

Prudential Overall Supply

A dedication to old-fashioned customer service and a focus on green initiatives has served Dan Clark's company well.



ost companies say customer service is one key to their success, but few companies are as reliant on regular face-to-face customer contact as the Irvine, Calif-based Prudential Overall Supply. The industrial launderer, which has 18 plants and more than 1,500 employees, rents work shirts and pants, shop towels, and walk-off mats and provides restroom supplies for its customers.

"The good thing about our business is that we have weekly contact with our customers," said Dan Clark, chairman and CEO. "If we take care of them and don't mess things up, we'll probably keep them forever."

With an industry such as industrial laundering, the company is in a position to determine its success or failure based on those weekly stops to take out the dirty laundry and bring in clean supplies. "It's not like we're waiting for a customer to come in and buy a pair of shoes and we only see them every six months or three years," said Clark.

Prudential has a formal training program for all its employees, but when hiring the customer service representatives who have weekly contact with customers, Clark said it's important to make sure the company hires employees who have people skills. "We can train them somewhat on customer service, but it's harder if people are not customer-oriented to begin with," he said.

Greener pastures

Over the past year, Prudential has increased its marketing efforts to reflect the positive environmental aspects of its business. Although the marketing may be a new focus, Clark said there have always been environmental advantages associated with industrial launderers.

"With what we do, bringing in and cleaning textile products and sending them back out, the concept is green," he said. "A lot of these environmental advantages, we've been doing forever. We're just trying to honk our horn a little bit more."

Using a large industrial launderer like Prudential has advantages over using disposable supplies or cleaning uniforms and supplies on-site. Overall, Prudential's plants use less water and have better treatment processes than on-site or home laundry facilities.

"Facilities such as hospitals or hotels, if they do their laundry on-site, they quite honestly don't match our treatment process of the water," said Clark. "They have lower standards and less green laundry processing methods."

The reduction of Prudential's water usage and carbon footprint is better than the industry average and far better than home washing or on-site laundry services, said Clark, Evidence also points to the environmental benefit of reusable versus disposable shop towels. According to the EPA, reusable shop towels use 94% less water and 99% less energy than disposable shop towels and produce 52% less solid waste.

Economic challenges

Many of Prudential's customers have felt the impact of the recent financial crisis, which in turn hurts Prudential's bottom line. "A high percentage of our customers are cutting back," said Clark. "If they had 20 employees, they may now be down to 15, so that's fewer uniforms to clean. Some customers may have had 10 walk-off mats, but now may be down to seven as a way to cut costs."

Some longstanding customers have fared even worse. Clark said he has several former customers who are now out of business, including one that was a \$2,000 per week account.

"On the other side of the coin, we are trying to grow and get new business, but we're still down about 5% or 6% in volume compared to last year," he said. "I guess that's pretty good compared to the rest of the world, but against the plan we made for this year, we have had to scale back some and watch our pennies. It has been a struggle."

Clark said he runs a conservative company, but even in the face of economic challenges, he acknowledges the importance of updating and implementing new technology. "We always make investments in technology, even if it takes some time to implement," he said.

The latest technological initiative is a \$5 million investment that includes handheld PDA devices in the company's delivery trucks that will help better track Prudential's services and products. The new technology is in effect at the company's dozen California plants and should be in place in its six plants throughout the rest of the US in another six months.

"We've probably only touched the tip of the iceberg when it comes to the new technology," Clark said. "There's a lot that the new system can do that we're not using yet. It will be a good return on investment, even if it will be a couple of years before we see that return."

Looking to the future

Clark said he's hopeful the economy will begin to turn around over the next year. Currently, his energy is focused on making sure his 18 plants are as close to capacity as possible, but he is keeping an eve on potential growth.

"I see some big expansion opportunities out there in the next two to four years if we can get our existing plants operating at or close to capacity," Clark said. Although the majority of the company's industrial laundering plants are in California, there are other plants spread throughout the US as far east as Richmond, Va.

Clark credits his employees and his top management team with putting the company in a position where he can think about expansion, although he is not one to take it easy on himself or his company.

"I do have a really good top management group that leads the company, but sometimes I say to myself, if we're so good, why aren't we doing better?" he said. "Sometimes I think we should be doing all the business in the US, not just some of it. I trust my management team, but there are certainly areas where we can get better."

—Adam Swift

