

From Midtown to middle kingdom

National Retail Systems follows its customers.

BY CHRIS DUPIN

A few years ago, some folks interested in historic preservation were wandering around the Meadowlands of New Jersey, looking for the remains of New York's Pennsylvania Station, an architectural gem that was demolished in the mid-1960s to make way for the new Madison Square Garden and some dreary office buildings. They found some of the pink granite facade in a landfill adjacent to a facility run by National Retail Systems in Secaucus, N.J.

Fitting, perhaps, since this third-party logistics provider has its roots in the same neighborhood. It was founded in 1953 as a trucking concern that served Manhattan's bustling garment district. But while the Pennsylvania Railroad long ago met its demise, National Retail Systems is a transportation success story, a firm that adapted to the changing needs of its customers as they moved manufacturing and distribution facilities out of the city and across the country and globe.

NRS is a privately owned company with about 3,000 employees and revenues in the hundreds of millions of dollars. NRS was founded by Frank Walsh. His son, Frank Walsh Jr., is chairman, and a son-in-law, Ray Wisniewski, is president. Francis Walsh III, the third generation, is executive vice president.

NRS operates under several different names, a few of which may be even more recognizable because they are emblazoned across some of the 12,000 or so trailers and 2,500 power units it operates. They include Keystone Freight Corp., a trucking firm which operates in 48 states, and National Retail Transportation, the company's less-than-truckload division. Other divisions include National Retail Consolidators and World Logistics.

Larry Ravinett, senior vice president of logistics and supply chain solutions, said transportation still accounts for most of its revenues. But warehousing, distribution and transloading of direct imports and

retail are the fastest-growing segments of NRS's businesses, particularly on the West Coast.

"We were a domestic company. But now even when the companies that we work even when the companies that we work buy domestically, it is imported and they are buying it in the United States as landed goods as though it was manufactured here," Ravinett said. "If I go to Boston and pick up freight for a department store, it is often coming from China."



An NRS employee demonstrates how accomplished package handlers "cube out" a trailer, packing them with the maximum number of boxes within a single vehicle.

So the company is looking to expand internationally. Details weren't yet available, but Ravinett said, "we are being forced to go overseas and start controlling the process much earlier. A lot of our clients are looking for speed now, and are looking to have ticketing, marking and labeling done in Asia, in Europe and Central and South America so that when it comes here they can move it quicker to market. And it is done cheaper overseas than in the United States."

The company is already putting in place additional talent to become more interna-

tional. Earlier this year it hired Thomas C. Scorsune as vice president, global logistics. He has had a 30-year career in logistics, most recently as director of sales, marketing and business development for HUDD Distribution Services, a division of Maersk.

NRS operates distribution and transload centers in California, Florida and other southeastern states, New Jersey, Pennsylvania and Massachusetts. It has about one million square feet of warehouse and distribution center space on each coast in about 25 buildings across the country. It operates distribution centers, both under its own names and for customers, and they run the gamut from traditional warehouses to a 100,000-square-foot building in North Bergen with a Siemens-built automated package handling system that can sort 45,000 cartons per shift. Facilities on both coasts handle about 2 billion pounds of consolidation cargo annually.

NRS customers sell everything from clothing and shoes to electronics and housewares. About the only retail merchandise the company won't handle are groceries and chemicals. That's because it doesn't want to risk having goods being damaged by something wet or malodorous. In fact, the company doesn't even use rubber-tired forklifts in its warehouses to prevent that nice cashmere sweater you are buying for Aunt Bessie from picking up an off smell.

With 50 years in the business, the company has developed a variety of services for customers — special garment-on-hanger services, ticketing, special marking of cartons, and direct-to-store delivery.

Walking around its distribution facility in Secaucus, company officials demonstrated how accomplished package handlers were at "cubing out" trailers, packing them with the maximum number of boxes, and arranging them so multiple stores can be served by a single vehicle. The company even has a fleet of cut-down 40-foot trailers and 28-foot "pups" that will squeeze through tunnels and easily maneuver through the narrow streets of downtowns in cities like New York and Philadelphia.

The company's trucking services range from cross-country team drivers that can get boxes across the country in four days to drivers who specialize in picking up and dropping off loads at marine terminals

