It's a Small World After All

Success for storage companies and employees knows no borders.

By Laura Fries

Self storage, much like the television, the microwave oven and the washing machine, is an American innovation that has spread far beyond our nation's borders.

Storage associations can be found in 27 countries, with 9,000+ facilities outside the United States. Still, many in the business have come to the U.S. from other nations to ply their trade, bringing with them fresh cultural perspectives that, combined with good old American ingenuity, can only help better the industry.

While the idea of collecting and storing our belongings is gaining global momentum, there are still some cultural habits that can get lost in translation. It took New Zealand transplant Wayne Woolsey of Kiwi II Construction a while to get the hang of looking in the appropriate direction when crossing streets here in the United States. In New Zealand, like England and Australia, cars drive on the left-hand side of the road. According to Woolsey, there were a few close calls before he got used to that difference.

For the most part, however, he said it has been easy to adapt to the U.S. since coming here in 1992. His work with Kiwi II Construction, which involves all phases of the storage industry—design, budget, and implementation of construction projects, including self storage, RV buildings, flex buildings as well as pre-engineered buildings—keeps him engaged with the community.

"I would say there is nothing major that's different; if anything, it may be a little more laid back in New Zealand. At first [here] it was, 'Where are all these people going and why so fast?' Now, it's, well, still the same," joked Woolsey. "It takes a long time to get anywhere, traffic and locations are so spread out. New Zealand is a small country. It can fit inside Colorado."



"People here spend far more time juggling family life and work obligations."

~ Lucia Darnell, PhoneSmart

One thing he'll never quite understand, though, is baseball. A huge rugby fan and player for more than 16 years, he said he'll never get used to the slow-paced, long innings of America's pastime.

For Lucia Darnell, assistant vice president and Spanish business director of PhoneSmart, and member of the International Committee of the SSA, the weather was the biggest surprise. "The climate, and understanding Fahrenheit, was quite a shock," she said. "Years later, I am still trying to get used to the cold winters."

Originally from Lima, Peru, Darnell starting taking vacations to visit family in Missouri once she was out of college. Eventually, she and her family made the move above the equator, but the temperature wasn't the only adjustment.



"Americans move around constantly, always transporting their belongings." ~ Kari Honkaniemi. BOS Container USA

"To me, the biggest difference seems to be the time for socializing," she admitted. "People here spend far more time juggling family life and work obligations. In Peru, it is common for several generations of family to live nearby each other. Families share chores such as cooking, cleaning and babysitting, so I did not have to do any of those tasks alone. As for the business environment, it is not nearly as stringent in Peru as it is in the United States. There are far fewer laws, regulations and government guidelines."

Darnell gets to return to Peru every other year to get some of her favorite foods, including Carapulcra, a delicious Peruvian stew. "I miss my family, being close to the ocean, and the laid-back attitude, but what I definitely miss the most is the food. Being near the Pacific Ocean, there is always an abundance of fresh seafood. This is not the case in central Missouri!"

Business Exchange

Kari Honkaniemi, CEO of BOS Container USA Inc., and his partner Tom Craycroft, CEO of Nordics, appear to be part of a business cultural exchange program—although it was completely unintentional. Honkaniemi, originally from Finland, now lives in the United States. Craycroft, a native of Illinois, now lives in Finland. Honkaniemi joked, "It's all because of a woman."

Actually, Honkaniemi moved here when he was 17. He finished high school in the States and is a proud University of Oregon Duck. He worked in the financial markets here

See Small World, page 18



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Small World, from page 16

before returning to Europe, but came back in 2004. He met Craycroft three years ago and formed the company based on mutual ideas. Honkaniemi's familiarity with Scandinavian customs has only enhanced their business.

BOS, which sells German-made containers and storage solutions, exports goods to and from the U.S. to other countries such as Denmark, Sweden and, of course, Finland. Honkaniemi is, among other things, the interpreter between the countries. Sometimes a product designed for one place might not work elsewhere without some adaptations. "A storage unit for Germany needs some tweaks for it to be successful in the U.S.," said Honkaniemi.

The art of conducting business across continents also requires some finesse. "In the U.S. you have to be ready with the numbers and shoot them out of your head," he explained. "You deal a lot with the factory and product enhancements to fit the market."

In general, the storage business, though localized from country to country, is expanding across the globe, said Saul Hoppenstein, senior vice president and managing director of Berkadia Commercial Mortgage. Burgeoning technology has made the world a smaller place enabling people to access storage facilities anywhere in the world.

"Today, with technology the way it is, it's truly a global economy. It used to be more delineated, but the Internet, all of these forms of communications and social networking makes doing business more instantaneous," said Hoppenstein.

Hoppenstein still carries traces of his South African accent, despite having lived in the U.S. for 35 years. He moved with his family in 1979, finished his schooling, and secured employment in the commercial mortgage business. He's currently with Berkadia, which was named the third largest U.S. master and primary servicer with \$236.3 billion in volume as of December 31, 2014. "We have fantastic, longstanding relationships with banks, life insurance companies and Wall Street with whom we secure financing for clients' commercial projects. We arrange financing for both mid-size and large owner/oper-



"Today, with technology the way it is, it's truly a global economy."

~ Saul Hoppenstein, Berkadia Commercial Mortgage

ators within the storage business. Our services run the full gamut from securing construction loans, to interim and bridge loans, as well as acquisitions and permanent non-recourse long-term debt.

Working in the self storage sector since 1998, Hoppenstein has seen the growth of the industry both domestically and internationally.

"Self storage has spread across the globe from Europe to Australia. There are quite a number dotted in South Africa as well. This trend will likely continue," he said. "At the end of the day the U.S. has a consumer-driven economy—thank goodness—that puts money back into the economy. In this country, we have a pack rat mentality. We don't like to discard or throw anything out, and that creates a need for storage in addition to the fact that population and demographic shifts as people move about in search of a better quality of life."

The storage industry is a lot more developed here in the U.S., said Honkaniemi. "Scandinavian countries don't have as big of a storage industry," he said. "Maybe they don't have as much clutter. Over here, people are moving around a lot more, so there is a real need."

According to the U.S. Census Bureau, in an average year, 12 percent of Americans move at least once, and that number is growing. Honkaniemi will soon be part of those statistics. An empty nester, he and his wife will move from New York to Miami for her work. Honkaniemi can bring his business with him anywhere, which is a testament to the industry.

"Americans move around constantly, always transporting their belongings," he said. Luckily, BOS Industries has just the container for that.

