



A slice of life on Smith Hill – Quality Beef

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William P. Catauro Sr. and Vincent Catauro Jr. left other lines of work to keep the family business, Quality Beef, running.

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PROVIDENCE — In the old days, men and women walked to work, lunch pail in hand. The pace of life in their neighborhoods was measured by the sound of the factory whistle.

That era is long gone, but a remnant of those ways still flourishes at Quality Beef, a quiet institution on Smith Hill that caters to the traditional tastes of Southeastern New Englanders. It is one of a dwindling number of blue-collar Providence businesses, born and bred and family-owned, in a city increasingly devoted to white-collar service businesses and nonprofit enterprises.

Eight or nine of the 40 employees at Quality Beef live in the immediate area, in and around Smith Hill, and walk to work. The company processes and packages — but mostly just distributes — beef, pork, veal, lamb, poultry, seafood, provisions such as cold cuts and cheese, and specialty items, especially imported Portuguese food products.

Although yellowing photos of the old days hang on the stairwell wall outside the corporate office at the plant, the owners don't dwell in the past. This is every bit a 21st-

century employer, looking to build the business and take advantage of economies of scale.

And Providence almost lost the company. It was poised to move to Swansea, closer to its customer base, in order to find room to expand. But city officials orchestrated the acquisition of more land for Quality Beef, and now the company says it will grow right where it is.

Providence needs employment “for the people with a little bit of dirt under their fingernails,” said Don Eversley, president of the Providence Economic Development Partnership, an arm of municipal government. “. . . It’s absolutely critical that we retain industrial and commercial companies in stable areas such as food distribution” that cannot be transplanted abroad.

Said William P. Catauro, a co-owner, “We feel it’s a good area because it’s very centrally located” and near highway interchanges. “We’ve been in Providence 75 years and we’d like to stay here.”

The business was founded in 1931 as a Federal Hill retail store, Quality Meat, by 18-year-old Vincent Catauro, who had family financial backing. After doing business at three locations on Atwells Avenue, what became Quality Beef moved to West Exchange Street, still on the Hill, and turned mostly to the wholesale trade.

Construction of the Dean Street off-ramp from the Route 6-10 connector meant the dispossession of Quality Beef about 40 years ago, and Vincent Catauro had to make a decision: Retire or relocate? His brother Michael, until recently a member of the Zoning Board of Review, retired as a partner.

Rather than see the business close forever, William Catauro and Vincent Catauro Jr., who were in other lines of work, agreed to join their father at a new location. A third brother, Robert Catauro, participated for a while, but he eventually sold his interest to the family because he preferred to work as a public school teacher.

The father decided to move from one of Providence’s historic seven hills to another, the nearby Smith Hill, where he found a former 19th-century horse barn and potato-processing plant on the southwestern slope that suited the business. The brick building, at 25 Bath St., boasts 15-inch-thick walls perfect for containing refrigerated air.

William Catauro, 63, of North Providence, and Vincent Catauro Jr., 64, of East Greenwich, are the major co-owners now, having taken over for their late father. And their sons, William Catauro Jr., 38, and Vincent Catauro III, 41, both of Cranston, own lesser percentages. The older Catauro brothers handle purchasing; William Jr., an accountant, handles administration; and Vincent III, the warehouse.

Decades later, that space that was fine at the time is now inadequate for the opportunity-minded company. The family began seriously considering an expansion in 2001.

“We’re just on top of each other,” William Catauro Sr. said. “... There is more business to be gotten but our present space is too limited.” What the company wants is a well-conceived floor plan and a building with more doors so it can more easily receive its trailer-truckloads of supplies and then parcel them out among their 11 delivery trucks.

Fast in and fast out is the key. The contents of 50 trailers — 600,000 to 700,000 pounds or nearly \$1 million in inventory — is moved through the plant weekly.

“It’s strictly a volume business. Ideally, everything that comes in at the beginning of the week, you want to be out by the end of the week,” William Catauro Sr. said. That keeps the cash flowing, prevents the perishable stock from backing up, and maintains the company’s thin 9 percent gross profit margin.

A lesser reason to expand is that the company is leaning toward doing more cash-and-carry business in which individuals come in and buy substantial amounts of meat for their small business or a cookout. That kind of trade is appealing, according to William Catauro Sr., because no delivery is required. But it demands more space than the company has.

Quality Beef has annual sales of about \$35 million and high-profile institutional customers such as Foxwoods Resort Casino, but its bread and butter is ethnic markets and restaurants. The product line varies from French fries to goat meat, with the latter delivered to Portuguese, Spanish and Brazilian customers.

The company now has 15,000 square feet and is looking to build a structure of about 25,000 square feet. Since it is cheaper to refrigerate a more compact area, the new facility would have 24-foot ceilings that would enable workers to stack four tiers of pallets, each loaded 4 feet high with product. Land is costly, William Catauro Sr. pointed out, so keeping the footprint of the new building as small as feasible also makes sense.

Another back-to-the-future aspect of Quality Beef’s plans is the disposition of the adjacent Rhode Island Department of Transportation maintenance headquarters, built in 1927 in Art Deco style. The structure is said to be, according to a study by the Rhode Island Historical Preservation Commission, one of the first “modernistic” buildings put up by state government.

Both the Rhode Island Historical Society and the Providence Redevelopment Agency, which has given the company a big helping hand in its project, want to see the long-vacant and vandalized building preserved and incorporated into the expansion. The Catauros, who would qualify for state and federal historical-rehabilitation tax credits to finance the rehabilitation, have committed to that.

William Catauro Sr. cautioned, however, that the rehabilitation will have to be held in abeyance while the new construction proceeds. The uncertainty of the financing of the addition as well as questions about the future of the state tax credit program are significant risks for the business, he said.

Using its preferred standing under state law, the Redevelopment Agency acquired the building site without competitive public bidding from the Narragansett Bay Commission for \$350,000 and then sold it for the same sum to Quality Beef.

The one-acre site, which includes the former DOT building, had been used by the Bay Commission for its massive combined sewer overflow construction project, but the commission no longer needed most of it.

The Providence Economic Development Partnership is considering joining with other lenders to finance the project, in which Quality Beef is expected to invest several million dollars. With the final building design and final costs still being tweaked, no state or city financial commitments have been made yet.

If everything works out, the company anticipates that it might increase its work force by 50 percent over time. “To keep those jobs in Smith Hill, which is a low- to moderate-income area, is all the better,” said Eversley, president of the Providence Economic Development Partnership.

City Councilman Terrence M. Hassett, who represents that ward, said of Quality Beef, “We don’t want to lose them.” “We’ve been in Providence 75 years and we’d like to stay here.”

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