Resale shops are thriving, expanding in Utah market

By Linda Thomson
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WINMARK
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in the hands of people who have plenty of things they'd like to sell.

Among other things, this change in consumer spending has also been influenced by the growing awareness of environmental issues.

"With the economy posing a challenge and the fact that many people have an overabundance of possessions, savvy shoppers and sellers are realizing a real need to recycle perfectly good merchandise," Meyer said.

However, Steven Murphy, president of franchising for Winmark, said the recession alone is not the reason for that company's success.

"People are saying, 'You're doing well because of the economy.' I've been here since 2001 and we've done well throughout," Murphy told the Deseret News. "Our brands have consistently been doing well, but we now seem to have more interest in our brands from franchise candidates and consumers."

But the recession is having an effect.

Jeremy Hilton helps his son, Dax, pick out a bat at Play It Again Sports store recently.

People nowadays are looking to stretch their family budget as far as they can. Suddenly they're discovering our brands. (Some) people would not have considered it before. Some people would have said, 'I would not go into a resale shop,' in the past. Now the stigma is gone and they're seeing our stores are bright, beautiful, look like any mid- to high-end retailer. People like the environment, they feel good about the savings and about selling things to put cash in their pockets."

Bill Hicks, who owns two Play It Again Sports stores in Utah, agrees.

"In September, I will have been here 20 years," he said. "I've been through a few recessions.

He previously worked at Snowbird, decided he needed a change and, when his sister sent him an article about the franchise, "it seemed to fit."

The Highland Drive store sells a wide variety of merchandise, generally at costs that on average are 50 percent less than new retail prices. The store buys used equipment for cash, sells it and also offers consignment opportunities.

Hicks has plenty of repeat customers — mostly families with kids who need replacement sporting goods as the youngsters grow and also begin to explore new sports. There are also adult consumers who often want such things as treadmills or other items to augment their home workouts.

Plato's Closet is another Winmark franchise that has done well in Utah. It has 19 stores in Salt Lake Valley. Young said, "Even when the economic downturn, it's been great. You come into a Plato's Closet and find really nice, in-style clothing for about $50 percent off for what you can buy new. That just resonates with a lot of people."

Business clearly has picked up during the recession, but Young is confident this trend will last even when the economy rebounds.

"The recession was good for us because it got a lot of people familiar with our store and it's not a typical secondhand store," he said. "I think we'll keep that customer base there."

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