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## Beyond the DVD

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If the grimy storefront in the red-light district carrying nothing but movies and stroke books is the stereotype of adult emporia from the past, the well-lighted, carpeted shop with an open floor plan is rapidly becoming the template for adult entertainment stores of the 21st century. Up front is Victoria's Secret meets the cosmetics counter at Bloomingdale's; a little deeper inside, naughty videos, toys and leather goods.

As TV shows and home parties expose more and more women to items designed to enhance sexual pleasure, communities have seen a rise in stores carrying not only adult videos but lingerie, sex toys, novelties and lubricants. Such "adult boutiques" create an environment in which women and couples can feel comfortable shopping.

"It's the best of both worlds," said Marshall Weinstein, co-founder of Specialty Store Services, a Chicago-based firm that provides display items for a variety of retail businesses. "The guy can find anything he wants, but it's more inviting than a small, smoke-filled store for men only. It's comfortable for a couple to go shopping together — and fun."

TV series such as "Sex and the City," whose female characters have been known to use the occasional hand-held device, and advice shows like Sue Johanson's "Talk Sex" have introduced many women to the world of vibrators and kinky lingerie. So has the meteoric success of outfits like Pure Romance Inc., which gathers women for parties at which they can buy relationship-enhancing products and makes them knowledgeable consumers at adult stores.

"We take things seriously; we educate the consumer," said Eric McCoy, the 30-year-old proprietor of The Red Door, based in Charlotte, N.C. Not coincidentally, Charlotte is Pure Romance's No. 2 market. Women who once shied away from the very notion of visiting a shop with adult merchandise might be more receptive if they are introduced to adult delights such as fruit-flavored body butter and the orgasm egg while in the company of fellow soccer moms in a friend's living room.

A growing segment of the market is baby-boomers whose marriages may need refreshing after 20 or 30 years. "A one-stop shop has everything," said Greg Sakas, owner of the 10-store Ultimate Bliss chain in North Carolina and Virginia. "They get a chance to enhance their love lives in many ways."

At the same time, the mirrors, neon and friskiness of full-service stores attract younger customers. "People my age and younger are real comfortable with our kind of store," McCoy said.

The key to raising the comfort level enough to make adult stores inviting to a wide segment of the community involves making them look like part of the mall culture, so that they don't stand out (too much) among strip malls and big-box retailers — and by putting the least explicit items up front.

"You have to make them look mainstream," Weinstein said. "It's still adult-oriented, but it's less obvious when there's a mix of products."

"Anything you can do to soften the feel of a store is good," agreed Stephen Milo, district manager for Phoenix-based Castle Megastore Corp., a chain of adult stores throughout the Western states.

To that end, one-stop adult stores typically put lingerie up front: the more mainstream styles closest to the door, followed by the more strategically detailed. In many female-friendly adult stores, lingerie can account for 40 percent of the floor space, turning "sex shops" into what one store owner said his customers refer to as "spice shops for romance."

Atmospheric merchandise that is not explicitly sexual, such as candles and body lotions, might also be displayed toward the front, while the videos, sex toys, bondage gear and "bachelorette" items like dildo cake pans and smutty T-shirts are further back and not visible from the parking lot.

Managers sometimes create a "buffer zone" of racy lingerie, condoms and massage paraphernalia to prepare customers for the more explicit items further on. Some stores keep the most hard-core merchandise in a back room walled off from the rest of the store, while others favor a more open plan.

Making stores inviting to women and couples also means enforcing a code of conduct that's more PTA meeting than back-alley. Greg Sakas said his employees permit "no smoking and no profanity."

Paul Weber, manager of the Ultimate Bliss store in Charlottesville, Va., told the University of Virginia's Cavalier Daily that he

monitors the premises for inappropriate behavior. "If you're a female and somebody says something to you out of the way, that person will be tossed immediately," he said.

Videos, to be sure, are an important segment of these one-stop adult emporia, with DVD sales often disproportionate to the amount of floor space they're given. Sakas said videos take up 10 percent or less of floor space at Ultimate Bliss but account for about 40 percent of sales. McCoy said videos on the back wall, a limited selection of "top DVDs," including briskly selling perennials, occupy less than 4 percent of the store's space but account for 20-25 percent of store revenue.

The mix of merchandise within a store depends on the chain and the community. Denver-based Goalie Entertainment, whose Romantix chain operates in 19 states, varies the space for videos and other items using point of sale analysis. A store in an industrial area will have a different mix than a more "boutiquish" store in a suburban area, said Goalie's Randy Warren. "Some stores used to be heavy on DVD but have become bigger on toys and novelties," he said. Sakas, on the other hand, said the merchandise mix is similar throughout the Ultimate Bliss chain.

At times, local regulations dictate how much of a store's floor space can be devoted to explicit items or how much of the business's revenue can come from them, and many communities restrict where adult businesses can be located, which can make suitable space hard to find. Greg Sakas, who has several stores in college towns, said he couldn't find a place to rent in Charlottesville until he came across a fellow Greek with a former bank building for lease.

Sakas indicated that an adult store owner needs to play the hand he's dealt in terms of city regulations. In a 2,000-square-foot space, "If we can have 600-700 square feet for adult product, we can make it work," he said. "It also doesn't hurt to have a good attorney."

One-stop shopping for adult products, several retailers and distributors said, makes the most economic sense. Bryan Berber, vice-president of New Beginnings Ltd. in Sylmar, Calif., which distributes a full line of sex toys, lubricants, magazines, DVDs and even VHS tapes, says more is more.

"If they want to move to a nicer neighborhood, they should," he said of store owners. "They should double their space and put a toy section in there. If they already have foot traffic, they're missing the boat if they don't put in more product and attract new customers."

"You can't make enough just on videos," Greg Sakas added. "It takes everything to make a profit margin."

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