

BAY AREA

WSJ.com/sf



David Karl South II, left, eats a vanilla flavored It's-It on the roof of a friend's Mission District home; owners Peter Zaru, Charlie Shamieh, Jim Shamieh and Alex McDow outside the company's Burlingame factory.



Ice Cream Treat Maker Dodges Economic Chill

By **MARIE C. BACA**

BURLINGAME—A Bay Area company has retained a recipe for success in a sluggish economy: Take a scoop of ice cream, squish it between two oatmeal cookies and apply dark chocolate.

The It's-It Ice Cream Co., named after the signature ice cream sandwich, says sales through June this year are up 15% from the same period in

2009, a year sales grew 8%. **SMALL BUSINESS** Charles Shamieh, its president, says the difficult economy might have actually helped sales of his flagship product, as cash-conscious consumers looking for a "cheap thrill" chose an It's-It instead of a more expensive dessert. He

says the company has been profitable for the past 20 years, though declined to provide revenue figures.

But to many Northern Californians, the ice cream sandwich with a funny name isn't just a recession-time splurge. The It's-It has been a local favorite since it had its debut at a San Francisco amusement park in 1928, a symbol for the region that has spawned its own sub-culture.

Employees of Google Inc., for example, are so keen on the treat that the Internet giant worked with the It's-It company to create a customized version, one that was free of trans-fats (now all It's-Its are made without trans-fats.) It comes wrapped in packaging with the search giant's logo and is offered in the cafe at Google's

Mountain View campus.

"If you're not from the Bay Area you might be tempted to call the It's-It just another ice cream sandwich. But you'd be oh, so wrong," wrote Google business product manager Hunter Walk in a 2006 blog post. "They've been a huge hit here," added a Google spokeswoman of the sandwich.

Prior to 2005, when the ice cream company adopted overnight shipping within the continental U.S., people east of the Rockies who craved an It's-It had to resort to dramatic measures. Erica Vogeley, a Boston-based marketer who grew up in Novato, said she was upset when she moved to the East Coast in 1999 and was unable to find the treat. One Christmas, a friend bought her a case of 24 It's-Its from the Burlingame

factory. To bring them back home, Ms. Vogeley flew out to California, packed them into a cooler with dry ice, and brought them on a plane as checked baggage.

Ms. Vogeley also introduced her fiancé, who is from Alaska, to the It's-It, and she said that he approves of them. And if he hadn't? "I don't know what we would have done," she said.

Those who don't care for the It's-It often point to the old-fashioned-style oatmeal cookies as the culprit. "They are hard as rocks," said Perci Nghiem, a Daly City resident who is originally from Los Angeles. "People love It's-Its because they remind them of childhood. But the truth is that those cookies are horrendous."

The It's-It was born 82 years ago at Playland-at-the-Beach,

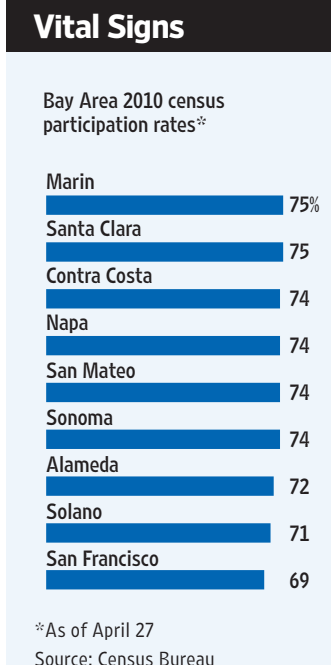
the now-defunct amusement park that stood near the western edge of Golden Gate Park. Owner George Whitney was developing novelty treats to sell there. According to legend, when he came upon the oatmeal-ice cream-chocolate combination, Mr. Whitney exclaimed "It's it!" the source of the treat's name. The sandwich was sold exclusively at Playland until the park closed in 1972, when San Franciscan George Mavros briefly took over the brand before finding that he couldn't keep up with demand. A few years later, Mr. Shamieh and his three brothers took over the business.

The basic recipe has changed little over the decades, although it is now available in chocolate, mint and cappuccino ice cream flavors in addition to

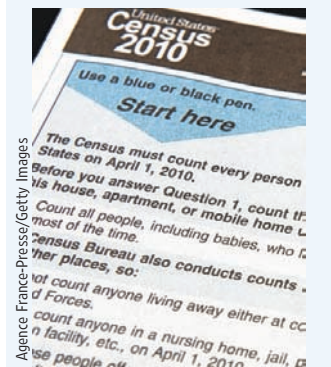
the traditional vanilla. And the sandwiches are no longer hand-dipped in chocolate like they were in Mr. Whitney's day.

These days, the company's factory in Burlingame, which is visible from Highway 101, makes 100,000 It's-Its every day, and sells some 15 million sandwiches every year. The sandwiches, which sell for just under \$2 apiece in the Bay Area, are available in most convenience stores in San Francisco and increasingly turn up in Los Angeles, as well as in Nevada, Oregon and Hawaii.

Mr. Shamieh said that the company's future plans focus primarily on finding more distributors across the country. "This really is a San Francisco tradition," he said. "It's something we want to share with as many people as we can."



■ As door-to-door visits from census workers wound down this month, Marin and Santa Clara Counties posted the highest participation rates in the 2010 census among Bay Area counties, with 75% of households mailing back forms as of April 27, the Census Bureau says. San Francisco had the lowest rate, with 69% of households participating. That's because many San Franciscans live in apartments and off-the-grid additions to homes, making them harder to reach, says Census Bureau spokesman Sonny Le. San Francisco also has many foreign-born residents who haven't participated in the decennial census before, as well as young people who shun physical mail and young men who have had run-ins with the law—all of whom are less likely to participate, Mr. Le says. Six of nine Bay Area counties beat both the statewide and national participation rates, at 71% and 72%, respectively. —Cari Tuna



The Valley

Property Crime Edges Up

By **BOBBY WHITE**

Property crime decreased in many cities in the Bay Area and across the U.S. last year, but not in some Silicon Valley communities.

Incidents of property crime such as auto theft, larceny and burglary decreased 4.9% nationwide last year, the seventh consecutive year a decline was reported, according to the Federal Bureau of Investigation. But cities such as Sunnyvale, Mountain View and San Jose experienced increases in property crime. City officials say the weak economy is partly to blame for the jump, but some experts say a direct link is difficult to establish.

Mountain View reported an 8% increase in property crime in 2009 compared with 2008. As part of that increase, the city reported an 8% rise in burglaries, with 253 reported incidents, and a 15% increase in motor vehicle thefts, at 165 reported incidents.

"I hate to say it's the economy, but the increase seems to correspond with when the economy really turned sour," says Elizabeth Wylie, a Mountain View police spokeswoman.

Ms. Wylie says in some cases suspects have confessed that a job loss was the reason behind their alleged crimes.

San Jose officials attributed that city's 8% increase in burglaries—to 3,741 reported incidents—and the 3% increase in auto thefts—to 5,379 reported incidents—to service cuts in community policing that stemmed from citywide budget cuts forced by the sour economy.

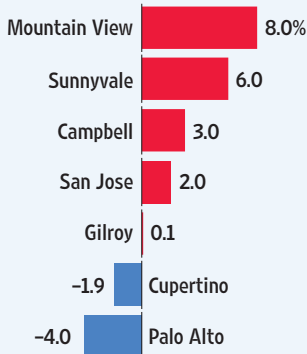
"Our staffing levels are down, and that's had an impact on some of our crime rates," says Ronnie Lopez, a spokesman for the San Jose Police Department.

Crime rates in some other big Bay Area cities declined, despite the recession. Property crimes in Oakland fell 6% in 2009, and were down 5% in San Francisco.

Some experts say that while it is convenient to blame the economy for the uptick in property-crime rates, there is little empirical evidence to support the claim.

Rising Toll

Percentage change in property crime from 2008 to 2009, for seven Silicon Valley cities



Sources: California Department of Justice; Federal Bureau of Investigation

Robert Weisberg, a criminal law professor at Stanford University, says the increases in property crime might not be recession-related. The contrast between San Francisco and Oakland property-crime drops and the increases reported by some Silicon Valley cities suggest a more complex dynamic, he says. "There is a tendency to assume people steal more because they're desperate for money," says Mr. Weisberg. "But long-term statistical analysis does not bear that out. It's much more complicated than that and difficult to pin down."

Mr. Weisberg says it would take a drastic rise in unemployment rates or big drop in police staffing to serve as a recession-related reason. He says drops or increases in property crime might hinge on shifts in neighborhood patterns such as the addition of a security patrol for a new housing development or a civic group discontinuing outreach programs.

A shift in neighborhood patterns could be reflected in Sunnyvale's crime statistics. Sunnyvale property crime rose 6% in 2009 over 2008.

Doug Moretto, a spokesman with Sunnyvale's police department, says the recession is partly to blame. But he also notes that the city experienced a population boom earlier in the decade, helping to spur the expansion of large apartment buildings with outdoor parking. Thieves have targeted vehicles for laptops or GPS devices, he says, driving a sharp increase in auto burglaries and thefts.

A penny saved is a penny earned.

KGO's Business Reporter, Lynn Jimenez can help you save a few with her morning and afternoon drive reports at :25 and :55 after the hour. Lynn's opening bell report is at 6:30 AM daily and you can also hear The Wall Street Journal Report at:

THE WALL STREET JOURNAL.
((REPORT))

weekdays at:
5:25 AM 5:55 AM
2:35 PM 6:55 PM

KGO
NEWS TALK
AM 810
LISTEN MORE. KNOW MORE.

©2010 All rights reserved. The Wall Street Journal Report is a registered mark of Dow Jones L.P. 3HR5077 **DOW JONES**