

HomeDécor

B U Y E R

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- "Trend leader or follower?" *You reply*



Retailer Jamie Merida



Bountiful lives up to its name

With stores in Maryland and Florida, Jamie Merida needed to get organized in order to grow successfully.

By Dorothy Whitcomb, contributing editor

When Jamie Merida opened Bountiful in the historic district of Naples, Fla., in the fall of 2002, it marked the end of a six-year flurry of activity that took him from co-owner of one high-end antique shop in Maryland to sole proprietor of three trendy gift and home furnishings boutiques. Merida's other stores, called Bountiful and Bountiful Too (pictured), are virtually side-by-side in an upscale strip mall in Easton, on Maryland's Eastern Shore.

"I just kept morphing, and I'm not done yet," he laughs.

Merida ruefully admits that there has been more energy than analysis behind the morphing, explaining: "My seat-of-the-pants business practices worked well for awhile, but Bountiful has become too big a business now."

Combined 2003 sales for the two Easton shops exceeded \$1.5 million, and Naples posted \$0.5 million. The Naples shop outgrew its size almost as soon as the doors opened. Merida plans to

enlarge the store, and when he does, sales should approach \$2 million within three years, he estimates.

Sales in Easton soared after Merida added a store and tweaked the product mix. In 1999, he opened Bountiful in an empty storefront next to Talbot's. ("It drove me crazy to see all of those people passing [that space] and not buying anything," he says.) He filled Bountiful with a wide array of high-energy, brightly colored home furnishings and gifts. Taking casual elegance as his theme and keying

in on contemporary interpretations of French Provençal patterns and colors, Merida staked out a niche that had long been unfilled in Easton.

"When people became excited about what we were doing, we saw an opportunity to increase volume at the antique shop by mixing in the kinds of products we were offering at Bountiful," he explains. In 2000, Merida reduced antiques to about 20% of the product

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Photos by J. Brown/Savvy Photography



Retailer Jamie Merida has two stores in the same shopping center in Easton, Md. Merida's interior design services account for about 40% of his annual revenues.

mix at Lantham-Merida Antiques and renamed the store Bountiful Too.

An operations manager is the only full-time employee in Easton. The part-time staff includes 11 sales people, two office workers and two deliverymen. Rick Foreman is the only full-time employee at the Naples store among as many as four part-time sales people (depending on the season).

Naples store manager Foreman is responsible for visual merchandising in all three locations and travels to Easton every six weeks to revamp displays and rearrange vignettes. Four members of the Easton sales staff—Julia Cleveland, Judith Dunnington, Ceci Schneider and Bronwyn Whaley—merchandise between visits. (Merchandising is a never-ending effort, he says.)

Gaining control

Hiring, training and keeping good sales people is challenging in both locations, Merida notes. Most experienced job applicants have sold only gifts and must be taught a whole new set of skills. Merida had trouble turning the Naples store over to Foreman and had to learn some lessons himself.

"I had to get controls in place so that he could do a good job and then give him the freedom to do it," he explains.

A computer system, added a year ago, has helped Merida gain control over his business. The system tracks sales and percent of profit per item, per day and per sales person. It keeps track of which sales people are doing well and who needs help. Merida can program in reorder points and the system prints out purchase orders.



A Cornucopia Of Accents

Companies: Bountiful and Bountiful Too

Locations: Two stores in Easton, Md., each with 7,000 square feet of sales space and 100 square feet of office space. There is also 2,000 square feet of warehouse space. The store in Naples, Fla., has 998 square feet of selling space.

Owner: Jamie Merida (left)

Merchandise and price ranges: Accent furniture, \$200 to \$1,000 (most sales are \$500); portable lamps, \$100 to \$700 (\$250); area rugs, \$50 to \$7,000 (\$1,100); garden, including fountains, urns and planters, \$50 to \$1,000 (\$100); wall décor, \$50 to \$10,000 (\$700); mirrors, \$50 to \$5,000 (\$500); textiles, \$50 to \$300 (\$125); bedding, \$200 to \$1,500 (\$750); functional tabletop, \$10 to \$195 (\$40); silk botanicals, \$2 to \$30 (\$10); photo frames, \$10 to \$50 (\$20).

In spite of the fact that Merida has no formal training, customers have also turned to him for interior design services. His commissions, which include major East Coast residences and a barge in France, currently contribute about 40% annually to Bountiful's revenues.

With a winning formula in place, Merida makes certain that the shops never look stale. He actively works with about 500 vendors and in the past five years has purchased from more than 3,500 companies.

"I don't order 90% of our stock more than twice. The other 10% we always have to have on hand," he says.

Merida takes a standard markup of 2.5% in both locations, in spite of the fact that many Naples retailers have much higher retail markups, he says. He does all the buying and shops markets in Atlanta, High Point and New York twice each year. He occasionally attends markets in Dallas and Los Angeles and

travels frequently to Argentina, Belgium and France for antiques.

His mode is to wander markets looking for innovative sources and fresh-looking product. He prefers to buy while he can see and touch pieces. He places occasional catalog orders and, with appointments, will see sales reps at the shops. Special orders are placed via the Internet.

When orders arrive, it looks like Christmas morning in the shops. Boxes are opened on the sales floor, packing material flies and everyone—including customers—gathers to see the new treasures. Merida thrives on the uproar.

"There is a feel-good factor to what we do, and customers get excited," he says.

Marketing, special events

The new technology is also indispensable in managing the special events Merida hosts about every six weeks. A

party in November, to kick off the Christmas season, debuts the 2 tons of holiday decorations he brings in annually. Customers enjoy an open bar, food and entertainment. Twenty percent of store-wide sales made during the party are donated to a different local charity each year. In 2003, Bountiful's party benefited the Women & Girls Fund. Merida also donates a tree to the Hospice Festival of Trees and decorates homes for fundraising house tours.

At other times during the year, Bountiful hosts vendor trunk sales and flower arranging demonstrations. A soft upholstery event in January that offers special pricing boosts post-holiday sales. Although Merida won't mark down prices, he does hold an annual Once in a Blue Moon Sale at Bountiful.

"Customers never know what will be in it or when it will occur and neither do I," he laughs.

Print ads in local publications, radio

spots and direct mail promote name recognition and advertise special events. A direct mail database, started with purchased lists, has been augmented by mailing lists from non-profits that have benefited from his donations. Word-of-mouth also spreads his message.

"It's important to take responsibility for doing the job right and to make up for things that you can't do right," he insists.

Merida acquired this "do the right thing" business philosophy while earning his stripes in a variety of settings. Although he intended to be a concert pianist and has a degree from the Peabody School of Music in Baltimore, he chose another path. After a stint doing public relations for Peabody while taking business courses at Johns Hopkins, Merida managed Domino Pizza shops in Baltimore for two years. After that, he joined his parents' antiques and art business, traveling constantly to all the major East Coast charity antique shows. Bountiful was, in part, Merida's attempt to settle down. It's unlikely that will happen anytime soon, however.

Facing space constraints at all three shops, Merida is ready to morph again. He plans to replace the three small shops with 14,000- to 20,000-square-foot stores in Maryland and Florida.

"ABC Carpet and Home [in New York] has always been my fantasy store. Having two big stores would let me [build on] our successful formula, control our image—and my life," he says.



Once Jamie Merida sells an object, he rarely reorders it. He works with about 500 vendors, attends gift and home markets in Atlanta, High Point and New York, and travels to Argentina, Belgium and France to buy antiques.

