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# *Invest in* **Grand** Bahama



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The strategic choice for forward-looking companies



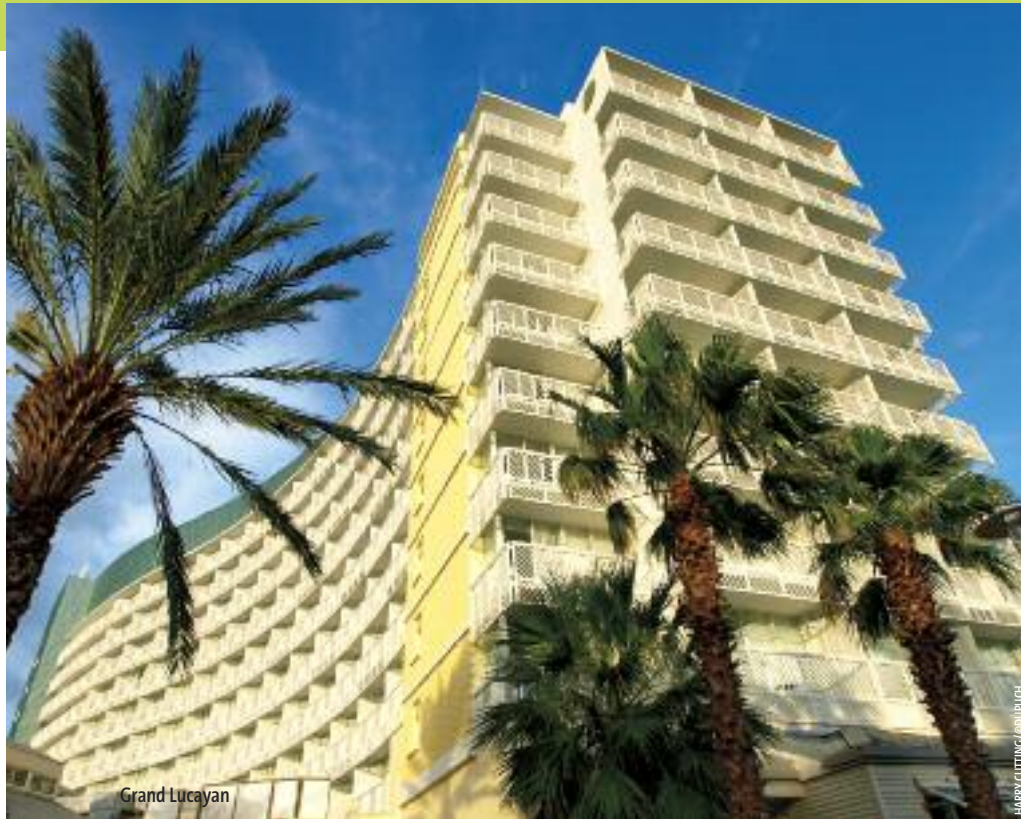


BARBARA CHRISTOPHUS / OUPU CH

Grand Bahama Container Port

# *Invest in* **Grand** Bahama

The strategic choice for forward-looking companies



For half a century, forward-looking international companies have been locating themselves in Freeport, Grand Bahama, taking advantage of business and lifestyle benefits that are not available anywhere else in the region.

Freeport has been operated by the Grand Bahama Port Authority (GBPA) as a duty-free zone under the terms of the Hawksbill Creek Agreement. The agreement was first signed in 1955 between the Bahamian government, the GBPA and Freeport businesses licensed by the GBPA to develop 50,000 acres (78 sq miles) of unused Crown land as an international port and industrial centre. Later, the GBPA obtained more land from the Crown and private sources for a total holding of 149,000 acres (233 sq miles).

The benefits of operating in Grand Bahama include proximity to the vibrant US market, a deep-water harbour capable of handling the world's largest ocean-going vessels, a busy container port with up-to-date equipment and an international airport. Grand Bahama also boasts many fine large and small hotels, including the Grand Lucayan Bahamas and the Viva Wyndham Fortuna Beach hotels, both on beautiful beaches, as well as numerous timeshare properties.

Freeport offers many of the same benefits that are available in any first-world city including: state-of-the-art communications, access to broadband Internet and miles of well-maintained highways and

roads. Separate residential communities include gracious homes, condos and rental properties. Among the amenities are bicycle and walking paths, nearby golf courses, schools and medical facilities, easy boating access by canals to the island's famous clear ocean waters where the fishing is great and there are some of the most beautiful beaches in the world.

## BOOM, BUST, BOOM

Grand Bahama saw its first boom during the US Civil War when it was used as a base by gunrunners who ran weapons and supplies through the North's blockade to the Southern Confederacy. When the war ended in 1865, Grand Bahama suffered a bust that lingered for 60 years. There was another short-lived boom in the 1920s when smugglers ran liquor from The Bahamas into the US, but that ended with the repeal of Prohibition in 1933.

The island was given new life when Wallace Groves, a businessman from Virginia, bought a failing lumber company in 1946, reorganized it and transformed it into a highly successful enterprise. By the early 1950s, The Abaco Lumber Co was the largest employer in The Bahamas.

The story of how Groves created Freeport is well known. Whereas other businessmen had written Grand Bahama off as swamp and scrubland, Groves envisioned a prosperous industrial city rising up among the pines. He had already done something similar on a small





A cruise ship in dry dock at Grand Bahama Shipyard

© MARK DACUNHA / COURTESY GRAND BAHAMA SHIPYARD

scale in the early 1940s by building a thriving community on Little Whale Cay in the Berry Islands.

His first step was to create the GBPA and to negotiate and sign an agreement with the colonial government in Nassau—the Hawksbill Creek Agreement, which was named after the location where it was signed. Under the agreement, Groves received an initial grant of 50,000 acres and undertook to dredge a harbour as the centrepiece of a free trade industrial area where businesses would be exempt from taxes on profits, income, capital gains and real estate, as well as on goods imported by licensees for their businesses.

The GBPA was awarded the right to develop the area, license businesses and develop all infrastructure and municipal services. To make it work, Groves encouraged other big investors to buy into his plan. Chief among these was Sir Charles Hayward, owner of the British industrial group, Firth Cleveland Ltd, who became a founding partner, buying 25 per cent ownership of the GBPA for £1 million. Sir Charles's son, Jack, became vice president of the GBPA in 1956. He settled in Freeport and dedicated himself to building the business centre.

During this period, Groves and his partners created multi-million-dollar industrial developments, meticulously planned infrastructure and a burgeoning tourism industry.

Another partner in the GBPA was Edward St George, who worked with Sir Charles and the Firth Group. In 1976, St George took over management of the GBPA. When Groves decided to retire, Sir Jack and St George bought out his shares. The two men subsequently bought out all other shareholders and became owners of the GBPA group of companies, including the Grand Bahama Development Co (DEVCO), responsible for developing and maintaining the residential and resort areas in the Lucaya area. In 1996, Hutchison Whampoa, a Hong Kong company, acquired an interest in several of the GBPA's companies, including the Grand Bahama International Airport and DEVCO.

## STRATEGIC LOCATION

Grand Bahama's strategic location is its biggest business advantage. It is a short plane trip from Florida.

At the heart of Freeport's economy is the harbour. It is the deepest, largest and most strategically located international shipping port in the region, accessible by the world's largest ships. Within this harbour system is one of the biggest container ports in the world. There is also significant dry dockage available for cruise ship repair and refurbishing. The harbour is accessible from most major trading regions of the world.



Polymers International

COURTESY POLYMERS INTERNATIONAL LIMITED



PharmaChem Technologies

COURTESY PHARMACHEM TECHNOLOGIES

## NATURAL ASSETS

*The prized natural beauty of Grand Bahama has been showcased and preserved through the establishment of two notable natural areas: the Lucayan National Park on the island's eastern half; and the Rand Nature Centre, located right in Freeport.*

*The Lucayan National Park, about 25 miles east of Freeport, contains pine forests, stalagmite-filled caves, mangrove wetlands, beaches and dozens of species of wild orchids. The cave system, measuring six miles, is one of the longest underwater caves in the world. Though mostly underwater, some of the cave areas can be accessed by land. Diving in the underwater caves is permitted for cave certified divers.*

*Numerous hiking trails cross the park's interior and boardwalks take visitors through the mangroves. Beyond the boardwalks, to the south, the trail continues on dry land to Gold Rock Beach, the park's crown jewel. This spectacular wilderness beach is lined with countless tide pools and golden sandbars.*

*The Rand Nature Centre is a 100-acre nature sanctuary, located right in Freeport. Walking trails meander through pine forests. Here in this idyllic sanctuary visitors can observe more than 100 species of Bahamian plants and many of the more than 200 native bird species, especially during prime birding season, which runs from October to May. The centre is also home to the Bahamas National Trust office.*

*Still another retreat is the beautiful Garden of the Groves, originally created by Mr and Mrs Wallace Groves. Today it offers visitors winding trails through lush vegetation, waterfalls, fountains, a picturesque chapel and a labyrinth that adds to the serenity of this special place. The Garden includes a children's playground, shops, a cafe and bar.*

Located adjacent to Grand Bahama Shipyard is the Bahamas Oil Refining Company International Ltd (BORCO), the largest storage/bunkering facility in the region, and an outstanding example of a thriving business within the free trade zone. In early 2011 BORCO was purchased by Buckeye Partners LP (BPL), an NYSE-listed conglomerate, for \$1.7 billion and is slated for a significant upgrade and expansion.

Other noteworthy companies that successfully leverage the harbour and Freeport's other advantages include: PharmaChem Technologies, which produces market-leading active pharmaceutical ingredients; and Polymers International, which manufactures polystyrene beads from its 45-acre plant.

The Sea/Air Business Center, located near the international airport, is ideal for warehousing and distribution businesses. It

is expected to be a fast growing enterprise as it combines access to air and sea transport, as well as enjoying all the benefits of operating in a tax-free zone.

### TOWN PLANNING

Other key assets of Freeport include excellent amenities and infrastructure. Progressive zoning has ensured that there is separation between residential and commercial areas. Residences ranging from middle-class suburban homes to luxury communities with direct boat access to the Atlantic are available in Freeport and the adjacent area. Freeport features wide streets, beautifully landscaped parks and attractive recreation areas. Traffic congestion is unheard-of—the average commute is just seven minutes.

There is a recently upgraded all digital telecommunications system in place, with





Grand Bahama International Airport

certification programmes. Ross University School of Medicine has a campus in Freeport, which hosts students from all over the world.

## ISLAND LIFESTYLE

With all Freeport's many man-made attributes, it is easy to forget that the natural beauty of Grand Bahama island, and the lifestyle it affords, is arguably one of its most valuable assets. Many a casual

COURTESY GRAND BAHAMA PORT AUTHORITY

high-grade cable service and high-speed Internet access supplied to all homes, hotels, banks, legal and accounting firms, retail companies and government agencies.

Freeport also has more than 25 primary schools, 13 high schools and the Lucaya International School, which offers International Baccalaureate programmes. The local branch of The College of The Bahamas offers associate and bachelor degrees, as well as several

visitor, smitten by the island's physical charms, has taken up residence. With over 80 miles of gorgeous beaches, a pleasing climate, national parks to explore and a plethora of outdoor sports to choose from, Freeport is a fine place to call home.

For the water enthusiast there is world-renowned reef and wreck diving. Windsurfing has become a popular water sport along the island's southern shoreline. Sailing, sportfishing, snorkelling,





BORCO oil terminals

COURTESY GRAND BAHAMA PORT AUTHORITY

swimming and a dolphin experience are some of the aquatic activities available in Freeport. There is also a lively equestrian culture on Grand Bahama with riding instruction available.

With over 300 days of sunshine and an average temperature of 72°F/22°C, there is ample opportunity to hit the links at one of the island's four golf courses. The day-tripping explorer will find serene and quaint villages along Grand Bahama's rural and forested western and eastern ends or wander off the beaten path and comb deserted wilderness beaches for shells, or enjoy an impromptu picnic on a sandbar.

If a quality lifestyle, combined with a great investment opportunity, in a vacation atmosphere sounds appealing, then duty-free Grand Bahama might be just what you've been looking for. 📞

## NOTEWORTHY NUMBERS

### **Bahamas Customs:**

*National Insurance Building, The Mall Dr  
Tel: 242-352-7361  
Fax: 242-352-7365  
Web: [www.bahamas.gov.bs](http://www.bahamas.gov.bs)*

### **Bahamas Investment Authority:**

*Government Complex,  
The Mall Dr  
Tel: 242-352-8525  
Fax: 242-352-8520  
Web: [www.bahamas.gov.bs](http://www.bahamas.gov.bs)*

### **Business Licensing Unit:**

*Ministry of Finance  
International Building, McKenzie St  
Tel: 242-351-4374  
Fax: 242-351-4396  
Web: [www.bahamas.gov.bs](http://www.bahamas.gov.bs)*

### **Central Bank of The Bahamas:**

*First Commercial Centre, 2nd Floor,  
The Mall Dr  
Tel: 242-352-5963  
Fax: 242-352-5397  
Web: [www.centralbankbahamas.com](http://www.centralbankbahamas.com)*

### **Gaming Board:**

*International Building, McKenzie St  
Tel: 242-352-9007/8  
Fax: 242-352-6507  
Web: [www.bahamas.gov.bs](http://www.bahamas.gov.bs)*

### **Grand Bahama Chamber of Commerce:**

*The Mall Dr  
Tel: 242-352 8329  
Fax: 242-352-3280*

### **Grand Bahama Port Authority:**

*Pioneers Way & East Mall Dr  
Tel: 242-350-9000  
Web: [www.gbpa.com](http://www.gbpa.com)*

### **Ministry of Tourism:**

*Fidelity Financial Centre,  
East Mall Dr & Poinciana Dr  
Tel: 242-352-8044  
Fax: 242-352-2714  
Web: [www.bahamas.com](http://www.bahamas.com)*

### **National Insurance Board:**

*National Insurance Building, The Mall Dr  
Tel: 242-352-7222/3  
Fax: 242-352-6143*

### **Office of the Prime Minister:**

*Government Complex, The Mall Dr  
Tel: 242-352-8525  
Fax: 242-352-8520  
Web: [www.bahamas.gov.bs](http://www.bahamas.gov.bs)*

### **Registrar General's Department:**

*Fidelity Financial Centre,  
East Mall Dr & Poinciana Dr  
Tel: 242-352-4934/7  
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# BORCO

“We do it safely or not at all”

Bahamas Oil Refining Company International Limited (BORCO) is the largest storage terminal facility in the Caribbean, with the ability to store, blend, transship and bunker fuel oil, crude oil and various petroleum products. BORCO has 21 million barrels of storage capacity.

For more information call us at  
(242) 350-2100 Fax: (242) 352-4029

West Sunrise Highway,  
F-42435, Freeport,  
Grand Bahama, The Bahamas

BORCO's facilities are strategically positioned along the Northwest Providence Channel on the southern coast of Grand Bahama Island. This location is ideally suited for blending, transshipping and terminaling operations for the Arabian Gulf, Northwest Europe and West Africa trade to the United States' Gulf Coast and East Coast, as well as for North America trade to Europe, Latin America and the Pacific. The company is headquartered in Freeport, Bahamas.



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## BAHAMAS OIL REFINING COMPANY INTERNATIONAL LIMITED



**B**ahamas Oil Refining Company International Ltd (BORCO) is the largest storage terminal facility in the Caribbean region, with the ability to store, blend, transship and bunker fuel oil, crude oil and various petroleum products. BORCO's location on Grand Bahama, just off the Florida coast, and in the middle of some of the planet's busiest shipping routes offers unparalleled access to markets in the Arabian Gulf, northwest Europe, west Africa, the US Gulf Coast and East Coast, and North American trade to Europe, Latin America and the Pacific. The island also has one of the largest natural deep-water harbours in the region.

These attributes did not go unnoticed by Buckeye Partners LP when BORCO came on to the market last year. The US firm snapped up the oil storage and refining facility for \$1.7 billion. "BORCO is one of the premier marine terminals in the world," says Clark C Smith, president and chief operating officer of Buckeye. "It was a terrific opportunity to buy one of the best assets in the world—a great acquisition for us. It's not just a stopping point for storage. We [also] have ancillary services here that process the product for the market."

Presently, BORCO has 21.6 million barrels of storage capacity, but Buckeye has put in place ongoing expansion plans, which include a new inland dock that will allow smaller ships to load and unload in a protected area, and additional storage capacity. Buckeye expects Phase Two of the expansion to get underway in 2013, increasing capacity by a further 4.5 million barrels.

"We will continue to build BORCO into a larger, more successful business," says Smith. "We love working in The Bahamas and the people are terrific. I don't think you could find a better place to do business than Grand Bahama in terms of the people and the opportunity."

*Discover endless opportunities*

# GRAND BAHAMA ISLAND



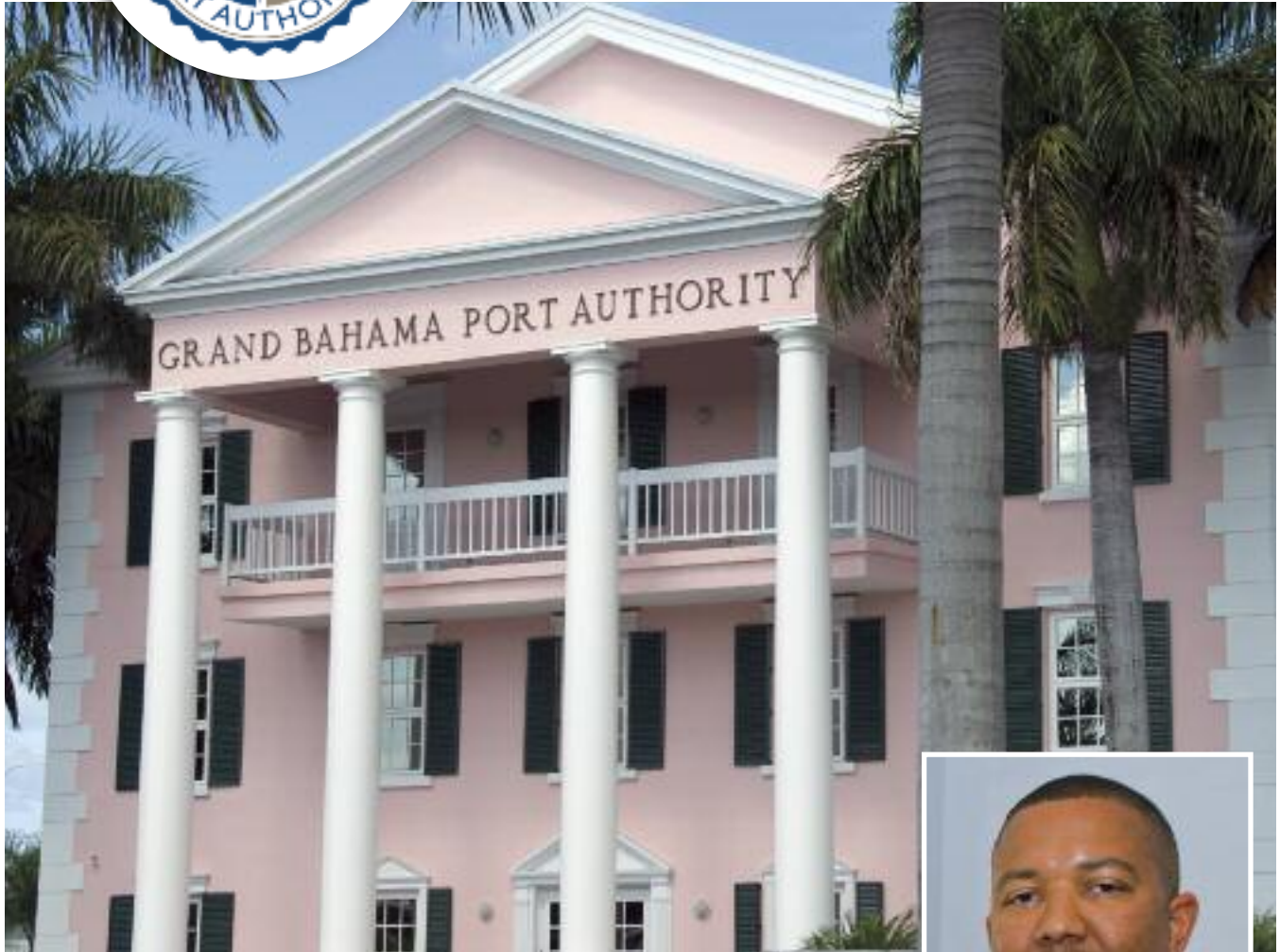
Discover why so many companies consider Freeport, Grand Bahama, an excellent center for global business and unique investment opportunities, with a superb quality of life. In Freeport, there exists a world-class center complete with all municipal services, first-class infrastructure, and an extraordinary investment climate where industry, commerce, tourism, maritime and financial services all thrive.

[www.gbpa.com](http://www.gbpa.com)  
(242) 330-9000





## GRAND BAHAMA PORT AUTHORITY



**T**he Grand Bahama Port Authority (GBPA) administers Freeport, the industrial hub of The Bahamas, and develops programmes to continually enhance its attractiveness as a strategic location for international companies.

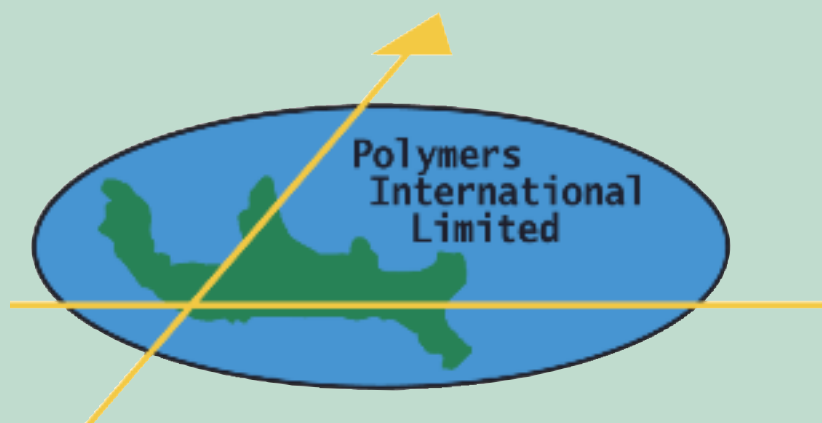
GBPA president Ian Rolle, a Bahamian entrepreneur with a strong background in accountancy and financial analysis, leads a multi-skilled team that is young, eager and “wants to make a difference,” says Rolle.

With its deep water harbour, airport, container port, and close proximity to North American markets, Freeport offers unparalleled business and lifestyle opportunities that simply cannot be matched anywhere else in the region. “Freeport has all the elements needed to help an international business succeed,” says Rolle. He adds that Freeport “has the potential to invigorate the entire economy, not only in Grand Bahama, but throughout The Bahamas.”

Primarily owned by Intercontinental Diversified Corporation, GBPA is also responsible for building and sanitary codes, inspection, environmental compliance, town planning regulations, business licenses, city management and maintenance, and utility rate regulations. Revenue from license fees, service charges and building permits is used to administer the port area and to keep the free trade zone’s infrastructure in excellent condition.



Ian Rolle, president, GBPA

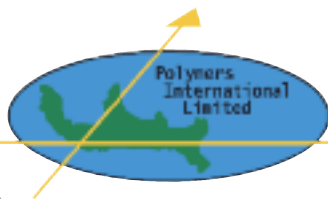


$P_{IL}$  Polymers International Limited  
— *Manufacturers of expandable polystyrene* —

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## POLYMERS INTERNATIONAL LIMITED



Greg Ebelhar III, COO

**P**olymers International Ltd is one of the largest companies in Freeport and a major contributor to Grand Bahama's economy, providing employment opportunities and vocational training for the local community. The company produces expandable polystyrene used in foam products and is a truly international venture, exporting products to Europe, the US, Argentina and beyond.

Greg Ebelhar, chief operating officer of Polymers International, is one of Grand Bahama's most fervent supporters. The US businessman moved to Freeport in 1996 to supervise the company's start-up and liked what he saw.

"I originally committed to a five-year agreement and I have now been here a little over 15 years," he says. "Freeport feels like home. Everybody knows everybody. It has a nice small town flavour."

Polymers, which has over 80 full-time employees, produces around 170-million lbs of polystyrene beads annually, the majority of which are distributed to the Dart Container Corporation, which is the world's largest manufacturer of foam cups and containers.

According to Ebelhar, Freeport's location is key to the company's success. "It is a great location for a container port, we are perfectly positioned just on the shipping routes. That is why we are here."

Polymers is enjoying steady sales despite the recent economic downturn and COO Ebelhar, who is originally from Kentucky, believes that Grand Bahama as a whole can weather the economic storm thanks to its resilient industrial sector—of which the company is a key part.

"The challenges facing industrial investors on Grand Bahama are varied and affect each industry with varying impact. The deterioration of economic conditions worldwide would have had a more far-reaching effect on Grand Bahama if not for the stability and the diversity of the industrial community," he says. "The industrial community has risen to the challenge."

"There is a lot of untapped potential here. Freeport was designed to be an industrial town."

With its efficient production output and global reach, Polymers International plays an important role in making Freeport a sustainable centre of industry.

The company's efforts were recognized by the Grand Bahama Chamber of Commerce in 2010 when it was nominated for Business of the Year.

Aside from its role in promoting business, the polystyrene producer is also playing its part in the wider community—donating generously to local charities such as the Salvation Army, Bahamas National Trust, the Cancer Society and Grand Bahama Children's Home.





**BELL CHANNEL**  
CLUB & MARINA

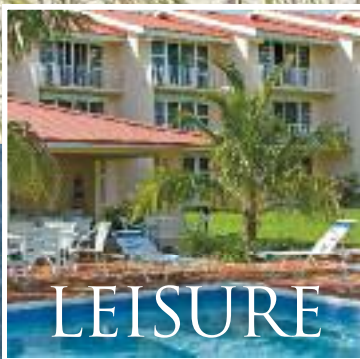
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*Viewing by appointment*



A prestigious oceanfront community, Bell Channel Club & Marina, is introducing Freeport to a new audience, enticed by the beautiful beaches and luxurious island lifestyle. “We have about 11 different nationalities living here, and the majority of our sales have been to the European market,” says Bell Channel Club & Marina president Ralph Eickelbeck.

Eickelbeck, who calls Freeport a “well-kept secret,” says most of the 82 high-end suites and condominiums have already been snapped up. He cites Freeport’s infrastructure, climate and relaxed environment as major draws for residents. “If you are tired of today’s business pressures and want to add a few years to your life, you should look for a place at the Bell Channel Club,” he says.

The luxury gated complex offers furnished and unfurnished two-bedroom suites or three-bedroom townhouse condominiums with a view of the ocean and easy access to surrounding amenities such as Taino Beach, Lucayan Beach and the shopping hub Port Lucaya. Every unit boasts its own private patio and/or balcony overlooking the Atlantic Ocean. Eickelbeck describes the complex as having “Caribbean style with European flair.”

Residents can also make use of the site’s heated pool, clubhouse, private beach, tennis court and 25-slip marina. The marina can comfortably house all types of vessels, from 30 ft powerboats to 50 ft yachts.

Eickelbeck believes Grand Bahama is a “hotspot” for real estate investment as it has the feel of a holiday resort, cosmopolitan destination and business centre all at the same time set against the backdrop of breathtaking natural surroundings. It is no wonder then that the market is growing as beachfront properties prove popular with those seeking a second home in the sun or simply wanting an investment for their future. As a further enticement to non-Bahamian owners, there are no taxes on property in Freeport and no restrictions on foreign ownership.



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**PharmaChem**  
TECHNOLOGIES

**For more information please contact:**  
**Randy S. Thompson**  
Chief Executive Officer  
Phone: (242) 352.8171

PharmaChem Technologies (Grand Bahama) Limited  
West Sunrise Highway, P.O. Box F-42430, Freeport, Grand Bahama  
Phone: (242) 352.8171. Fax: (242) 351.7078





Randy Thompson, CEO

**P**harmaChem Technologies (Grand Bahama) Ltd is one of the key suppliers of active pharmaceutical ingredients (APIs) and registered intermediates in the global fight against AIDS.

PharmaChem has invested about \$56 million in creating a state-of-the-art plant on their 62-acre Freeport site. It currently produces tenofovir disoproxil fumarate—the active ingredient in AIDS drugs Atripla®, Truvada® and Viread®.

Pharmachem takes advantage of Freeport as a tax efficient manufacturing base, its close proximity to a world-class deep-water container port and an international airport, all of which allow ease of supply to its customers worldwide.

As demand for AIDS drugs worldwide has increased, so has production at the plant, which has multiplied ten-fold over the last seven years.

In November 2007, PharmaChem was acquired by Groupe Novasep—a world leader in the pharmaceutical industry.

PharmaChem currently employs 80 people full time and another 20 full-time contractors. Ninety-five per cent of the employees are Bahamian.

Not only does PharmaChem provide jobs, but it also brings trade to the container port and is actively involved in the local community promoting educational programmes, such as road safety, and awarding scholarships.

An aerial photograph of a tropical coastline. In the foreground, a white speedboat with several people on board is moving across the water, leaving a white wake. The water is a vibrant turquoise color. To the left, a lush green island with a rocky shoreline is visible. In the background, a larger, forested island stretches across the horizon under a clear blue sky.

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