



GALLAGHER UNIFORM—HIGH-TECH CONTENDER— INDEPENDENT THRIVES ON MEETING CUSTOMER & STAFF NEEDS

Food-processing and pharmaceutical clients value Hygienically Clean certifications; staff got raises

By Jack Morgan

Gallagher Uniform, Battle Creek, MI, is so customer-centered they'll forgo garment rental agreements for less-lucrative lease deals if that's a better fit for a given client's needs.

Their confidence flows from two key factors. First, they believe that honest dealing and open dialogue ultimately produces a win-win through improved customer satisfaction and retention. Second, they've invested heavily in technology, including advanced radio frequency identification (RFID) and other systems that enable Gallagher, a fifth-generation independent founded in 1893, to operate with maximum efficiency, while controlling costs.

Company President John Gallagher leads this family-owned and operated industrial uniform business. He cites G-Trak garment tracking, G-Trak Certified bundle verification, and G-Trak Mobile, the personalized phone app for each garment wearer as key contributors to customer satisfaction. In addition, RFID garment tracking, TRSA's Hygienically Clean certification and his family's commitment to integrity and passion for continuous improvement also give Gallagher a competitive edge.

Gallagher says "We do share all kinds of information that the customer wants. Even if it is not to our advantage, like underwash. If they're only turning in 20% (i.e., 80% is washed at home), they start asking 'Why are we even doing this? We should just be leasing everything.'"

Gallagher recently did just that with its largest customer, an area auto-component manufacturer that made the switch from rental. "They went from rental to lease, and now they're going from lease to direct sale," he says. "They keep

shrinking their cost of the garment program. The point is, if we don't help the customer navigate through all the options available to them, they will find another way potentially without us."

Gallagher's nephew, Chris Gallagher, the company's vice president of customer service and a fifth-generation member of the management team, notes that auto suppliers and other manufacturers have different workwear needs than pharmaceutical or food-processing clients. The latter sectors have heightened concerns about hygiene, so a rental program works best for them. For other businesses, a lease or direct-sale garment program works fine.

EMPHASIS ON ACCURATE, RELIABLE SERVICE

In an era in which national companies increasingly dominate the industrial uniform market, we ask operators like Gallagher how a single-plant operator can not only survive but thrive. The answer, says John, is that Gallagher's investment in advanced technology is

enabling the company to do more for customers, faster and at a lower cost, thus enhancing its competitiveness. Examples include a “bundle verifier” from Positek RFID that helps ensure accurate garment deliveries. Add to that modern wash aisle/finishing systems and you have a company that’s able to compete—especially for large accounts that the nationals target. Another advantage is nimbleness. Gallagher can adapt to very specific and unique needs of large customers who usually have complicated demands and logistics. Harder to measure but still a factor is the company’s 128-year presence in southern Michigan and northern Indiana. The company is well known in its region.

Of course, like a football team during a fall season, there are occasional losses. Gallagher battles daily with all the major uniform players in the region, including Aramark, Cintas Corp. and UniFirst Corp. John acknowledges that Gallagher loses some accounts due to

national contracts. But there are exceptions, he says, noting that one contract recently was lost to a national laundry operator. Later, that business returned to Gallagher due to service problems with the rival laundry. “For an individual customer’s plant, the service they need is delivered locally—not nationally,” he says. “I don’t care if you’re Cintas, or Aramark, or Gallagher. It’s that local plant operation and how it’s being run that is going to determine the quality that goes to that particular spot. It’s going to be different in Michigan than it is in California, than it is Florida.”

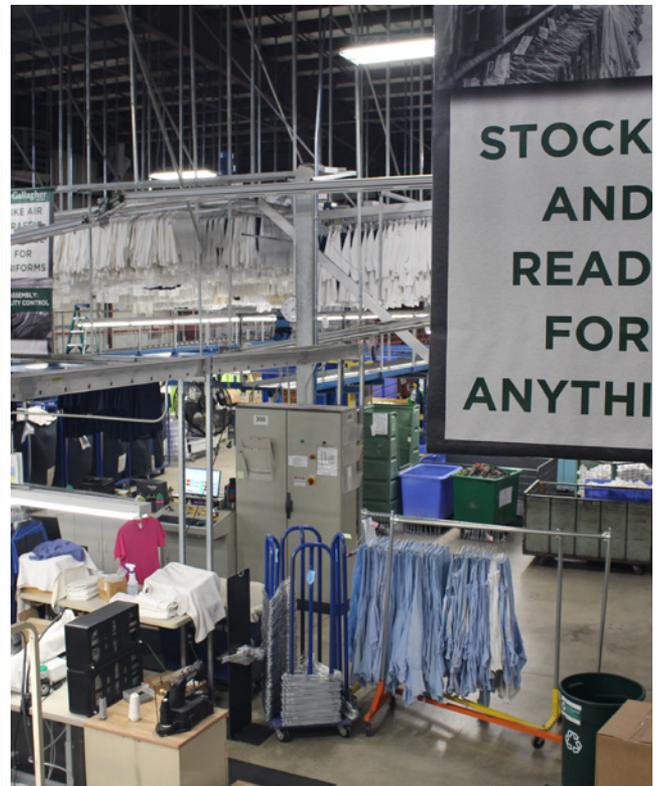
Using that pitch has helped Gallagher win business in which companies opt out of national contracts to use Gallagher for its operations in southern Michigan or northern Indiana. This happens regularly, John says. What’s more, Gallagher is engineered to take on large accounts that have rigorous delivery and hygiene requirements, such as pharmaceutical manufacturers.

This also helps Gallagher compete with the nationals.

Providing fast and efficient service on new orders and garment-repair services offers another competitive advantage. “Our turnaround on a new order is one week,” John says. “We hear, repeatedly, that that’s not met by our competitors. Another is repairs. I’m from sales. I did service for 25 years and sales. I still sell with the sales team. You walk into a prospect, and they go, ‘How long does it take to do a repair?’ I go, ‘Well, why do you ask that, if I may ask you?’” he says with a laugh, noting that he hears repairs can take 4-5 weeks.” I go, ‘No, it’s one week, and we’ve got the electronic trail on it to tell you exactly when it was done and how it was done.’”

Service is delivered plant to plant. If a national plant is underperforming, that creates an opening for regional operators like Gallagher. “Sooner or later, people on a national contract, figure

BELOW: An employee sorts soiled workwear items; a view of the stockroom with a sign (partially obscured) that reads “Stocked and Ready for Anything.”; a view of dryers in the wash aisle; on the opening page, an overview of the garment-assembly area with a sign that reads “Like Air Traffic Control For Uniforms.”





Gallagher Uniform— Five Generations of a Michigan Laundry Tradition

John Gallagher, president of Gallagher Uniform, Battle Creek, MI, notes that the company's recent expansion of its service into the Detroit market is ironic because his great-grandfather, John C. Gallagher, founded the company there in 1893 as the Detroit Waste Works.

In the early years, Gallagher laundered shop towels and later, garments. In 1937, John C.'s son, Norman, expanded the company in a new location 121 miles west in Battle Creek. A decade later, Norman's son Ronald joined the company. Between 1977-

'82, Ronald's four sons, Mike, Pat, Dan and John (the current owners) also joined the company. Of the four brothers, all have since retired from full-time service, except John.

Meanwhile, Mike's sons, Chris and Kevin, now serve as vice president of customer service and plant manager, respectively. They are fifth-generation managers of the business that employs roughly 70 people. Various other Gallagher family members also have worked for the company over the years.

From the early 1980s to the early 2010s, the four brothers jointly owned and operated Gallagher Uniform. Each had their own views on ensuring quality and efficiency. At times, disagreements arose. "We didn't always get along," John says, adding that "corporate coaches" often were brought in to help resolve disputes. "We had differences, but the main goal is grow the business and honor mom and dad, who don't want to see their four boys fighting," he adds with a laugh. "That won the day."

Chris notes that as a younger family manager, the brothers kept a tight rein on the company. "I'll say growing up, it wasn't until we were around 25-30 that we started to get into the meetings with the four brothers," he says. "That could become politely confrontational. But outside of work, Gallagher Christmas parties are still strong with 35-plus members."

As for a sixth generation of Gallagher management, Chris notes with a laugh that, "They're all 11 and under." In time, one or more of this cohort may choose to carry on the Gallagher Uniform tradition.

that out," John says. A national plant in one area may have service problems, while one in another region performs well. "Sometimes, the best national contracts are where you've got a national-pricing program, but independent locations can make a choice."

We saw firsthand why a uniform customer might choose Gallagher during a tour of their laundry operation.

IN THE PLANT

Initially, what struck us about Gallagher's 45,000-square-foot (4,180-square-meter) plant was the modern design of its exterior. There was snow on the ground when we visited earlier this year, but the building stood out with its clean lines and green-and-white color scheme. A sign in green lettering out front announced that this was Gallagher Uniform. Another sign, aimed at staff as much as visitors, read "Thank You Gallagher Uniform Essential Workers. We Appreciate You!"

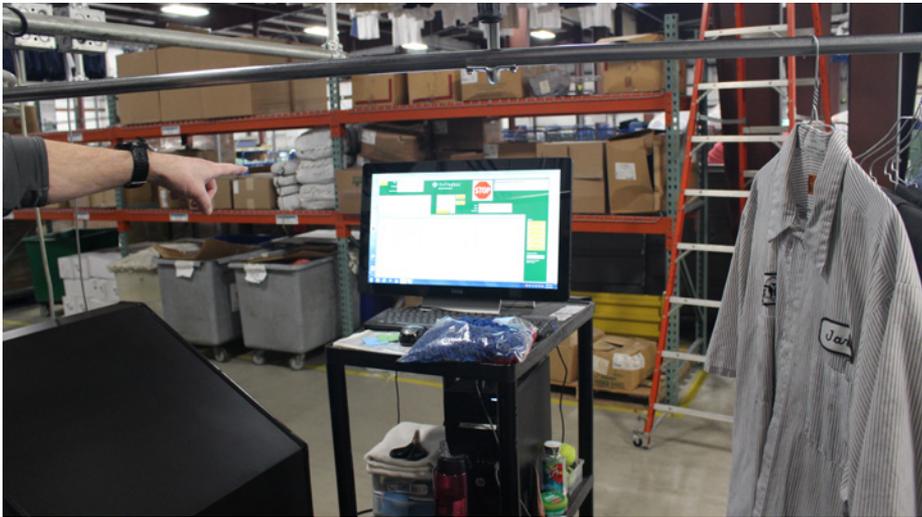
If you're catering to large, national customers in sensitive industries, such as pharmaceutical manufacturing, it helps to project an image to visitors that looks large, clean and well-kept. Gallagher's building does that. The customer friendly feel extends to the interior as well. Each department has "tour friendly" signs intended to make visitors feel welcome. The messages inject a touch of humor as well, with wording such as "Stock Room—Stocked and Ready for Anything" and "Soil Check-In—We Do the Dirty Work." Another cited Gallagher's environmental stance—the company is certified to TRSA's Clean Green standard. It read, "Sustainable—Earth Day Every Day." Our personal favorite read: "Wash Aisle—Washing Away our Customers' Worries." In another part of the plant, we saw a green rectangular banner with a coverall graphic and the company's catchphrase "No one else makes you look so good."

As for operations, soiled textiles are offloaded in the soil area and weighed. Customers can keep track of their rental uniforms by downloading the G-Trak mobile app. The app lets individual uniform wearers request repairs, make size changes and replace items, without going through a supervisor or calling Gallagher. They just order it from the app. Integrated with Gallagher's internal systems, the app uses barcodes on each item to determine where an item is in the rental cycle, including wash, repair, in route or in between. Gallagher's website touts these features, while pointing out that it's "one less thing for management to worry about" if an employee can handle his own garment issues from his cell phone.

After sorting, goods are loaded into slings. A hoist raises them to an overhead rail system to await a computer signal that sends them to any of five 450 lb. (204 kg.) washer/extractors, or one 250 lb. (113 kg.) washer/extractor from G.A. Braun Inc. Wash chemistry is provided automatically through an injection system from Gurtler Industries Inc. Opposite the washer/extractors is a corresponding row of three 400 lb. (181 kg.) Braun dryers. The washers tilt to drop their loads onto a Braun shuttle conveyor that moves on a track between the washers and dryers. The plant processes roughly 170,000 lbs. (77,110 kg.) of rental goods per week. That total includes approximately 70,000 garments, 80,000 towels and 5,000 mats per week. Heavily soiled shop towels are outsourced to a specialist for processing. The throughput here is mainly industrial, with a heavy emphasis on food processing, pharmaceutical and automotive manufacturing. John notes that the plant is in a 3,500-acre industrial park with over 85 other tenants. Many are based outside the U.S. but operate facilities in southern Michigan. Together, they employ 14,000 people. While this area may not resemble the factory zones of yesteryear, there's still plenty of manufacturing in this part of the Wolverine State.



ABOVE: (from top) Signs identify various departments and promote messages such as "sustainability." A view of the plant's chemical-injection equipment and chemical-storage area. A view of a shuttle that automatically moves clean wet goods from the washer/extractors (at left) to a row of dryers (at right). A sign above, clearly aimed at visitors, reads "WASHING AWAY OUR CUSTOMERS WORRIES."



ABOVE: A cart washer in the plant; one of a series of fans mounted in the ceiling helps control lint for disposal by janitorial staff; a computer screen shows a “STOP” sign when a garment from the wrong batch is placed next to the RFID antenna; a view of tunnel finisher in the plant.

Once the goods are washed and dried, they move from the dryers by conveyor to carts and on to the finishing area. We watched as employees—in masks and separated by clear sheets of plexiglass to ensure social distancing—placed shirts on hangers that pass by an RFID antenna before moving onto an overhead rail system. Laundry staff can track their progress on production goals by glancing at nearby tracking screens from WesVic™ that automatically count pieces. The textiles then go through a tunnel finisher from Leonard Automatics Inc. to remove wrinkles. A small number of garments also are pressed, using shirt and pants presses. Employees inspect the items that they’re hanging and mark those that need repairs with a colored strip of cloth that automatically sends those items to the repair department. Gallagher’s mats also have RFID tags inserted. After washing in the washer/extractors, they’re tracked through RFID antennas near the plant’s mat-rolling machinery. A series of SonicAire fans placed overhead blow down dust and lint for regular removal. We saw virtually no lint in this plant.

After processing in the finishing tunnel, the garments are sorted by route, day, customer and wearer in a sortation system that includes in-house and Sof-trol Systems Inc. software. We watched as employees checked finished goods from a rail system that tracks a given customer’s garments. The bundle verifier from Positek displays an on-screen “Stop” sign if a garment isn’t in the group where it belongs. “This is a great change as far as finding things that are out of order,” John says. Similarly, if the system approves the bundle, a green onscreen “Go” sign appears. This level of service quality boosts customer satisfaction. “We’ve run 99% three years on customer retention.” John says. “You talk to the best independent operators, and if they’re doing 96%, they’re happy. So, we’re pleased with that. That’s helped our growth.”

Flatwork, including bar mops or wipers are processed in several Braun small-piece folders. The plant also processes a

significant number of cloth roll towels. Once goods are readied for customers, they're moved to packout, weighed and counted using the Positek system. They're then moved onto any of three 20-foot (6-meter) step vans; or a total of 12, 24-foot (7.3-meter) and 28-foot (8.5-meter) straight trucks. The plant runs 18 routes throughout southern and central Michigan (including Detroit; see related story, pg. 38) and northern Indiana.

LOOKING AHEAD—COVID AND BEYOND

Since 1991, Gallagher has operated at 151 McQuiston Dr. in Battle Creek. In 2014, the plant expanded by 50% to its current size. Significant additions included a new route-storage area and enhanced separation of soil and clean goods to meet the requirements of its food-processing and pharmaceutical clients. The company doesn't operate depots. They feel that having another location (s) increases the likelihood of errors in uniform deliveries. John notes that his sales team cites the company's recent upgrades, as well as its Hygienically Clean Food Safety certification as selling points to prospects, especially those in the food-processing and pharmaceutical sectors. "We're proud to sell the benefits of our Hygienically Clean certification," he says. "It was part of the requirement of a contract renewal that went out to bid."

Like other operators, when COVID-19 struck early in 2020, Gallagher took steps to protect its staff and customers. All employees are queried on virus symptoms before entering the plant. On the floor, mask use is mandatory, and (as noted above) plexiglass screens at workstations help ensure social distancing. One step Gallagher took to buoy morale was approving a wage hike for its workforce of roughly 70 people. Cross-training also was conducted to enable staff to fill in as needed if employees become ill. "We have quite a cross-training program," John says. "So, we can move people around

from the tunnel to the stockroom, to check-in or assembly. There's many people that have three or four jobs that they could go to on any one day."

The pandemic did produce some COVID-related staff shortages. In a few cases, route-service people had to work in the plant putting shirts on hangers to keep pace with demand. But Gallagher's proactive approach helped

the company persevere. Customer demand dropped initially but recovered in a few months. Gallagher donated masks and tapped some of its retirees as volunteers to make masks for area healthcare workers when shortages of such personal protective equipment were critical. Staff surveys and expanded communications also were implemented to monitor employee concerns.



POSITEK RFID

Consistent | Replicable | Reliable | Accurate

EVERY TIME

Reusable Fujitsu UHF Laundry Tags read accurately

- stacked or hung closely together
- folded in soiled textiles
- in damp and wet environments



Stacked



Hanging

Folded



Wet

Accurately track, sort and inventory goods
Eliminate shortages

Reduce labor and merchandise costs

Improve productivity & increase profitability

Call 610.275.2905 today to learn more.

www.PositekRFID.com



ABOVE: Leadership Team: (l/r) route supervisors Nick Dysinger, Gabe Reyes & Jen Nicholas; Allison Tobey, marketing/communications manager.; Chris, John & Kevin Gallagher, VP customer service, president & plant manager, respectively; Jen Rosa, HR manager; John Schafer, maintenance & production manager; Jesus Nunez, plant supervisor; Jim Peterson, stockroom manager; D.J. Redmond, route supervisor; an exterior view of the plant; a video screen highlights work anniversaries.

As for future improvements, Gallagher's short list includes an RFID soil-counting capability and a conveyor system for its mat operations. The company's fifth-generation owner/managers, Kevin, who's plant manager; and Chris, the VP of customer service, are involved in TRSA's Management Institutes to refine their leadership and management skills. Chris has graduated from the Executive Management Institute and Kevin has graduated from the Professional Management Institute.

Looking beyond COVID, Gallagher's candid dealings with customers—coupled with its emphasis on staff support—is having a positive impact that could extend beyond the pandemic. The pay hike, for example, has helped address the company's recruitment/retention challenges. "We're in a good spot right now," John says. "Two months ago, we were still crying. We gave a very large wage increase in hopes that it would be significant enough to get people in the door at work." When asked if the pay hike helped with staffing; he answers, "It did. We didn't lose people leaving for a better job because they love the new rate. We're retaining people. We got referrals in. People out there said, 'Hey, you're paying that? We're coming in.' That's been awesome."

Gallagher's approach to staff and customer policies, including eschewing underwash revenue and raising wages just as the economy was beginning to reopen, may strike some operators as counter intuitive. However, the company's growth—fueled in part by investments in technology—has us thinking they're onto something. Specifically, they're taking bold steps designed to ensure that Gallagher Uniform remains a regional contender—especially against national firms—in today's industrial market. **TS**

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