

Martha's empire spreads all the way to inland California

by Gordon Smith

At first glance, it seems like an unlikely place for the Queen of Hearth and Home to make an appearance, this arid California valley in the hinterlands just south of March Air Reserve Base.

But Perris is part of Southern California's low-cost housing frontier. And among the suburban tracts sprouting seemingly everywhere in and around this city is one with homes bearing a seal of approval from Martha Stewart.

MARTHA'S EMPIRE - Martha Stewart talks about her partnership with KB Home and creating a community of 'co-branded' homes in Perris, Calif. Similar communities are in North Carolina and Georgia. CNS Photo by Nadia Borowski Scott.

MARTHA'S TOUCH - The New England-style residences are clad in faux shake shingles and have concrete roof tiles. CNS Photo by Nadia Borowski Scott.

HER OWN STYLE - Interiors feature details from Stewart's homes, like a high mantel, vertical paneling, walk-in pantry and 8-foot-tall doorways. CNS Photo by Nadia Borowski Scott.

CALIFORNIA STYLE - Martha Stewart's homes for KB Home offer 'a very nice California lifestyle,' she says. The backyards accent the indoor-outdoor living enjoyed throughout the state. KB Home has initial plans in Perris for 125 of the homes. CNS Photo by Nadia Borowski Scott.

MARTH'A KITCHEN - Kitchens feature shelves without doors, like those in Stewart's personal homes. CNS Photo by Nadia Borowski Scott.

They achieved that status by being modeled, inside and out, after her own houses in New York, Connecticut and Maine. They also bear her signature paint colors and furniture. And one day not long ago, they bore Stewart herself, out from her New York headquarters on a promotional tour.

Tall and looking the part of the sweet, fetching homemaker - the way she always seems to, even at 65 - Stewart hung around long enough to meet with members of the press and tout her partnership with KB Home, the developer with which she has created "co-branded" communities at several locations around the country.

Olive Grove in Perris is billed as the first one on the West Coast, even though you'd be hard-pressed to hit the actual coast from here with a surface-to-surface missile (the ocean's edge is about 30 miles away as the ordnance flies).

The New England-style houses, with their carriage-type garage doors and faux cedar shingles and lap siding, seem a tad out of place here amid the rocky, sun-baked hills, just up the road from a motocross track and an RV "resort." But Stewart gamely rattled off design features that are in harmony with classic California architecture, which centers on a good indoor-outdoor flow.

"The stone floor inside the front door, so even if it is a little bit inclement outside, you can walk in and not mess up a wood floor," she said. "The coolness of full air conditioning, of course, for this climate, which gets very hot. The exterior with a nice yard with a shaded patio - very useful for California living. And the fireplace for the cold nights, which I'm sure happens out here, with these mountains."

Concrete roof tiles and the judicious use of exterior stucco and Hardiplank siding make for good insulation typical of modern California homes, Stewart added.

"It is a very nice California lifestyle," she summed up.

It is also, presumably, a very good buck for Stewart, this latest partnership that takes her merchandising efforts beyond the realms of publishing, TV and housewares to housing. The partnership with KB Home,

announced in 2005, has resulted in Stewart-inspired communities in North Carolina and Georgia as well as Perris. Others - notably in Texas, Florida and the northern Los Angeles County community of Lancaster - are scheduled to follow.

It's all part of a resurgence of her company, Martha Stewart Living Omnimedia, that has occurred since Stewart was released from prison in March 2005 after serving a five-month sentence for lying to federal investigators in connection with insider stock trading. Although she is no longer the head of MSLO, she remains the soul of the company and its figurehead.

Since hitting a low of about \$5 a share in the run-up to her trial, the stock of MSLO has rebounded, and was trading at almost \$19 a share in February (still off the \$20 it was trading at shortly before her indictment was announced in June 2003). Circulation of her flagship magazine, Martha Stewart Living, also climbed in 2005 after plummeting almost 20 percent the previous year, when her trial took place.

Her Martha Stewart Everyday merchandising line at Kmart, which includes everything from linens to dishware, is chugging along. Ditto for Martha Stewart Furniture (although it's available only through select retailers). And this year she plans to release a new line of towels, cookware and other home merchandise to be sold through Macy's as the Martha Stewart Collection.

Say what you want about Martha Stewart, but her products are aimed not only at high rollers.

"I'm not targeting just the upper crust. I never have. ... No matter what your economic background, you are able to afford a Martha Stewart product," she said.

She gestured at the interior of the KB Home model in which she was comfortably ensconced on a Martha Stewart Furniture chair.

"A lot of people nowadays can afford this house. That's what makes me really happy," she said.

TYPICAL STEWART

The model, named "Lily Pond," is modeled after Stewart's 19th century beach house on Long Island. At 2,714 square feet, the two-story version here in Perris features three bedrooms and 2 1/2 bathrooms, and sells for \$402,000.

Other models are called "Skylands," after her 61-acre estate on Mount Desert Island in Maine, and "Katonah," which recalls the Katonah, N.Y., home where she spent five months on supervised release after her incarceration. Some details are also drawn from a house Stewart owns in Westport, Conn.

The Perris houses range in size from 1,875 square feet to 2,968 square feet, with prices starting at \$356,000.

KB Home plans to build 125 Martha Stewart houses here, although a second phase could be added if the demand is high, according to a company spokesman.

And, yes, many of the details are true to Stewart's own homes.

"The vertical paneling (on the interior walls). That is in one of my houses," she said. "The high mantel over the fireplace - this is in my house in Katonah right now, if you came to see it. It's exactly like this.

"The 8-foot-high doorways - they make such a difference - the walk-in pantry, this stone floor ... you'd find all of these things."

A quick tour of several of the models revealed other touches that are typical of Stewart's homes, or at least of her design taste, including large crown moldings. In the kitchens are pantries with glass door panels and big, farmhouse-style sinks. Electrical outlets are mounted to the bottoms of cupboards and cabinets, hiding them from sight and showing off the tiled backsplashes to greater advantage.

"We like to think of it as a practical, beautiful elegance," Stewart said, summing up her core design principles. "I stress the word practical, because we want things to work; we want things to be useful; we want people to feel good in their environments.

"We've tried very, very hard to incorporate our aesthetic into every single one of the product lines that we design."

QUANTITY, QUALITY

Of the 125 Martha Stewart homes to be built here, 15 were already sold by the time she made her promotional appearance, according to a spokeswoman for KB Home. An editor for BusinessWeek once summed up the appeal of Stewart's products this way: "She sort of hits a common nerve in a lot of people. ... A friend of mine calls it homemaker porn. Essentially, it's aspiring to a lifestyle that you can't have. ... It's a fantasy world."

Be that as it may, expect to see a lot more Martha Stewart homes and other products before the decade is out. In contrast to the carefully cultivated, low-key image she projects, Stewart is a notorious workaholic who seems to have boundless energy to devote to new ventures. And before leaving Perris, she made it clear that she does not worry about spreading herself too thin.

"I don't, because we're a growing company," she said. "The more things that we can influence, the bigger our company will be."

"I don't think Ralph Lauren is too concerned about having too much fashion. He's the biggest fashion name in the world now. We're very similar to Ralph in that respect. We're not afraid of being spread too thin. All we

care about is good quality and lots of wonderful products."

Martha's empire spreads all the way to inland California by Gordon Smith