Bon Carré Living with adversity

Tenants remain upbeat despite headaches caused by development's financial woes

By CHAD CALDER
Assistant business writer

At 10:30 a.m. on a Thursday morning in August, Explore Interactive President and Chief Executive Officer Claude Bechard sat in his company's conference room at Bon Carré, waiting for the arrival of Coca-Cola Bottling Co. executive.

One of Bechard's sales reps had a local contact at Coca-Cola to set up an online demonstration of Explore Interactive's Web creation tool with company brass in Atlanta.

They were impressed enough to send someone to take a closer look at what the Baton Rouge company could do for them. For Bechard, it was a chance for Explore Interactive to get a financial boost in a Fortune 100 company.

"We had a great reception," Bechard said. "They had a great reception. But it took five or six months of small talk before we could get into what the company was about." 

"When that hit me, that was when I knew it was all for us," he said.

Dealing with buzz, confused customers is just one of a handful of challenges some Bon Carré tenants unerringly sign on for when they are forced to move into the development.

Poor signage, a parking lot full of post-bellum hundreds of thousands of square feet of empty stores - it's not even an out-of-state consumer group on the brink of collapse - all make the already daunting task of running a business even more difficult.

As it stands today, Bon Carré is under threat of foreclosure after Reed Saffin, the company's wealthiest investor, declared bankruptcy in December amid allegations he scammed about $800 million. 

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A computer running Explore Interactive's software, used to sell products and services from a variety of companies, sits in the conference room at Bon Carré.

Cynthia Oly, a computer instructor for Linscat, walks down a 1,500-square-foot office in Bon Carré's longest, empty corridor.

The nearly deserted Louisiana Technology Center, with $3.7 million in commitments, is among several businesses that have struggled to attract customers.

Nancy Roberts, executive director of the Louisiana Resource Center for Educators, said she was willing to roll the dice on Bon Carré because she believed in Harracross's vision. And she still does, even after paying up to $3,000 to fix a broken curb in front of the LRC's door. The office flooded during rainstorms three times last year because of the broken curb.

Roberts said she tried unsuccessfully to get Harracross to fix it. She finally decided this spring to do it herself and back the cost out of her $300-per-week salary. "No mistake might be repeated this time," she said. 

Also, an LRC staff and for a $500 check for parking "a car" in front of the building to unlock security doors. Roberts said she had repeatedly tried to get a loading area established at the nearby Federal Express, but to no avail. She had to make due with a sign on the door warning people they could be cited. And the biggest headache for the companies such as Explore Interactive and the

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- Alan Reed, regional vice president, DynTek

Advocate staff photo by Sarah Orr

Tim Morgan of Office Depot passes unfinished drywall lining corridors at Bon Carré as he delivers supplies to Explore Interactive.

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The LRC itself recently got a cell phone call from a visitor who got turned around in the mall that he couldn't even explain where he was. An LRC employee was sent out into the mall to retrieve him.

"Our staff overcomes a lot of the problems," Roberts said.

"We get a lot of people in here that don't know where they're going," Betha said. "We try to point out Explore Interactive on the first floor. Look for the sign on the front door and then go down the stairs. "

By late last year, Roberts, Betha and members of several other companies at Bon Carré started a tenants association to try to come up with their own solution.

Soon, 11 companies had signed on to pitch in $6,000 for temporary signs - five along the road for the entrances to the property, one over the entrance to the main lobby and three inside.

Lamar Advertising Corp., whose chief executive officer, Kevin Reilly Jr., sits on the Bon Carré board of directors, will print and install the signs. Explore Interactive has designed them.

"We're just hoping we don't have to use them that long," Betha said.

Other grassroot solutions haven't had as much success.

Betha also says she called Stirling Properties, the development's management company, and offered to get volunteers together on a weekend with some soda and pizza to help paint the stretchers of bare dry wall that separate their finished entrances.

"So, he was told, but the group wouldn't be covered if there was an accident," Betha said. "The people who move the phones say it's their job." Betha believes that's the right answer, but can't help but believe that more can be done.

Marty Mayer, president and chief executive officer of Stirling Properties, said complaints about the lack of proper signage are legitimate. "It's a difficult place to maneuver around, but particularly when more than half of it is described," Mayer said.

In fact, Stirling kicked in $2,000 for the signs, and the tenants association got the initiative going.

Mayer said Bon Carré's troubled finances are more than enough for the difficulty his company as well.

"Management under these circumstances is much more difficult, particularly for the on-site people, the person who has to be there every day and deal with tenant issues," Mayer said.

I wish a local owner would buy it, take it over and make it a success. Someone with a great deal of dedication and business savvy that can convince people it can be turned around. I still believe the concept is right.

- Nancy Roberts, executive director, Louisiana Resource Center for Educators

said. "That's very hard for them to do. I know it's not fun."

Mayer said Stirling spends a considerable amount of its time and energy dealing with bookkeeping issues, like figuring out how to keep things running using only the monthly rent from just a handful of tenants.

He likened it to what many Baton Rougeans do with their own bills every month.

"It's put it this way," he said. "It's a daily occurrence for us - to do bookkeeping, and where we keep the money, what bills to pay, what bills can wait."

"In short," he said, "there's only so much money available to spend."

"That kind of prevents you from doing things you would normally be able to do," such as deferred maintenance projects, he said.

But on the larger issue of Bon Carré's fate, Stirling is in the same boat as the tenants.

"Being in limbo is what's the worst," Betha said, adding that his biggest fear is that foreclosure on the property could delay the sale of Bon Carré for years.

He said he can't see why anyone would buy the property before foreclosure, since it could likely be bought cheaper if auctioned off.

Robert said it's difficult to remain hopeful despite persistent rumors of a buyer being found.

"Every few months you'd hear there's going to be a buyer, it's going to get fixed, but it wouldn't materialize," she said.

Mayer said Stirling is doing as much as possible behind the scenes, things that could eventually lead to the addition of tenants.

"The company knows the ins and outs of the development better than anyone and is often called upon to provide information to interested buyers and their lenders. "

"There are a lot of things that are going on right now behind the scenes with respect to the ownership of the mall and the lenders," he said.

Until then, however, Bon Carré's tenants will carry on, largely unappreciated by the thousands of motorists who pass by the unfinished facade that has been there for more than two years.

"It's a shame for people to ride in front and comment without seeing what's inside," said Alan Reed, regional vice president of Irvine, Calif-based DynTek.

Reed said visitors to his company's Bon Carré office are always impressed with his offices, the mall and the building manager.

"People really need to go in and take a look at what's happening at the incubator and technology center," he said. "It's a gorgeous facility.

"And feel free to criticize us from the outside. That's real.

Betha, who eventually landed the Coca-Cola account, said he is comfortable discussing the challenges of operating at Bon Carré because he is one of the development's staunchest defenders.

"If that data center was not there, this company would not be here," he said. "It's crucial to the development of the state's technology industry."

Betha hopes that one day, Explore Interactive will be the company Louisiana points to when they talk about the origins of Louisiana's technology sector.

"This place or anywhere like it will spawn the next Microsoft," he said.

And Mayer said Stirling has no regrets, either.

"Bon Carré, he said, new in trouble, is in today, but we knew it was in a financially strange situation. But we got to involved and stayed involved because we believe this project will succeed under somebody's ownership - not just the current ownership."

Robert said Bon Carré's new owner should stay true to Harrover's initial vision for Bon Carré.

"If you choose to buy it, you should take it over and make it a success," he said.

"Someone with a great deal of dedication and business savvy that can convince people it can be turned around. I still believe the concept is right."