

business

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Too many rooms downtown?

Expert worries that the hotel market is oversaturated

By Stephen Hamway
Special for The Republic | azcentral.com

Phoenix's downtown revitalization has unleashed a flurry of hotel development, and more lodging facilities are on the way. But at least one expert worries that the city's growing supply of hotel rooms could be too much of a good thing.

The Hotel Palomar, a Kimp-ton project associated with City-

Scape, was completed in 2012, and Marriott and Hilton are planning to develop downtown hotels. There are more than 3,000 hotel rooms in central Phoenix, with 500 more likely to be available by 2015.

"The light rail, the convention center, CityScape and other factors have really come together to make downtown Phoenix a more vibrant place," said Doug MacKenzie, director of media

relations for the Phoenix Convention and Visitor's Bureau.

This vibrancy, in part, has drawn the hotel projects, MacKenzie said. The Marriott will be a high-rise on Madison Street and Central Avenue that will be owned by Hansji Urban. The Hilton will be at Central and Monroe in the historical Professional Building, which was built in 1932. Several bidders have attempted to purchase the build-

ing and convert it to a hotel, but none of the prior deals came to fruition.

"The Marriott will provide a mid-price option for the area, while the (Hilton) adds another boutique hotel to go with the Hotel San Carlos across the street," MacKenzie said. "This adds an element of choice for visitors looking to stay downtown."

But despite the influx of hotel rooms in the area, at least one expert remains unconvinced that the increase is a positive indicator for downtown.

"The raw data doesn't paint an attractive picture for the hotel market in downtown Phoenix," said Heywood Sanders, a professor of public policy at the University of Texas-San Antonio.

Sanders pointed to the occupancy data of Phoenix's other major downtown hotels as evidence that the market is oversaturated. Downtown hotels saw a combined occupancy rate of just over 60 percent in 2013.

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Passengers wait at a United Airlines gate to board a flight in separate numbered lanes at O'Hare International Airport in Chicago. The airline has stepped up policing of its carry-on baggage policy, requiring that oversize bags be checked. AP

United starts pushing back against oversize carry-ons

Policy is designed to free space in the overhead bins, airline says

mind them of the rules. An internal employee newsletter called the program a "renewed focus on carry-on compliance."

lowed one carry-on bag to fit in the overhead bin, which can be no larger than 9 inches by 14 inches by 22 inches. Fliers can also bring one personal item

Slump was a boon for retailer

My Sister's Closet sales are still strong

By Helen Tracey-Noren
Special for The Republic | azcentral.com

My Sister's Closet, an upscale consignment store that started in Phoenix, saw its best days during the great financial crisis, when cash-strapped consumers were in search of bargains.

Though the financial downturn is now over, sales at the 23-year-old business remain strong, and the retail operation is growing and adding locations.

"In 2008, when the (crisis) hit, our sales went up an insane amount," said Ann Siner, who co-founded My Sister's Closet with her two sisters. "Our comprehensive store sales were up 20 percent year after year. Now that the economy has leveled out, we're still going up. OK, you have your

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PBS will air show

Consignment

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job back, (and) you're making \$80,000 a year again. But you'd still rather buy the \$100 shirt for \$9.99."

After Jennifer Siner graduated from college in 1991, Ann enlisted her help to start My Sister's Closet.

Why open a consignment store?

"Consignment stores are just ripe to take it from a mom-and-pop kind of store to a store that is truly run like a business," Ann said. "Convenient hours, convenient location. Everything we could do to make it convenient for the customer. We are here for the sake of the customers, not for the sake of us."

That strategy appears to be working. My Sister's Closet has grown to 14 stores, including My Sister's Attic furniture and home-decor stores and a men's store called Well Suited.

The sisters, with third sister Tess Loo, recently moved their flagship location on the Camelback side of the Town & Country Shopping Center to the North 20th Street side of the complex, a move that gave the retail business 5,000 additional square feet of space.

Ann said decorating the first Town & Country location was a do-it-yourself project. "Jenny and I got a few of our friends together, and we got a faux finisher to teach us how to (decorate the store), and we did the entire



Ann Siner (left) co-founded My Sister's Closet with sister Jenny (right). My Sister's Closet has 14 stores. HELEN TRACEY-NOREN/SPECIAL FOR THE REPUBLIC

interior of the store ourselves."

These days, the sisters have a little more help. The business employs an estimated 250 people, Ann said.

Selling such items as Michael Kors and Louis Vuitton handbags at up to 90 percent of original retail prices, the Siner sisters have no shortage of inventory. Ann said more than 100,000 people have sold their items to My Sister's Closet. At one point, Jenny said the influx of items "came in fast and furious, almost too fast."

According to My Sister's Closet website, more than 100 items arrive in each store daily, but Ann and Jennifer said the actual number is much higher. "Our Scottsdale store puts out 1,000 new items every day of the week," Ann Siner said.

"(The Town & Country) location is smaller and puts out about 200 to 300 new items every day. It turns like you cannot believe. But you know when you're getting a \$100 shirt for \$9.99, you tend to buy a couple."

Ann recalled having boxes of designer catalogs at home that the sisters would look through to see what items retailed for.

"When we started, there wasn't even Internet," Jennifer said. "Now we have Google, and you can not only see what (an item) retails for, but get an idea of what people are buying."

Though the company opened a store in San Diego in 2011 and two stores in the past couple of months in Encinitas, Calif., Ann and Jennifer Siner said they want to build more of an online presence.