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Where Are They Now?

By Sophie Braccini

You read about their first steps in the Lamorinda Weekly. You may already be one of their customers. How are the new businesses that opened in Lamorinda over the last two and a half years doing? Research by the U.S. Bureau of Labor Statistics suggests that most failures of American start-ups occur in the first two years of their existence; across sectors, one third disappear during that period. Thanks to Lamorinda residents and the 'shop local' campaigns, Try Lafayette First, Shop Moraga First and Shop Orinda, most of our new businesses have survived their infancy.

One of the most comprehensive commercial developments of recent years is the Lafayette Mercantile on Mount Diablo Boulevard. Craig Semmelmeier, Founder and Principal of Main Street Property Services, has been instrumental in finding appropriate tenants. "We have one space remaining un-rented because we are looking for a very specific business to put there," says Semmelmeier, "Cortese Investment (the developer) is holding on to its strategy to have a bakery-caf•there, to create the right mix of businesses." Semmelmeier, who is now negotiating with an un-named 'perfect match,' is following the performance of the Mercantile's businesses.

"Individual store sales are confidential," says Semmelmeier, but his point of view is that they are doing well considering the economic circumstances.

"They are lucky to be in Lafayette, other markets in the Bay Area, including Walnut Creek, are much more impacted."

Powell's Sweet Shoppe, for example, is doing very well. "People can still afford to come here and treat themselves and their kids," says owner Zeina Hissen, "we feel very fortunate." The former French teacher who fell in love with the Powell's concept is even considering opening a second store in Contra Costa County.

Lamorinda restaurants offer a more contrasted picture; some new restaurants didn't make it, like Gigi's in Lafayette and Nino's Bay in Orinda. Others such as Metro Lafayette, Kopitiam, Yankee Pier, Knoxx, Chevalier and Asia Palace have endured.

"We saw the economy going down and we understood that people didn't want to spend as much," explains Jack Moore, owner of Metro, "so we adapted our menus, especially our lunch menu to make it a good deal." Moore reports that the number of people who come to the restaurant stayed the same, even if the amount per person went down. Moore feels lucky to have started his business in 2007, when business was still good, "we established our base line and then adapted to what the customers want; we were lucky."

According to Semmelmeier, a recession serves the same purpose as a forest fire - it's a great way to get rid of the dead wood. "The businesses that will survive in this environment are the ones that bring something special to the community and have good management practices," he believes.

Many service businesses seem to have found the right recipe. Paperweight, the luxury stationary store that started two years ago at 3678-A Mount Diablo Boulevard, is doing well. "We've established a loyal customer base," says co-owner Karen Brickman, "we felt a crunch with the economy, but people are happy to shop locally and things are picking up again." Creativity, customer service and adaptability have been the keys to that success.

Peter Goldie of Sewnow fashion studio, which specializes in fashion design, sewing lessons and camps, has the same perspective. "We have grown very fast our first year, and this summer we've felt a bit of a slow down, so we've adapted and created more flexible programs for people," he said.

Canetti's Bookshop owner Jeff Koren, who set shop at 39 Moraga Way in Orinda, did not choose the easiest business niche, selling used books in a brick and mortar store, but the young man is pleased with his first year.

"The store is really catching on with the community, people enjoy the bookshop, and even the bookshop cats," he said.

One recession-resistant business is senior services; recession or not, we are all getting older. According to Kevin Reneau, who started Senior Helpers in Moraga in 2007, his business is doing well because it is not a luxury.

"People sometimes try to delay making the decision, or contract for a lesser number of hours, but what we offer is what they need to continue to live safely and healthily in their homes," says Reneau, who also recently created a senior discount card for members of the community.

This article would not been complete without mention of your friendly neighborhood newspaper, the Lamorinda Weekly. "Our business plan helped us to understand the worst and the best scenarios," says Andy Scheck, founder

and publisher, "knowing cost and expenses was key for our success. Our business is improving as I speak. We believe we developed a vibrant and valid product for our customers and the community."

Reporter's note: This article was not intended to be a complete list of all the businesses that opened within the past 2 1/2 years, just a visit with a few that we have featured. If you have a business perspective you'd like to share, please contact sophie@lamorindaweekly.com.

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