

Cornering business at malls nationwide

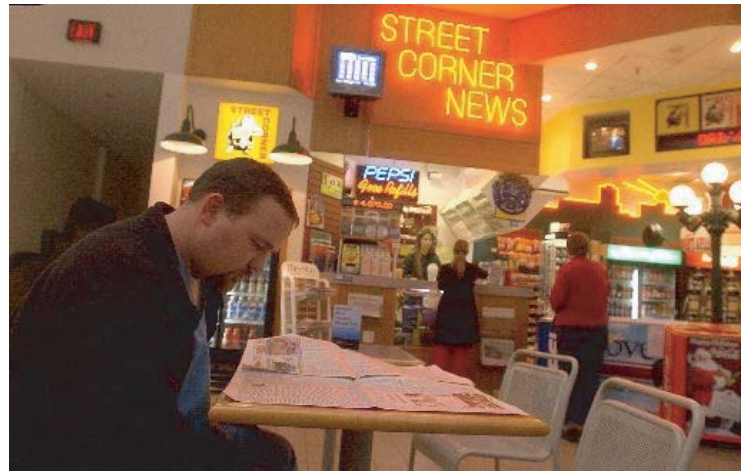
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Topeka-based franchiser hopes to add 20 spots

By Michael Hooper
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A mall-based convenience store company that began in Topeka is on a mission to grow up to 40 percent this year as it extends itself to malls across the United States.

The Street Corner, based at 2945 S.W. Wanamaker Drive, has grown from a single store in West Ridge Mall in 1988 to 55 franchised stores across the country. Two of its stores are in the famed Mall of America in Bloomington, Minn.



Ann Williamson/The Capital-Journal
Dean Heideman reads the newspaper in the seating area near the Street Corner at West Ridge Mall. Heideman said every time he is in the mall he typically buys something at the shop, which has grown to 55 franchise stores across the country.

Founded 17 years ago by Peter La Colla and Daniel McCabe, McColla Enterprises Ltd. is poised to have five more stores open by April. The goal for 2005 is to grow to a total of 75 stores, increasing its current number by 20.

Originally called Street Corner News, the company has dropped the word "News" from its name and picked up the tagline "sips, snax and stuff" to reflect its emphasis on selling tobacco, aspirin, batteries, pop, snacks, ice tea and newspapers.

La Colla, chief executive officer of McColla Enterprises Ltd., is almost manic about growth. He watches three computer screens of activity in the business while working on new deals all the time.

He regularly flies a Mooney M20K turbo-charged single-prop airplane to visit franchisees and create new business. During one trip in November, La Colla and another employee made 13 visits during 4 1/2 days of travel through Michigan, Ohio, West Virginia, Maryland, Pennsylvania, Wisconsin and Illinois.

La Colla said the plane is convenient and affordable flying from Topeka.

If a prospective franchisee believes he or she has a great location at a mall in Houston, for example, La Colla will hop in his plane and fly there, almost immediately.

"I'm ready to go," La Colla said. "I'm there in three hours. Then I can see the location myself."

La Colla, 38, isn't your ordinary Topeka entrepreneur. He grew up in Rome and finished high school in Beacon, N.Y. After graduating in 1984, he sold hot dogs as a street vendor in Poughkeepsie, N.Y.

He saved every penny he could to start another business but failed to get a deal accomplished with a mall developer in Poughkeepsie. Then he heard about other malls being developed and contacted Melvin Simon, who was building West Ridge Mall in Topeka in 1987.

Simon agreed to lease space to La Colla and his business partner, McCabe, now president of McColla Enterprises. Before the mall opened in March 1988, La Colla was selling hot dogs to construction workers and retail employees getting ready for the mall's opening.

"He used to feed us," recalled Vicki Hosman, marketing director at West Ridge Mall. "He had a little hot dog cart that sat in the dust amid the construction. That's where everybody got their lunch. He really was the first to open a store in the mall. It was a hot dog cart. I can remember going out there having to step over cables."

La Colla and McCabe first had Street Corner Cuisine but got out of the food business to focus on selling magazines, newspapers and convenience store items.

Last year, Street Corner franchisees averaged \$ XXXX in sales.

The corporate headquarters in Topeka is in an office building with eight full-time employees. Most aren't from Topeka, although the marketing guru is Washburn University graduate Kirk Braun.

Those who work on business development are really business analysts who are able to take mountains of information, financial data, mall data and personnel information and decide which deals are best for both franchisees and the corporation. The staff manage all of that data with the help of a sophisticated computer operating system.

"Topeka is a great place to live and work, but finding qualified employees is our biggest challenge," La Colla said. "We want to grow. You can't do that without good employees. We need astute, computer-oriented employees. We can't have a technology novice in this office."

The company plans on hiring at least five full-time employees this year.

La Colla is looking for an employee who speaks the languages of India and Pakistan because 40 percent of franchisees are natives of India and Pakistan.

Braun said potential investors are finding out about Street Corner over the Internet through Web sites like Google.com and FranchiseSolutions.com.

Hosman said Street Corner has been successful because of its convenience. The store serves mall visitors as well as the mall's 3,000 employees.

Street Corner is an in-line store in the food court at West Ridge, but La Colla said other franchisees are building Street Corners as kiosks. The kiosks sometimes offer more exposure because they are in the middle of malls.

La Colla is confident the company will reach 75 stores this year.

"We already have 16 on our sales list," he said.

He said he expects eight of those to open this year and additional prospects to come through the company's marketing program.

Michael Hooper can be reached at (785) 295-1293 or michael.hooper@cjonline.com.