

Date: August 3, 2008

Mall keeps growing despite downturn

BY MARY KLAUS
Of The Patriot-News

The Harrisburg Mall is engaged in an expansion at a challenging time.

With higher prices on fuel and food, many consumers are spending less. Panera Bread, which had announced plans to open a store at the mall, might be abandoning those plans. The Disney Store and Wilsons, The Leather Experts Inc. closed stores in the mall, as both chains have shuttered stores across the country.

Despite the challenges, the mall's future is bright, according to Mark Nobile, its general manager.

"It's challenging in that the economy is in tough times," Nobile said. "It's exciting because we are growing. Ninety percent of the mall space is leased. Our sales are up 7 percent over this time last year."

The mall is building a \$13 million streetscape that includes a new exterior, a Barnes & Noble bookstore and a Sega World Sports Grille. It features a main entrance plaza designed to look like a town square, with benches, upscale shops and dining.

But Panera Bread, the third planned anchor of the streetscape, might not open the store built for it in the streetscape, Nobile said.

"For a variety of reasons, most related to the economic climate, Panera Bread is considering not opening the store that was built for them at Harrisburg Mall," he said. "They are attempting to sublet the space. We anticipate that they will be successful and that we will have a desirable restaurant tenant in place in the near future."

Angie Spinner, a Panera Bread spokeswoman, would not comment.

Barnes & Noble is on schedule to open in November, said Lenore Feder, a spokeswoman for the chain.

Sega World Sports Grille, a 15,000-square-foot restaurant in the streetscape, also is under construction. Sega will include a global menu, games and flat-screen televisions.

Tenant strength

Nobile also has had to deal with corporate-level decisions to close the Disney Store and Wilsons, The Leather Experts Inc., in the mall.

Disney's store space has not been leased yet. London Bridges, a women's clothing store, has leased Wilsons'

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space in the mall.

Bob Gorland, who specializes in shopping center and supermarket feasibility studies in his role as vice president of Matthew P. Casey & Associates Harrisburg office, said the mall's 90 percent occupancy rate is good.

Gorland said Harrisburg Mall is continuing to sign up tenants. "But I'm skeptical about how well the existing tenants are doing."

Positive signs

Kenneth Lakin, Boscov's Inc. CEO and chairman, said Boscov's officials are encouraged by development at Harrisburg Mall. "It's fairly well-leased," he said.

Lakin said men's and women's clothing, cosmetics and televisions are selling well. But he said, "The overall business climate is negative. The middle America customer we cater to is hurting and we're hurting, especially in the home store." Last month, Lakin told The Reading Eagle that the chain might have to close some stores.

Bass Pro Shops has enjoyed steady sales, said Hannah Moody, a spokeswoman at the Harrisburg Mall store.

"Even with the economy down, people who don't have money to travel are coming in to look around," she said. "They are going to local parks and doing backyard camping, so we teach



CHRIS KNIGHT, The Patriot-News, 2007

Bass Pro Shops at Harrisburg Mall has enjoyed steady sales, said Hannah Moody, a spokeswoman at the store. "Even with the economy down, people who don't have money to travel are coming in to look around," she said. "They are going to local parks and doing backyard camping, so we teach camping and hiking for beginners."

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The Great Escape Theater is doing well, said James Meserve, the general manager. The \$20 million 14-screen complex opened last year.

Nobile said that most stores are doing well.

"We've renovated Victoria's Secret and New York & Company," he said. "We relocated Bath & Body Works into a new store at the first floor center court and Kay Jewelers into a new store near the upper center court."

'Nice and clean'

Tonya Dengler of Swatara Twp. expressed disappointment that Panera Bread might not open at the mall.

"I like this mall, especially the Enchanted Forest," she said as she and her husband, Tony, watched their toddlers in the colorful play area. She said she was looking forward to Barnes & Noble opening in the mall.

Jennifer Scaffida of Lewisberry said she likes the layout of the mall.

"I like the stores and the decorations are nice," she

said while riding an escalator to the second floor. "But I'd like to see more shoe stores and women's clothing stores."

Joe Musa of Bressler visits the mall a few times each week.

"It's great what they've done to this mall," he said. "It's nice and clean. I'm a sportsman and I like to look at the [stuffed] animals at Bass Pro. It's quite a show. I wish there was a card shop here."

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