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## TAMPA BAY Business Journal

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# Rooms To Go building up, new facility plan based on optimism for economic rebound

Retailer is one of the largest importers at the Port of Tampa

Tampa Bay Business Journal - by [Janet Leiser](#) Staff Writer

LAKELAND -- **Rooms To Go** is feeling pretty homey about the Tampa Bay area. The furniture retailer plans to increase its huge local presence by building another 700,000 square feet on Airport Road.

**RTG Furniture Corp.**, one of the nation's largest furniture distributors with annual sales of \$1.76 billion, has a contract to buy 44 acres in south Lakeland across the road from its existing 1.7 million-square-foot distribution center.

The Seffner-based company plans to close the deal in August and break ground on the up to 700,000-square-foot warehouse/distribution project in January, said Clay Taylor of Coldwell Banker Commercial Saunders Real Estate, the brokerage representing the sellers.

The new building will give RTG 2.4 million square feet of distribution space on Airport Road. The company now employs about 800 people at its Airport Road warehouse.

The project comes at a time when the retail sales climate has been flat and its immediate future uncertain at best.

But Rooms to Go CEO Jeff Seaman said the company is expanding while land prices are moderate, even though same-store sales in Florida, especially the Bay area, are down. He declined to say by how much.

"It's a good time to build," Seaman said. "It's a good time to buy land in Florida. I just hope we're not too early."

RTG expects Florida's economy to rebound by 2010 when the facility opens for business, the CEO said.

"We don't want to be caught with not enough space," Seaman said.

The retailer offers next-day delivery, which leads to heavy inventory.

### Getting ready

The housing slump has hurt home furnishing sales, Seaman said, adding, "Tampa was one of the tougher areas in Florida in '07. South Florida was not as bad."

Prior to the housing meltdown, however, the Bay area "had some spectacular years," Seaman said.

RTG, with about 125 stores and six distribution centers, is aggressively expanding its presence in Texas, a state flush with money from the booming oil industry. "The Texas economy is probably the

strongest in the nation," Seaman said.

In Florida, RTG is remodeling or replacing its older stores while sales are slow.

"We run everything out of Tampa and Lakeland," Seaman said. "We do all that work from Texas here."

Taylor wouldn't discuss the sale price of the Airport Road land, but property owners, brother-and-sister Jerry Tanner and Nan Tanner LeDoux, were asking \$80,000 an acre, or \$3.5 million.

Seaman would only say RTG didn't pay asking price.

The new facility, which still needs the approval of the **Lakeland City Commission**, will store furniture imported from other countries until it's needed at distribution centers, Taylor said.

RTG stores overflow shipments in hundreds of trailers near County Line Road in Lakeland. A Port of Tampa spokesman said the retailer is the largest containerized importer at the port.

"We'll always have overflow," Seaman said.

While Seaman declined to discuss RTG's drop in same-store sales, **Furniture Today** reported a 5 percent reduction in furniture factory shipments.

RTG competitors include Haverty's, **Pier 1 Imports** and **JCPenney**.

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