

BIZ BEAT

Local biz owners forecast

MARGOT C. LESTER

Enough about last year. What does 2010 have in store for the local economy?

“I think at best that it will be a year of very slow growth,” says Brad Broadwell, Orange County’s economic development officer. “Some exceptions for moderate growth potential can be found in the areas of health care and in enterprises that drive technology development through federal grants and research dollars or contracts.”

Dianne Reid, president of the Chatham County Economic Development Corporation, notes positive signs too. “Locally, we see some companies expanding hours for their employees, going back to five-day operations, beginning to consider expansion possibilities.”

Some sectors probably won’t experience much improvement. “New construction, retailers selling luxury items and high-end personalized services will continue to struggle,” Reid notes. “Consumers will continue to insist on value and to save more of their earnings than in previous decades. In addition, highly leveraged businesses will continue to struggle because credit has not loosened and is not likely to in the near future.”

So what do local business owners expect? We asked a few to get out their crystal balls and tell us what they foresee for this year.

“I’m sworn to silence about 2010. Not that I’m superstitious, but, yes, I’m superstitious.”

**Damon Lapas chef/owner/manager The Barbecue Joint, Chapel Hill**

“The summer of 2009 was the slowest time on record for our electrical business, [but] we finished the year struggling to keep up with demand for our services. I predict a busy year in 2010. Gas prices are high and I expect people in our area to be avoiding travel and investing in their homes. I could be wrong about 2010, and if the tough times continue I want to be prepared. Therefore we will resist the temptation to grow the company. We do not plan on hiring more people right now, but we are expanding our services to

include more of a focus on solar power, geo-thermal and energy efficiency. We hope that by offering assistance to home and business owners who are interested in investing in long-term energy savings, we can help our company grow while doing our part to keep energy costs down for everyone in our area. Another coal power plant is not the answer.” Brad Bonneville, owner

**Bonneville Renovation & Repair LLC, commercial and residential electrical/power contractor, Carrboro**

“We are anticipating nice growth in 2010. People may be drinking less-expensive wine, but they are still drinking wine, and our products are a fun and inexpensive way for people to have a fuller wine experience. We have a brand-new website and we will be working to integrate various social media, such as Twitter, Facebook and blogs, into our customer relations.”

**Ashley Atkins, Southeastern U.S. regional sales manager Oenophilia, wine accessories and barware wholesaler, Hillsborough**

“2010 will be the year that Piedmont Biofuels comes out of ‘startup’ and becomes a full-fledged business. Stand by for solid growth in fuel production. 2010 will also be a high-water year for our research and analytics endeavors, in which we will release a new technology that will change the way biodiesel is manufactured and will eliminate expensive co-products from the equation. We also anticipate growth in our design-build projects. [This] will be the year that our eco-industrial park expands. With nine individual businesses ‘inside the fence’ and an increase in tour traffic, we will see more building permits pulled and more structures rise from the earth.”

**Lyle Estill, vice president of stuff Piedmont Biofuels, biodiesel producer, Pittsboro**

“I think there will be some improvement in the economy in 2010, albeit gradual. The past 18 months, we have seen declines in sales primarily due to customers having less disposable income. I was in Atlanta at the January Gift show and it was encouraging to see an increase in buying activity. As employment opportunities improve, there should be an uptick in sales, but we will still need to manage our cost of goods sold and watch other expenses. We look forward to hiring additional design staff as the sales improve.”

**Charles House, owner University Florist, Chapel Hill**

“After an average dip in sales across all 50 states of 30 percent in 2009 and painfully deep expense cuts, we enjoyed a healthy rally in the fourth quarter thanks to special promotions, a national event involving 235 stores and some exciting online activities that promoted our stores. We expect 5 to 10 percent sales growth in 2010 over last year for our VIETRI Outlet Store in Hillsborough (retired and slightly flawed products and samples at discount), our full-service VIETRI retail store in Fearington, as well as at three very important local customer locations. We’ll increase web-based marketing on [www.vietri.com](http://www.vietri.com), Facebook and Twitter.

**Frances Gravely, co-founder and co-owner VIETRI Inc., importer of Italian handcrafted tabletop and gift products, Hillsborough**

“In 2010, we hope to reach out to new customers [with] selective marketing. We also hope for us and all our neighbors here in downtown Carrboro that the new parking space on the old Andrews-Riggsbee property will be a benefit for our businesses. We’re going to be letting new customers and existing ones know that Carrboro has a nice, new public space for parking. We’re putting our best face on for new shoppers who can now get here and park.

**Matt Neal, co-owner Neal’s Deli**

Big boxing: Senator, shopkeepers spar over Costco

BY KIRK ROSS  
Staff Writer

**CARRBORO** — Sen. Ellie Kinnaird’s push for a Costco for Carrboro has some shopkeepers fuming over what they say is a slight against them that she’s used in making her argument.

Meanwhile, town officials say it is very unlikely a store will be sited here.

Kinnaird, who met with Costco and town and county officials two years ago seeking a store for the area, has said the company’s pay and benefits and its corporate practices are a good match for the town. Landing one, Kinnaird says, could be a major shot in the arm for the local economy.

“The only way to make our taxes less of a burden to homeowners is to increase the tax base by developing a vigorous commercial tax base in Carrboro,” she said.

Carrboro Mayor Mark Chilton acknowledged that there have been discussions in the past, but said the company ruled out Carrboro because there were no sites near a major four-lane highway.

“We’re not talking to them, we’ve met with them twice at least in the last four years, but at no time in the last year or two,” he said in a recent interview. “I think there are some places in Chapel Hill they could potentially be interested in, and that’s what I got

from my conversation”

Costco officials have remained mum on any discussions. In an email response, a spokesperson for Costco chairman and co-founder Jeff Brotman told *The Citizen* last week, “Our corporate policy is to not comment on specific markets.” The closest Costco to the Chapel Hill-Carrboro market is on North Pointe Drive in Durham.

Kinnaird recently revived her Costco push, asking town officials to support the effort. In making her case about wages and benefits, however, she has rankled proponents of a more locally focused economy, including members of the nascent LocalMotion organization, which promotes homegrown enterprise and cooperation.

Wootini gallery owner Michael Maher said the senator’s position is out of step with efforts to build a strong locally based economy. Maher said while he agrees that building the tax base is important, he feels small businesses and not big box stores like Costco are the way to do it. Locally owned businesses, he said, return a much higher percentage of their sales to their communities than do chain stores.

“If you want honest growth — grow from within. The money and development you would use to lure a Costco . . . you could better use to create an incubator program for entrepre-

neurial business, enhance the artistic community, promote what is already here,” Maher wrote in an email response to *The Citizen*.

In her letter outlining the case for a Costco, Kinnaird insists that the town’s small boutiques and shops shouldn’t be the basis for the local economy.

“More importantly, those small businesses cannot pay a living wage or health insurance to their employees. The small workforce they hire is therefore deprived of both,” Kinnaird wrote. “Costco, on the other hand, paid \$18 an hour some years ago, and I suspect pays more now. Every employee, full and part time, is provided with health insurance.”

She acknowledged taking heat over the issue and said she wished she had noted that the smaller shops can provide owners and small-business people with a good living.

Carrboro alderman Dan Coleman said it appears that Costco and other larger retailers are not interested in locating in Carrboro. While a diversity of opinion on economic policy is a good thing, he said, it makes more sense for the town to focus on growing and supporting its locally-owned businesses.

Kinnaird’s case for a Costco and Maher’s response is available on *The Citizen’s* website, [carrborocitizen.com/main](http://carrborocitizen.com/main)

Beth Mechum contributed

Walk Carrboro



PHOTO BY KIRK ROSS

The Carrboro Merchants Association, now in its second year, held a get-together at founder Jesse Kalisher’s gallery on Friday to announce the second edition of its Walk Carrboro map.

Mayor Mark Chilton was on hand for the unveiling and said he hopes the map and the Walk Carrboro effort, along with the increase in downtown parking spaces, continue to help Carrboro build its brand as a shopping and dining destination.

Kalisher said several new locations and landmarks have been added to this year’s edition. The maps will be distributed throughout downtown and are available on the Walk Carrboro web site at [walkcarrboro.com](http://walkcarrboro.com)

Business Briefs

Call for nominations

Leadership Triangle seeks nominations for the 2010 Goodman Awards recognizing regionally minded leaders and organizations. Citizens may nominate businesses and non-profits for the Exemplary Regional Leadership by an Organization award, lauding an entity that has developed an innovative regional program to address a pressing regional issue or has consistently provided outstanding support and leadership on regional issues. Nomination criteria and forms are available at [leadership-triangle.com](http://leadership-triangle.com).

Green architecture talk

The UNC Center for Sustainable Enterprise presents a lecture by Rob Watson, chairman, CEO and chief scientist at ECOTECH International from 5:30 to 6:30 p.m. on Thursday, Feb. 11 at the Kenan-Flagler Business School’s Koury Auditorium. Watson is known as the founding father of the Leadership in Energy and Environmental Design (LEED) concept, the most widespread and fastest-growing green building measurement worldwide. RSVP to [cse@unc.edu](mailto:cse@unc.edu)

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