

A diverse clientele keeps Patina's owners on the lookout for fresh, funky merchandise at various price points.

ON the ROAD... MINNEAPOLIS

By Amy Jensen Stonestrom

Rick Haase and Christine Ward left their jobs with local stores in 1993 to open Patina, a 750-square-foot home accessories and gift store in Minneapolis. Their risk paid off. Patina now consists of a 3,400-square-foot store and a 3,200-square-foot store and employs 15 full-time and 45 to 55 part-time employees. Revenues have increased between 20% and 50% annually, despite a competitive retail market in Minneapolis.

When the husband-and-wife team first considered opening their own store, they looked for a niche they could fill in the Minneapolis retail scene. "We thought this area needed a contemporary mom-and-pop/five-and-dime, funky type of store that carried

they share a desire to see the South Minneapolis area flourish.

"We don't see each other as competition, but instead want to work together to be a positive influence on the neighborhood. The more unique stores that are in this area, the more customers we can collectively attract from outside neighborhoods."

Ambiance is key

Three full-time merchandising employees work to create an aged, cultured and funky feel inside Patina, keeping the store true to its name. The intent is to make customers feel as though they are shopping at a Parisian flea market, antique shop in Cairo or old-time toy store, depending on where in the store they're browsing.

"Display is really important for us. We always have a lot going on at once — and that helps keep our store interesting," says Haase. But he's aware of the delicate balance between fascinating and messy. "If there are too many looks that aren't balanced, a store loses its charm and you are left with complete havoc."

"We are seeing a trend towards a multicultural perspective," says Ward. "A refined hippie thing also seems to be prominent. Overall, everything is much earthier than it was when we started this business."

She adds that red, turquoise and other strong colors incorporated in mirrored fabrics and beaded frames and cases are coming on strong.

Purchasing for two locations can be tricky when the target audiences differ. Patina serves a wide clientele, including college students, young adults and affluent homeowners.

Keeping this in mind, Haase and Ward stock their shelves with products that range from 50 cents to \$800 to attract clients with diverse demographic backgrounds. They say that price is always a big consideration; they want customers to leave Patina feeling that they've gotten a lot for their money.

Patina's sources are plentiful. Haase and Ward say they work with 200 to 300 vendors at any given time and have developed long-term relationships with many during their seven years in business.

"We like to work with vendors whose products continue to evolve over the years, so our customers remain interested," says Haase. "We can't keep the exact same merchandise from year to year, but we want to have the flavor of merchandise that attracted [our customers] in the first place. It's a delicate balance."

Long-range goals

The owners finished computerizing Patina's entire inventory with point-of-sale software early in 2000. This task was supposed to have been completed last year, but the holiday season interrupted the process.

"That was our biggest goal for the new year. Now that it's completed, our goals turn more personal," explains Ward. "We want to create more free time for ourselves by giving away many of our responsibilities to employees. We want to spend our time working as facilitators and refining our business processes, and let go of the details."

Haase agrees, acknowledging that the first seven years have been successful, but also physically and emotionally trying. "Now that we have both stores running smoothly, the goal from here on out is to say goodbye to an 80-hour work week and maybe even take a vacation." **IDDB**

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Company: Patina

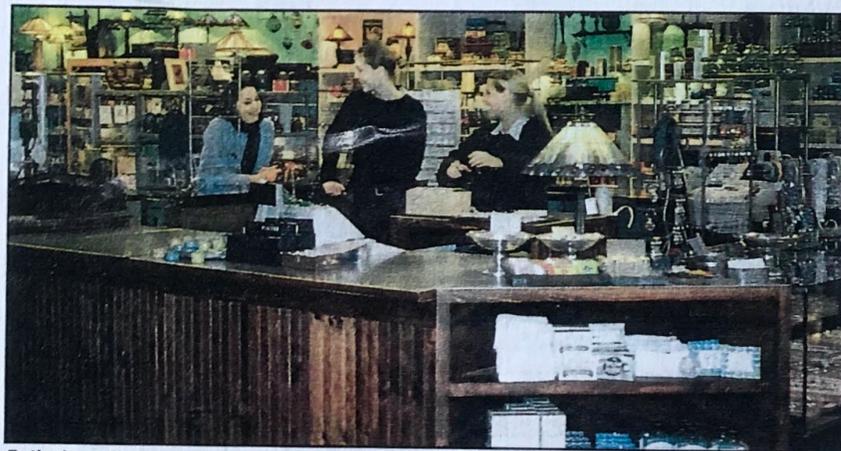
Locations: Minneapolis

Owners: Rick Haase and Christine Ward

Size of stores: 3,200 square feet and 3,400 square feet

Merchandise: Home accessories and gifts, including lighting, candles, toys, books, home office products, jewelry, stationery, and bath and body supplies.

Quote: "If there are too many looks that aren't balanced, a store loses its charm and you are left with complete havoc," says Haase, talking about the fine line between fascinating and messy displays.



Patina's staff works to create a funky, cultured atmosphere with varying displays that recall a Parisian flea market, antique shop in Cairo or old-time toy store, for example.

something for everyone," says Haase, who worked as a gift buyer before co-founding Patina.

Today, one Patina store (pictured above and right) is located just south of downtown Minneapolis in a hip, artsy community near busy parks, restaurants and theaters. The second, slightly larger store is roughly four miles south and borders affluent suburbs in a historic community.

Competition for customers is tight in both neighborhoods, but retailers are supportive of each other, asserts Ward, whose jewelry buying and accounts payable experience helped launch Patina. In fact, even store owners with similar product lines will rally for one another's success, she claims, because

The Patina team conceives its merchandise displays long before products arrive at the stores. Haase and Ward start the process while they're at trade markets, where they look for new products that will mix well with their existing inventory and bring a new look to the shelves and display cases.

The pair attends at least four markets a year, varying the shows they select to ensure they are continually being exposed to new trends. Atlanta, Baltimore, Philadelphia, San Francisco and Seattle are among the markets that they've attended.

Among the recent trends they've noticed and are showcasing in their stores is an ethnic blend of Asian, Moroccan and Indian influences.



Owners Rick Haase and Christine Ward start planning future displays as they're buying new merchandise at trade markets. Their inventory is tracked with point-of-sale software.