

MONEY & SUCCESS

DINERO & EXITO

The 99-cent dilemma: Staples and Target cut into discount market

by Kristen Bonardi Rapp

Fall is here again, and parents throughout the city are doing their back-to-school shopping, buying notebooks, backpacks, pencils and more. With money on everyone's minds lately, the obvious choice for bargains would be any of the neighborhood's 99-cent stores, yet a quick survey of neighborhood stores found them no busier than usual – and in some cases, almost empty.

"Two, three years ago, sales were better," says Amit Kumar, stacking rolls of paper towels at 99¢ USA on St. Nicholas Avenue between W. 179th and W. 180th Streets. Although some shoppers were buying folders and pens, Kumar says that since the arrival of the nearby Staples on Broadway, sales of back-to-school supplies have dropped and he expects the trend to continue.

"Everything's so much more expensive now – gas, food, everything. People go to Staples because it's cheaper," he says, shrugging his shoulders.

A quick walk through Staples shows what Kumar is talking about. On Tues., Aug. 26, the checkout line at the Washington Heights Staples stretched to over 15 customers long, with even more parents and children shopping in the aisles, buying school supplies at bargain prices, with some items selling for as little as five cents.

Glorianne Olivencia of Inwood spent about \$30 at Staples and Target to get school supplies for her daughter Kira, who is about to enter fourth grade, and said she didn't consider shopping at a 99-cent store.

"I figured I could get it all in one shot,"



Staples and Target have cut into back to school sales at dollar stores in the neighborhood.

she says. "It was cheaper and had better quality items than the dollar stores."

Karen Capucilli agrees, saying although she shops at her local 99-cent store for

name brands sold for cheap, I might feel differently," she says, "but I haven't seen this in [a 99-cent store]."

Although most 99-cent store school supplies appeared to be at least the same quality as Staples' in-house brand, much of the movie and television merchandise found at 99-cent stores were decidedly outdated or obscure. At one 99-cent store, no one appeared interested in the insulated lunch bags of the 1999 Star Wars prequel *The Phantom Menace* – a movie slightly older than the average third grader – or the crates of notebooks featuring characters from the years-old Japanese cartoon "Dragonball Z."

Staples, on the other hand, has done their homework on what kids and parents want. In a press release from the company, a nationwide survey Staples commissioned revealed that 81 percent of parents agree their children want their backpacks and binders to be "fashionable." Although Staples' Washington Heights location refused to disclose any sales figures, its parent corporation, as the world's largest office supply company, made over \$19 billion in sales last year. Meanwhile, further uptown on Broadway, a local 99-cent store owner who asked not to be identified still holds out hope that things will pick up.

"It's a little slow right now," he says, looking around the empty store.

As he's talking, a teenage boy stops in to ask if the store carries any backpacks like the one he's currently wearing. The store owner shakes his head, and the boy leaves.

"Things will pick up," the store owner says, "once school starts."

Staples y Target han cortado ventas en los efectos escolares de las tiendas de a dólar en el vecindario.

other items, she's "a little brand-driven" when it comes to new school supplies for her two young children.

"If I were to see Mead and other