

Atlanta-area operator relies on teamwork and technology to grow its hospitality business

By Jack Morgan

Hospitality Services (UHS) has come a long way in the 10 years since it began operations as an Atlanta-area startup to today's modern facility that produces 450,000 lbs. (204,000 kg.) per week with 150 employees working two shifts. CEO and President Philip Sharpe, a veteran of the industry, including Crothall and other companies, before launching UHS, credits the company's growth to a strong leadership group. "I attribute our success to a seasoned management team," he says. "Being able to keep our team together and then the tenure that we've had, along with help from our affiliate staffing company. We took advantage of it, and now we're here. We are running at 90% capacity right now for this facility and have a strong push for a new facility.

# HEALTHIER HOTEL OUTLOOK

Like other hospitality launderers, UHS suffered during the downturn that hit hotels in metro Atlanta and worldwide during the COVID-19 pandemic from March 2020 through early 2022. Sharpe attributes UHS' survival to a combination of teamwork and a dedication to serving customers who were struggling amid recurrent lockdowns that fueled a downturn in business travel, plus a loss of conference revenue. "This has primarily been a commerce-driven market," Sharpe says of the Atlanta region. "That means corporate travel, corporate shows." However, he adds that Atlanta's hospitality market is diversifying, with growth in sports and entertainment that is drawing additional visitors. "Since COVID, with the complexity of the market change, we've had a lot more leisure travel." Sharpe says this positive trend is continuing. "The hotel industry, within our scope, has displayed promising resilience, with occupancy rates reverting to pre-pandemic levels," he says. "While business travel is still gradually picking up, the metro Atlanta hospitality market has shown a positive shift from commerce

to tourism, post-pandemic. We anticipate a robust and sustained-growth trajectory for both."

As for leisure attractions, the metro area offers the Atlanta Braves. United MLS soccer, Hawks basketball, and the Falcons professional teams as key draws for visitors. In 2026, Atlanta also will serve as one of 16 host cities for World Cup soccer, which will include games in Canada. Mexico and the United States. To accommodate the additional demand for commercial, as well as leisure travel, Sharpe anticipates a post-COVID surge in hotel construction. This, in turn, will increase the number of customer prospects in metro Atlanta. Other nearby cities such as Charlotte, NC; and Nashville, TN; are also experiencing growth. "We're in Charlotte right now and have been invited to do business in the Nashville market, and that's a booming market," Sharpe says. "Plus the overflow, here in Atlanta. ... Atlanta is expecting over 8,000 new hotel rooms between now and '24.

An additional note of upbeat news from the region is that the labor shortages and high turnover common in the immediate months after the pandemic have stabilized both for UHS and many of its hotel customers, Sharpe says. "We've noted a significant decline in turnover rates, both in the laundry sector and with hotel staffing," he says. "This development presents an encouraging prospect for heightened efficiencies, as our team builds on their experience. Furthermore, our affiliate company, a staffing specialist, reports a similar drop in turnover rates, signaling an industrywide recovery."

For UHS, turnover had posed a significant concern in recent months. However by mid-2023, it had stabilized. "While labor turnover has previously posed challenges, we're now observing notable improvements in employee retention," Sharpe says.

To keep pace with rising demand and a stable workforce, UHS recently has added equipment and is in the midst of implementing various technological innovations, including plans to roll out a system of radio frequency identification (RFID) tags in its flatwork, which is primarily customer owned goods (COG).

### IN THE PLANT

We saw the 65,000-square-foot (6,038square-meter) UHS facility in Austell, GA, northwest of downtown Atlanta, during a walkthrough of the plant.

We toured the plant in late 2022, but in follow-up interviews, Sharpe noted that the company recently has made a number of strategic investments in new equipment, including a Chicago Dryer Co. thermal-oil heated small-piece ironer line with a vacuum feeder. Other upgrades include a 200 HP boiler, four new dryers, plus a new garment steam finisher. Additional plans are in the works for a new Pellerin Milnor Corp. overhead rail system, slated for installation in the fourth quarter of this year, and an additional thermal-heated ironing line for table linen during the

BELOW: (Clockwise from top/left) Soiled goods move up conveyor for processing in a tunnel washer; a sheet feeder saves labor by automatically feeding goods into the ironer once an employee clips a sheet to the equipment; employees feed goods into the sheet feeder for ironing; on the opening page, an overview of the plant's finishing department.















**ABOVE:** (Clockwise from top/left) A view of the plant's chemical-injection equipment; an employee checks a computer monitor that's tracking goods moving through the wash aisle; a staffer removes items from a small-piece stacker system; and an overview of two small-piece folders.

first quarter of 2024. "Our facility reflects our forward-thinking approach," Sharpe says.

Tammie Hood, the plant's vice president/general manager, led our tour of the facility. She's also a laundry veteran, having worked 20-plus years for G&K Services, 11 more with Aramark Uniform Services, and two years with Cintas Corp. Hood says her transition to hospitality laundering has gone smoothly, and she appreciates the team and servant leadership-management approach that Sharpe has led. We began our walk-through at the loading dock, where soiled goods—primarily light-soil COG flatwork from any of the company's 40-plus hotel clients arrive from UHS' eight routes. All carts are barcoded. When the goods are moved to the sorting department, the barcode is scanned, and the textiles are weighed and counted (including specific items) before moving to an ETECH cart dumper for the next phase of processing. For most items, that takes place in one of the plant's two late-model Milnor tunnel washers with Pulse-Flow® technology.

Textile goods, including sheets and terry towels, move up a conveyor to one of the tunnels for processing. Each tunnel has 12, 150 lb. (68 kg.) compartments. Ecolab's Textile Care Division provides wash chemistry for the system. While one wouldn't think that the U.S. Southeast would face the water shortages that are common in places like Southern California, conservation is in fact a mandate for UHS. The problem is not a scarcity of water, but rather limited wastewater-processing capacity by local authorities. In essence, metro Atlanta has grown so fast in recent years that it's exceeded the ability of publicly owned treatment works (POTWs) to keep pace. Consequently, UHS faces a limit of 33,000 gallons of wastewater discharge per day. Anything over that amount nets them a \$7.25 surcharge per gallon, a figure that could add up quickly for a commercial launderer. Sharpe turned to an outside water-management specialist to address this issue.

That assistance, combined with recent upgrades to the plant's on-site equipment, has kept the company's water costs manageable. "We've achieved a significant improvement in our water usage, decreasing effluent water by as much as 25% through technological advancements and the fine-tuning of our systems," Sharpe says. "The combined effect of these systems, including the two tunnels, is an average overall water-use rate of .33 gallons per lb. washed."

After washing in the tunnel, "cakes" of clean wet linen emerge from the press and move via conveyor to any of 12 Milnor tunnel dryers. The plant also has four 70-100 lb. (31-45 kg.) pony washers and the four new conventional dryers as noted above. These machines are used mainly to process stain-rewash items, garments, dust-control goods and small lots of COG textiles.

After drying, goods from both tunnels and the conventional wash aisle are moved to the clean side of the plant for the next phase of processing. The plant has seven ironing lines, including two Lapauw and five Chicago Dryer Co. ironers. A highlight on the finishing side is a SkyFeed sheet feeder and thermal ironing line from Chicago Dryer. This system is reminiscent of equipment common in European plants. Employees clip a sheet to the system, which raises it up in the air before automatically feeding it into the ironer. Hood says this equipment currently is processing 700 sheets per hour, or 450 fitted sheets per hour, or 500 duvet covers per hour with less labor than conventional feeding equipment.

Two Chicago Skyline feeders are used for conventional and fitted sheets. These also process 600-700 sheets per hour. For terry towels and other small pieces, the plant has four Chicago Quattro small-piece folders.

Stepping briefly into the mechanical room, we saw two energy-efficient Miura boilers. This equipment provides steam on demand, and one unit will

power down if it's not needed to meet steam requirements. One is slated for retirement; the other will be rebuilt. As noted above, later this year, UHS plans to acquire an additional 200 HP boiler to keep pace with demand.

Back on the finishing side, other equipment includes all Chicago finishing equipment and a JENSEN Drape and Store stacker for napkins or other small pieces, plus a recently acquired steam finisher.

Finished goods are weighed, counted and placed in carts with a list attached indicating the customer, weights and quantities set for delivery. Sharpe notes that clear communications with customers on the issue of textile tracking are essential. UHS has leveraged technology—including Linen Master for route accounting and the use of Spindle tracking on the finishing side—to help ensure the integrity of each cartload. "Transparency is critical," he says.

"Our clients know how many pieces and pounds they will receive in their next delivery, a minimum of 2-6 hours prior to their scheduled delivery."

After loading, all carts are covered in plastic and moved to the packout area. From there, route service representatives roll them onto trucks for delivery. With a post-COVID expansion underway in the Southeast, including tourism and a gradual comeback in business travel, Hood and Sharpe both expressed optimism about UHS' near-term outlook.

#### **FAITH IN THE FUTURE**

As previously noted, UHS' next big project is adding RFID technology for its flatwork by offering customers exclusive linen-rental programs. While he didn't disclose details, Sharpe shared his vision for RFID, noting that, "Implementing RFID technology is part of

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our commitment to provide seamless linen tracking for our customers. This technology enhances our transparency, enabling us to locate linens at any stage of the process, from transit to delivery. This initiative serves two-fold needs: providing peace of mind for our customers and enabling us to improve our operations."

Another key to ensuring continuous improvement is keeping a close watch on safety. Sharpe says Hood or another manager kick off each shift with discussions of a range of issues, including safety. "We start the 'huddle' every day with the team," Sharpe says. At the time we visited, he noted that the plant had gone 264 days without a lost-time accident. The previous record was 361 days. These meetings with staff and managers center on potential safety hazards and emphasize prevention, along with the tracking of any incidents. Results are posted on a wall by the breakroom for all to see. "We track everything, any incidents," Sharpe says.

Beyond safety, Sharpe believes in tracking all critical metrics, an approach commonly known as "measured management." In his view, you can't take

care of staff or customers without reviewing key performance numbers on a regular basis. Staff have come to embrace this approach, he says. "There's two things that we have really driven into the psyche of this team," he says. "No. 1 is that we are a 'pounds business,' meaning it's a pennies business. You know we get paid for every pound we deliver, so we need to manage the pennies. It really is a science to do that. So we manage every aspect of the business that we possibly can, and we talk about it." Examples include pounds per operator hour (currently well over 100 lbs. [45 kg.]), overtime, on-time deliveries and more.

While UHS must tackle these bottom-line issues to ensure growth, they're also conscious of the importance of addressing the personal needs of a diverse staff that includes people from 18 different countries. Sharpe says UHS is a Christian-led company, yet he understands that his employees practice various faiths and that some are not affiliated with any faith tradition. Nonetheless, he says the leadership's Christian orientation has a positive impact. "We are a Christian company," he says. "That doesn't make us different

because there are many Christian companies. However, we practice our faith. We really do. We do so much to love our people, and that's how we navigated through these challenging times."

Sharpe also cites UHS' faith orientation as a factor in the staff's commitment to service. "While we hold our competition in high regard, what sets us apart is our dedication to service," he says. For example, one service that UHS offers is a monthly visit by a minister for sessions with any staff members who want to participate. "It's a voluntary thing. It's not anything that's forced on them. We respect everyone's faith. We also have a corporate pastor. Once a month, we do a huddle with the team.

"Our greatest asset is our team, and we strive to treat them and our clients, with the utmost respect and care. Our leaders are accessible around-the-clock to address any concerns. We're human, and we might occasionally falter. However, we're unwavering in our commitment to owning our mistakes and promptly rectifying them. Our growth is a blessing, and our way of expressing gratitude is through excellent service."

At the same time, Sharpe adds that the company's faith orientation has doesn't influence UHS' willingness to pursue new lines of business that serve its customers' needs-so long as they work for UHS operationally and economically. The company now is in the midst of rolling out a high-end party linen rental program and a high-quality food and beverage (F&B) program to supplement its hotel flatwork business. Bottom line? UHS' goal is to grow its base with as much business as it can practically handle. "Our philosophy is we're company of solutions," Sharpe says, noting that growth could necessitate a second plant in the near term. "We are not locked into any kind of model. We just have to understand the economics of it. It has to work for us." IS

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

**BELOW:** The UHS team (l/r): Mark Hunt, maintenance manager; Philip Sharpe CEO/president; Jennifer Rutt, finance manager; Tammie Hood, vice president/general manager.; Hilda Cruz, production lead; Maria Cordova, production lead; Sylvia Davis, interim operations manager; Aziza Henriques, human resource manager; and Danny Sanchez, operations manager

