



ANDRE TEAGUE/BRISTOL HERALD COURIER

Krispy Kreme doughnuts travel on a conveyor line Monday evening at the Bristol store.

Sweet shop set to close

BRISTOL'S KRISPY KREME store will close Thursday after 31 years at Euclid and State

BY DAVID MCGEE
BRISTOL HERALD COURIER

BRISTOL, Va. — Hot Doughnuts Now.

The neon sign that for years has let hungry Twin City residents know they can get their favorite sugary treats while they're piping hot, is about to go dark.

The Coomer Corp., which operates Krispy Kreme franchises in Bristol Virginia and Kingsport, announced Monday that the Bristol store will close Thursday.

For 31 years, the company has been making and selling doughnuts at its landmark location at the intersection of Euclid Avenue and State Street.

The closing won't affect operations at the Kingsport facility or a Johnson City bakery also owned by the family firm, said Stephanie Davis, Coomer's general manager.

"We wish we didn't have to close," she said.

"Can you imagine how hard it is after 31 years to close this place? It's pretty hard," said Davis, who appeared to fight back tears. "It's not something we planned on and we worked

CLOSE: Longtime doughnut shop to close

From Page A1

really hard to keep it from happening."

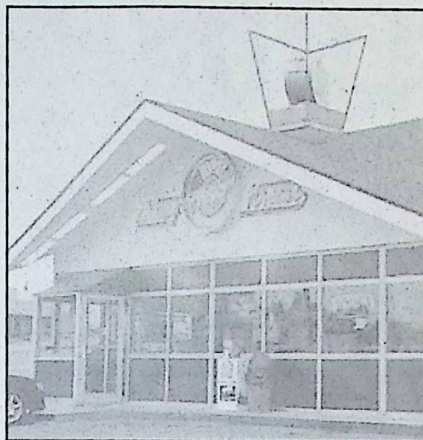
Negotiations for a new lease or a purchase of the store have been ongoing for months, but have become "fruitless," Davis said. The building is owned by the Krispy Kreme Corp., based in Winston Salem, N.C.

Krispy Kreme initially sought more than \$2.1 million for the ½-acre lot and building, but negotiated the price down to \$1.53 million, according to a news release issued Monday afternoon by the Coomer Corp. The current operators don't believe they can continue to operate at that price, the release states.

Krispy Kreme officials would not comment Monday on the closing, company spokesperson Brooke Smith said.

The mood was "shock" when the store's 25 employees were told last week about the plans to shut down, Davis said. All have been offered jobs at the Kingsport or Johnson City facilities.

In addition to retail sales, the local operator sells doughnuts to grocery and convenience stores across Northeast Tennessee, Southwest Vir-



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The Kingsport-based Coomer Corp. has announced it plans to close its Bristol Virginia Krispy Kreme franchise store. The company has been selling doughnuts there since 1974.

ginia, Eastern Kentucky and a portion of West Virginia. It also supplies quantities of wholesale doughnuts for fund-raising efforts. The closure won't affect those operations, Davis said.

Coomer is "looking into the possibility" of opening another Bristol store, but there are no firm plans, she said.

The local operator has an exclusive franchise agreement for the Tri-Cities, so no one else can open a Krispy Kreme here, attorney Joel Conkin said.

Krispy Kreme continues

to be embroiled in legal and financial problems. The company is under investigation by federal prosecutors in New York and the Securities and Exchange Commission. A recent internal company investigation blamed two former executives with trying to "manage earnings" to meet Wall Street expectations.

A share of Krispy Kreme stock on the New York Stock Exchange is worth about half of what it was a year ago, dropping from \$14.14 per share last summer to \$6.95 on Monday.

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