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Feed forward: First-time entrepreneurs did their homework

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David Warner's biggest fear was that he'd be saddled with something he hated.

Warner remembers lying awake all night before the opening of [City Feed and Supply](#). He'd borrowed tens of thousands of dollars from the bank and from friends to launch the little specialty grocery store on Boylston Street in Jamaica Plain with his partner (and future wife) Kristine Cortese. He'd been a restoration carpenter, and she'd worked as a scenic painter for theaters in Boston. Neither had any real experience operating their own business, let alone a grocery store.



David Warner took a methodical approach to starting his specialty grocery store 10 years ago. In 2008 he expanded to open a location on Jamaica Plain's Centre Street.

"That was one of the scariest nights of my life," said Warner, who'd stayed up till 2 a.m. the morning of his grand opening figuring out how to work the cash register. "I remember lying in bed just scared out of my mind. I was afraid I wouldn't like it. What if I just didn't like it?"

The store opened on schedule in May 2000 and did steady daylong business, thanks mostly to a postcard mailing campaign the partners launched in the months leading up to the day. The 1,000-square-foot store offered up fresh coffee, deli sandwiches and dinner fixings and quickly established a following.

In August 2008, City Feed and Supply expanded to include a 3,500-square-foot, fuller-fledged market on Jamaica Plain's bustling Centre Street — a significant expansion that happened just as the economy was about to nosedive and reinforced in Warner the value of the methodical, careful approach to business that helped get him started in the first place.

Warner and Cortese lived in the Stony Brook neighborhood of Jamaica Plain in the late 1990s. A convenience store nearby their home closed down. Cortese, who drove by the place on her way to work each morning, said she liked the location and had often wished the neighborhood had a store where people could get fresh coffee and "food that they'd want to eat." The closing also came at a point when both Warner and Cortese found themselves at crossroads in their respective careers.

“We were definitely at a spot when we knew we wanted to do something different,” said Cortese, 44.

From that point on, the two started a fact-finding mission to determine what it would take to open their own place. Nothing was definite, but once they hit one benchmark, it just made sense to go on to the next. Warner would sit outside the location with a counter some mornings to mark the foot traffic. He took himself to the [Jamaica Plain Neighborhood Development Corp.](#) to get the basics on a business plan and the loan process.

“It was always very much an exercise to see how it would feel,” Cortese said. “And it just kept going.”

One of the early stumbling blocks concerned the name.

They chose the name City Feed and Supply because it was reminiscent of their respective childhoods. Warner grew up on a farm in Oregon County, Mo. And Cortese’s grandfather operated a feed and supply store in Fort Sumner, N.M. For both, feed and supply stores represented places where neighbors gathered. But transplanting the name to the Northeast wasn’t exactly smooth. Even now, the store gets calls from people looking for straw, hay and other animal fodder.

“From the get-go they tried to talk me out of the name,” Warner, 40, said of the time he floated the name past the folks at the JPNDC. “My reply was that I liked the name. And once you do get it, it’s locked in your mind.”

Warner worked with JPNDC until he determined he was able to get the financing to lease the site and turn it into a store. Working with USTrust, he obtained an SBA loan for \$60,000 and borrowed an additional \$20,000 from family and friends. City Feed and Supply opened in May 2000.

Richard Thal, executive director of the Jamaica Plain Neighborhood Development Corp., said that one of the basic things his organization does with prospective entrepreneurs is give them assignments to complete — get a read on the marketplace and the competition, for example.

“The folks who succeed come back with more questions. And then there are others who think this’ll be more complicated than they thought,” he said. “One of the biggest misconceptions entrepreneurs have is running a business is any easy way to make money. You really need to be committed to what you’re doing.”

Thal said City Feed and Supply has gained a lot of respect in Jamaica Plain, partly for its commitment to using primarily local suppliers for everything from its meats to its produce to its dairy products.

Warner said buying from local vendors was an important aspect of the business from the start. For him, vendor selection usually means shopping at the competition. “I still consider Whole Foods and Trader Joe’s to be my pay-to-play trade shows,” he said.

He also said that since he's smaller than his competitors, he can't compete on price. Many items in the store are a few dollars more than they'd be at larger places, so Warner said he stresses customer service, freshness and commitment to the community.

The local aspect of City Feed and Supply is also a draw for customers, such as John Savoia and Hannah Campolo-Rich, who both work at The Purple Cactus restaurant across the street and stop in nearly every morning for coffee. They both say "local" is very much part of the fabric of the neighborhood.

"I don't know if the community aspect is unique to Jamaica Plain, but it has definitely come to the forefront over the past couple of years," said Savoia.

The two are regulars at City Feed and Supply's Centre Street shop, which features a cafe and deli, as well as grocery items ranging from bread to meats to beauty aids. The place had been the site of a video store. A regular at the Boylston Street shop clued Warner in when the video store closed, and after some consideration Warner went after the prominent location. He borrowed \$600,000 — mostly from [Wainwright Bank & Trust](#) — and the remainder from various development organizations as well as from family. The store opened in August 2008.

The build-out was more expensive than he planned, but he expected the added revenue from the expansion to cover the added expense. Revenue for City Feed more than doubled year over year to \$2.3 million in 2008. But Warner said the economic crash that came mere months after the Centre Street opening meant sales weren't where he expected for the year.

Among the measures he took to adapt was to readjust the terms of his loan and reduce payroll expenses. City Feed and Supply currently employs about 45 people.

Revenue for City Feed and Supply reached \$3.9 million last year.

Warner, who is forecasting revenue growth of 5 percent to 7 percent this year, said his experiences over the years with City Feed — especially with the opening of the new location — taught him the value of being methodical about growth.

"One of the stories associated with being an entrepreneur is an elevated tolerance to risk. That's true, but it's imperative for a business to find the safest possible way to do it," he said. "I don't regret doing it, but you need to find balance."