

THE ARIZONA REPUBLIC

07.21.09

azcentral.com ARIZONA'S HOME PAGE

07/21/2009 | 82° | make azcentral your homepage

This morning's storm dumps up to inch in less than 6 hours
Power lines down; 30 percent chance of storms again tonight. | Monday's storm | Monsoon pics

Dad: Foul play in Michael Jackson death
Implies to King doctor may be behind it. | Pics

On border, deported immigrants in limbo
Caught between Mexico, U.S. | Shelter

ARIZONA NEWS Updated: 5 mins ago
our picks | most recent | most read | top video

- Ex-SRP head Pfister, 75, dies | Guestbook
- Mine ban at Canyon may fuel new fight
- Disagreement on mediation for county feud
- Ariz. among 50 sites hosting Iran protest
- 5 Mesa court divisions appear on the way out
- Bids for Cards stadium concessions sought
- Arizona Attorney General's Office to lay off 29

SPORTS
suns | cardinals | diamondbacks | asu | photos | more »

NATION & WORLD

FIND IT FAST

- azcentral's best
- arizona republic
- comics & games
- dating
- free coupons
- golf tee times
- horoscopes
- lavozarizona.com
- lottery numbers
- obituaries
- photo slideshows
- video

Consignment company thrives, expands as recession drives frugality

by Megan L. Thomas - Jul. 21, 2009 12:00 AM
The Arizona Republic

1 comment

For the first time, it was airier between the silver racks of consigned designer clothing at My Sister's Closet at Pinnacle Peak. Customers wandered the widened aisles, handling outfits with double- to triple-digit price tags, relishing the store's first days of extra space.

Christine Whalin, a regular shopper at My Sister's Closet for the five years she has lived in Arizona, said the store's expansion was a welcome change.

"They needed more space, and it's a lot easier to see the merchandise," she said.

My Sister's Closet shoppers will soon have even more space to hunt for designer-label steals as locations from Phoenix to Scottsdale expand.

During a recession that has dealt a blow to many retail businesses, the collection of 11 consignment boutiques, collectively held as Eco-Chic Consignments Inc., is growing throughout metro Phoenix.

Year-to-date revenue at the stores, which sell discounted items from designer clothes to high-end furniture, is up 20 percent from last year. Combined, My Sister's Closet, Small Change, My Sister's Attic and Well Suited recorded \$11.2 million in

New consignments from customers seeking extra money may soon join the pink Prada purse and heart-strewn Dooney and Bourke bag propped against the Scottsdale store's lime wall.

Brenda Dishon, manager for the My Sister's Closet at Pinnacle Peak, said that extra space was definitely needed but that it will probably be outgrown fast.

"Intake has definitely increased," she said. "In the last six months, we've noticed it's almost doubled. Last year, we were having an average of 35 consignments a day. Now, we have up to 60. It's really wild."

High profits, along with a shrinking space from increased consignments and great real-estate deals, spurred Siner to expand her locations. The investment will be "hundreds of thousands of dollars," she said.

A new Sister's Closet will be opened in Fulton Promenade in Chandler in the fall, while another Closet will be expanded in Scottsdale's Lincoln Village and a My Sister's Attic will replace the My Sister's Closet at Las Tiendas in Chandler.

The finished expansion will result in the business occupying more than 42,000 square feet of retail space at 12 locations.

William Takacs, chief financial officer, said being able to grow and revamp locations will revenue in 2008.

Ann Siner, founder and chief executive officer of the business, credited the surge in profits to the recession.

"It's purely a function of the economy," Siner said. "We've always had very good growth, usually double digit. But this past year has been very good because more people need to save a dollar and more people need to make a dollar. So, not only do we have more people buying from us, we have more people consigning and selling their items with us."

give the business an advantage.

"Chandler's a growing market, it's just this temporary blip in the real estate that has slowed people down," Takacs said. "So now, we're taking advantage of the market to reposition ourselves so when we're going forward, we're going to be in the strongest positions in the Valley to grow."

Siner said the main component of My Sister's Closet business model would be staying on top of trends while maintaining the business' core strengths.

"We want to make sure we don't miss any opportunities, but at the same time to not fix it if it ain't broke," she said. "It's been very successful for 18 years, so we're going to continue to build on that success but figure out how to enhance it."

The CEO said she will continue building off the four types of consignments under her brand. Siner said she also aims to grow the online presence of My Sister's Closet.