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Buy Local Week chance to support local businesses



Whatcom County's 6th annual 'Buy Local Week' is December 1-7, and this year that message is more important than ever before.

The financial markets crisis affects us, particularly those nearing retirement and already retired. We face increasing commodity prices that influence the cost of daily necessities. The correction in the nationally over-heated housing and construction sector is felt here too.

Some are cutting back on holiday spending and reconsidering non-essential business expenses. If fewer dollars are going to be spent, it's even more critical that those dollars be spent locally, because more of those dollars will stay here, in our community.

Community-based businesses are interdependent: Local retailers do business with community banks, which in turn are a major source of loans for family farmers and other small businesses. Independent media outlets depend on local businesses for advertising revenue. Nonprofit organizations receive 2.5 times more support per employee from small businesses, and most new jobs are created by small businesses. This interdependence means that the vitality of any one local business depends on the health of the others.

So what is the reality of our situation?

The most significant sectors of our local economy are in relatively recession-proof industries, from health care to education to government, and smaller, locally owned businesses. That means we tend to weather the highs and lows with more resilience. Our locally owned banks and credit unions are doing well and continue to lend. Seventy-one percent of our jobs are with locally owned companies, significantly higher than state or national figures. Many people in our community support local businesses and want to see them succeed.

Tom Dorr, the director of our Small Business Development Center, had this to say about local business retention rates: "Washington has led the nation in new business starts and failures for a few years. However, Whatcom County has had a better success rate of businesses surviving their early years for several reasons: We boast a higher percentage of locally owned businesses, there are good

locally owned businesses.”

There are nearly 700 businesses participating in the Think Local, Buy Local, Be Local program and 89 percent of them say they generally think local first for their own purchasing. Three in five local households say the program has caused them to re-evaluate their own purchasing and they are thinking local first.

And this matters. Four years ago, Sustainable Connections created a “Think Local First: How-To Kit” that has been used in dozens of communities across North America. In a study of the effects of these campaigns, independent retailers in the cities with a “Buy Local” program reported an average sales gain in 2007 of about 2 percent over the 2006 holiday season, while those in cities without Local First campaigns saw an increase of less than 0.5 percent. (The national recession figure is a third quarter 2008 GDP retraction of 0.3 percent).

Leslie Christian, a Wall Street veteran with over 30 years of investment experience and current president of Portfolio 21 Investments, noted in a recent article that problems in the U.S. financial system don’t mean the end of the economy:

“We have been informed by our leaders and many experts that the U.S. financial system was on the brink of collapse last month. It probably was. And may still be. We’ve also been told that our entire economy is at risk. I think that’s a bit of a stretch and has the unfortunate effect of inciting emotion and panic.

“Our ‘financial system’ is not equal to the economy. The economy is the exchange of needed goods and services. The financial system exists to facilitate that exchange. Our financial system has far exceeded that rather modest role. The one thing I know with certainty is that the people and institutions that got us into this mess are not going to be the ones to get us out of it.

“Let’s get to the task of facilitating the efficient exchange of goods and services, which, in the process, employs people in productive capacities so they can then afford to buy what they need. It sounds simple, and it is simple.

“Every one of us can take a leadership role in some aspect of our local economies. We can buy local food, shop at locally owned stores, enjoy neighborhoods and communities, and engage in financial transactions at the local level.”

Whatcom’s future is in our hands. We can work to detach economic transactions from an unstable global system and reattach them right here at home. We can cultivate an even more resilient local economy and support the interdependence of community-based enterprises. We can buy from local farmers and help new farmers get started. We can choose to weatherize buildings, invest in renewable energy sources, and hedge against future energy price increases. We can re-localize the relationship between lender and borrower and between entrepreneur and investor.

Our private sector, local colleges, and university can create career paths for new green jobs, and take a leadership position in the tens of thousands of new green

So this year, let's demonstrate our ability to build the future we want — let's "think local first" for December 1-7 Buy Local Week — and every week.

Michelle Long is the executive director of Sustainable Connections, www.sconnect.org, a local membership organization of nearly 700 local businesses and community leaders committed to transforming and modeling an economy built on sustainable business practices.