

US Courier Expands. 60 To Be Hired as Space Nearly Doubles

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A US Courier & Logistics employee sifts through deliveries at one of the company's Austin sites, which will be consolidated in October.

US Courier & Logistics, a Dallas-based mail services company, has signed a lease to consolidate three smaller area operations into a 76,800-square-foot spot in Southeast Austin that nearly doubles its local presence in size. The plan is to add 60 new jobs.

US Courier's lease, which closed after a previous one for a different space fell through at the last moment, remains one of the biggest deals this year for Austin's ailing industrial real estate market. The market saw its vacancy rate increase from 22 percent at the end of 2009 to 24 percent this summer, a growth rate that NAI REOC Austin said has not occurred since 1988.

A family-owned business founded 26 years ago in Dallas, US Courier has been in Austin for 14 years. As it's grown, its Austin operation has spread out in Southeast Austin, where it now occupies three locations totaling more than 42,000 square feet: an 18,000-square-foot space and a 10,000-square-foot space at 5815 Trade Center Drive and a 14,500-square-foot space about 1.5 miles away at 3900 Drossett Drive.

Now the company plans to move all its services into one spot at the Burleson Business Park at 4101 Smith School Road, said John DiTucci, the company's Austin-based vice president of operations. The company is expected to move in by mid-October after the owner does some buildout, said **Chris Skyles of SkylesBayne, who represented US Courier & Logistics.**

They've got mail

US Courier & Logistics last year opened new facilities in Corpus Christi, Waco, McAllen and the Tyler-Henderson area, adding to its operations in Austin, Dallas-Fort Worth, El Paso, Houston and San Antonio. DiTucci is expecting its strongest

growth to come in Central Texas — its largest market.

“We just landed a large deal for Amazon.com to distribute in Austin,” DiTucci said. “At first I thought it was only going to need 30 employees, but we’ll have to double that now.”

DiTucci plans to hire 15 to 20 full-time employees and another 35 to 40 independent contractors to add to the 40 employees and 120 independent contractors US Courier has in Austin. Companywide, it has 240 employees and 600 independent contractors.

Many transportation companies have buckled while dealing with high fuel prices and reduced consumer spending.

Yet the outlook for the courier industry — apart from the U.S. Postal Service, which just reported a net loss of \$3.5 billion for the third quarter 2010 — has brightened in 2010.

UPS and FedEx announced increases in shipping volume and profit, and retail sales have been stronger than in 2009.

While the industry is expected to grow 4 percent this year, US Courier, which offers same-day and next-day delivery for businesses and consumers, expects a 25 percent boost in its Austin business and 30 percent overall as it now covers 80 percent of Texas.

Booming Burleson

US Courier is the second major tenant to announce a large lease at Burleson Business Park this summer. Military technology firm Ultra Electronics Advanced Tactical Systems Inc. signed a lease in June for 76,800 square feet, also nearly doubling in size from 41,000 square feet of office space in North Austin at Stonecreek Park.

Burleson is a 400,000-square-foot, Class A, industrial and flex-space complex with four buildings on 34 acres. Three of its buildings total 326,400 square feet and were completed in 2009. Cadence McShane Corp. did the construction, and Euwer & Associates was its project architect.

The fourth building will be available on a build-to-suit basis, said Tom Pardee of TIG Real Estate Services, who represents the park that’s owned by BBP SUB, Ltd., a joint venture between TIG and GID Investment Advisors.

Other major tenants that moved in this year include Southwest Installation Services and Move Solutions. Pardee said the Ultra and US Courier leases will boost occupancy from 40 percent to 65 percent when they move in.

“It’s certainly encouraging to have nabbed these two companies in this climate to build momentum for the project,” Pardee said. “But I think summer slows things down a bit, and for now it’s still *tough out there.*”

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