

Harris: Power Systems moving

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Knoxville-based fitness equipment distributor Power Systems is expanding and moving to a larger facility in West Knoxville.

Power Systems purchased the National Book Warehouse property at 5700 Casey Drive near the intersection of Middlebrook Pike and Weisgarber Road for just more than \$6.5 million. The sale closed Dec. 28.

Bob Thornton with Baker Realty Co. brokered the deal. The seller was Winslow Corner LLC. David Hinkle, CEO of Knoxville-based National Book Warehouse, is chief manager of Winslow Corner, according to documents filed with the Knox County Register of Deeds office.

Power Systems - which borrowed \$9.35 million against the property - plans extensive renovations.

"We hope to get started by March 1 and be in by Oct. 1, but that might be a bit of a tight schedule," said Julie Pauletto, who owns the company with her husband, Bruno Pauletto, former University of Tennessee strength and conditioning coach.

At 227,000 square feet, the former book warehouse is more than double the size of Power Systems' existing facility in Westbridge Business Park in West Knox County.

"We've needed more space for some time," Julie Pauletto said.

Power Systems sells a wide range of exercise equipment to sports and fitness professionals, schools, professional sports teams, gym owners and others. The product line includes everything from medicine balls, jump ropes and mats to strength and flexibility accessories.

The Paulettos moved quickly when the former book warehouse came on the market. National Book Warehouse, which filed for Chapter 11 bankruptcy protection less than a year ago, said in October it would cease operations at the end of February.

"The size (of the former book warehouse) was the first thing that attracted us," Julie Pauletto said.

Company sales have grown 20 percent to 25 percent a year, a trend that shows no sign of letting up, Julie Pauletto said.

"This should give us room to grow for several more years," she said. "I don't think this fitness craze is going away."

The Paulettos started the company in 1986. Power Systems has 70 employees and may add 10 or more new positions this year to keep pace with expected growth, Julie Pauletto said.

Whirlpool Corp. has sold its West Knoxville customer call center to an investment group for \$6,875,000. The call center at 412 N. Peters Road will remain open, however, a company spokeswoman said.

The Benton Harbor, Mich.-based maker of major home appliances has no immediate plans to close the call center and has signed a five-year lease with the building's new owners, Seven Oaks Partners LLC, said Monica Teague, Whirlpool's manager of media relations.

Last week Whirlpool announced a series of changes in its North American manufacturing operations, including the elimination of 370 jobs at its plant in Cleveland, Tenn. The company recently acquired rival Maytag.

Assistant Business Editor Roger Harris' Property Watch column appears on Wednesday. He may be reached at harrisr@knews.com or 865-342-6342.



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