

# SBS IN THE NEWS

## The New York Times

### Brooklyn's Tide of Chains, Decidedly Local

By DIANE CARDWELL  
Monday, September 21, 2009

The mandala logos appear every few blocks or so, each heralding another establishment tucked into a brownstone storefront, all bearing the generic name Area. Over here, it is a day spa. Over there, a children's clothing shop. Down a ways, a toy store.

The brainchild of Loretta Gendville, a masseuse turned entrepreneur who lives in the neighborhood, the Area chain, which includes a yoga studio, has become a lifestyle institution along Smith and Court Streets in Brooklyn, the commercial arteries linking Boerum Hill, Cobble Hill and Carroll Gardens.

And it is far from the only one of its kind.

While New Yorkers have been nervously eyeing the encroaching tide of national chains, fearing the stores will wash away all things small and charming, a different retail species has taken root in this still-gentrifying quarter: the chain that is distinctly, even aggressively, local.

Little empires of restaurants, bars, clothing stores and other establishments started by homegrown entrepreneurs have multiplied in this patch of brownstone Brooklyn, sending up new sprouts every few blocks. Within about a square mile, more than a dozen of these clusters have emerged since the late 1990s, mainly along a mile-long stretch of Smith Street connecting Atlantic Avenue to Hamilton Avenue.

And even in the dumps of a recession, as storefronts go dark in other parts of New York, the Smith Street boomlet churns on, drawing attention as a business model that might be replicated elsewhere.

"The cluster retail model really works," said the Manhattan borough president, Scott M. Stringer, who has been looking to spur similar kinds of economic development in his borough because, he said, money spent in locally owned stores has a far greater economic benefit for the surrounding neighborhood

than money spent in national chains.

Robert W. Walsh, the city's commissioner of small business services, said that he had not seen as high a concentration of local chains anywhere in the city outside the Smith Street area, and that development advocates in other neighborhoods were courting the Brooklyn businesses to seed their revitalization efforts. "I think this is a unique thing," Mr. Walsh said.

A more common pattern is for a successful business to replicate itself in a new area, said Raymond J. Keating, the chief economist at the Small Business and Entrepreneurship Council, an advocacy and research group.

But along Smith Street, Mr. Keating said, opening related but slightly different outposts in close proximity has allowed owners to diversify and "tap into these customers in a variety of different ways" without necessarily cannibalizing their existing trade. In addition, he said, diversification can help business owners survive in tough times, as gains at one shop offset declines at another.

The trend may have started with Alan Harding and Jim Mamary, who opened Patois, a bistro, on Smith Street in 1997 and soon peppered the area with a quirky mix of hangouts. As the real estate boom in Manhattan increasingly pushed pioneers a few subway stops into Brooklyn, a flood of other would-be mini-moguls rushed in.

There are now the Franks — as in Frank Falcinelli and Frank Castronovo — who own two restaurants in Carroll Gardens, Frankies Spuntino and Prime Meats, and a coffeehouse, Cafe Pedlar, in Cobble Hill. There are the Stinky people — Patrick Watson and Michele Pravda — known for their cheekily named cheese-and-charcuterie store Stinky Bklyn, a wine bar, the JakeWalk, and a wine shop, Smith & Vine, all within two blocks of one another.

Loren Sosna of the home furnishings shop Environment 337 is opening a boutique, Retrospect,

## The New York Times

### Brooklyn's Tide of Chains, Decidedly Local (continued)

a few doors down. And Leslie and Jean-Jacques Bernat, the husband-and-wife team who run the bistro Provence en Boite and a nearby bed-and-breakfast, Les Sudistes, are starting another restaurant, La Petite Provence, in part of the old Patois space.

The expansions are in some ways natural outgrowths of establishing a loyal following, shopkeepers say. "If they like the product, then they trust another store by the same people," said Melissa Murphy, who started her collection of Sweet Melissa bakery-restaurants in Cobble Hill in 1998.

Some say the phenomenon is closely tied to the particular village rhythms of brownstone Brooklyn, where residents seek niche establishments for goods, services and entertainment within walking distance.

"In Brooklyn, people stay in their neighborhood — you have your one or two parks you go to and your coffee shops," said Ms. Gendville, the Area owner. "I wanted to create little stores so that people didn't necessarily have to travel."

But the chains have proved so stable that many have expanded beyond Smith Street. Ms. Gendville now has children's clothing shops in Brooklyn Heights, Park Slope and Williamsburg, although she said she would consider consolidating some of the shops as the leases came up for renewal.

The Franks recently opened another Cafe Pedlar near their Frankies Spuntino on Clinton Street in Manhattan and plan to open a restaurant called Delightful Coffee Shop in Red Hook, Brooklyn, later this year. Ben and Michael Wiley, the brothers behind the Smith Street brewpub Bar Great Harry, are busy making a beer garden, Mission Dolores, out of an automotive shop on Fourth Avenue in Gowanus, Brooklyn. It is due to open in October.

Certainly, this corner of Brooklyn did not invent the local restaurant-retail chain. In Manhattan, Danny Meyer anchored his empire of new American cooking around Union Square; the designer Marc Jacobs is

still colonizing Bleecker Street in the West Village; and Bruce and Eric Bromberg rooted their Blue Ribbon restaurant franchise on Sullivan Street in SoHo.

"Management-wise, it's great to have restaurants near each other," Bruce Bromberg said. "It creates a certain continuity because you see what's being made here, and a half an hour later you're in the other kitchen making sure things are being made correctly."

But the Boerum-Cobble-Carroll corridor seems even more concentrated, and has attracted people who got their starts in the food business with Manhattan empire builders like Mario Batali and David Bouley. The area encourages this sort of development, local businesspeople say, because its collection of storefronts provides small spaces at affordable prices and runs through several affluent neighborhoods.

"You have a density of population that is for the most part pretty well educated, employed and, obviously, through basic aesthetics, is used to a certain quality of life," Mr. Falcinelli said. "It's maybe not the top finance guy at Goldman Sachs — it's the back office of Condé Nast, the writers, the producers."

Some Smith Street entrepreneurs had plans to expand from the beginning; for others, opening a new business has been a way to keep things fresh. As Ben Wiley put it, opening a new bar is less an expansion than an insurance policy. "I was never like, 'Dude, let's have five or six bars — live large,'" he said, laughing. "Four would be enough."