

Small Businesses Make Big

Welcome to This is America. I'm Christopher Cruise.

And I'm Faith Lapidus. Many small, family-owned businesses in the United States are struggling to survive. Along with the sluggish economy, they face competition from big box chain stores and restaurants. This week on our program, we visit a Washington, DC area hardware store, drugstore and restaurant and learn how they are competing successfully for customers.

The restaurant business is very competitive in the United States and many people choose to eat out at well-known chain restaurants. So how are small, family-owned restaurants making ends meet? We visited Primo Family Restaurant in suburban Washington. It is an example of a small, family-owned operation where business is booming.

It is another busy day at Primo Family Restaurant -- a popular dining spot in Alexandria, Virginia for more than 25 years. C.A. Savoy says he does not like the atmosphere or food at the chain restaurants. Instead, he enjoys eating at Primo's.

"Everything in here is home cooking. It's all fresh food and delicious."

Server Tina Mitrakas has worked at Primo's since it opened.

"I like the customers. Everybody is friendly. I like the people I work with. It's like my second home."

Lynne Sepple's son Nick is here, celebrating his birthday.

"My son has been here since he was six days old. He's been here once a week since then."

Mary Wise often stops by Primo's after work. She plays the role of Martha Washington, wife of the first United States president, at nearby Mount Vernon. It is the home and property where George and Martha Washington once lived. Ms. Wise says she enjoys Primo's because it feels comfortable.

"It is a place where you can consistently have good food, not too expensive. You know you're never going to be ever confronted with something that's a surprise. I think people like that."

Another appeal, she says, is owner Jim Nicopoulos.

"I like to get involved with my clients. I find out about them. I touch them. I have to be involved with my customers and my staff at the same time."

Everyone calls him Jimmy, including Mr. Savoy and his wife, who are long-time customers.

"We've become part of Jimmy's family now. He refers to Joyce and I as his mother and father."

Primo Family Restaurant is truly a family business -- from the photos on the wall, to the dining area, where his father-in-law seats patrons. And in the kitchen, Jimmy's cousin Spiro Routoulas prepares Greek specialties.

"He's a funny guy. He comes inside the kitchen and tastes whatever I make. Oh, it's fun."

"It's quality control, Greek-style."

Besides the food and friendliness, Jimmy says Primo's has another appeal over the chain restaurants.

"Big chains have to go through processes of buying their foods from large industries and distributors. We can get our produce local. We can get our meats."

Elizabeth Bessel notices the difference and stays away from the nearby chains.

"I just don't find the food to be that great. When I eat here, Jimmy will come up to the table and tell us that he got that produce from somebody's farm."

Jimmy says he thinks there is room in the neighborhood for both family and chain restaurants. His customers agree.

"It's been here for 25 years. I see it being here 25 more years."

One hundred years ago, Morgan Pharmacy opened its doors in Washington. Through economic ups and downs, the small, family-owned pharmacy has thrived. But how is it staying in business today with a larger drugstore just down the street? In the second part of our program on the survival of small businesses in the United States, we learn what Morgan Pharmacy is doing to keep its doors open.

Morgan Pharmacy has an old-fashioned feel, with a display of old prescription bottles and the original shelves from when the store opened in 1912. Pharmacist Barry Deutschman bought the store more than 20 years ago.

“During the time period between then, and the time we stopped carrying tobacco, you can see that people would rest their cigarettes on the counters here.”

The pharmacy is located in a residential neighborhood of Washington and most people hear about it through word of mouth.

“Once somebody who’s never been here comes in here, they love the place and they want to come back.”

Sandra Sugar has been coming to Morgan’s for years.

“This has nostalgia just coming in here.”

Toni Stephens feels a special bond.

"The people who work here, they're helpful. They're like family."

Some customers enjoy the new products in old-fashioned packaging.

"It smells so good."

Others, Mr. Deutshman says, like items that are old-fashioned.

"Grandpa's Pine Tar Soap."

After prescriptions, chocolate is the big seller.

"People who take medicine occasionally need a treat and they really want good candy."

The number of independent pharmacies has been decreasing. The National Community Pharmacists Association says about 20 thousand exist today -- down by half from 20 years ago. They are being replaced by drug and supermarket chains, which often open up in the same neighborhood, and offer a wider selection of products.

But customer Abby Griffin says the chain stores are impersonal, so she comes to Morgan's.

"It's the friendliness, and you feel you trust the pharmacist, and you trust their advice."

Independents like Morgan Pharmacy often provide services the chain stores do not, such as compounding certain drugs and creams by hand and delivering prescriptions. Mr. Deutshman says the pharmacists also take the time to talk with customers and get to know them.

“So it’s more than just being the neighborhood pharmacist, it’s being part of the community. You don’t get treated like this in chain drugstores.”

Mr. Deutshman hopes Morgan Pharmacy will be around for a long time.

“I have the most wonderful clientele in the world. I have no plans on retiring. Our plan is to hang in there as long as we can.”

The popularity of large home improvement stores in the United States has made many neighborhood hardware stores a memory. But one family-owned hardware store near Washington is beating the odds and business is better than ever. Next we take you to a hardware store that has been around for more than one hundred years.

Welcome to Browns Hardware in Falls Church, Virginia, where you can find a wide variety of hardware and other items. Browns brings back memories for customer Dennis Kraft.

“The thing that reminds me the most of the stores that I was in as a kid is that the shelves are just stacked to the ceiling.”

Hugh Brown has owned the store for more than 50 years.

“Hi, Mr. Brown. How are you?”

Everyone calls him Mr. Brown, even John Taylor, the store manager for more than 15 years.

“He’s a great guy to work for. It’s almost like working with your dad.”

Mr. Brown is the third generation to run this family business. It was founded by his grandfather in the late 1800s, then handed down to Mr. Brown’s father.

The current store, built in the 1950s, has kept its old gumball machines. And Mr. Brown still uses his grandfather’s safe.

He thinks the store has been successful because the customers come first.

“We try to take care of them when they come in. Try to have the merchandise that they want.”

Bobbi Beck has been coming in for 30 years to buy items for her jewelry business called “Hard Wear.”

“The people who work here, we’re like family to me.”

Mr. Taylor says customers keep coming back because they trust Browns.

“They know we won’t sell them something that they don’t need. Some people will come in and talk to us for 20 and 30 minutes after a sale if it’s not busy. We have a good time.”

Despite its success, this neighborhood landmark could disappear. Competition from large, national home improvement warehouses, known as big box stores, is driving many small hardware stores out of business. Browns’ customers say they do not want that to happen here.

“You can find things that you can’t find in a gigantic store that’s ten times as big.”

“You can always find someone to help you here, and someone who knows what you need. It’s a personal touch and you cannot find that at a big box store.”

Many big box stores also do not provide services like fixing screens. And, instead of having to buy a box of nails at the big box stores, Mr. Brown sells individual nails that are weighed on a scale made in 1912.

“They just want a few, and they love to come back here, and just pick out what they want.”

The store also carries soap that Mr. Brown remembers from his youth.

“There’s no perfume or anything in it. It’s just like a heavy laundry soap.”

Mr. Taylor says some people come in just to look around, and find unusual items like an owl that scares birds out of gardens.

And this fly zapper.

With no family of his own, Mr. Brown plans to pass the store on to Mr. Taylor. When that happens, a new family tradition may begin.

“My son works here. He’s been working here since he was in high school.”

Our program was produced by Brianna Blake, with reporting by Deborah Block. I’m Faith Lapidus.

And I’m Christopher Cruise.