

CLIENT:

Nolan Richardson Stevedoring and Logistics

BANKER:

David Matthews

CHALLENGES:

- ▶ Offering a wide range of shipping solutions
- ▶ Breaking into new markets
- ▶ Gaining ready access to substantial credit



By Sea, Barge, Rail or Truck

Nolan Richardson Stevedoring and Logistics hauls it all

If you ship something into or out of the Port of Houston, Greensport Industrial Park, or Mobile, Alabama or if you're transporting steel products by rail to or from Mexico via Laredo, Texas, chances are Nolan Richardson has something to do with it. As president and founder of Nolan Richardson Stevedoring and Logistics (and affiliated companies), Richardson specializes in moving goods from point A to B, "whether it be foreign-imported, or domestically shipped, whether it be by sea, barge, rail or truck," he says.

That's a tall order for one company, but that is just one of the things that differentiates Nolan Richardson Stevedoring and Logistics from other shipping and logistics companies. "We provide single solutions; our company can do all, or any part of the requirements of the shipping industry," says Richardson, who cut his teeth in the transportation field initially by running a trucking company with his father in Oklahoma.

Richardson launched Richardson Steel Yard, as it was called, in 1969, initially as a supplier of ship's tackle and as a distributor of steel products out of the Port of Houston. The company has gradually bought out its competition to become the leading material handler at the Port of Houston, with significant operations at the Port of Mobile, as well as the Greensport Industrial Park in Harris County. The firm's multifaceted service menu includes stevedoring (unloading of cargo off of a ship); warehousing cargo in either inside or outside storage; and transporting cargo by train, truck, and recently, barge. After the passage of NAFTA, Richardson added warehousing and transportation out of Laredo for freight to and from Mexico.

ACCESS TO SUBSTANTIAL FUNDS

Richardson couldn't run his business without ready access to funds. Substantial funds.

"I've got a \$6-million payroll, and write half a million dollar's worth of checks to vendors every week," says Richardson, whose wife Bobbie and three sons Kelly, Chance and Michael work with him at the family-owned business. "Before you collect your money, you need a line of credit to get you through," he notes. Since the mid-1990s, he has been relying on Compass Bank for these lines of credit, as well as for the business's various banking needs. During this time his company's revenues have roughly doubled from \$25 million to \$50 million and he says that Compass has been with him every step of the way. "They've been a great supporter when I've needed them. We're a \$50-million company and growing. Borrowing money is essential to us," he adds.

In addition to the line of credit, Richardson holds 10 checking accounts and takes advantage of Compass's treasury-management services, such as its lock box service, which enables Richardson's customers to send checks directly to the bank, where they are immediately credited to his account. He appreciates that this "cuts down on hassle and gets our daily balances as high as possible." He also likes the fact that sweep accounts enable him to minimize interest expenses and that a program called Positive Pay helps protect him against check fraud (by digitally capturing serial numbers and vital information electronically, and then matching these files to the physical checks when they arrive at the bank).

"IF YOU SAY YOU'RE WITH COMPASS BANK, PEOPLE LISTEN."

Compass Bank has assisted Nolan Richardson

Stevedoring and Logistics in ways beyond the financial. When Richardson wanted to break into the Mobile market four years ago, Compass representatives provided him with some valuable introductions to officials at the Alabama state docks. "They made helpful introductions to the right contacts," recalls Richardson. "If you say you're with Compass Bank, people listen."

More recently, Compass demonstrated its continued willingness to back Richardson in his expansion efforts by financing the purchase of a push boat. The company decided to start a barge service between the Port of Houston and the growing industrial area of Cedar Bayou. Richardson is particularly excited about the new service as it demonstrates his company's commitment to the environment by lowering emissions, by taking trucks off the road and by reducing the load on the highway infrastructure. "Compass understood that this alternative method of transportation is complementary to what we do and supported us in our acquisition of one of the push boats," says Richardson, appreciatively. "Even though we're a transportation company, we're mindful of the future and thinking green," he says.

In addition to the dedication and hard work of loyal, experienced employees and his family, Richardson credits at least part of his success to the responsiveness that makes the relationship between Compass and Richardson unique. David Matthews, Compass' senior vice president, Commercial Banking in Houston says Compass has been happy to go to bat for Richardson Logistics, "through thick and through thin, and not just because of the credit metrics. The numbers have always been there to support our decisions. But the man behind the business is more important," he explains. "His word is his bond. I can bank on it and I do." ■