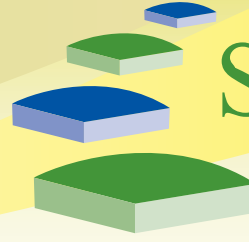




TRUCKSTOP OPPORTUNITY PROFILE



SouthGrow

Regional Initiative

Creating Opportunities...

We Are...

- City of Lethbridge
- Town of Cardston
- Town of Claresholm
- Town of Coaldale
- Town of Coalhurst
- Town of Magrath
- Town of Milk River
- Town of Picture Butte
- Town of Raymond
- Town of Taber
- Town of Vauxhall
- Town of Vulcan
- Village of Barons
- Village of Carmangay
- Village of Coutts
- Village of Champion
- Village of Lomond
- Village of Milo
- Village of Nobleford
- Village of Stirling
- Village of Warner
- Cardston County
- County of Lethbridge
- MD of Taber
- Vulcan County
- County of Warner
- Blood Tribe

SouthGrow is located on the major Canadian transportation routes for both east/west and north/south highway routes. It is located on the CANAMEX corridor with close proximity to the United States border, allowing for easy connection to the interstate system to all major U.S. cities.

The CANAMEX Trade Corridor Highway forms a key component of the transportation network within the SouthGrow region. Beginning in Fairbanks, Alaska and ending in Mexico City, this highway system is the route of choice to over 600,000 commercial vehicles per year. Within the SouthGrow region, the CANAMEX Highway covers 210 km and connects to Interstate 15 at Alberta's only 24-hour port of entry at Coutts and the Highway 3 corridor at Fort Macleod and Lethbridge. It is the primary route for the ground movement of goods and people between Alberta and the USA and Mexico.

The Opportunity

There is an opportunity for a truck stop along the CANAMEX Trade Corridor Highway that runs through the SouthGrow Region. A full-service truck stop with amenities such as a restaurant, truck scales, showers, truck wash, card lock, and large parking lot is required to service the truck, tractor-trailer traffic that goes through the SouthGrow region.

An Overview

With a portion of the CANAMEX corridor running through the City of Lethbridge, Alberta Transportation has proposed a new segment that will divert the heavy traffic to the outskirts of town, resulting in access to some services for the trucking industry being eliminated. While the availability of complementary support services to commercial and non-commercial traffic along the CANAMEX corridor and within the SouthGrow region is an essential component of an effective transportation system, it has been identified that there are currently no major full-service commercial truck stops along the CANAMEX corridor within the SouthGrow region. The closest major facility in Alberta is Nanton.

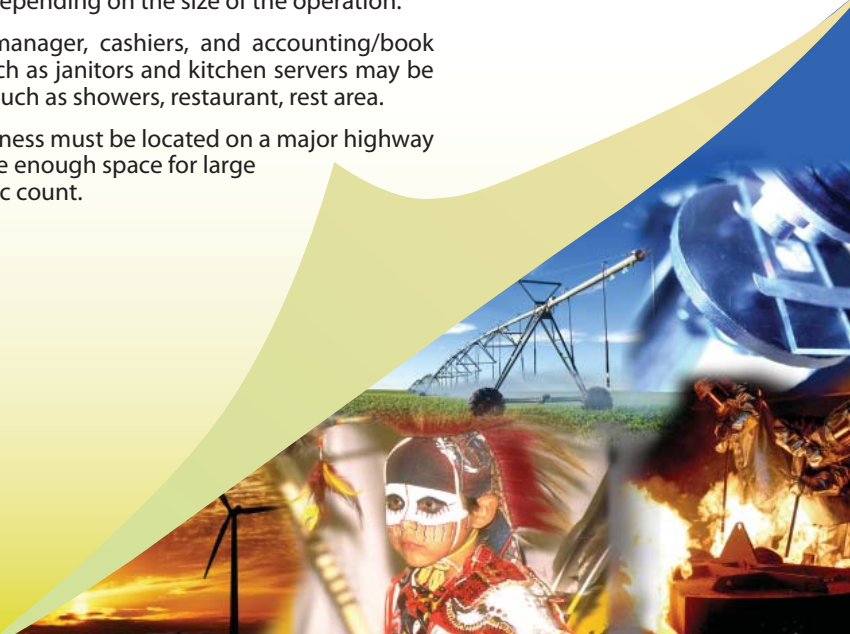
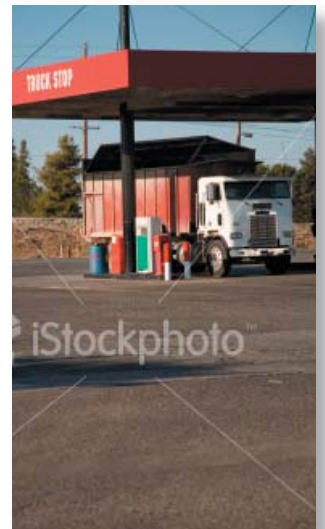
Opportunity Assessment

A truck stop can be operated independently or through an arrangement with a brand name company. Brand name companies may either franchise a location or have company owned sites whereby an independent contract has a business-to-business relationship with the company. The level of investment required is the lowest for a brand name company that provides a business-to-business relationship, while the level of support provided is the greatest under these circumstances.

The opportunity can involve operating independently, which would require between \$350,000 to \$750,000, depending on the size of the operation and the amenities offered; or as a retailer/franchisee for a major name brand, which would require an investment of \$50,000 to over \$120,000, depending on the size of the operation.

Operational staff requirements include manager, cashiers, and accounting/book keeping support. Other staff members such as janitors and kitchen servers may be required if the operations offer amenities such as showers, restaurant, rest area.

Location is key for the truck stop. The business must be located on a major highway with easy access and high visibility, provide enough space for large tractor-trailers, and ensure high truck traffic count.



Fast Facts:

The CANAMEX Corridor covers 210 km in the SouthGrow region and connects to Interstate 15 at Alberta's only 24-hour port of entry at Coutts and the Highway 3 corridor at Fort Macleod and Lethbridge.

The closest truck stop to the SouthGrow region is in Nanton, along Highway 2.

In 2004 Alberta Motor Transportation Association advocated the need for more rest areas with separation from the highway, spaced efficiently at 125 km apart.

Sector Supports:

The following are organizations and agencies that can provide support for those wishing to seize the opportunity:

Alberta Motor Transportation Association – www.amta.com

Alberta Economic Development – www.alberta-canada.com

North American Truck Stop Association – www.natsa.com

National Association of Truck Stop Operators – www.natso.com

Truck News – www.trucknews.com

SouthGrow Regional Initiative www.southgrow.com

The Potential

The CANAMEX Corridor through the SouthGrow region is identified as:

- Highway 4 connecting Coutts and Lethbridge (104 km in length)
- Highway 3 from Lethbridge to Fort Macleod (48 km in length)
- Highway 3 from Fort Macleod to the Town of Claresholm (58 km in length)

Highway 4 is a main thoroughfare to and from the United States border. The U.S. Bureau of Transportation reported that there were 110,439 incoming truck crossings for the Coutts, Alberta / Sweetgrass, Montana border crossing in 2003 and this number is projected to increase in 2015.

The Crowsnest Highway 3 corridor in Alberta traverses a total length of 324 km from the British Columbia border to Medicine Hat. The corridor serves as a major trade and tourism route to the west coast of North America, as goods are exported from and imported to western Canada through the United States and the Pacific Ocean ports along the lower mainland of British Columbia.

According to Alberta Transportation 2007 Traffic Volume Report, the daily average total tractor-trailer unit count for various points in the SouthGrow region on Highways 3 and 4 is 3,260.

The SouthGrowN Advantage

- **Logistics** – SouthGrow is located on the major Canadian transportation routes for both east/west and north/south highway routes. It is located on the CANAMEX corridor with close proximity to the United States border, allowing for easy connection to the interstate system to all major US cities.
- **Location** – SouthGrow is Alberta's closest economic region to important markets in the U.S. and Mexico. The region also has the primary truck route for imports/exports to and from Alberta and the United States.
- **Port of Entry** – The Canada/US joint border facility at Coutts/Sweetgrass has the necessary infrastructure capacity, and state-of-the-art passenger/commercial vehicle inspection systems to streamline the clearance process for current and projected traffic, which is due to increase.
- **Meets Requirements** – The primary highway system within the region has no road bans and has a pavement structure which meets the proposed load requirements of the CANAMEX Trade Corridor, ensuring consistent and increasing flow of traffic.
- **Low Cost** – Real estate costs in the region are less than those in other major centres in Western Canada, and the province has a competitive corporate tax rate for manufacturers and processors. There are no capital or payroll taxes, and no provincial sales tax. Albertans also benefit from the lowest overall taxes in Canada.
- **Population** – Growth due to in migration from both domestic and international sources is expected to continue.



SouthGrow Regional Initiative
P.O. Box 1202,
Lethbridge, Alberta
T1J 4A4
Phone: (403) 394-0615
Toll Free: 1-888-989-8488
Email:
info@southgrow.com
Website:
www.southgrow.com

This opportunity profile is based on preliminary opportunity identification and should not be used in place of a feasibility study.