

## LATEST WRINKLE

Arrow Linen's growth plans include 170 new jobs

By DAVID WINZELBERG

Consolidation in the industry has helped Brooklyn-based Arrow Linen Supply to grow. And its recent expansion will soon bring jobs to Long Island.

A good location and a better price helped John Magliocco Jr. decide on an industrial building on South Street in Garden City as the place to expand his family's growing linen supply company. Arrow spent \$5.22 million for the 72,000-square-foot former home of WAC Lighting. Magliocco, Arrow's president, said the company had been looking for a site for about five years, concentrating on central Queens, before finding the Garden City property.

The South Street building will enable Arrow to expand its business in Queens and Long Island, where it already claims about 50 percent of the linen supply market share.

Having the additional building also frees up space in its original Brooklyn facility, so the company can expand further into New York City and New Jersey.

The Garden City expansion also lets Arrow continue to acquire other linen supply companies, since they will be able to handle the increased volume. Right now, the company's 50,000-square-foot facility on Prospect Avenue in Brooklyn is operating at peak capacity, Magliocco said.

Raising the roof and equipping the Garden City building with super-sized washing machines, and specialized environmental, electrical and plumbing systems will cost Arrow nearly \$13 million.

Arrow has applied for economic incentives from the Town of Hempstead Industrial Development Agency to assist with the \$18 million expansion project. Fred Parola, who heads the Hempstead IDA, said Arrow's expansion into Long Island is the type of project that the agency can get behind because it

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brings employment opportunities. The company's new Garden City facility, which should be in operation by next summer, will employ 170 people within two years.

"It means jobs for folks in Nassau County," Parola said. "And jobs are the main thing."

Arrow's attorney, Peter Curry of Uniondale-based Farrell Fritz, said both LIPA and National Grid have agreed to upgrade their infrastructure to meet the linen supplier's heavy demand for gas and electricity, and they'll likely give the company a discount for the energy needed to run the Garden City plant.

The company received an Energy Star award for the combined heat and power recycling system used in its Brooklyn facility, and it's planning to install a similar system here. Mineola-based Sidney B. Bowne & Son is the engineer on the project.

Curry said the Town of Hempstead is currently working on providing parking and use variances so Arrow can get its Garden City site plan approved. He said Arrow was able to take advantage of a weak real estate market and land a prime spot.

"This is a creative reuse of an older, outmoded building," Curry said. "But the company had vision and looked past its limitations."

While Arrow is growing, the rest of the industry is shrinking. Just four companies account for 42 percent of the sector's revenue, and the top 14 take in 56 percent of the national linen supply pie, according to the Textile Rental Services Association, an industry trade group.

Magliocco said this area used to be home to twice as many linen supply houses a decade ago. Arrow bought two Brooklyn-based competitors: Cascade Linen in 2009 and Rose Towel and Linen Supply last year. And Magliocco said Arrow is always looking to acquire linen supply routes from smaller competitors whose owners are looking to retire.

Arrow was started in 1947 by Magliocco's grandfather, who emigrated here from Sicily when he was 17. Their names have changed, but the company's main customers – including the Poll Restaurant Group, Major's Steakhouse, Riverbay, Rothmann's and La Bottega – continue to be restaurants, delis, caterers and industries that use aprons and other uniforms. Arrow's linen supply routes, which also service health care and industrial users, cover the New York metropolitan area, stretching into suburban counties upstate, in New Jersey and Connecticut.

Magliocco, whose trucks now make three runs a week from Brooklyn to Montauk, said the Garden City facility will make it a shorter trip.

"It will help us save fuel and save time while serving Long Island," he said.

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