be adjacent to but be operated separately from the truck shop. Initial estimates indicate a need to repair approximately 25 tires daily. The shop will also have a service truck able to make roadside calls. A separate tire shredding facility would be located at the rear of the property to turn the old tires into valuable rubber mulch.

Truck Wash - Our truck service center will include an automatic truck wash capable of cleaning a truck in approximately six minutes. In addition, we plan to offer additional services such as trailer wash out, engine wash, RV wash and school bus wash

Two Story Office Building – Because of the demand for office space in our Spartanburg facility, we have planned an office building with office space on the second floor and retail space on the first floor.

Subway Sandwich Location

Located in the retail space of the office building, this franchise would be owned by Upstate Freight and would provide an option to all the drivers coming off the port, Harbor Freight employees and I-95 commuters. Currently the only dining option at the exit is an Arby's located inside the Loves Truck Stop,

It is important to note that ALL of these facilities and services will initially start with one or two-shift operations but should expand to full 24/7 operations by year 2 as the Dillon port expands its hours and becomes a round the clock operation like the Greer Inland Port.