

Daughter moves to top of family business

Shapiro follows path of father, grandfather

By Andrea K. Walker , SUN STAFF|October 07, 2001

By age 7, Marjorie Shapiro had begun working for her family's freight-forwarding business, filing papers alongside her older brother and sister in a dusty warehouse in South Baltimore.

Unknown to Shapiro, her career path was already being molded.

But when she became old enough to make her own decisions, she resisted working for Samuel Shapiro & Co., the business her grandfather started 86 years ago in a one-room office with a \$5 roll-top desk.

"I didn't want to be under my father's thumb," she recently recalled.

The once-defiant Shapiro, now 37, has since come around. Not only does she work for the company, but with her recent promotion to executive vice president and chief operating officer, she's running it.

She becomes the third generation of Shapiros to head the business, which advises clients on transporting goods around the world. She takes the reins from her father, M. Sigmund Shapiro, who took over the company from his father, Samuel.

Sigmund Shapiro, not ready to retire, stayed on as chief executive officer when his daughter was promoted.

She also became one of the few women to head a company in an industry dominated by men, say those in the field.

"In the entire logistics industry, trying to get more women involved is difficult," said Don Erickson, president of the Council of Logistics Management. "There are just so many stereotypes. When you think of trucking, you think of men. When you think of shipping, you think of men. It's a unique situation in particular to see a woman running a company like that."

Even in the Shapiro family, it was always expected that Marjorie's brother, Robert, would one day become the boss.

"I had a boy, and he was supposed to run it," said Sigmund Shapiro, the company's CEO. "It's just tradition that the son was supposed to take over the business. I eventually realized that my son could run it, but so could my daughters."

Marjorie Shapiro remembers growing up and attending local industry meetings in rooms full of men. But she said she's also seen the industry change over the years and looks at her position as a sign of improvement.

"When I first started, it was really a man's business," she said. "Now there are more and more women. I don't see that being a woman will be an obstacle at all."

Shapiro takes over one of the state's oldest and most influential companies associated with the port of Baltimore, those in the industry say. The Shapiro family has helped shape the direction of the port over the years. Samuel Shapiro lobbied the state legislature to create the Maryland Port Authority.

"The sun rises and sets by the Shapiros. They are politically connected and well-aligned with the Port Authority," said Kenneth W. Branamen, chief financial officer and founder of Portside Terminal Services Inc.

No one tracks how much freight forwarders contribute to the economy of the port of Baltimore, but the companies are instrumental in getting freight into and out of the city.

The Shapiro Co. was one of the first. In 1915, after working for three years as a customs clerk, Samuel Shapiro received his Custom House broker's license and opened for business, according to family memoirs. He was the only Jewish person in a predominantly Catholic industry and had trouble breaking into the network.

Throughout the next couple of decades, the business went through up-and-down periods.

After the end of World War I, the federal government made Shapiro responsible for shipping grain to war-torn Europe. But after the stock market crash in 1929, the company again fell on tough times.

Its big break came in 1935, in part because of new taxes put on imports by the Tariff Act of 1930. At the time, customs brokers were allowed to share fees with attorneys. In 1935, Samuel Shapiro made \$35,000 helping an attorney represent another company that was disputing tariffs imposed on rags it was importing from the Far East. He used some of the money to travel to Europe, and began expanding the business internationally.

The business prospered until World War II, when staff was short and Samuel Shapiro did much of the work himself. By 1949, business was back to normal, and the second generation of Shapiros came into the business when Samuel's son Sigmund began working full time at age 20.

Sigmund Shapiro and his father clashed constantly. Samuel Shapiro resisted modernizing the facility, so his son would make changes and convince his father they were his idea, Sigmund said. Sigmund finally became head of the company at age 40. But while they differed on management styles, the two Shapiros were insistent on keeping the business in the family.

"All of us knew that it was our birthright, that we would just kind of fall over into the family business," Marjorie Shapiro said.

Her brother, Robert, and sister, Rosellen Bloomberg, continued to work for the family business as adults. Marjorie Shapiro decided to branch out on her own.

She studied psychology at the University of Pennsylvania and was accepted into law school, but decided not to go. Instead, for 10 years she worked for an advertising firm. "I had to prove to myself that I didn't have to work for the family business," she said.

Eventually, she said, she became restless with advertising and realized that she needed to return to her roots. She told her father she wanted to come back to the company. She opened the company's Philadelphia office.

"I felt like it was time to change, and I wasn't doing what I was supposed to be doing in life," she said.

Today, Marjorie Shapiro is the only sibling who works for the family company full time, though her brother, an attorney in private practice, represents the business. Her sister is a homemaker.

Marjorie oversees the day-to-day operations of 10 offices from the Philadelphia location, but the company remains based in Baltimore.

Shapiro has made some tough decisions as the economy has slowed considerably. Most businesses at the port have felt the impact as less cargo is transported. The company recently laid off 10 people and changed its telecommunications carrier. Shapiro believes that now is the time to make the company stronger.

"I look at it as a good time for us to regroup," she said.

She also played a large role in reshaping the company's image. Shapiro & Co. lost some clients after making bad management hires.

"We basically lost the Shapiro philosophy of customer service," Sigmund Shapiro said. "We've now retrieved it, and Marjorie has been responsible for that."

Sigmund and Marjorie Shapiro admit that they are stubborn and say that they sometimes clash like father and son a generation ago. But Sigmund says his daughter's new position doesn't mean he's ready to retire.

"My job now," he said, "is to stay out of her hair."

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