

Keeping it all in the family

What started as a 'retirement hobby' for Heidi and Peter Penna has become a thriving retail operation that is now being run by the second generation of this industrious family

By Jane Nahirny

Family businesses can have their challenges, but the all-for-one approach can also offer many advantages, as is the case with Penna & Co., a suburban Victoria, B.C. kitchen and giftware store. Peter and Heidi Penna created the business 19 years ago as a retirement "hobby" following their move from London, Ontario to Vancouver Island.

"Obviously they retired too soon," laughs daughter Shalene. "Mom always wanted a store, and dad loves to cook, so they decided to open a kitchen shop."

The couple opened their first store, a 1000-square-foot space, in 1993 in Broadmead Village, which was then a new outdoor mall in an upscale planned community outside the city centre. The shopping centre features broad sidewalks that curl around parking areas, gardens, and a large fountain.

In this country village design, Broadmead offers 40 stores, including anchors Thrifty Foods, Canadian Tire, Pharmasave, the BC Liquor Store, and Coast Capital bank. In addition to part-time staff, the Pennas also invited their daughter Michelle, who had a background in retail, to join them at the store. "I've always loved cooking and baking," she says. "So I said, 'Sure.'"

The retail philosophy from the start was to offer good quality products at af-



Daughters Michelle and Shalene Penna are now responsible for the store on a daily basis.

fordable prices in a pleasant environment, says Peter. The community responded and business flourished. After just a year, Penna & Co. took up occupancy in its present location beside the bank and the grocery store, more than doubling in size.

The division of labour between the two principals was easy and natural, with Heidi handling the displays and the ordering, while Peter managed the books and "schmoozed" the customers, says Michelle.

"Dad was definitely the frontman," she remembers. "But they both connected with the customers."

Shalene, who also has a background in retail, joined the business six years ago. Today, the two sisters are at the helm of Penna & Co.

"When my daughters came to me and expressed interest in taking over the store, I thought it was great," says Peter. "We still help when we're here, but it's also nice to sit back and relax or travel."

The store now employs eight staff; three have been with Penna & Co. since its earliest days. "Our staff here have been wonderful," says Peter. "They really know their stuff."

On the Saturday in mid-March when we visited the store, there was a relaxed sense of community within its four walls. Sales were brisk, but the complement of staff ably handled the constant wave of customers. In the back of the store, some shoppers nibbled on potato and yam chips made with the Mastrad TopChips kit (from Swissmar) while staff served others in the various departments of the store.

"Our approach to customer service is to always say, hello, good morning, good afternoon," explains Michelle. "A lot of times we'll ask if there was anything special that brought them into the store. Sometimes all of us end up asking

Retail Profile: Penna & Co.



them that, but we figure it is better to acknowledge them when they come in.”

The store serves the affluent Broadmead residential community, but also attracts shoppers from other parts of the city and its surrounding communities. “We draw from everywhere,” says Shalene. “There used to be more kitchen stores in Victoria, so we now get people from downtown, Oak Bay, and James Bay.” The other stores in the mall also draw business to Penna & Co, she adds. “It’s a bit of a unique destination.”

While some retailers find that they need to leave a suburban mall after a number of years because the area isn’t getting enough turnover, the Broadmead community seems to be the exception. “The area has really changed in the last 20 years,” says Shalene. “The homes are turning enough so we now have the whole spectrum of customers, from their early 20s right through to 100. We offer something for everyone.”

Perhaps because of Peter’s long-time presence in the store, men make up a surprisingly high percentage of the store’s shoppers – about 50%

“We get tons of male shoppers,” says Shalene. “One day, this young fellow came in here and said, ‘I bet this is kind of nice for you to have a man in here.’ We all started to laugh. On some days, all we get in here are men for the first couple of hours. We wonder when we’re going to see any women!”

Although Victoria is a top travel destination, the store doesn’t get a lot of business from tourists. “If they’re in the neighbourhood, we see them,” says Michelle. “Some of our regulars will also bring their visitors to the store.”

Customers can be “somewhat” price sensitive, but Shalene and Michelle believe that as long as the store offers quality for the right price, their customers will be happy. “It’s hard to please everybody, but for the most part, we’ve got a good range.”

The two sisters estimate that the store offers thousands of skus, sourced

The store is located in Victoria’s Broadmead Shopping Centre, which features winding sidewalks and a large fountain. Below, the interior is packed with products from 50+ suppliers.

through about 50 suppliers. Most of their product research is done at the trade shows, though some reps from smaller companies will drop by the store. “We’re pretty centrally located,” says Michelle. “We just luck out that they happen to come by.”

The store has expanded its offerings in the electrics category over the last few years. “For a long time we didn’t offer



Retail Profile: Penna & Co.



The store carries a wide range of casual dinnerware and gadgets in addition to a select line-up of small appliances from Krups and Chef's Choice, below left.



many appliances," says Michelle. "But we've always carried Chef's Choice, and we've now gone into Krups."

A wide selection of both brands are on display, including items from the Silver Art collection. This area also offers items such as the Lekue steamer, Bodum kettle, and Jaccard meat tenderizer. With a Canadian Tire within a few hundred metres, product differentiation is important in this category.

Penna & Co. is open seven days a week, 362 days a year. Sales are steady on Sundays, but different from weekdays, with more families and couples coming to the store. While the work is "full-on" for both Michelle and Shalene, the division of labour helps, says Michelle.

"We do the orders together, always discussing what we need. Shalene does

the bookkeeping end, but we're both here, either one or the other, seven days a week." Despite the long hours, both women clearly enjoy their work.

"It's always fun to come to work," Michelle says. "Every day is a new experience – I just love it."

The family approach helps reduce staffing challenges, she adds. "Both Shalene and I are here all the time, and Heidi and Peter are still here most days. They're not really retired, they're just handling less of the day-to-day operations so they can take more trips."

The family continues to take a group approach when designing displays and windows. "Depending on what needs to be done, such as change a section, we all do it together," says Shalene. Displays are changed frequently, usually every

two weeks, sometimes weekly.

A monthly e-newsletter communicates news about new products and sales, she adds. "In the store, at any given moment, we always have a lot of great promotional pricing and interesting items," says Shalene. "We also run a customer appreciation event in November where we try to team up with other retailers in the mall."

In addition, the store usually runs a sale in January and then again in the summer, prior to the manual inventory count. There's a website, too, but it currently offers basic info only, such as products carried and a map to the store.

Changes are in store for the shopping centre itself, which recently announced plans for a \$6.5-million upgrade. As other malls, like the new Uptown shopping centre and the recently renovated Hillside Mall, embrace the lifestyle concept, Broadmead property owner Grosvenor Americas hopes to stay in step with the trend by adding new storefronts, improved pedestrian walking and gathering spaces, and 200-square-metres of new retail space. While the mall expands, Penna & Co. will stay the course.

"Some of our customers would like to see us go into the western communities but we'll keep it at one store," says Michelle. "It's a lot of work, and too often people expand and it doesn't go well. We also both have families, so we're quite happy with how things are going. It's manageable."

It helps that staff and customers are treated like an extended family at Penna & Co. "We have wonderful customers," says Shalene. "And the ladies who work here really care about each other."

In the end, it all comes back to that one, all-important ingredient – family. "Our family's small, because our parents were each only children," explains Shalene. "We have no aunts, uncles, or cousins, so all our lives it was pretty much just the four of us. We're a tight family, and fortunately we all get along well. We're very lucky."

Penna & Co. Kitchen and Giftware
www.pennakitchen.com