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L.L. Bean vs. Cabela's: How competition assists the economy of southern Maine

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The biggest news of 2007 in Maine retail development is Cabela's plans to open a super store in Scarborough. The 125,000 s/f attraction will be the anchor tenant for the new Gateway at Scarborough development. This is an exciting and significant addition to the southern Maine market, and one that is surely forcing their Freeport-based competitor L.L. Bean to take notice.

This new arrival, at the very least, raises some interesting questions. How will these two heavyweights of the outdoors industry co-exist within a 25-mile stretch along I-95? Will the tourist dollars that are so valuable to southern Maine's economy still stretch to Freeport? Will Cabela's succeed in a market that grew up wearing and buying L.L. Bean? Or, will this competition breed further economic development and success for both companies and their towns? Most commercial professionals, including myself, are leaning toward the latter.

By now, nearly everyone in Maine knows the L.L. Bean story. Family owned and operated since 1912, L.L. Bean has long been one of our state's largest retail exporters. In Freeport, their 160,000 s/f flagship store is truly the anchor tenant to an entire town. L.L. Bean ships their products to 50 states, over 140 countries world-wide, and produces sales of over \$1.5 billion. It has a significant impact on our market, not only via income and jobs, but also through its corporate contributions to Maine's communities.

On the other hand, Cabela's is "from away", headquartered in Sidney, Nebraska. It may be extremely successful nationally, but it remains a bit of an unknown in these parts. The Scarborough development will be its first in New England.

There is no question, however, as to the impact Cabela's will have on the Greater Portland community. It expects to employ as many as 250 people from Scarborough and the surrounding area. In fact, the entire Gateway at Scarborough development is expected to generate more than \$100 million in annual retail sales. Joining Cabela's will be an additional 68,000 s/f of retail space, a 200-room hotel, an 80,000 s/f office building and three restaurants.

The Cabela's store itself is nothing short of a marvel in modern-day retail development. Gone are the days of mannequins and slat walls - this store will feature, among other things, an indoor mountain replica, a freshwater aquarium, a gun library, an indoor archery range, and a museum representing different wild game species.

According to Harvey Rosenfeld, president of the Scarborough Economic Development Corp., the Gateway at Scarborough forecasts over 3 million visitors per year. Furthermore, its impact on area businesses will be felt immediately. "This project has generated incredible interest not only on the Gateway site, but in the rest of the [the surrounding area]. We have several other projects either approved for development or coming before the planning board," said Rosenfeld.

But, as usual, L.L. Bean has some grand plans of its own. While representatives deny the timing has

anything to do with the new Cabela's, this past June L.L. Bean announced plans to develop a new outdoor adventure center on 700 acres just off of Desert Rd. in Freeport. The proposed center will give visitors a full-fledged outdoor adventure experience, complete with hiking and biking trails, kayaking, fishing, a 9-hole golf course, lodging, and more. According to the Freeport Economic Development executive director Stephanie Slocum, "it will add another level of excitement to the already multi-faceted Freeport experience".

In addition, the new Freeport Village is expected to break ground this fall. Scheduled to be built on the old L.L. Bean Outlet store site, this development will add 118,000 s/f of retail, dining and structured parking in the heart of Freeport. Furthermore, says Slocum, "the substantial marketing investment of the developer (Berenson Associates) will be a benefit to all Freeport businesses."

So what will this competition ultimately mean to these two towns? "I actually see Bean and Freeport generally benefiting from Cabela's being in town because I believe that in most cases customers traveling from out of state to go to Cabela's will likely also go to Freeport," said Rosenfeld.

Slocum echoed those sentiments, saying, "In areas where the two brands have clearly different customer bases, [Freeport] will not have lost a thing. However, in areas where there is cross-over in customer interests between the brands, it is felt that a large percentage of consumers that have made the effort to come to the region to visit Cabela's will also make the very short drive to Freeport for LL Bean and all else that is the Freeport experience."

From an economic and commercial development standpoint, it is always encouraging to have out-of-state companies like Cabela's seek out and join the ranks of our state. Surely, even competitors like L.L. Bean would agree with that. In the end, it appears the results of this rivalry will be thriving local retailers, increased tourist dollars and satisfied customers - let's hope that is the case.

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