

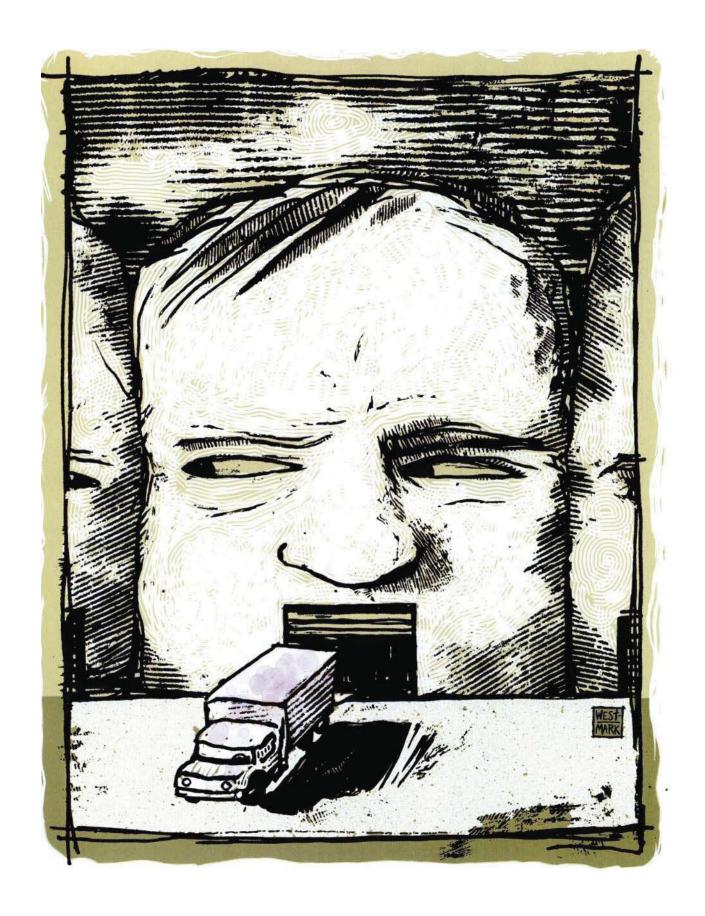


At the Door To Door Storage warehouse in Anaheim, the wife and her husband will be remembered in company legend as the "Mobile Marrieds." Several times now—and counting—the wife has called. "It's over," she says in that throaty, sultry voice the drivers love. — By now, they know the drill. Out to the house to pick up either a) the household goodies she intends to protect while they haggle in divorce court; or b) any significant memories of HIM. So the spoils of war are stuffed into a covered container about the size of a garden shed and the truck carts it off to the storage center. Then, a few weeks go by, the cease-fire call comes, and back goes the truck to restock the marriage. — On-again-off-again relationships have required a lot of back-and-forth schlepping for the drivers at Door To Door. "But I'm not asking any questions," says founder and President Tim Riley. In the wildly popular self-storage business, the Seattle-based company with new operations in Anaheim is a hybrid upstart, offering pick-ups and returns of containers on specially designed flatbed trucks. — So the

By Douglas Root • Illustration by John Westmark



For Americans in transition, all roads now lead to one place—that curious, all-purpose maw known as the self-storage locker



drivers at Door To Door see it all-sometimes up close and very personal. In the case of the Mobile Marrieds, a trip to the couple's estate has been one of the hottest assignments lately because of the wife's preference for wearing less and less with each truck visit. "I think we've got a lot of guys here who want to be on that tenth trip," says Riley, who, with his wife, Ginny, started the business last year.

Their customers often are in life stages that range from "in flux" to "involuntary commitment." Some people are on their way up, others are on their way down. Some are

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just on their way. Says Joanne Geiler of Newport Beach, a former president of the National Self-Storage Association: "We see them all."

N A WORLD BESET WITH TRANSITIONS AND cramped spaces, self-storage is a godsend. Just lock it up, walk away and deal with it only when you write out the \$30 to \$65 rental check each month. With little more than a driver's license and a credit card, anyone can store just about anything in these cubicle clusters.

And they do-by the U-Haul load, by Ryder truck, and in the case of the Laguna Hills taxidermist with one too many stuffed grizzlies, even by flatbed trailer. But as Americans lug and hoard and stuff their way into the next millennium, self-storage is becoming more complicated, with a dizzying array of consumer options. Fast fading are those simpler times when renting a storage locker was cheap, anonymous and very

The businesses are being managed smarter, and there is more high-tech gadgetry. But several self-storage managers in Orange County agree that what gets stored hasn't changed much over the years. Some of it is less than pretty, some of it is downright illegal, and some of it is just, well, funny.

Indeed, it wasn't until former Washington Redskins superstar fullback John "Riggo" Riggins was forced to reveal his address several years ago during a lawsuit brought by his attorneys over unpaid bills that court officials realized his home was a self-storage center in Chantilly, Va. Riggins had for months been living in a rented garage at the facility, sharing space with a few pieces of furni-

ture and unspecified industrial equipment. "He seemed to be around a lot, but we didn't know he was actually living in there," a manager at the center told reporters.

What is clear from police records and interviews with selfstorage owners is that they are making it more and more their business to know what is socked away in the 135 million square feet of paved-over, cubed-up and garaged-over selfstorage space across California and the 950 million square feet dotting the rest of the country. They also want to know more about who is doing the storing. The no-questions-

asked, out-of-the-way environment was attracting criminals who used self-storage to hide everything from bomb-making ingredients to bodies.

Phoenix-based based MiniCo, one of the largest insurers of self-storage businesses, has developed a national crime-prevention program called "Crime Watch," which offers sophisticated tips and high-tech tools to "discourage break-ins from the outside and end illegal activity on the inside," says Bob Rogers, advertising sales and circulation manager for Mini-Storage Messenger, a trade magazine that offers such pulse-pounding fare as "Storage for the Stars: Mini-Storage a Necessary Niche

in Lives of Many Famous Celebrities."

Included in the "Crime Watch" products catalog: an inkless fingerprint kit that "lets their fingers do the talking;" the Micro Check Camera with lenses that take a simultaneous picture of the tenant, their ID and payment; and the MiniCo Driver License Booklet, offering color reproductions of current valid license designs for all 50 states.

One of the goals of the anti-crime program is to change the industry's reputation as a safe harbor for criminal activities, says Rogers, a reputation he says is based on overblown news reports in recent years.

It was a self-storage locker, for instance, that became the repository of choice for conspirators in the 1995 World Trade Center bombing. And prosecutors in the Oklahoma federal building bombing trial say that one of the two suspects rented a storage locker to hide the stolen guns and cash used to finance that blast.

ITH STIFF COMPETITION IN THE largest markets, self-storage operators can't afford sordid crime connections. Owners are more vigilant and cooperative with law enforcement because, in an industry with \$9 billion in annual revenues, they can't afford to lose carefully crafted legislative protections. Efforts by owners more than a decade ago led to the passage of regulations in

43 states that treat self-storage contracts like landlord-tenant leases. That means that under California law, what goes into an apartment or storage locker is the renter's responsibility.

Historically, that exemption, combined with low development, maintenance and labor costs, has made self-storage centers cash cows. Pretax profit margins on existing businesses have been as high as 70 percent, making them among the choicest real estate investments in the country.

owners have begun to plow some of those profits into upgrading the physical plant, on training for managers and in tools to screen out criminals. "If you're in this business in a major metropolitan area, you really don't have a choice," says Darrell Woody, communications manager for Glendale-based Public Storage Inc., the country's largest self-storage busi-

But in recent years, more and more self-storage business

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ness. "The competition will do it if we don't."

And in Southern California, new construction, consolidation and mergers point to keen competition. The three customer bases that drive the industry in this area, says Newport Beach's Geiler, are small-business owners who store an average of two years; residential customers in transition who store an average of 10 months; and homeowner pack rats who can store for several years or more. But with so many customers storing for different reasons, she says, "there are no rules, just hints about patterns and behavior."

It's not uncommon, for instance, for every unit at one of Geiler's properties to turn over in a year's time. "If you don't stay on top of the trends and if you don't offer easy access with reasonable driving times, then they're going to go somewhere else," she says.

In Orange County, 200 self-storage businesses rent out about 9.6 million square feet, making it the 30th largest among metropolitan markets. The leader is Las Vegas, which is overrun with casinos but devoid of basements and attics. In fact, the business began in Texas—the late 1960s is the best anyone can figure—for the same reasons. Demand continues in the Sunbelt today to serve retirees from the East who lived for years in large houses stuffed with the accumulations of a lifetime.

NA RECENT EDITION OF THE PACIFIC Bell Smart Yellow Pages for Orange County, the 1-1/4 columns of listings for cemeteries and memorial parks providing permanent storage of the dearly departed are dwarfed by the 13 pages devoted to storing the stuff of the living. "They talk about how you shouldn't get attached to things because you can't take them with you," says Door To Door's Riley. "But there's this journey from packed closets to the trash out at the curb that a lot of people aren't willing to make"

By offering the added service of pick-up and delivery, Riley is betting his business will beat out the competition in the Baby Boomer market. "They're older, weaker and wiser. College is a long way back. They've acquired a lot of things they can't bring themselves to throw out. They can't just call up their buddies and expect them to give up a morning to move their stuff into storage."

Gargantuan Public Storage, with its 540,000 self-storage units on 64 million square feet across the country, has been known to try to out-muscle competitors by offering dollar-a-month rental promotions. But within the past two years, the company has gone high-tech, funneling phone customers to a computerized reservations department staffed, says Woody, with 90 trained agents who match customers with available units. They also push the new retail marketing program, offering truck rentals and reserving moving equipment such as dollies.

While giants such as Public Storage and Shurgard, of Seattle, have a lot of clout nationwide, the industry still is largely mom-and-pop—one or two facilities per owner. "That doesn't mean these are seat-of-the-pants, struggling business people," says *Mini-Storage Messenger*'s Rogers. "You've got to figure that even the low-end businesses are worth \$1 million or \$2 million, and they're being run by very sophisticated people."

The BOOM DAYS OF BUILDING ON cheap land along major highways, in backwater suburbs or in run-down commercial sections of large cities may be over. Self-storage centers now are dressing up and building up, competing with office parks and shopping malls for prime development land. The expensive camouflage suggests tony office complexes or private museums rather than a corral for a bunch of storage sheds. In fact, the enhancements are designed to attract customers and win over zoning boards in upscale metropolities are seen.

The cover photograph on a recent Public Storage annual report, for instance, is an artsy sunset shot of its new two-story facility in Atlanta—plum is the building's color scheme—in a shopping district about 10 miles from the heart of the city. The building has storage on the

upper floors and a mover's dream store on the ground which rents or sells everything from trucks to boxes to those annoying Styrofoam packing peanuts. The only moving needs not available are the pizzas and beer to pay friends for their muscle. "But I'm sure someone is working on that," says Woody.

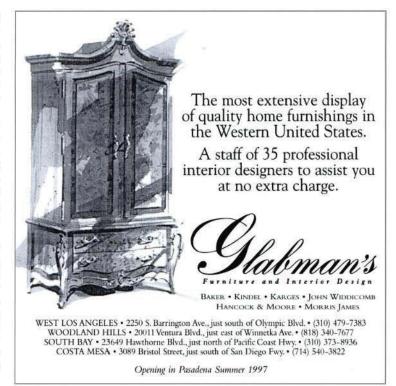
The land and building cost the company between \$3 million and \$5 million, he says, three times the development costs of a decade ago. "It's an investment driven by marketing considerations. You want customers to have one-stop shopping and renting, and you want the building to be inviting and secure."

Companies are willing to play dress-up and accede to other local demands to get access to higher-end communities because "the key to self-storage rentals is location, location, location," says Newport Beach's Geiler, whose Polo Properties owns and manages several self-storage businesses in Southern California and is partners with an investment group that's building several more.

Many self-storage centers now offer climate-controlled storage lockers for wine collections or those Old Masters portraits that don't match your Arts and Crafts-style furniture. Some offer wall-to-wall carpeting for items that would never deign to touch concrete.

Amenities continue outside the storage rooms. Some of the newer centers have lobbies that feature gournet coffee, piped-in classical music, magazines and newspapers so that one person can be entertained while another is occupied in the storage compartment. On the security side, some offer computer-controlled video surveillance cameras, keyless entry systems and special recording devices that provide time-stamped photographs of every car entering and leaving the lot.

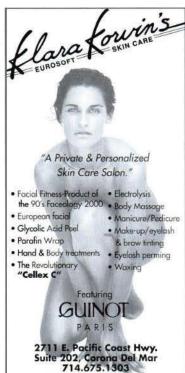
Rage system, says the national association's Brown, because it puts some distance between them and the goods they're storing. But beneath the utilitarian surface of the self-storage industry, a vibrant





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subculture thrives.

One of the managers of a self-storage facility in Costa Mesa, who declined to give her name "because we're not supposed to talk about the customers," says she sees renters saving things that might not be convenient to have lying around the house. There is the business executive for a Fortune 500 company, for instance, who drives his luxury convertible into the center every

weekend in a polo shirt and slacks. "Then 20 minutes later, you see him dressed in a biker outfit— leather cap and everything," she says. "It's very cool. He must have 20 outfits in there."

The same private, anonvmous environment that prompts a corporate type to turn his storage locker into a cross-town closet also attracts more sinister storage. Government regulators and police have complained about the lack of controls and keep a sharp eye out for complaints. For example, there was more than one unpleasant surprise awaiting the manager of an Appomattox, Va., self-storage

lot last year when a renter ran his U-Haul trailer into the side of the building. Even though he quickly paid for the damages, the manager became suspicious about the renter's nervousness. A decade ago, he might have decided to mind his own business. When he went to inspect the storage locker, though, he was confronted with the pungent odors of unfriendly chemicals. Inside were all the ingredients needed for manufacturing PCP, including several 55-gallon drums of ether, a fire hazard.

The owner's quick report to the police helped link the renters to the dumping of toxic sludge from the drug-making process in a local creek. The investigation was bumped up to agents of the federal Drug Enforcement Agency, who linked the suspects to a PCP drug-making operation in Orange and Los Angeles counties.

When a young renter at one of Geiler's storage centers was arrested on drug charges, he directed police to hazardous chemicals in their locker. The entire center was cordoned off in yellow crime-scene tape and a hazardous-materials team outfitted like alien invaders came in to cart away the materials. "It was a pain and it didn't look very good," says Geiler,

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who adds that it was her company's only brush with serious danger in 13 years of operation.

Now, she has renters disclose a list of items being stored, uses a dual-exposure camera to verify identification, and she fingerprints customers who don't have credible IDs. She also is very supportive of law enforcement, even allowing DEA agents to train at one of her facilities.

Beyond the occasional rough-and-tumble with the criminal element, the self-storage business can be annoyingly bland and laid back. "That's fine by me," says Riley. "Most of the items are exciting to

no one but the person who is doing the storing." Occasionally, though, Riley says there's that quirky rental that makes it into self-storage lore—such as the latest installment of the Mobile Marrieds, or the self-storage business owner who told the Mini-Storage Messenger's Rogers about the freshly divorced woman and her teen-age son who pulled up with a trailer stuffed with hundreds of car parts.

"Seems she won the husband's Corvette in the settlement and he turned it over to her in pieces," says Rogers. "That was fine with her, I guess, as long as she had the key to the car and the locker."

Douglas Root is a freelance writer based in Pittsburgh, Pennsylvania.