

SAN DIEGO BUSINESS JOURNAL

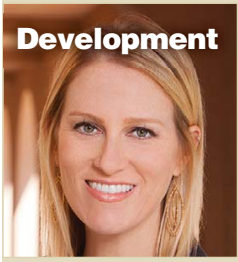
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Development



Kaitlin Arduino of Murphy Development says Scripps Ranch has been 'sleepy' in terms of new development. That is likely to change with some new projects in the works by local developers.
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Commentary



Meena Westford of the Metropolitan Water District of Southern California wants Southern California to know the cost of improving our water delivery system and the cost of not doing it.
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The Lists

Locally Based Restaurants **14**
Independent Caterers **16**



Jamie Scott Lytle

Brent Garrigus, owner of RIDE Cyclery, is experimenting with ways to attract customers, including a mobile repair truck.

COMMUNITY RIDE

SPORT: Culture, Cos., And Competition
Create A 'Cycling Capitol' in S.D.

■ By KATHERINE CONNOR

How did San Diego come to be a cycling powerhouse with an economic drivetrain of \$547 million?

This is one of those rare cases where the obvious answer is the correct one: The topography and climate allow for year-round training, and really good training at that.

"What's attractive is the fact that it rarely rains, and if it does, you can still go out and train pretty safely," said **Michael Marckx**, the former CEO of **Spy Optic**, a Carlsbad-based sunglass company with a history and strong focus on cycling.

\$547M

Total Estimated Annual Revenue

"No. 2 is we have access to rolling hills, and then as soon as you start heading east, there's some pretty rural roads that don't have a lot of lights so you can go for extended rides and not deal with traffic."

Marckx, who stepped down from Spy after five years in 2015 to start his own agency called **Creative Disruption**, said the

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New Standards for Civic S.D. Expected

POLITICS: Some See Lack of Oversight, City Ceding Control

■ By LOU HIRSH

After more than a year of discussions, San Diego officials are nearing agreement on standards expected to boost oversight and raise standards for the approval of projects currently overseen by **Civic San Diego**, the nonprofit that has the final say on many development

projects downtown and elsewhere in the city.

Some critics have contended that Civic San Diego — formed by the city in 2012 as the successor to Centre City Development Corp. after California abolished more than 400 redevelopment agencies statewide — lacks accountability and has not aggressively enforced its own standards to enhance the community benefits of projects.

At press time, the **San Diego City Council**

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La Mesa Revs Up For Redevelopment

PROPERTY: Various Projects Add to Momentum for Change

■ By LOU HIRSH

With no major fanfare or grand-opening hoopla, home furnishings retailer **Restoration Hardware Outlet** opened for business in mid-September at the Grossmont Center mall in La Mesa, filling a 55,000-square-foot space vacated by the bankrupt sporting goods chain **Sports Authority**.



David Cohn

"It was a little more than five weeks after Sports Authority left," said **Ben Potter**, general manager of the 55-year-old Grossmont Center, among East County's largest retail venues. "It was a very quick turnaround."

The under-the-radar entry of Restoration Hardware — just the second San Diego County store for the Corte Madera-based retailer — is symbolic of a larger gradual, low-profile development transformation taking place in La Mesa and other business hubs of East County.

Planning officials and business operators point to factors including recent highway infrastructure upgrades that have made it easier to access portions of East and South County, and extensive infrastructure upgrades in La Mesa's downtown that have spurred new commercial projects.

Also playing a role is the search by consumers and business operators for relatively affordable

► La Mesa page 42

Shake Table Delivers Quake on Demand

TECH: Seismic Standards Tested in Realistic Simulations

■ By ERIK PISOR

Contractors, architects, scientists and engineers all have a seat at the table — the shake table, that is.

The largest of its kind in the world, at 25 feet by 40 feet, the outdoor shake table at the **University of California, San Diego** is actually a platform on top of which structures and materials are placed to test how well they would withstand an earthquake.

Data collected from the tests are analyzed and reviewed and converted into design and building codes used by the construction industry. It's an important process and one that sometimes can take a long time.

S.K. Ghosh, a seismic consultant, knows all about the lengthy trail to codification.

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Cycling:

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options don't end with the hills. "Then we have Mount Palomar, which is really critical to any professional cyclist because you need to climb mountains and that's a really great mountain to climb... It's the totality of the offerings here in San Diego."

A Competitive Edge

There is one other thing that served as a kickstarter for the cycling industry here, and what drew Marckx himself to the region back in the 1980s: triathlon.

The sport has its roots in San Diego, with the first ever triathlon held at Mission Bay on Sept. 25, 1974. As triathlon took off, serious athletes moved to San Diego to pursue it, which then drew more professionals and a solid reputation.

"Because there was such a strong group of people here that were really starting the sport and pushing its boundaries, that's what made people move from all over," Marckx said, noting that even a little someone named **Lance Armstrong** came to San Diego to train in the '90s when he was on the Subaru-Montgomery team.

"We had a lot of Germans and Europeans and Australians move to San Diego to train and race here year round. Then we had other U.S. athletes move from various places to come be here and congregate and have fellowship with other athletes."

Customer Base

That fellowship continued to draw avid cyclists — and cycling companies.

"The main reason for us (relocating) was because there's much more of a cycling-minded community out here in San Diego than in Boston," said **Christopher McLaren**, the managing director of the U.S. office of top-of-the-line bike company **BMC**, which moved its North American headquarters to San Diego in 2014. "For networking, the opportunities out here were much better, much bigger."

Today, there are an estimated 1.1 million sport and leisure cyclists in San Diego County. The high number of cyclists, coupled with the 50-plus bike-related companies and 227 specialty bike retail shops in the county, led the nonprofit **San Diego Sport Innovators** to dub the region North America's Cycling Capitol. That data is according to research conducted by **Stitch Marketing + Research** and the **Fermanian Business & Economic Institute**.

The Online Competition

McLaren said BMC doesn't share sales or revenue figures, but did note that, for BMC, San Diego is a particularly strong market for road and triathlon bikes.

"There are definitely other areas that do better for mountain bikes, but we're pretty strong consistently for all-road and triathlon sales," he said.

Sales — in the traditional sense — are one thing that has Marckx worried about the future of the biking community here. In the last year and a half, he's seen at least seven bike retailers go out of business, due in large part to internet sales, and take with them a piece of the fabric of the cycling community.

"The alternative (to retail stores) is we're all going to be buying our bikes online and we're going to have to rely on various and disparate mechanics to work on our bikes," he said. "We're going to buy our tires and our tubes online, and going down to the bike shop and talking to the



Jamie Scott Lytle
RIDE Cyclery Manager Owen Graves tunes up a bike at the company's downtown San Diego showroom.



Wholesale | Cycling & Related Manufacturing

50+ 50+ companies operate in San Diego

\$97.4M Annual Revenues

Retail | Bikes & Related Cycling Gear

\$220M 227 local specialty bike retail shops = Annual sales revenue of \$220 million

1,226 The local bike shops employ an estimated 1,226 full-time equivalent workers

\$230M Other retail = Annual sales of \$230 million in bikes and accessories

\$56M In retail salaries & wages

Source: San Diego Sport Innovators

mechanic and just shooting the breeze with somebody about your passion, that will go away and that worries me.

"I still believe there's tremendous value in having retail establishments helping people learn how to ride a bike, what bike is best for them, and all the best practices that go into safety."

Retail Strategy

Brent Garrigus, owner of **RIDE Cyclery**, a bike retailer with three locations in San Diego, said he's well aware of the trend. He cited a recent industry report predicting one-third of all independent bike shops will shutter within the next two years. But he has already implemented several measures he thinks will keep RIDE off that list.

First is the company's new downtown location, which differs from its Encinitas

and Carlsbad stores in several major ways.

"Our downtown store is really just a showroom of the best of the best," Garrigus said. "It's a newer concept in bicycle retail and we're experimenting with the idea of having more of a showroom versus a traditional retail floor."

While the minimum size for a traditional bike store is 2,500 square feet, RIDE Cyclery's showroom clocks in at just 1,400. By having all varieties of bikes but just one of every color on display, the store doesn't have to have all the space necessary to house every color and size of every bike like a traditional warehouse would.

"We believe that with the way the internet's going and the shopping patterns of people, people are willing to buy and wait a day or two until it arrives to them," Garrigus said. "So what we're trying to do with this new location is really show-

case the product and show people the different variants of color, but then make sure the right size and color is delivered to them within a couple of days."

Concierge Service

Garrigus and his 17 employees are also preparing to launch a mobile repair truck in October. The concierge service would bring parts and repair technicians to customers at work or home at a scheduled appointment time, with customers paying for service as needed.

As far as Garrigus is aware, RIDE Cyclery is the first bike retailer in San Diego to experiment with these mobile and showroom alternatives. If he's right, perhaps San Diego will buck the trend of online domination, and remain the rightful heir to the title of North America's Cycling Capitol.