



Amazon to lease facility in Bethpage as distribution center

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The Goya building in Bethpage, which Amazon has leased to use as part of its vast distribution infrastructure. Photo Credit: Newsday / J. Conrad Williams Jr.

Amazon.com Inc. has agreed to lease a 161,360-square-foot Bethpage facility to use as part of its vast distribution infrastructure, a spokesman for the online retailer confirmed.

Goya Foods Inc. closed its distribution center at 201 Grumman Rd. W. in July after 17 years on Long Island and moved the jobs to Jersey City, New Jersey, where it has a corporate headquarters.

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The property's owner, Bethpage-based commercial developer Steel Equities, then sought to revive the property to attract new tenants.

The Amazon spokesman said that "the building will be used to support Amazon's customer fulfillment network" but provided no further details.

Seattle-based Amazon is expanding its distribution network to drive down costs, according to a research note issued Monday by Manhattan-based Cowen and Co.

Business



The note quoted logistics expert Marc Wulfraat as saying that Amazon has amassed 160 centers used to sort and deliver goods in the United States in an

“almost unprecedented” expansion, including 43 Prime Now Hubs used to deliver products in an hour or two in select locations.

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In March Amazon reached a deal to lease 20 Boeing 767 aircraft, supplementing the capacity of United Parcel Service Inc. and FedEx Corp.

“Twenty years ago, I was driving the packages to the post office myself, and hoping we might one day afford a forklift. This year, we pass \$100 billion in annual sales and serve 300 million customers,” Jeff Bezos, founder and CEO of Amazon.com, said in a January news release.

Amazon, with 230,800 full- and part-time employees, had 71.7 million square feet of space in fulfillment and data centers in North America at the end of 2015, according to a Securities and Exchange Commission document.

Nassau County Executive Edward Mangano said that landing Amazon was a coup.

Business



“Attracting Amazon as an employer will provide a significant boost to our local economy,” he said in a statement.

Daniel Deegan, an attorney with Forchelli, Curto, Deegan, Schwartz, Mineo & Terrana, of Uniondale, said his client, an affiliate of Steel Equities, had received a 20-year tax reduction package in July 2015 to develop the Bethpage property after Goya left the site.

The financial package from the Nassau County Industrial Development Agency also covered a 44,000-square-foot structure built next to the former Goya property as a new location for FedEx Freight. Amazon signed the lease in March.

Amazon’s workplace culture has been portrayed in news reports as demanding. A company news release said that full-time employees receive benefits including health care, a 401(k), company stock awards and maternity and paternity leave starting on their first day.

In 2015, Amazon posted net income of \$596 million on revenue of \$107 billion. *With Victor Ocasio*