



CAPITAL OPPORTUNITY— METRO LAUNDRY SCORES BIG WITH DC-AREA HOTELS

Outsourcing spurred entrepreneur's successful move from chemical rep to laundry executive

By Jack Morgan

It all started with a voice mail. Bernard Young, a chemical company rep servicing on-premise laundry (OPL) and warewash (i.e., commercial dishwasher) accounts, noticed that many of the hotel laundries he visited were costly and inefficient. He figured he could do better as a niche service provider processing items such as customer-owned table linens.

So he went prospecting. He called one of his hotel customers to talk about outsourcing opportunities, never expecting the prompt response that he received. “In 2003, I got the first opportunity to do a major hotel,” Young says. “I was doing sales calls while selling chemicals, and I left a voicemail message for at the time

what was called the Hamilton Crown Plaza. I left a message on their voicemail because no one answered the phone.”

Not long after, a hotel manager returned Young's call and asked to meet with him to discuss options for changing his outsourced laundry provider. At the time, the startup version of Metro Laundry Service was relying on a few second-hand washer/extractors and dryers and three employees to process mainly table linens in a 1,500-square-foot (139 square meter) facility.

“I went in and I expected to be talking to the executive housekeeper, but was surprised to see the actual general manager there to talk to me,” Young says. “I told him that I really hadn't had any major hotels. The only one I had been doing was a small hotel in Georgetown. But if he could give me the opportunity, I felt I could do it.”

The manager then showed Young the laundry where he saw hundreds of pounds of linens awaiting processing.

The hotel was unhappy with its current outsource provider and was looking for a more reliable partner.

“He told me that they had been through a few competitors that I had heard about. He had called me because he wanted to try a smaller vendor because of his experience with the bigger vendors. He felt that maybe with the smaller vendors we could offer a more personalized service.”

After seeing the 13-14 bins of soiled goods in laundry dock area, Young told the manager he'd like to take on the account, but it would take a couple of months to upgrade his equipment. Again, to his surprise, the manager told Young he'd wait, and to go ahead and set up a laundry capable of processing goods on a larger scale. Young did just that. “We went out and purchased a 120-inch (304 cm) gas ironer, a folder, and a 250 lb. (113 kg) washer,” he says. “We got a bigger truck. At the time we only had a van, so I got a 24-foot (7.3 meter) truck. All of this was used equipment by the way—not rebuilt, just used.”

HOSPITALITY LAUNCHING PAD

Making the transition to a commercial hospitality laundry—even on a modest scale—posed challenges for Young’s fledgling operation. “It was a learning curve for all of us to say the least, to really understand the problems that happen,” he says. “Especially with the machine folder.”

Around this time, Young’s nephew Steven, who’d recently completed college, was helping his uncle in the laundry on a temporary basis. “I had just left school and was kind of hanging in limbo, not sure what I was going to do,” Steven says. “He needed some help and I needed some work. I started to work for him, not thinking much of it. We had to start an overnight shift to service that hotel. We started at midnight, we’d run that shift from 12-8. We typically wouldn’t

finish that account until probably noon the next day.”

In the early 2000s, occasional machinery breakdowns meant the staff had to shift to manual labor. “We were hand folding a lot of the time,” Steven says. “We were catching sheets right out of the back of the ironer and were hand folding.”

Then as now, Metro Laundry serviced its customers—as virtually all hospitality laundries do—with a 24-hour turnaround for textile goods. Sixteen years later, that hasn’t changed, but rapid growth has enabled Metro Laundry to expand its footprint and upgrade its equipment to process far more textiles. “Looking back, it’s funny that it took us that long to do one hotel, considering we have 33 now,” says Steven, who today serves as a full-time COO for this family-owned business. The team learned hard lessons along the way. “It

was definitely some long nights, a sharp learning curve for all of us,” Steven says. “Like many people, I walked into the business without knowing much about it. There were some nights where I would have to call (Bernard) at 2 or 3 in the morning because the ironer or the folder wouldn’t work, and he’d come in red eyed in the middle of the night. I hated making those calls, but we had to get the work done. That was a launching pad for us, getting that hotel.”

CURRENT ISSUES

Fast-forward to October 2019 and Metro Laundry is marking the one-year anniversary of the opening of its second plant, a 52,000-square-foot (4,830 square meter) laundry in suburban Elkridge, MD, to service hotels throughout metropolitan Washington DC. The startup days described above are a fading memory, amid the opening of what Steven refers

BELOW: (Clockwise from top/left) Around the plant floor: A view of a tunnel washer, a washer/extractor and finishing equipment in operation at “MLS-2,” Metro Laundry Service’s facility in Elkridge, MD. On the opening page, a view of the plant’s finishing area.





ABOVE: (from top) an employee unloads clean, wet goods from a washer/extractor; a view of three dryers and an automated shuttle that the company has fenced off for safety purposes; a view of the plant's chemical injection equipment.

to as “MLS-2” which has taken overflow production from the smaller plant (MLS-1) in Capitol Heights, MD.

But while growth is always welcome, it brings with it new challenges, as the management team has sought to expand its customer base and “fill up” the new facility. Progress is steady as the trend of hotel laundry outsourcing that Metro Laundry saw early on continues. Competition from other laundries is brisk, but Metro Laundry has earned its share of that business, including the MGM Grand Casino in National Harbor, MD, just outside Washington, DC.

The new plant currently has a staff 40 people. Steven says there was little difficulty recruiting hourly employees for an all-new, clean well-lit light-soil hotel laundry. However, recruiting skilled labor for management and maintenance jobs is a heavier lift. “Floor workers usually aren’t an issue for us,” Steven says. “Once word of mouth gets out, they come flying in. It’s getting beyond that which has always been the challenge for us. Plant managers, engineers, maintenance, etc., that pool is very hard to find talent. That seems to be an issue with laundries across the board.”

Another concern is par levels—i.e., working with hotels managers to make sure they keep enough bed and bath linens on hand (at least three sets per room) to reduce textile losses due to overuse. This happens because the linens are almost constantly either in use or at the laundry. Steven explained a couple of reasons behind the par-level controversy. “It’s a never-ending battle,” he says. “A lot of the properties get caught up in trying to maintain budgets.” Hotels have huge expenses for labor and facilities, yet their profit margins are relatively tight—15% or even 10%—in some cases. Consequently, they’re very budget conscious and reluctant to invest in adequate par levels for linens. Laundry operators respond by educating hotel managers as to why they’ll spend more in the long run if they have to replace more worn-out linen. But regular staff turnover often means that laundries have to start

from scratch when a new hotel manager is hired. “In the hotel business, management in the hotel changes with the snap of a finger,” Steven says. “I establish relationships with the GM (general manager), the housekeeping managers, and by the time I establish good relationships... boom...they’re out the door and someone new is in. And they want to keep that job, so they’re accountable to hold that budget. The cycle starts over.”

Metro Laundry has sought to resolve this dilemma by working with hotel executives to get buy-in for the idea of not squeezing par levels too tightly. “What we’re trying to do to counteract that is establish relationships with the higher level,” he says. “So corporate or management companies, we sell and pitch these ideas to them by saying to maintain these linens, keeping proper par levels is

critical. By establishing relationships to corporate/ownership companies, we can establish contracts...blanket contracts that can last longer. So that is one of our biggest goals right now. We’ve established a few already.”

One area that hasn’t posed to great a challenge for Metro Laundry is wastewater compliance. As a light-soil facility, starting at a relatively low level of water use, local regulators are aware of the new facility, but haven’t applied much scrutiny to the operation so far. As one of the state’s larger minority-owned businesses, state and local officials were delighted to welcome Metro Laundry and the jobs it’s providing to area residents. Lt. Gov. Boyd K. Rutherford (R) participated in the ribbon-cutting for the plant last year. Some of this positive energy may have transferred to wastewater regulators,

but Gary Matthes, the plant’s director of operations, says it’s just a matter of time before regulators begin examining the facility more closely. “I think as we get more volume and obviously start increasing wastewater, they’ll come back to our door and say ‘We’re here now,’” says Matthes, who pointed out a number of water and energy-saving innovations during a walkthrough of the new plant.

IN THE PLANT

Before Metro Linen occupied the space last year, this building housed a health-care laundry. Consequently, relatively few changes were required to the layout, plumbing or other utilities, Matthes says. Located in an industrial park, the area is bright and spacious. Incoming soil goods enter from trucks servicing the plant’s six routes. Customer-owned textile goods are picked up soiled and returned clean to area hotels in Washington, DC, as well as suburban Maryland and Virginia.

Soiled goods in bags are off-loaded from a cart dumper. Employees tear open the bags and send goods up a conveyor to a 12-station soil platform from Senso Technics B.V., a supplier based in the Netherlands. After goods are sorted into sling bags, they move up to a ceiling area on a Senso Technics overhead rail system to await processing when the computer signals it’s time. The wash aisle features a rebuilt Lavatec tunnel washer with 13, 110 lb. (50 kg) compartments. “I love it; that’s what I had at the Marriott” Matthes says of the tunnel. He previously worked for eight years at a Marriott central laundry in New Jersey. Wash chemicals for Metro Laundry are provided by Ecolab Inc.

“We do one customer at a time,” he adds, noting that a color-coded cloth is placed on carts loaded with textiles to make sure the customer is identified throughout the process. In addition to the tunnel, the plant has six Lavatec 220 lb. (100 kg) dryers, plus a shuttle system to move the goods. All this equipment was rebuilt and purchased from Senso Technics. As the plant ramps up production, the wash aisle has demonstrated its reliability.

Metro Laundry Recognized as ‘Top 100 Minority Business Enterprises’

The two top executives at Metro Laundry Service, Capitol Heights, MD, recently were recognized by a regional minority business certification, networking and advocacy group as one of the Washington, DC area’s “Top 100 Minority Business Enterprises.”

Metro Laundry President Bernard Young and COO Steven Young participated in an Oct. 3 gala event at the MGM National Harbor in suburban Maryland to celebrate the success of the 100 largest and most successful minority-owned businesses in Washington DC, Maryland and Northern Virginia. As it happens, Metro Laundry also provides the casino property with hospitality and food and beverage linens on a customer-owned goods basis.

The 38th Annual Leaders & Legends Award Ceremony program was sponsored by the Capital Region Minority Supplier Development Council (CRMSDC). The group certifies companies, such as Metro Laundry, as minority owned. The CRMSDC is the regional chapter of the National Minority Supplier Development Council. To learn more about the CRMSDC’s Top 100 program, click bit.ly/top100mbe.

Steven Young said his family and the entire team at Metro Laundry were honored to make the top 100 minority-owned business list, which reflects the company’s rapid growth since its founding in 2003. “It’s definitely something we’re proud of,” he says. “Because we know we’re one of the few. We’re the only (minority-owned laundry) in this area. So that’s something we definitely hang our hat on.”

Other equipment includes four Braun 450 lb. (204 kg) washer/extractors. This equipment is used for duvets, blankets or other items that aren't processed in a tunnel, which is mainly used for sheets and towels. Other washers include a 135 lb. (61 kg) open-pocket machine from Pellerin Milnor Corp.; and a 50 lb. (22 kg) machine from Unimac. These washer/extractors also are used for small lots, stain rewash and food and beverage (F&B) textiles, which comprise about 8% of the total output. "We've seen 20% growth in the last two years," says Matthes, speaking of both hotel and F&B linens. The plant is currently processing around 61,000 lbs. a day on a single shift.

Moving to the finishing side, we see several pieces of new as well as rebuilt equipment, primarily from G.A. Braun Inc. Machinery includes:

- Four Braun ironers
- Three Braun Precision spreader feeders
- Three Braun Precision sheet folders
- One Braun Omega sheet folder
- Three Braun Precision series small-piece folders.

"I like Braun," Matthes says. It's USA-made; their equipment is easy to work with."

The boiler area includes a Kemco Systems direct-fire water heater, plus a Kemco water-reuse system with a tube heat exchanger and shaker screen for removing lint from the wastewater.

There are two Bryan 150 HP boilers as well. One is available for a backup if the other needs servicing.

Stepping outside, Matthes shows off a major investment and security assurance for customers—a massive 500 gallon diesel generator that's capable of powering the entire plant if needed due to a loss of power. That means the plant can keep operating during a flood or other



ABOVE: (From top) An overview of three ironers; A look at the plant's exterior; (l/r) Gary Matthes, director of operations; Bernard Young, president and CEO; Steven Young, COO of Metro Laundry Service on the floor of their new 52,000 square-foot (4,830 square meter) plant in Elkridge, MD.

“ STEVEN ADDS THAT THE COMPANY WANTS
ADDITIONAL TRAINING FOR MANAGEMENT STAFF,
AND THAT BOTH HE AND MATTHES ARE CONSIDERING
TRSA PROGRAMS SUCH AS THE EXECUTIVE AND
PRODUCTION MANAGEMENT INSTITUTES. ”

disaster, so long as the staff has access to fuel.

At the end of the washing and finishing process, employees place clean folded goods covered in plastic in carts for movement back to the hotels. Goods are lined up in carts alongside a clean-side loading dock and loaded onto trucks for delivery.

Looking ahead, Matthes points out that the new facility, aka, MLS-2 has ample room for growth, including space for a second tunnel washer and additional ironer lines, should demand for Metro Laundry's hospitality laundry service continue to grow.

RAPID EXPANSION— BROADENING HORIZONS

Metro Laundry's challenge for the future is two-fold. First, they want to continue to expand the company's hotel laundry outsourcing business in and around the Washington DC area, including nearby Baltimore. Second, as that process moves forward, the company must continue to control costs, while at the same time providing value-added services to ensure long-term competitiveness and customer satisfaction.

A prominent example of the latter is an innovation that Metro Laundry Service is in the midst of conducting with a customer that's inserted radio frequency identification tags into its linens. The pilot project, launched earlier this year with Hilton National Mall, is going well, Steven says. The RF tracking is helping to control losses and giving the laundry and hotel managers additional data on

how many washes various items have received. This helps them plan for future injections of new linens. Both the hotel and Metro Laundry have invested in RF hardware and software from InvoTech Systems Inc., Woodland Hills, CA. Since all its customers are COG clients, processing one hotel's goods that have RF tags isn't a problem. Meanwhile, Metro Laundry is promoting the program to its other clients—so far with limited success. “They like the concept but not the investment,” Steven says. “It's hard enough having them maintain proper par levels. Then you're talking about getting them to invest even more money on a system that is completely foreign to them.” However, the advantages of tracking linens electronically are so compelling in terms of reducing textile losses that Steven believes the idea will catch on eventually.

Other internal improvements include the likely acquisition of a water-recycling system and the use of no-alkali detergent that's easier on textiles as well as the environment. Metro Laundry is exploring various options, including the Norchem Corp. water recycling system and its no-alkali detergent. These investments could help save water and reduce the need for an acid drip to adjust pH levels in wastewater, Steven says.

To address the need for skilled labor, such as engineers, Metro Laundry is in talks with the Howard County Economic Development Authority and the Maryland Office of Workforce Development on developing apprenticeship programs that would help fund training efforts for laundry-specific jobs. “We pitched to them that this is an industry where you can grow from within,” Steven says. “I

think the vast majority of people that are in laundry stumbled into the business and learned along the way. So that's something we reiterated to them.” Steven adds that the company wants additional training for management staff, and that both he and Matthes are considering TRSA programs such as the Executive and Production Management Institutes.

On the customer side, Metro Laundry's status as a certified minority-owned company has helped its cause, although the paperwork requirements are significant. “Particularly for MGM, We had to go through a lot of red tape to land that property,” Steven says.

Bernard says that he's not shocked that there aren't more minority-owned laundries. “No, it doesn't surprise me at all,” he says. “We've just been fortunate really.”

However you look at it, Metro Laundry has come a long way since Bernard left a voice mail for a prospect back in 2003 to today's two-plant, fast-growing business targeting outsource laundry services for hotels. Growth of course brings change. That's why the company is looking at the training and equipment upgrades described above to stay competitive. These efforts include enhanced safety training. Metro Laundry currently relies on managers to train employees—including many who've never worked in a laundry before—on best safety practices for the wash floor and other departments. In the near term, Steven says the company is likely to organize an employee safety committee and other efforts aimed at incident prevention. “As the business grows, we find ourselves going into uncharted territory,” Steven says. “We need to be a little more structured in how we approach certain things. Safety is one of them. We're not a mom and pop shop anymore. We need to do things a little differently.” **TS**

 **JACK MORGAN** is senior editor of *Textile Services*. Contact him at 877.770.9274 or jmorgan@trsa.org.