

Business boom: City sees surge in new businesses



Photo by Mark Teiwes

Heather Roman, co-owner of the new shop Chula Mama, says it's 'a store for mothers, run by mothers.' The shop, located on Derby Street and sharing space with Hip Baby Gear, is part of a surge in new Salem businesses.

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GateHouse News Service

Fri Aug 31, 2007, 07:15 PM EDT

Salem -

Those who like to shop and eat out should ready their wallets: New businesses are flooding into the city. From eateries to clothing stores and a day spa, the late summer and early fall will yield a harvest of soft openings and ribbon cuttings.

While empty storefronts remain in some of the city's commercial areas, business leaders are encouraged by the recent boom. Word of mouth goes a long way, not only from consumers but from owners, says Rinus Oosthoek, the executive director of the Chamber of Commerce.

"The best people to talk about how good doing business in Salem is the retailers," says Oosthoek.

Upper Crust, a gourmet pizzeria, will open next to Gulu-Gulu Café, itself a brand-new spot on the corner of Essex and Washington streets. Rouge Cosmetics will offer up upscale makeup on Derby Street, and alongside it, occupying a space in the Derby Lofts, are the dual stores Hip Baby Gear and a maternity retailer, Chula Mama.

The last six months have also given rise to Beadworks and the women's boutique J. Mode on Front Street — to name just a few. It's exactly what many retailers want to see: Diverse retailers making their homes in Salem, and not only those tied to October and Halloween.

"If you look at who has come to town in the last year, it's all year-round (businesses)," says Oosthoek, although he emphasizes that witch-themed retailers are an integral part of the local business community. "Even in the summer, people want witchcraft."

The recent growth comes on the heels of the 2005 to 2007 openings of Crunchy Granola Baby, New Civilitea, A & J King Bakery, Oh Baby Love!, Fiddlehead, Seed Stitch Fine Yarn, Cornerstone Books, Pamplermousse, Feed Your Head Books and a host of salons and other establishments.

Clustered business

It hasn't escaped Oosthoek that many of the new shops are creating business clusters. Front Street, for example, has a strong draw for women and for craft workers in general. Maria's Sweet Something and Front Street Coffeehouse have become staples there, but there is a new draw from recent arrivals like Beadworks, Seed Stitch and J. Mode.

A similar trend is in the works in the Derby Lofts, where the existing New Civilitea teashop abuts Chula Mama/Hip Baby Gear and the spot Rouge will occupy early in September.

"There's a gigantic community of parents and new moms who want an alternative to the super-stores," says Monica Winter, who established her second Hip Baby Gear in Salem this month.

The first Hip Baby Gear opened in Marblehead last year and Winter knew she wanted to open a second location – just not so soon. When her friends had the idea of sharing space between their Chula Mama and her Hip Baby, she was thrilled. For Winter, it was a chance to do business where there had been a hole in the market.

She says that while Crunchy Granola Baby and Oh Baby Love! do a great job with their focus on baby clothing and items, the new stores filled a gap in Salem's parenting-retail offerings – her store specializes in baby gear like high chairs, and Chula Mama sells mostly maternity outfits with some baby clothes.

"I thought, what a great tie-in," she says. "A lot of women like to be done (shopping) before they hit the delivery room."

The draw of Salem was also local foot traffic, a strong market for the product, access from the highway she couldn't get on the peninsula of Marblehead and Swampscott, and a good retail space.

"We just fell in love with the Derby Lofts, Salem space," she says, noting the high ceilings and exposed pipes.

Ann Supple Massey, the founder and owner of Rouge Cosmetics, had similar thoughts when she developed her soon-to-open Rouge Cosmetics. The shop will have a soft opening Sept. 16 or 17 in the Derby Lofts, positioned by Chula Mama/Hip Baby Gear and New Civilitea teashop.

Salem's accessibility from other North Shore communities was a major draw for her. Derby Street offered a space that she loved for details like the arched windows out front, and it provided parking to boot. Having the teashop there and the maternity and baby shop move in was an unexpected bonus.

"All the businesses are very synergistic," she said. "And they're all women-owned businesses."

Massey spent 14 years in Filene's corporate offices in Boston until the merger of its parent company

and Macy's put her — and some 1,600 others — out of work.

"It was a blessing for me, because I'd been really wanting to do my own thing," Massey said.

A Swampscott resident, Massey was a cosmetics buyer for four years and calls it an "addictive" business. She had long felt the North Shore has a shortage of unique, high-quality cosmetic boutiques.

"The primary reason is we're really lacking, especially at the mall, with Lord & Taylor closing and Filene's closing," she said.

Rouge Cosmetics won't offer the Clinique, MAC and Origins brands you can find at major department stores. Massey intends to carry products, mainly for women of all ages but with some men's lines as well, that are upscale but appeal to a range of buying power.

"I went after brands that I think are phenomenally fabulous," she said, including many that are the product lines of established makeup artists — Bare Escentuals, NARS, Paula Dorf and Mario Badescu.

Just steps away on Derby Street, a day spa affiliated with the Aveda chain of beauty products is set to open.

"Front Street is filled, and (Derby Street) will be too," said Oosthoek.

A city-wide renaissance

Among locals and Bostonians alike, Salem is gaining a reputation for being up-and-coming.

"I just found Salem going through this little renaissance," Massey said. "Being a retailer for 19 years, I always said to myself, Salem should be a thriving retail destination: It has the architecture, the tourism, parking ... It has everything it needs to be great retail destination."

Like Massey, Upper Crust owner Jordan Tobins also uses the word "renaissance" to describe what's happening in Salem these days.

Tobins owns a chain of Upper Crust pizzerias, offering up gourmet pizzas designed to appeal to the most selective palates (seafood and chorizo are among the pizza toppings) and more traditional tastes (pepperoni and plain cheese are also on the menu). The business is a frequent "Best of Boston" winner.

Tobins had been looking to bring his popular Neapolitan-style pies to the North Shore for a while, and Salem is the first such location. He sees the city emerging into a new era.

"Salem is one town that's really growing; there's a lot of wonderful new businesses, a lot of really great restaurants," he said. "It's getting a lot of attention. ... In our view, it's just going to explode."

Upper Crust will occupy a spot on the corner of Washington and Essex, sharing a courtyard with the new Gulu-Gulu Café. With Fresh Taste of Asia in the same corner, said Tobins, "it almost creates a little restaurant nook."

Salem fit into Upper Crust's business model — accessible to local communities, lots of foot traffic, a

mesh of neighborhood and city appeal.

“It’s a great mix of everything,” the owner said.

Upper Crust, the first franchise in the chain, will open in about three weeks with a seasonal beer and wine license. Ultimately, the owners hope to have a full-service liquor license.

Promoting Salem

The Chamber of Commerce has been working to flesh out the shoulder seasons — the times of year that lead up to and follow the retail frenzy that is October. The chamber is working with the city and with business owners to create promotions that showcase Salem’s offerings as tailored to the summer and to the holidays, and ultimately throughout the year.

The new Haunted Passport program is a new marketing tool for the city. It sells for \$13 and entitles the bearer to a host of discounts and specials that are offered this Oct. 1 through next April 30. It means visitors and consumers are entered into a business database, which will make it easier to understand commercial patterns in the future.

Hopefully, it will also bring more people into the city year-round. The program will need time to sink in with visitors and consumers, says Oosthoek, but he has no doubt it will take off.

“It’s a great loyalty program that will work beyond October,” he says. “We need people to see what we have and get people here in the shoulder seasons.”

The chamber has just made major efforts to revitalize its Main Streets program, which is charged with making all of the city’s commercial areas successful through promotions and improvement strategies. The chamber hired a new manager, Jennifer Bell, to help implement the recommendations made in this year’s Salem Retail Market Study.

The city is also disbanding and retooling Destination Salem, formerly a privately operated agency that handled the bulk of the city’s tourism affairs. The new agency, as yet unnamed, will return to its roots as a public-private partnership.

The City Council and Mayor Kim Driscoll approved funding the agency by putting 25 percent of the city’s hotel tax back into the agency-formerly-known-as-Destination Salem — to the tune of about \$65,000 next year, said Oosthoek.

The high season for tourism begins in the warmer months and climaxes in October, and business owners and officials want to retain the Halloween season’s freshness, its massive draw for the public and its capacity as a cash cow. But they also want to secure Salem’s reputation among tourists, as well as locals, as a year-round destination for shopping, dining, recreation, history and the arts.

Oosthoek is confident the city is well on its way, taking the recent flourishing of businesses as a positive sign.

“I think we’ll get there, to be honest,” he says.