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Storeowners hit Pathmark plan

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Pathmark has been getting hefty financial boosts to jump-start its proposed East Harlem supermarket, much to the chagrin of local market owners who say they've invested \$30 million in their businesses.

The Retail Initiative Inc. of the Local Initiatives Support Corp. — a nonprofit group that provides financing for supermarkets in inner-city neighborhoods — recently announced it was giving \$24 million to 14 retail centers nationwide, including Pathmarks going up in the Bronx, Brooklyn and East Harlem.

Last week, the Health and

Human Services Department awarded a \$700,000 federal grant to the Abyssinian Development Corp. for a \$12 million Pathmark at 125th St. and Third Ave.

Then there is the 22-year property-tax abatement the city will grant the East Harlem Pathmark for the creation of up to 300 jobs.

Enter the owners of mini-supermarkets like Bravo, Associated and C-Town in East Harlem, who say that for years they have provided food services in neighborhoods that, until recently, have been ignored by large supermarket chains.

The smaller independents fear their business will be swallowed up by Pathmark

and plan a protest tomorrow in front of the corporation's Third Ave. offices.

"If they really want to build a store here, they can do it with their own money. It's unfair to subsidize one of the richest food corporations when you have minority entrepreneurs who have invested their livelihoods to service this neighborhood when big supermarket chains wouldn't touch it," said Richard Lipsky, executive director of the Neighborhood Small Business Association.

But Pathmark, which earned \$4 billion in sales last year, says it needs all the help it can get. These have been lean times for the company, which finds itself in the

seventh year of a leveraged buyout, prompting record dips in profits, said Stan Sorokin, vice president of public affairs for Pathmark.

He noted that until 1987, the chain averaged seven new stores a year, a number that has dwindled to two.

"But the issue here is that local merchants can thrive nicely with a larger store like us. They have their niche marketing; they know the specific needs of their shoppers," said Sorokin.

City Councilman Adam Clayton Powell 4th, among several elected officials opposed to the East Harlem Pathmark, is supporting the protest and said Pathmark should downscale from a

52,000-square-foot suburban-size facility to about 20,000 square feet.

Councilman Guillermo Linares said the city should nurture homegrown businesses rather than attract outside chains.

Retail Initiative, made up of 10 investors including Bank of America and Prudential, is designed to encourage supermarkets in low-income areas where residents often pay high prices for food.

A Daily News food basket survey in January, however, found little difference in prices between the minisupermarkets in East Harlem and the two Manhattan Pathmarks.