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Burdick's closes its doors

By GREG BEEBE

Sentinel staff writer

SANTA CRUZ — Another local cornerstone business has closed its doors.

Burdick's Audio, Video, TV and Appliance, a Santa Cruz fixture for 45 years, is the latest victim of lingering effects of the 1989 earthquake, the sagging economy and cutthroat competition from corporate competitors.

Company president Dale Burdick made the decision to pull the plug over the the weekend. Burdick's stores in Santa Cruz and Watsonville had been marked with terse "Closed for inventory" Saturday.

The company had filed for reorganization in March under Chapter 11 of the federal bankruptcy code. But with losses mounting monthly, Burdick said Monday that he had no choice but to close.

"I was hoping that Christmas would come sooner, but it just finally got to the point where the debt appeared to be insurmountable," said Burdick. "It seemed that the best solution was to take a look — do inventory, discuss a few things with my counsel — and determine what best could be done. ...

"Regretfully, it appears that we won't reopen," said Burdick.

Right now, working out arrangements with service customers, lay-away buyers, clients with warranties is "my primary concern," Burdick said.

Burdick declined to disclose the company's debt, saying only that more money was going out than coming in. The numbers, he said, are still being totaled. The final payroll for about 35 employees was met, he said.

"My relations with the primary creditors have been good," he said. "It's just kind of a situation where your debt is constantly growing and it's difficult to go forward."

Burdick's once boasted six stores in Monterey, Salinas, Watsonville and Santa Cruz and employed nearly 90 workers. It joins a list of once-thriving, family-owned busi-

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ness that have closed or filed for bankruptcy in the last two years, including Penniman Title Co. and Ford's Department Store. Another, Haber's Furniture and Design, has announced it is going out of business and is selling off its inventory.

A number of factors contributed to the company's demise, said Burdick.

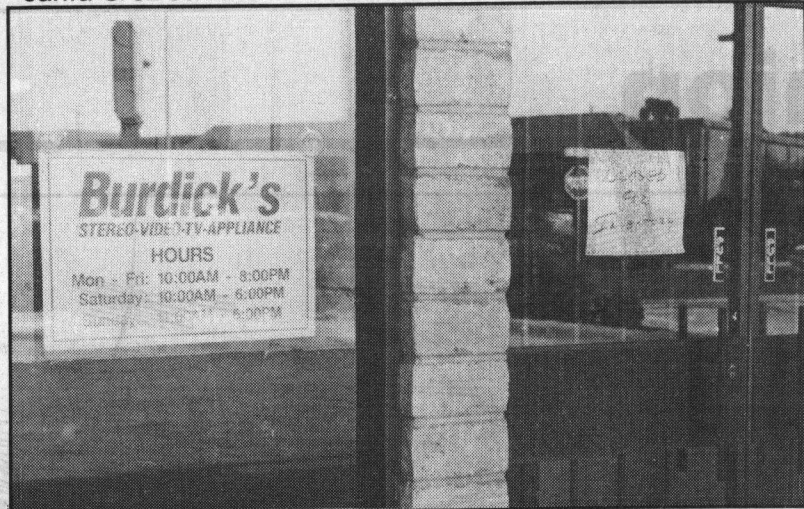
"I really can't point to any one issue. It's a tough economic climate in retail right now, particularly in California. The earthquake was a major impact. (The Gulf War) and the closing of Fort Ord and the recession are all major factors."

Burdick's retail "concessions" inside Haber's Furniture and Ford's suffered extensive, uninsured losses in the earthquake. "That was maybe the beginning of the end," said Burdick.

The market for durable goods, which consumers often postpone purchasing during tough economic times, also hurt the company, Burdick said. "At times it appears to get better, but it's been very erratic."

The roster of large competitors able to withstand the recession, though changing, perhaps was the final blow, he said.

"In the last year and a half, some (competitors) have gone



Shmuel Thaler/Sentinel

A 'Closed for inventory' sign' told the end of a local business.

away and other new players have come in. ... The public-owned companies have much deeper pockets than me."

Burdick said he is working to serve customer interests.

"The key issue is ... the customers that are up in the air. We're going to do the best that we can under the conditions."

As the president of a family-owned business of good repute, Burdick said he is working to establish a contact for customer questions. Appliance Service Center in Santa Cruz can answer questions regarding warranty work, he said. The Burdick's service shop number now rings at Appliance

Service Center.

Burdick's father, Hal Burdick, founded the business in 1947, after buying Thompson Radio on Soquel Avenue, according to Sentinel files. The store prospered and expanded, selling radios, TVs and hi-fi's in the burgeoning electronic age.

Burdick said he was proud that the store was able to serve "four generations of Santa Cruz County, with most anything for their home, be it major appliances or consumer electronics."

He praised his employees and loyal customers. "Thanks to our customers' support," the company had many good years, Burdick said.