A WEB RETAILER GETS PHYSICAL
Dusty Groove America (Chicago)

While some worry that the Internet is pushing record stores out of business, Chicago's Dusty Groove America found the Web to have quite the opposite effect. The retailer went from Web portal to brick-and-mortar storefront during the course of five years.

Launched as an online mail-order destination in 1996 for fans of avant-jazz, underground hip-hop and world music, Dusty Groove was such a local hit that owner Rick Wojcik opened a walk-up window for pickups. Continued traffic at the window eventually forced Wojcik to open a full-fledged store in 2001, despite the fact that Dusty Groove still does more than 90% of its business online.

"We had that [window] because we used to only be open two days per week," Wojcik says. "But we have people working through the middle of the night here, and decided to just keep the store open longer. That's essentially eliminated the need today for the take-out window."

Wojcik reports that of the 10% of customers who reside in Chicago, half of them walk in the door having already placed a hold on an item online. "So many of the brick-and-mortar purchases are informed by the Web site on a daily basis," Wojcik says. "If we put up a lot of product on a Tuesday night, the store will be really busy on Wednesday."

And the heavily curated store—Wojcik says Dusty Groove stocks about 10,000 titles at any given time—is now taking matters further into its own hands. Seeing major labels trim the staffs and output of reissue divisions, Dusty Groove launched its own label in conjunction with Universal, Wojcik says. This summer, the jazz, funk and soul titles will be available nationally via Infinity Entertainment Group.

—Todd Martens