



Shopping

Why is Costco such a big deal?

It appears Costco Wholesale is planning to open one of its giant warehouse stores at the new Gemini exit north of Polaris. Costco spokesman Bob Nelson says the Columbus store, which will be the first in Central Ohio, is not a "done deal," but the groundwork is being laid. Nelson says the store could mean competition not just for Sam's Club (a division of Wal-Mart), but also midlevel retailers, department and office stores and discount retailers such as Target and Kmart.

Costco customers pay an annual membership fee (\$45 per household) to shop in a bare warehouse with virtually no customer assistance. In return, they find groceries, books, electronics, clothes and such luxury items as plasma TVs and grand pianos priced lower than the competition. (Costco even sells caskets.) The company, based near Seattle, also offers bulk-size beauty products and vitamins, and a line of store brand products under the Kirkland Signature label. And its members can order cars, vacations and jewelry through Costco, either in the store or through the website. Executive members (\$100 per year) can even purchase real estate and health insurance. The store caters to small-business owners, offering office supplies, bulk items for catering and financial services.

Costco's plans became public when it filed for a zoning variance to build a gas station at a store site, 1.9 acres on the northwest corner of Lyra Drive and Gemini Parkway, according to Columbus zoning officials. Retail expert Chris Boring says Costco is unlikely to anchor a shopping center. "They try to be more of a stand-alone," he says. He doubts Costco will open just one store in the Columbus area and has a hunch it's also eyeing a site near Easton.

—Alice Hohl