

Under Pressure, 'Big Box' Chains Redesign Stores

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The discount store in South Los Angeles looks more like a hotel in Miami's South Beach art deco district than a giant retailer. The three-story building is eggshell-colored and flanked by palm trees. It features long, horizontal, ribbon windows along two sides that meet at a soaring, blade-like tower. Even the usually familiar logo is in art deco lettering.

This is not your typical Wal-Mart.

As [Wal-Mart Stores](#) Inc., the world's largest retailer, and other "big box" chains continue to expand at a rapid clip, they are beginning to respond to community groups' complaints that their stores are hulking eyesores. Sometimes they are making changes that are merely cosmetic. But the chains are also more willing to abandon their usual architectural formats in order to blend in with the surrounding area -- from timber gables in Colorado to pastel stucco in Florida -- even if it means added expense.

Once, enticing big retailers like Wal-Mart or [Costco Wholesale](#) Corp. to come to town was considered an economic coup, a sign that a community could attract business, says Richard Galanti, chief financial officer of Costco, which is based in Issaquah, Wash. Now, with big-box retailers proliferating, communities have a different view.

"Now that there are more of us and real estate is harder to find, they're demanding more of us," says Mr. Galanti.

Of course, prettier facades don't always sway the stores' fiercest critics, who worry about increased traffic congestion, particularly in residential neighborhoods, and overpowering a community with buildings that average, in the case of a Wal-Mart supercenter, 187,000 square feet.

"You can put a tuxedo on Frankenstein, but he's still a monster," says Al Norman, who has been organizing community battles against big-box retailers for a decade. "The discussion has to get a lot deeper before community groups can feel developers are really listening to them."



Photo courtesy of Wal-Mart Stores Inc.

In South Los Angeles, Wal-Mart deviated from tradition by restoring an existing structure (above) that blended in with the community; the three-story art deco building had housed a Macy's department store that had been shuttered for five years.

Mr. Norman says he has been involved with numerous community efforts to persuade Atlanta-based [Home Depot Inc.](#) to build multistory buildings in suburban and rural areas, in order to preserve more green space. "They wouldn't budge," says Mr. Norman.

Home Depot says it "works hard to situate its stores in an environmentally responsible manner. ... It has been our experience that the typical shopper prefers a single-level shopping experience. If done appropriately, with an environmentally sensitive design, often single level retail development is less intrusive than a multistory structure."

Last week, Wal-Mart lost a 1½-year battle to build a 210,000-square-foot supercenter in a residential neighborhood in Hillsboro, Ore. The state's Land Use Board of Appeals agreed with the city that the Bentonville, Ark., retailer failed to produce an adequate traffic study and was locating the loading dock too close to pedestrians, among other things.

Wal-Mart seems to be having slightly better luck in Chicago, where it is attempting to build its first store inside city limits. The company has agreed to blanket a portion of the store's roof with soil and low-maintenance greenery, part of a citywide effort by Mayor Richard M. Daley to reduce temperatures from so much concrete by planting "green roofs." The effort's extra benefit: When several Chicago aldermen recently objected to Wal-Mart for its use of nonunion labor, Mayor Daley publicly defended the company. The Chicago city council is scheduled to vote on the Wal-Mart proposal May 5.

In Marina del Rey, Calif., on the west side of Los Angeles, Costco bowed to community demands and installed lush landscaping, including palm trees, around the perimeter of its normally barren 139,850 square-foot building.

The community also wanted more windows and doors to break up the building's fortress-like facade. The company put in windows -- but then had to add shades so the neighbors wouldn't complain about the lights shining through at night. Costco also added more doors, though they are not used by the public. Costco even dressed up the emergency exits with awnings.

"In this neighborhood, we had to put a lot of lipstick on the pig," says Humberto Yniguez, the store's manager.

While Costco makes design changes only if asked or if necessary, the increasingly embattled Wal-Mart has started offering communities a menu of styles from the outset and actively seeking out neighborhood groups and city planners early on. Such an approach is helpful for a company that plans to open from 230 to 240 of its mammoth combination grocery and discount stores this year.

Lee Scott, Wal-Mart's chief executive, mandated the proactive approach after the company began to survey its reputation. "Communities thought we were uncooperative," says Robert McAdam, Wal-Mart's head of state and local government relations. "So we stepped up our efforts to be better neighbors."

Residents in the Riverside area of Fort Worth, Texas, were initially hesitant when they learned Wal-Mart wanted to build a supercenter there. But before Wal-Mart whipped out a single blueprint, the corporate design team met with seven community groups six times to hammer out a design they all could live with.

"Wal-Mart initiated the gathering of neighborhoods, officials from Arkansas took a tour of the old historic homes and many of things we asked for they were amenable to," says Sarah Walker, a member of the Riverside Alliance.

The neighborhood was in transition, houses were being refurbished and one concern was that the store would not blend in. Wal-Mart's designers modeled the building after the old neighborhood high school, a local landmark, incorporating arched windows, the brick facade and a terra-cotta tiled roof.

"Our No. 1 goal is still trying to keep costs low, so we used terra cotta in accent areas," says Mr. McAdam. "It gives the architectural flavor, but doesn't break the bank." In South Los Angeles, Wal-Mart took the initiative to restore the three-story art deco structure, which had housed a Macy's department store that had been shuttered for five years.

"We just thought it would be a shame not to preserve the architecture," says Mr. McAdam, adding that he has noticed competitors undertaking similar projects. A few weeks ago, he says, he was driving in Los Angeles and did a double take when he passed a new [Target](#) Corp. store going up on Santa Monica Boulevard. "If you didn't see a sign, you wouldn't have known it was a big box," he says. "I don't want to tout my competition, but we're all doing that."

(Target, based in Minneapolis, didn't return repeated calls seeking comment.)

In McKinney, Texas, a fast-growing city north of Dallas, Wal-Mart is taking its efforts further, using a new store as a laboratory to test processes that would make the building site more appealing and more environmentally friendly.

The company is building a pond to catch rain water that would typically run off to a creek or lake. A windmill will cycle the water through a purifying system, then use it to meet about 90% of the irrigation needs. Landscaping will be upgraded, with a wildflower meadow and large islands with large shady trees. A wind turbine will produce electric power, reducing electrical needs by 5% to 8%.