



Pictured at Hale Trailer's 24,000-sq-ft facility on a 20-acre site in Marlton NJ are Mike Liquori, rental operations manager; Tony Vadurro, salesman; Barry Hale, president; Stan Wilt, sales manager; and Paul Williams, northeast regional manager for Dorsey Trailers.

Trailer Rental Is Fourth Element To Sales-Service & Parts Functions

MANY TRAILER dealers have found trailer rental to be a profitable sideline to new and used trailer sales. But at Hale Trailer & Truck Equipment in Marlton, New Jersey, trailer rental is the primary function. New and used trailer sales are also impor-

tant, and they all have a synergistic effect on the bottom line.

It is hard to say which operation is most important to the success of this 10-year-old firm, but the \$2 million generated in rental revenue contributes more to gross profit than does

the \$10 million in sales and service volume.

"Trailer rental is the backbone of this business," says Barry Hale, owner. "It also lends a great deal of stability. Rental revenue doesn't blow hot and cold as does sales volume."

The rental fleet utilization typically runs above 85%, and has never dropped below 80%, says Hale. "When new unit sales slow down, parts and service generally increase, and so does trailer rental."

No Long-Term Leasing

It is important to differentiate between renting and leasing. Hale Trailer specializes in open-end rental on a monthly basis, not long-term leasing for a two- or three-year period. Some truck operators do continue to rent the same trailer for as long as five years, but the commitment is never for more than the current month.

It is also important to realize the synergistic effect that renting has on trailer sales. "Maintaining our rental fleet means that we carry a larger stock of new and used trailers," says Hale. "We normally have a pool of 100 new trailers on hand available for sale or rent, or in production at the factory. The used trailer pool is in addition to this 100-trailer stock of new units."



Open house visitors check out walking floor hydraulic mechanism under open top trailer at left. Banner in background gives equal billing at open house to Hale Trailer, Dorsey Trailers, and Keith Walking Floors.

Trailer Rental . . .

This new Dorsey model is built in Dorsey's Northumberland PA plant to typical dump body specifications. Therefore, it will allow some compaction of refuse by the front loaders used in the transfer station. For example, the aluminum version uses 5/32" side-sheets with sideposts of 1/8" aluminum on 24" centers. A steel version will also be available.

The open top van, on the other hand, is not capable of withstanding any mechanical compaction, and is usually conveyor-loaded. Thus, the two models fit two distinct markets: the refuse market for the heavy-duty

version, and the agricultural products market for the open top van. Since only the converted open top van has been available up to now, it has been used for refuse hauling. For example, Hale Trailer uses one for its own shop trash removal—a 1969 Fruehauf open top van modified with a Keith walking floor.

Salesmen on Salary

The sales effort at Hale Trailer is geared to handling both rentals and equipment sales. Besides Barry Hale and Sales Manager Stan Wilt, four salesmen are employed, all on straight salary. "We do a lot of cross-selling, bringing customers into the shop, showing them our new facility, and

converting them to loyal customers," says Hale. "Since several salesmen may be involved, we don't want to referee who gets the commission. We want salesmen to be well-compensated and motivated. We want them to be loyal to us, just as we feel a loyalty to them." With this system, long-term steady relationships are cultivated.

A lot of sales leads are generated through advertising in trucking equipment journals, such as state or regional truck-trader publications. Besides advertising new equipment and the rental fleet, Hale Trailer advertising carries listings of specific used trailers. Because of the strong advertising program, salesmen find that they spend more time in the office on the telephone and coordinating trailer sales and rentals than they do out making calls.

11-Bay Shop

Hale Trailer's greatly expanded facility is designed for the rental operation, but it isn't too different from the shops operated by other trailer dealers. About 50% of the shop hours are billed to outside customers, while the other 50% are devoted to maintaining the rental fleet and making modifications, such as installing the walking floor kits.

Hale built its first facility in 1978, and the current 11-bay shop is an extension of that original five-bay shop, plus new offices and parts room up front. Each of the 10 service bays is 18 by 70 ft, with 12- by 16-ft doors on one side only. These wide-service bays permit positioning an additional trailer between stalls during busy periods.

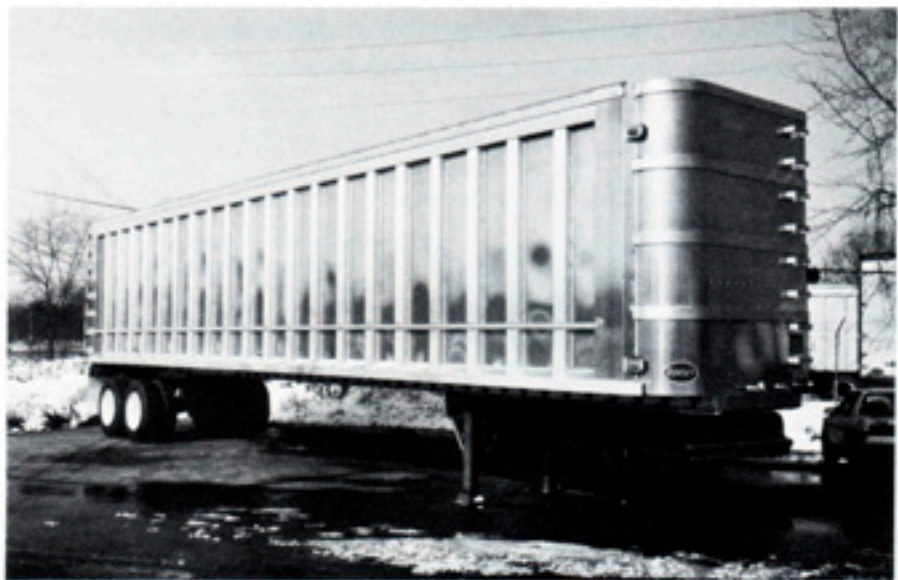
The 11th bay is fitted with a 60-ft Binks paint booth. "A good paint job is a necessary finishing touch when doing a \$16,000 modification on a trailer, such as installing a walking floor," says Hale.

Even though the facility has grown through expansion, it appears remarkably whole. The shop is entirely clear-span, with building columns at the perimeter only. Each building column between bays has recessed behind its flanges all the electrical and welding connections on one side, and central oxygen and acetylene cutting gas and compressed air connections on the other side. In addition, there is an air connection and electrical drop above each trailer bay for ease in working on the trailer roof.

For shop heat, two radiant gas heaters are positioned to warm the work spaces between each stall, and



Dorsey open top van of riveted sheet-and-post construction has been modified in Hale Trailer shop with Keith walking floor. One-man tarp is Hale Trailer design with crank attached in front, and five web strap tiedown winches.



Prototype open top refuse trailer is of welded sheet-and-post construction, with full-opening single barn door at rear. Keith "walking" floor has aluminum slats reciprocating 10" on faster cycle for quick unloading.

Trailer Rental . . .

these are thermostatically controlled for each individual stall.

A large office for the service shop was constructed with double-thick walls and triple-glazed windows in order to sound-proof this area as much as possible.

Parts sales are highlighted in the new office arrangement up front. The central entrance to the building leads directly into the parts room, while the rental office entrance is to one side. Two parts trucks also make deliveries of parts orders. The result of this increased emphasis on parts sales is that January 1986 over-the-counter parts sales reached \$62,000, four times the parts volume of a year earlier. "We're trying to reach a goal of \$100,000 per month in sales of parts and accessories," says Hale.

The facility is located 15 miles east of Philadelphia. The site is eight miles off I-295 and the New Jersey Turnpike, on NJ 73, a major North-South industrial route. "We're in the Philadelphia area, but we're not a Philadelphia-type company," says Hale. "We're geared more to serving the southern New Jersey industrial area."

Hale Trailer also plans to build a shop in South Portland, Maine, where the company now has a sales office. "We'll have a maintenance facility in South Portland by 1987," says Hale. "We already have 175 trailers rented



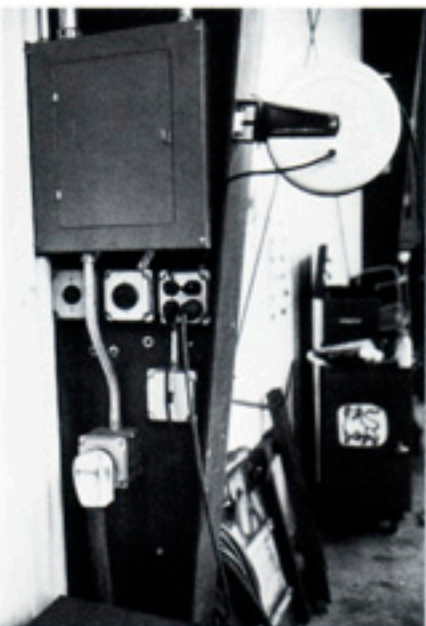
Parts sales are four times the year-ago volume. Helping out Parts Manager Burt Kirchner at the parts counter is Service Manager Jim Letton.

out." Manager Gary Bangor and one salesman make up the sales staff in Portland, and they presently contract out the service work.

While Maine may seem too remote a location for a branch to complement sales in southern New Jersey, Hale says the two locations do work well together. "Everybody in Maine has to truck south, so New Jersey is a natural turnaround point. It's only 350 miles to Portland from our location in Marlton NJ. Our driver goes there every week.

"The economy in Portland is booming, with some two percent unemployment. Paper and wood products throughout the state are experiencing a lot of growth. Byproducts such as wood chips and bark are natural for our specialty, the Keith walking floor bulk-hauling trailer."

Barry Hale, who grew up in Baltimore, Maryland, says it is particularly rewarding to be in business in our easternmost state. "If you have a good reputation in Maine, everybody knows about it." □



One side of each building column has all electrical connections and welding current for that bay, with trouble light cord on take-up reel.



Opposite side of each building column has oxy-acetylene gas connections for cutting torches and compressed air supply for that bay.



One air line runs down center of shop below roof beams, with connections above each work stall to simplify work on trailer roofs. A series of electrical drops is also at the trailer roof level.

"We have a greater stock of trailers from which to choose. As we all know, the sale depends on quick delivery in many cases. Everything we have in the rental fleet is for sale, and every new or used trailer on the sales lot can be rented."

1,000-Trailer Fleet

Hale trailer has on hand at any given time about 1,000 trailers, 800 of which are in the rental fleet. This breaks down into 400 road trailers in the rental fleet, and 400 storage trailers, 100 of which may be office trailers and 300 for material storage. Office trailers are often rented in combination with a storage trailer for use at a job site. In addition, there are some

100 new trailers in stock or in production, and 100 or more used trailers.

Hale Trailer sold about 800 trailers in 1985, half of which were new, and half, used trailers. This was sufficient volume for Hale to win fifth place in the Dorsey sales contest, ranked among all 100 Dorsey trailer dealers in the nation.

The investment required for a 1,000-trailer fleet may seem tremendous, but Hale Trailer did it over a 10-year period with company-generated funds. Barry Hale started renting trailers in April 1975, officing out of his home. At age 25, he already had five years experience in the trailer rental business, and wanted to strike out on his own.



Inspecting the prototype of Dorsey's new walking floor refuse trailer are George Collier, president of Dorsey Trailers; Keith Foster, president of Keith Mfg Co; Robert Cunningham, manager of Dorsey Trailers' Northumberland PA plant that built the refuse trailer; and Barry Hale, president of Hale Trailer.



Sam Scholl, plant engineer for Dorsey Trailers' Northumberland plant, points out heavy aluminum extrusions used in top rail of open top refuse trailer.

The company was actually formed January 1, 1976. At first, operations were limited to rentals and maintenance of the growing rental fleet. Hale obtained the Dorsey Trailer franchise for southern New Jersey in 1979. Hale now sells the entire range of Dorsey trailers, including dry vans, refrigerated trailers, furniture and electronics vans, flatbeds, and dump trailers. But the real Hale specialty is a product which is brand new to the Dorsey lineup—a walking floor trailer.

Walking Floor Unloading

Hale Trailer has been building a market for walking floor trailers in the East for several years. These are used for wood chips, bark, mulch, brewers' grain, hay, horse manure for mushroom farms, peanut shells, firewood, incinerator ashes, and many other bulk products. Walking floors are being used increasingly for refuse transfer, (either baled or loose refuse), and the light weight of the walking floor trailer makes it profitable for many other backhauls.

Hale has been promoting the Keith walking floor, and keeps about 10 Keith floor kits in inventory, ready to be installed in new or used open top trailers. About 100 Keith walking floor kits were installed in the Hale shop in



Attending Hale Trailer's anniversary party in spite of heavy snowfall, open house visitors dine on steak and lobster, inspect three demonstration trailers: a walking floor Dorsey refuse trailer (left), Dorsey Liteguard II refrigerated trailer (center), and Dorsey standard open top van, modified in the Hale shop with a Keith walking floor.

Trailer Rental . . .

1985, and Hale now has some 300 Keith walking floors on the road. These are not only in the New Jersey area, but throughout the Northeast. Hale counts among its customers fleets that truck from Maine to Virginia.

The Keith walking floor installed in open top trailers has proved so successful in refuse fleets that Dorsey Trailers has now developed a special open top refuse trailer with a Keith walking floor factory-installed. This new Dorsey model was one of three trailers featured at a February 11 anniversary party hosted by Hale Trailer in their newly expanded facility.

Steak and Lobster

This open house and customer appreciation dinner celebrated five distinct events: Hale Trailer's 10th anniversary, Dorsey Trailer's 75th anniversary, introduction of the Dorsey Liteguard II refrigerated trailer, introduction of the Dorsey walking floor refuse trailer, and the opening of the greatly expanded Hale facility.

To give proper recognition to these events, an expensive menu was chosen—broiled steak and boiled lobster—and a gourmet chef was recruited for the evening. The steaks were all prime cuts broiled almost to

order, and the Maine lobsters were trucked in that day and boiled as needed.

The only hitch came when the weatherman refused to cooperate. New Jersey and all of the outlying trade areas were blanketed with four to six inches and more of snow—the first big snowfall after a relatively mild winter—and it cut the attendance in half.



Chef Steve Jacques pulls a boiled lobster out of the water at the Hale Trailer open house.

Even with the smaller crowd, the event was a success, because of the enthusiastic response of customers to the new trailer models. Five new trailers were on display in Hale's 11-bay shop, with the spotlight falling on three featured trailers: the new Dorsey Liteguard II refrigerated trailer, the new Dorsey open top refuse trailer with Keith walking floor factory-installed, and a Dorsey standard open top with a Keith walking floor installed in the Hale Trailer shop to convert it to a self-unloading trailer for refuse or other bulk products.

Prototype Refuse Trailer

The two refuse trailers are constructed much differently, and are further differentiated by the types of walking floor installed. The standard open top of typical van construction was modified in the Hale shop with a standard Keith walking floor kit. The aluminum floor slats that reciprocate with a six-inch stroke are capable of moving the entire load out the rear doors in six to eight minutes. The new Dorsey open top is built more like a dump trailer, and has a new Keith floor with a 10" stroke and faster cycle, so that it unloads the 45-ft trailer in three to five minutes.