

Convenience With a View

Former Nice N Easy Grocery Shoppes executive Matt Paduano taps into his 29 years of experience to open the family-run Lakeport Market *By Melissa Kress*

AMONG THE MYRIAD OF THINGS Matt Paduano knows are upstate New York and convenience retailing. Combining the two, the industry veteran recently opened Lakeport Market on State Route 31 in Lakeport, N.Y., and he enlisted his family to join him.

Located halfway between Syracuse and Utica, Lakeport Market is nestled across from the south shore of the 22-mile Oneida Lake. As one may imagine, this is a rural community and was previously considered a food desert before the Paduano family arrived.



Lakeport Market opened March 3 in Lakeport, N.Y.

"I tell people there is a 22-mile wall across the street from us. If you want to go from one side to the other, you have to go down this road," Paduano said. "There are camps, year-round homes and good traffic flow. I saw a lot of opportunity here to be a destination for fuel, food, groceries, beverages, beer and snacks."

The idea for Lakeport Market actually began with late Nice N Easy Grocery Shoppes founder John MacDougall. He secured approval to build a Nice N Easy store on the lot; however, the plans met opposition from one local resident. Ensuing litigation dragged on for several years before the decision was ultimately made to back off the plan.

As a long-time Nice N Easy executive, Paduano had a front-row seat to the process.

"I actually put the sign up back in 2011, 'Coming Soon: Nice N Easy.' Then, seven or eight

months later, we took the sign down," he recalled.

Canastota, N.Y.-based Nice N Easy was subsequently acquired by CST Brands Inc., which had no interest in building a convenience store on the property, effectively putting an end to the idea. That is, until Paduano stepped up to the plate roughly six years later.

Going Out on His Own

Paduano has a long history with the convenience store industry. He worked for two c-store companies over the course of his 29-year career, gaining the bulk of his experience at Nice N Easy. However, unfortunate circumstances and two acquisitions led him to go out on his own.

"We had a good thing going with Nice N Easy for 35 years and with [MacDougall's] passing, the company was sold to CST Brands," Paduano explained.

The San Antonio-based retailer started out aggressive and wanted to grow its presence in the New York market. With his familiarity of the area, Paduano became the company's real estate contact in the market and worked with CST to line up a number of properties for new convenience stores. Everything came to a standstill, though, after shareholder unrest led to a strategic review of the company in early 2016 — followed by CST's eventual sale to Laval, Quebec-based Alimentation Couche-Tard Inc. one year later.

With all the changes, Paduano felt the time was right to explore other opportunities. He parted ways with Nice N Easy right before Labor Day weekend in 2017 and received approval from town officials for Lakeport Market the day after Labor Day.

With a slight shift in plans — MacDougall's vision called for a 6,500-square-foot store with an adjacent bank — Paduano was on his way to becoming a single-store operator.

A Family Affair

He didn't make the decision lightly.

"It's something I had been thinking about for a while. My wife, Maureen, and I discussed this at length before even approaching our children," he said. The couple has two daughters and one son.

"I remember back in 1999, one of our franchisees had a site that they wanted to sublease. I spent hours working on a pro forma for that site and then approached [MacDougall] looking for his advice. He thought the site would have been a challenge, so he recommended that I not take the chance," he recounted.

Fast forward to early 2017, Paduano sat down with his daughters, Nicole Paduano Roth, now 28, and Alyssa Paduano, now 27, and told them of his idea. His son Anthony

Paduano, now 23, was in college at the time. Lakeport Market would not become a reality without them.

"I told them my plan and that they had an opportunity to be owners, that they would run their respective departments," Paduano said. "I told them, if you're in, I'll do it. If you're not in, I'm not going to do it. I wasn't going to work 80 hours a week running the location on my own."

Lakeport Market opened in March. Today, as part owners of the store, all three of his children do the hiring, training, scheduling, ordering and merchandising. Nicole brings retail experience, Alyssa brings foodservice experience, and Anthony works as an assis-

tant manager between school.

"My kids grew up in Nice N Easy. I started working for Nice N Easy when Nicole was five, Alyssa was four and Anthony wasn't even one yet. I used to bring them into the office and to company activities," Paduano pointed out. "They all interned through the office. My oldest started working for Nice N Easy when she was 14. She had 14 years in with Nice N Easy, of which the last five years involved managing stores until I stole her."

As for Paduano, he pitches in everywhere, from bagging ice and cleaning windows, to stocking and maintenance. Just don't ask him to make food. "If you ask my kids, much of my day is spent standing around talking to the customers," he joked.

A Little Help From His Friends

Lakeport Market's foodservice menu goes beyond the typical convenience store fare. The foodservice program includes fresh pizza, fresh subs, wraps, fried fish, chicken wings, quesadillas, melts, salads, fruit cups and cookies.

"We took a lot of cues from what made Nice N Easy successful. If it works, why not?" Paduano explained, noting that everything is made in-house and there are no commissary items.

Paduano picked the brains of his former co-workers. Glenn White, former senior director of foodservice at Nice N Easy, took his 50 years of foodservice business and turned it into a consulting career. Jack Cushman, former executive vice president of foodservice for Nice N Easy, helped with the kitchen design and layout.

In addition, Paduano received assistance from numerous former colleagues with human resources, merchandising and marketing support. His general contractor and project manager designed 25-plus Nice N Easy locations, and former Nice N Easy franchisee Clifford Fuel provided foodservice training support.

"The Nice N Easy food program was a good starting point for us, but our plans are to expand our offerings. We recently purchased a meat slicer that will allow us to offer better-quality cold cuts that will be sliced fresh every day," he added.

One thing Paduano did not need help with was the store's design.

"I have been doing this for a long time. I really didn't need someone else telling me what to do," he said. "I was involved in many Nice N Easy new store projects so, over the years, I saw what worked or what didn't work in store designs."

With that in mind, Paduano sat down with his architect and discussed the basics.

"The one thing I learned from my years at Nice N Easy is that the stores we built were never big enough. Store size



Lakeport Market's foodservice offering includes fresh pizza, fresh subs and wraps, fried fish, fried chicken, quesadillas, salads and more.



Part of Lakeport Market's business strategy is using as many local vendors and stocking as many local products as possible.



and layout were based on anticipated business for when we open. No one looked out into the future to see how much business we would be doing five, 10 or 20 years from now," he explained. "This is something I took into account when planning our store. ... I want the store to still be viable with the anticipated growth in sales throughout the years. I made sure the store had enough cooler, freezer and dry storage space to handle the business."

Joining in the store planning was his wife Maureen, who was in charge of the interior and exterior design. The couple wanted to

do something different than the typical convenience store, getting away from the bright colors and loud graphics normally found in c-stores.

Maureen picked out the exterior and interior paint colors, all of the floor and wall tiles, cabinets, counters and furniture. "From the day we opened, customers have complimented us on the elements we used to design the store," Paduano said.

Getting Down to Business

Since a snowy March 3, Paduano's daughters have been running the operation on their own.

"I am very proud of how Nicole and Alyssa put countless hours in before we even opened and have worked long days since our opening to make sure that the operation runs smoothly," Paduano said. "Even though we are a single-store operator, we developed an employee handbook, rolled out computer-based training with 20-plus modules, designed dozens of branded labels for our packaged food items, developed a foodservice manual, and created a pricebook with 100 percent scanning, item-level inventory and computer-assisted ordering. All was done in-house."

Lakeport Market is just that — a market. The location has eight feet of pet food, 12 feet of paper and cleaning products, and 20 feet of edible items. The store also features a walk-in freezer with four doors of frozen food and a four-door, walk-in dairy cooler.

"I don't call it a convenience store. I call it a market," Paduano said. "It's what we tried to do at Nice N Easy. I know people aren't going to come here to do all their shopping, but we have a few locals in here every day buying things so I am their grocery store."

If customers don't find what they are looking for, all they have to do is ask.

"We make sure we carry what the customers are looking for. We are always looking for suggestions. Customers are surprised when we bring the product in that they requested," Paduano said. "They asked for it, but they don't expect it. But they are dealing with me, the owner, and my three kids running this place. If it's available and it makes sense, we'll bring it in."

A Warm Welcome

Part of the business strategy includes using as many local vendors and locally made products as possible. Among the locally connected products found in Lakeport Market are milk, ice cream, cheeses, meat products, maple syrup, produce and snacks. The store's beer cave also has a separate section that merchandises only New York State craft beer brands.

All of the pieces are falling into place. Since the "Coming Soon" sign went into the ground this past October, people were waiting for Lakeport Market to open its doors. Now, they come in thanking the Paduano family for opening the business.

SMALL OPERATOR



Lakeport Market is a true family affair for the Paduano family. From left: Anthony, Alyssa, Nicole, Maureen and Matt.

“My wife and I built and moved into three homes in this town over the past 20 years. Our kids all went through the local school system, so we are truly a locally owned and locally operated family-run business,” Paduano said. “Even after being open five months, we still get lots of Thank Yous from our customers.”

While he admits opening in early March, the day after Mother Nature delivered more than two feet of snow to the area, may not have been the best idea, Paduano was ready.

“Opening up in March may not be the best time, but I would rather open March 3 than June 3. It gave us a few months to train our staff of all-new employees, get a feel for what’s moving, and get all the kinks worked out with a brand-new location,” he said.

Today, Lakeport Market is humming along. In fact, the store already has garnered more than 50 five-star ratings on Facebook.

“One of the best things about our new business is that I get to see the kids almost every day. I am impressed with the maturity, knowledge, dedication and leadership each of them has shown since we started this project last fall,” Paduano said. “If there is an opportunity for us to open up future locations, then I know I have the management team to handle the challenge.” **CSN**