

Zanotto's closes market, leaves Santa Cruz for good

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SANTA CRUZ — Friday the lights go out on a 15-year downtown mainstay.

Zanotto's Family Market is consolidating the family business into its two San Jose stores and leaving Santa Cruz County for good.

Fred Zanotto, co-owner and vice president of the family business, was at the market at 700 Front St. Wednesday by 5:30 a.m., as he is on most days, only this week he has to sweep floors and clean bathrooms because the custodial staff has

moved on to new jobs at the Scotts Valley Market. The Zanottos sold their store in Scotts Valley earlier this year to the Clements family of Ben Lomond Market.

Normally in the early dawn, Zanotto would be making orders, checking inventory, building employee schedules.

"That's all done here," he said, adding the 30-person staff had shrunk to 16 by Wednesday.

Instead, all week he's been manning the registers for the line of customers who were reaping the benefits of big discounts, giving him hugs and saying goodbye.

Wednesday, in a sparse box office that looks out on the market floor, he said the customers have been good, and he's proud that the family has conducted business with integrity.

Just the day before, a customer came through his line at the register and couldn't find his ATM card.

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Fred Zanotto bags groceries Wednesday as he prepares to close his family-run downtown Santa Cruz grocery store on Friday.

Dan Coyro/Sentinel



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Zanotto said he let him take the food anyway and the man came back later and paid for it. Most of the customers are like that, he said.

The downtown store saw about 1,200 customers each day. At the height of business about five years ago, the family business employed more than 200 people in all its stores.

"It's given our family a good living," Zanotto said.

But the days are long with so many stores. While the family wasn't necessarily looking to sell the stores, the price, which was not disclosed, was right, and it came at the right time.

"Part of the passion to run a business like this is gone," he said. "I love to work hard. It's given me everything I've got. I love this business. But the passion of being here 70 to 80 hours a week is just not there anymore."

In recent years, the family company had accrued millions of dollars of debt, including a \$1.7 million loan from the city of San Jose for a store that opened in 1995 but didn't survive, and \$1.3 million debt to vendors. The sale of the stores cleared the debt.

Zanotto has been in the grocery business since he was 7. He is one of 13 children to parents Andrea and Rosa, who opened a store on Naglee Avenue in 1962.

"Dad said, 'We're always going to have to eat so let's get in the grocery business,'" Zanotto recalled.

Although many family members have worked in the business, today only four sons, Tony, Conrad, Fred and Dan, and their wives Paulette, Cindy, Debbie and Kimber, and three cousins, are still actively involved. Some of them are ready to slow down.

When the store first opened in downtown Santa Cruz, there was not a lot of foot traffic. It was just before the 1989 Loma Prieta earthquake and the down-



Zanotto's will close its downtown Santa Cruz store for good on Friday. A Trader Joe's will open at the site in November.

Dan Coyro/Sentinel

town generally went to sleep early.

"Zanotto's took a chance on downtown at a time when a lot of people weren't doing that and the downtown really needed a boost," said Mardi Wormhoudt, a Santa Cruz County supervisor who was mayor of Santa Cruz at the time. "I always felt very grateful to them for doing that. They stayed there and kept a commitment to try to make it work for them downtown."

Wormhoudt has been a regular at Zanotto's for its produce and meat selection.

"You could go in there and talk to Fred Zanotto and make your special requests, and you would see it on the shelves when you were there next. It was just great personal service."

The store managed to survive competitors such as Costco, New Leaf Com-

munity Markets and increasingly large chains like Safeway.

"It's been a lot of really good years," said Dan Zanotto, who serves as president of the company. "We've had great support from the customers and made lots of friends."

Customers have told butcher Rod Leydig that they're going to drive over to San Jose to get the Montana range beef. Leydig, who has been with the company for 22 years and was one of the first employees at the Scotts Valley store, is taking a job at the Naglee store in San Jose.

"Of course everyone's sad," Leydig said. "You want to be able to wait on the customers you're used to. Now we're winding down, and they're saying goodbye."

Before the store opened Wednesday morning, the shelves were about two-

thirds empty and the few remaining employees were pulling boxes and bottles up to the front edges for an ongoing discounted sale aimed at clearing out goods. Only a few bottles of wine remained. The meat and the alcohol went fast, Fred Zanotto said. What's left will be carted over the hill to the two remaining stores or taken by St. Vincent de Paul Society on Friday.

Trader Joe's will start renovations for the space in late August to open a 13,000-square-foot store in mid-November.

"Everybody's ready," Fred Zanotto said. "We're not looking back. That's one thing our family is good at. Once we make a decision we just make things work out."

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