



JIM FISHER is the founder and CEO of Houston-based IMST Corp., a retail location analysis firm serving the convenience store/petroleum industries. He can be reached at jfisher@imstcorp.com.

The Idea of Reincarnation

No, we're not talking about considering whether there is a "next life"—and if so, who/what I will be, and all the debate that goes with such a controversial topic. I am not going there. We can always discuss that over lunch or drinks sometime.

Today I am referring to the reincarnation of properties and facilities. We often address the need to remove outdated, older generational units from our retail sector. Goodness knows there are still a significant number of facilities operating within this industry that have no business doing so. Many reading this may have some of their own stores that no longer "fit" what is required within today's environment, and by today's customers, to effectively compete in the long term with the newest retail offerings.

FINDING THE NEXT LIFE

Though they're no longer competitive within this retail sector, this does not imply that the property/store/facility is not perfectly positioned to flourish in another retail or commercial sector. What is the "best use" for the property in its "next life"? Each location/property is properly and ideally suited for a specific mission or role. It must be determined what that role is to be to attain maximum trade-area penetration. Does it remain in the retail sector as a food-service/restaurant, bookstore, telecommunications store, etc., or does it move into the commercial sector as a day-care center, public library branch, profes-

sional building, bank branch or senior-citizens center? Older-generation stores have been reincarnated into these and many other lives with great success.

It is also true that our industry is in a period when tremendous opportunities exist to become the "next-lifer." We can benefit from allowing ourselves to see the great opportunities presented by the same evolution of real estate and facilities by other commercial and retail



sectors. As we evolve in terms of our existing facilities, we can benefit from acquiring properties that are evolving toward their next life.

In many diverse markets and trade areas around the country, companies within this industry are taking advantage of a real-estate evolution. They are realizing the marketing power and adeptness that "generational discovery" affords. Real-estate evolution often makes more financial sense than the undertaking of ground-up projects or raze-and-rebuilds. In other cases, as in well-established, high-den-

sity trade areas, virtually no vacant land exists; so if new retail entities are to be brought to the trade area, it will be done only via reclamation and reincarnation.

'GENERATIONAL DISCOVERY'

Urban reincarnation has proven very viable in terms of creating new (to this industry) retail facilities within storefronts previously being used for different purposes. One company has found great "generational discovery" success in terms of developing new retail facilities without fuel, focusing totally on its growing fresh food and other product categories. It has successfully converted existing properties via a strategy focused on emerging store categories that can be modified to serve urban, suburban and rural/outstate areas.

Creative companies have aggressively pursued "generational discovery" via the re-creation of abandoned large automotive dealerships. These properties have been transformed into multifaceted co-developments with several operating partners and combinations such as convenience stores with fuel, large service centers, food courts, bank branches, preowned-automobile agencies and telecommunication locations. What were once huge eyesores are emerging into huge specialty-retail destinations.

Do great things await in the "next life"? You bet, and the fun thing about this journey is that we create our own destiny. Have a good "next" life. ■