

# Gottschalk's Drops Anchor - at the - Capitola Mall

by Anne Chavré

**P**olo by Ralph Lauren. Fine fragrances and crystal. A stained glass, domed skylight. Cookware demonstrations. A glass elevator?

We're not talking Macy's, Neiman's or Nordstrom's—we're talking Gottschalk's in the Capitola Mall.

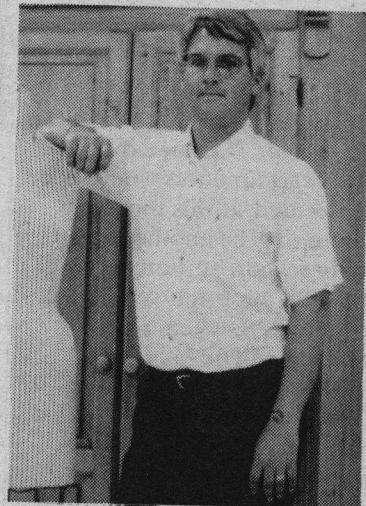
"There's nothing within 40 miles like what we're going to offer," said Gottschalk's Man-

who will then go on to patronize other nearby businesses.

There are, however, independent shop owners who are concerned about having to compete with the chain.

Mary Zontine and Rosalie Larson own Babs Bridal, one of five bridal shops in Santa Cruz County. Gottschalk's full-service bridal department will bring that number to six—three of which are on 41st Avenue.

Zontine said, "If another bridal store moves in, somebody's got to go out."



Gottschalk's store manager Stephen Borasi.

Gottschalk's company policy is to promote from within the ranks of employees.

Almost all of the 250 people at work in the Capitola store are Santa Cruz County locals, including all 11 area managers, many of whom worked for Leask's before the company and the rights to the proposed Capitola store were sold to Gottschalk's in 1988.

Borasi arrived that year to open the downtown store, which was all but destroyed in October's earthquake.

"We lost a few million dollars downtown," he said. "We put a lot into the building, and planned a lot more."

Although Gottschalk's has sold their land on the Pacific Garden Mall, they would like to have another store downtown someday, according to Borasi.

Mimi Paulsen, executive director of the Downtown Association said, "We'd love to have Gottschalk's back. We frankly are missing the department stores because they carry [items] the smaller stores don't, they draw people, they advertise and hold regular sales."

Paulsen said that the wider selection offered by department stores is needed to keep customers shopping locally.

And, as Santa Cruz County consumers are encouraged to spend locally, Gottschalk's staff is encouraged to become involved in the community, volunteer time and participate in company sponsored events like "Charity Day."

This pre-opening day event was a fundraiser for local non-profit groups. Gottschalk's donated 20,000 tickets to charity organizations to sell for \$5 each. Shoppers had to have tickets to enter the store on this day, and the charities got to keep the proceeds.

"We put a lot back into the community," said Borasi. "Our philosophy is that anybody who walks in our store can buy something; we have to give something back." □



Fred Smith, Michael Seals and Karen Benson set up mannequins at Gottschalk's.

ager Stephen Borasi. "This is the biggest store we've ever built," he said, "and we expect it will be one of our top stores."

The 110,000 square foot space houses 20 major departments, making it roughly a third the size of Macy's, Valley Fair.

But, Borasi said, the company's plan is to provide something for everyone, including customer service that might make shoppers think twice about driving over the hill.

"We want to provide what the community wants," he said.

Capitola's City Manager Steve Burrell said, "This merchant tries to offer things we're interested in. It's an excellent opportunity for local stores to capture back money that's being spent outside the county."

Because Gottschalk's is an "anchor" store in the mall, it is expected to attract customers

"We've heard they run a nice, fair, clean business," said Larson. But, said Zontine, "They're open seven days a week, and they're open all hours." [10am-9pm weekdays, 10am-7pm weekends]

Borasi said that kind of rivalry could be healthy for business. "Competition is a good thing," he said. "They might have to be a little sharper."

Gottschalk's knows something about competition—and about success.

The family-owned company was founded in 1904, went public in 1986, and now operates 22 department stores in California, along with two lines of specialty shops for petites and large sizes.

Although the business has grown, Borasi said, "It's a big company, but it's family oriented... We like stability, and we do what it takes to make our employees happy."

Cindy Collins

Cindy Collins