

PARKING

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Industry Profile - Jerry B. South

Filling a Niche with Military Precision

by Lou Cook

Jerry South cultivated his work ethic on the farm, forged his training concepts in the military, and discovered a business in the hotel valet parking niche. Hard work, structure, and vision enabled him to create a company, Towne Park, Ltd., and have made him a successful and innovative entrepreneur. A healthy dose of persistence didn't hurt either. With South focus is an understatement. He is a goal-seeking missile. "Every day I learn. That's the beauty of it. You must use each and every day as a lesson for tomorrow because you'll need it."

On the Farm

South's learning curve began its trajectory in Southern Maryland. He was born in Easton, Maryland in 1964 and moved to the farm after his mother's remarriage. His stepfather grew tobacco, grains, and livestock, but South nurtures no nostalgia for the rural life. "I hated it at the time," he says, "but it was one of the best things that I could have done as a child. I wanted to be a kid but had to work like an adult by age 12 or 13 years. Today I have an unbelievable work ethic because of my childhood."

Although he played some sports in high school, his farm chores didn't allow him enough time for the attention that he might have invested in athletics. After graduation, he went directly into the army. Slated for an airborne unit at Fort Bragg, he was asked to interview for the honor guard, a ceremonial unit. He met the physical requirements—guard members must be between five foot 10 inches and six foot two inches—and was posted to the Washington, D.C. area for permanent duty assignment. South says of this duty, "Once I commit to something, you've got me, and I tried to get everything that I could possibly get out of this assignment."

His job required him to perform various ceremonies at the Tomb of the Unknown Soldier and to provide spit, polish, and a military presence at funerals and parades. He spent time at the Pentagon where he was part of the protection detail for the Secretary of Defense. In 1983, he was named "Soldier of the Year," winning out over a group of 60,000 soldiers to receive this honor that came with a promotion and an Army Commendation Medal.

South also found an opportunity for school and studies. The military paid 80 percent of his tuition, and he took advantage of the Washington metro area's diversity of community colleges during his two-year tour of duty.

After his discharge, South thought he wanted to go back in the military and fly. He moved to Florida and got a valet parking job to pay for schooling at Embry-Riddle Aeronautical School in Daytona Beach. After one year, he realized aeronautical engineering wasn't going to be part of his future plans. "I moved back to Maryland where they were building the Loews Annapolis Hotel, and through persistence I was able to convince the developers to let me run their parking department. I knew that I had the discipline to do it and the background. I knew how to give great service and make six or seven guys look sharp and consistent."

Spit-and-Polish Parking

During his stay in Florida, South went to work for the South Florida Transportation Company in Fort Lauderdale as a shift manager for their hotel parking division. He noted that nobody else was really focusing on hotels and set about to fill that niche. Realizing that hotels want their guests to have a "great sense of



arrival,” South adapted his Honor Guard experience and recruited employees who could “be all that they could be.”

South approached hiring with a militaristic approach and stringent recruiting process. When new job recruits step front and center, South looks first for a sharp appearance, but he can create sharp out of sloppy. “We have hair cut standards and allow no facial hair and no earrings. Those are conditions of employment. Cars are important to people, and they need to have some level of comfort before turning them over.”

Towne Park recruits for part- or full-time help and at colleges and schools that offer hospitality or hotel management degrees. Some employees, known as GSAs or guest service associates, are between jobs or semesters, but South will hire those who fit the company’s profile even if they only stay three or four months. “We do have a high turnover rate, but we manage it.”

New recruits undergo a modified but intensive version of basic training. After three days of orientation and any necessary fine-tuning, GSAs are delivered to the job. “We manage to attract a higher caliber of person than the hotel could ever dream of employing in that position,” says South. “You’ve got to surround yourself with good quality people, and we hire first class.”

These axioms are noted by other in the parking business. Andrew Blair, president and CEO of Colonial Parking, said, “Jerry runs a very professional valet organization. His people are topnotch customer service representatives and reflect Jerry’s emphasis on recruiting and training.”

South’s philosophy rests on starting with the right people, or it’s all for nothing, no matter what he company invests in service. “If we have to teach you how to put on a uniform, you don’t have a chance at doing the kind of job we expect.” Towne Park’s procedures are done by the book, and South’s book has a list of some 34 critical success factors. With a relatively fast growing company needing good quality people, the Towne Park book also includes a training program that career paths quality employees. “You can come in as a valet and can move to shift supervisor, area supervisor and

a regional post relatively quickly.” South says that every employee in a management position has risen through Towne Park’s ranks.

Checking Into the Hotel Niche

Initially South worked with a partner but formed Towne Park by himself in 1988. He started with 12 employees and \$67,000 gross sales. The company now has 750 employees in 11 states and 14 cities and South forecasts an \$11,000,000 year for 1998. The company has concentrated on the hotel industry and serves brands such as Loews, Doubletree, Four Season, Radisson, and Sheraton. Says South, “We understand the needs when focusing on hotel property, the balance between return and the quality and level of service.” He developed and copyrighted a system that Towne Park uses in serving over 50 contracts.

One aspect of his system is that Towne Park’s services are transparent to hotel guests. Says South, “In many of my operations a customer cannot tell that we’re outside contractors.” With some 40 percent of his contracts, South provides the entire front of the house—doormen, bellman, concierge—as well as valet parking and shuttle driver services. “Hotels acknowledge that we do a better job than they could

do, and this niche is willing to pay for quality service. Now we are working on a revenue and access control program specifically tailored to suit the needs of the hotel market.”

Although Towne Park concentrates on full-service hotels in downtown settings, he does run some parking garages for offices, hospitals, and stadiums. With operations in Baltimore, Washington, D.C., Annapolis, Maryland, Nashville, Tennessee, and Fort Lauderdale/Miami, South has tried to cluster operations and uses three or four contracts for economy of scale. “We do a pretty methodical market analysis and look for other relationships within the hotel community. We don’t bid on low-bid scenarios. They are a waste of time.”

South says that customers hire him for the quality of managed labor that Towne Park can provide and cities other manager labor markets such as stadiums, sky caps, and security jobs. “Clients pay us for the labor

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that we deliver to them day in and day out on a consistent basis. We have a pool of trainable, technically skilled people. They may wear different uniforms and have different skills, but everything else is the same.” To mine this market more thoroughly, Towne Park is endeavoring to develop systems allowing them to manage 3,000 to 5,000 employees with varying “technical skills” through several market segments. South’s personal millennial goal is to move into additional managed labor market segments early in the new century.

Honors, Awards, and Kudos

A little over ten years after being named Soldier of the Year, South won the Young Entrepreneur of the Year Award for the Baltimore district of the U.S. Small Business Administration. In 1998, the Greater Annapolis Chamber of Commerce also recognized him as Entrepreneur of the Year.

In addition to various local charitable and civic organizations, South has been an NPA member since 1992 and on the Board of Directors for the past three years. “It allows me to exchange ideas in a non-competitive setting and has really given me tremendous exposure to others in the industry and facets of the business that would have been time consuming to core by myself.”

South says he enjoys learning and describes himself as a sponge, who loves to soak up business knowledge, and this year he completed the “sponge” opportunity of a lifetime. South was selected by the MIT Enterprise Forum, *Inc. Magazine*, and the Young Entrepreneurs’ Organization for an educational program that brings together young rising stars of the business world for four days of intensive learning and networking on the campus of MIT. Only 60 entrepreneurs are chosen from the 600 applicants, and each finalist must commit for three years to an annual four-day program that

covers six fundamental areas of business: Management, Finance, Human Resources, Marketing & Sales, Operations, and Research & Development. The faculty comes from universities such as Harvard, MIT, and Babson as well as entrepreneurial talent from the pages on *Inc. Magazine*.

Having just completed his first year, South calls it a terrific experience. “The interaction with 59 other entrepreneurs and CEOs was just as valuable as the seminars. It is especially helpful to have somebody else outside of this box to talk to.”

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After Work and School

For South this heading may be a misnomer. He enjoys business and goal-directed studies to the extent that the lines between work and play are probably blurred. He’s a bachelor, has a dog, and likes golf, skiing, and the outdoors. Reading is another favored activity. Right now he’s trying to give himself more of a mix and is reading, *Into Thin Air*,

John Krakauer’s story of an expedition to climb Mount Everest.

At the end of the day, however, South probably tends to focus more on climbing his own personal mountains. “My plan for the future is to work harder than everybody else. There needs to be a system in place, and I want to create duplicable systems to make sure that our company standards are in place. We refuse to grow by sacrificing the quality given to any one of our customers.”