

# *A Family Firm Grows* *While* **MAINTAINING** *the* **FOUNDER'S VISION**

**Written by Nate Hendley**

*What has been the single biggest change at V. Paulius & Associates (VPA) since **Business in Focus** last profiled the firm in December 2016? Sadly, it's been the loss of company founder and family patriarch Vytautas "Victor" Paulius, says his son, Raymond Paulius, AIA, PP, LEED AP. Victor passed away in July 2017, the year the Allendale, New Jersey-based firm marked its 50<sup>th</sup> anniversary.*


**T**he company that Victor Paulius founded in 1967 continues to enjoy great success under the leadership of his sons. A design/build firm, VPA offers general contracting, construction management, planning, architectural and engineering services, as well as real estate development – taking on an equity role in projects.

The company specializes in "customized distribution centers – both dry and cold-storage warehousing as well as food processing and manufacturing facilities," explains Paulius.

VPA is still very much a family firm. "My younger brother, Robert, and I are the principals. My brother is the CEO; I am the COO. I'm the design principal and he's more of the construction principal. Simply put I devise the buildings and he builds them," shares Paulius. "Robert is the hands-on guy with a civil engineering background and I'm a professional architect and planner. We form a very functional team. He's responsible for project budgeting and execution while I perform most of the creative work and prepare all the proposals and construction documents," he says.

**V. PAULIUS & ASSOCIATES**  
INCORP. 1967  
DESIGN | DEVELOPMENT | CONSTRUCTION





"We are just carrying on what our father has established. He came here as an immigrant [from Lithuania]. He arrived in Canada in the late 1940s with nothing in his pockets. He attended McGill University in Montreal, earning a degree in civil engineering. He then met [my mother], moved to the United States and worked as chief engineer at a large metropolitan construction company. He elected to go out on his own and the rest is history," he continues.

VPA has been extremely busy as of late, a reflection of good economic times. "The economy in the United States has just absolutely been booming. We just completed a large cold storage facility which had some unique features such as a narrow aisle racking system and a hydrogen fuel cell power system for the fork lifts. Domestically and internationally, we've been expanding tremendously," states Paulius. ➤➤





Vytautas 'Victor' Paulius, PE, PP

Among other projects, VPA has been working with Kontos Foods of Paterson, NJ, which sells flatbreads, cheese, olives, gyro meats and other products for the Mediterranean food market. "They're asking us to design and build a 50,000 square foot cold storage facility," says Paulius. "What's interesting is that these facilities are moving toward automated storage and retrieval systems [AS/RS] over conventional racking systems." The trend toward AS/RS on the part of many companies is being driven by a desire to maximize storage capacity and efficiencies, he explains.

While working extensively in New Jersey, VPA also takes on projects outside its home state in locales such as Oregon, Ohio, Georgia and even overseas. The firm has established operations in Victor Paulius' native country of Lithuania, designing and even operating cold storage facilities in this Baltic nation.



Raymond V Paulius, AIA, PP, LEED AP / COO

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***"Domestically and internationally, we've been expanding tremendously."***

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"We are completing a 220,000 square foot freezer facility that has a 40 feet clear height in our industrial park in Klaipėda, Lithuania. My brother recently travelled there with a group of our specialty concrete finishers to assist our local team with placing the super-flat floor which turned out tremendously successful," Paulius shares.



Back in the U.S., VPA has been working closely with a firm called 1-800-Flowers.com which offers a series of food and floral brands, including Cheryl's (which specializes in baked goods) and Harry & David (which specializes in gourmet treats). VPA helped add 120,000 square feet to a VPA-owned cold storage facility and has been tasked with an intriguing new project for the Harry & David brand.

Robert A Paulius / CEO





*Buckhead Beef Co., Charlotte, NC*

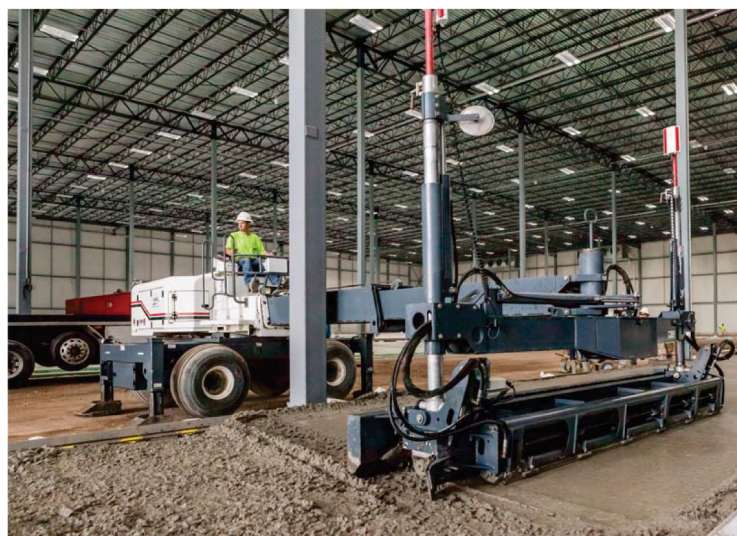
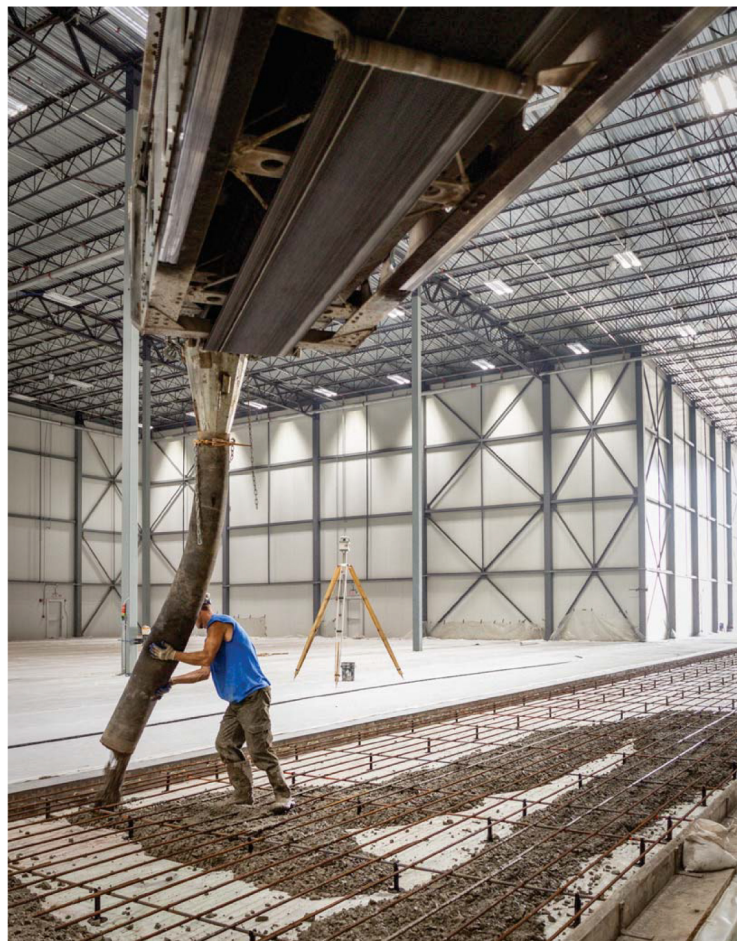
Said project involves “a pear storage facility in Medford, Oregon. It’s a pretty interesting building,” says Paulius. “They harvest the pears in August but obviously the holiday season is their big rush time. They need to inhibit the ripening of these pears to preserve them. So we’re designing a specialty cold storage facility with ethylene and humidity controls which maintains the quality of the pears for a few months.”

VPA is also currently working on “a new seafood processing facility for Halperns’ [seafood and steak company] in Atlanta, Georgia. We did a facility for them back in the 1990s and they’ve chosen to expand this facility and add a larger, dedicated seafood processing area with additional freezer space. We are in the midst of assisting them with that project,” he continues.

VPA stands out from its competitors by virtue of the fact it often takes an equity role in its projects. “If the client has a good credit rating, we go out and secure the financing,” explains Paulius. “We will either utilize our existing inventory of land or assist the client in acquiring new property. Then we will plan, design and construct the building according to their requirements and lease it back to them.”

The firm also manufactures its own concrete to maintain consistent quality and supply during construction projects. This capability came in handy when VPA was working on an irradiation shield for a sterilization plant at the Steris Isomedix Services facility in Chester Industrial Park, Chester, New York. “That project was unique because of the amount of concrete required. The shield called for six-foot thick walls and three-foot thick floors – the amount of concrete was tremendous in that project. We erected one of our mobile batch plants on-site so we could control the clock and have better quality control,” recalls Paulius.

Indeed, much of the company’s work is still self-performed. “For Kontos or anything local we’ll self-perform almost everything except for the mechanical, electrical, plumbing and ➤







*Baltic Logistics Center, Klaipėda, LT*



► fire protection. We'll subcontract those features out but the site work, super-structure and building envelope is all completed by us – from foundations to steel erection," states Paulius. Out-of-state jobs might feature more subcontracted crews depending on our project load, he adds.

Tilt-up construction is still emphasized at VPA. Tilt-up construction "was instituted by my father and we've kind of carried the baton further," notes Paulius.

The company currently has "about 18" employees in the office while the number of workers in the field varies depending on workload, says Paulius who estimates "We're around 30 people in total."

Not too surprisingly, Paulius compares VPA's corporate culture to a family, noting, "It's really a team, a family. We're very flexible with work hours, with people's personal needs. It truly is kind of a family business in all respects."

The company still relies "pretty much on word of mouth" for promotional purposes, he says, adding, "We do have our marketing director and he's put out feelers but typically most of our work is repeat work with existing clients. New projects come about by word of mouth or through the local commercial real estate industry. We have our name out there and we have our own industrial parks... and we have a good reputation."



Now that VPA has passed the half-century mark in business, Paulius attributes the company's enduring success to a few simple factors. In addition to doing consistently good work, he says the firm has always believed in the importance of staying focused and grounded.

"We've stayed at a scale that is manageable to us. A lot of companies expand, take on more than they can handle. We're good at what we do. We've found a niche we're comfortable with. Obviously, the food industry is somewhat recession-resistant; people need to eat. We're also vertically integrated and we go above and beyond what is required in order to satisfy our clients. We do a lot of preliminary work we don't necessarily get compensated for. The fact we're willing to take on an equity role is also a nice feature [of our company]," he notes.

As for the future, Paulius offers the following forecast: "Third party work is increasing for us, meaning we only provide design and construction services [for a project] and have no equity role. Sometimes when things [the economy] are slow we will focus on alterations and renovations of existing facilities for our clients to keep our crews busy."

The team is also keeping an eye on the growing popularity of "green" building methods. "I'm a LEED-accredited professional," Paulius shares. "For this project with Kontos, they received a large grant from the New Jersey Economic Development

Authority [NJEDA]. . . Part of the process of getting money from the State is complying with green building standards that the NJEDA has established," he explains.

For some jobs, VPA has been "using reflective roofing membranes and obviously most of the materials we use are sustainable and eco-friendly products. We've introduced daylighting systems in some of our dry storage facilities. We have designed facilities to accommodate [solar panels] in the roof design. They can be added if the client or tenant elects to do so."

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More than anything, Paulius wants to stay true to his father's vision of the company, while enhancing services for clients. "We're not, nor do we want to become a massive multi-national design and construction firm – we're a modest and very successful family business," he says. We're not doing the high profile projects that are located in prestigious downtown metropolitan areas. We're doing attractive and functional service buildings and proud of it. Our goal is to keep it going. Obviously we want to provide the best quality and building design for our clients as possible. We want to keep supplying a superior product to our clients so that this business can succeed for another 50 years." ■



Elite Cold Storage, Carteret, NJ