

Pacific Garden Mall 1992
Avenue

Bookstore war escalates

By ROBIN MUSITELLI
Sentinel staff writer

SANTA CRUZ — Round one in the bookshop battle is a split decision. Crown Books will get its "Super Crown" sign, albeit not as big or as bright as originally planned.

As a result, Crown hasn't dumped plans to open a 14,000-square-foot store inside the new theater building on Pacific Avenue, as threatened.

But Bookshop Santa Cruz owner Neal Coonerty, who fought to keep Crown from

'Welcome to Santa Cruz. Let the fun begin.'
— Neal Coonerty, to Crown Books official

erecting its corporate logo across the street from his bookstore, says he's not done yet.

He's already promised Crown a media fight and has filed a letter of complaint with the District Attorney's Office regarding Crown's advertising.

"This is just the beginning. They're out to put us out of business in a year," Coonerty said.

Coonerty said. "The fundamental question is whether Santa Cruz is going to trade Bookshop Santa Cruz."

Coonerty also issued warnings directly to Crown.

"Welcome to Santa Cruz. Let the fun begin," he said in a letter to Craig Killman, Crown's real estate manager. "Remember you were forewarned, so no whin-

6-15-95
ing in the future, if Crown has a future."

The dispute over the sign was decided late Tuesday night by Santa Cruz City Council members, who voted unanimously to uphold the appeal of building owner Jack Bariteau and approve Crown's sign.

Bariteau had appealed a Zoning Board decision that sided with Coonerty, who had appealed the original decision by a zoning administrator approving the sign.

Coonerty argued that Crown was entitled to a 44-foot sign, not 55 feet as ap-

Please see BOOKSTORE — BACK PAGE

14 — Thursday, June 15, 1995 — Sentinel

Bookstore battle

Continued from Page A1

proved. He also objected to the interior illumination of the sign, which he said reeked of a strip mall.

To give more sign space would hand Crown an unfair advantage, said Coonerty. The Zoning Board agreed.

Bariteau subsequently changed the sign's illumination to "halo" backlighting and asked for a sign of 45.3 feet.

Both were approved by the City Council, which decided the sign was in keeping with the size of the building.

Nevertheless, Coonerty proclaimed a victory. "They changed the type and reduced the size, so I feel like we won," he said.

Bariteau could not be reached for comment Wednesday. He said earlier, however, that the fight was about competition, not the sign.

"Neal has tried unsuccessfully to stop Crown from signing their lease and has done everything possible to keep this value-oriented competitor from opening for business in downtown Santa Cruz," Bariteau wrote to the City Council.

The sign siege "is nothing more than Neal's attempt to continue this harassment and his obstructionist efforts," Bariteau said. "I am shocked and personally affronted by his conduct."

Bariteau said that if Crown didn't get the large sign, it would

drop plans to come to Santa Cruz.

Coonerty contends that was an empty threat.

At the same time, he acknowledges that his fight against Crown is much larger than a sign. It's a fight for survival of independent booksellers, who have lost 40 percent of their market to the large retailers, he said.

For Coonerty, it's also a personal fight against Crown that goes back more than 10 years. When he was president of the Northern California Bookseller's Association, Coonerty initiated an antitrust lawsuit against publishers to stop giving deals to Crown and other large chains.

Crown returned fire with a \$10 million personal lawsuit against him and another against his store. The lawsuits eventually were dropped, and the Federal Trade Commission has subsequently assumed the bookseller association's antitrust investigation.

A recent spate of faxes from Coonerty to Crown representative Killman indicates the tenor of the feud.

In one, the former mayor and councilman notes his political connections in offering Crown "a bit of helpful advice."

"Do not fear the hearing before the Zoning Board. You will get a fair hearing because they are all fair, impartial and honest people. I made certain of that when I voted to appoint them. If the appeal goes

to the City Council, I want you to understand that they will treat Crown Books fairly. Again, I served with five of the seven and know them to be honest and they did not always agree with my point of view."

In other letters, Coonerty warns of "pesky hidden costs" of doing business in Santa Cruz, such as parking fees, and warns that his battle against Crown will have great media interest. "It is, after all, the perfect David and Goliath story," he said.

Coonerty also outlines plans to take on Crown's advertising practices. "Of course, I will not ask the (District Attorney's) Office to investigate this practice until you get open in Santa Cruz County. Then we will look at your advertising and your pricing of the books in question," he wrote to Killman.

In fact, Coonerty had already written to Assistant District Attorney Don Gartner questioning Crown's advertising practices in early May.

Coonerty said the "combative" tone of his letters was justified. "The way they've conducted themselves over the last 10 years is combative. It's a like kind of thing."

Coonerty said Crown representatives had threatened to "crush" his business.

"We intend to fight as hard as we can," he said. "In any event, it's not going to be a happy thing."