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### **Buy Local**

By Dave Gallagher

When a consumer puts a shopping list together, certain expectations come to mind when choosing where to make the purchases. Typically those priorities are availability, quality, price, convenience and customer service.

One consideration that some value greatly is "buying local," a concept highlighted on Dec. 6 in Bellingham with a Think Local, Buy Local, Be Local day, sponsored by the business network Sustainable Connections, along with Village Books, Food Pavilion and Cost Cutter stores.

More than 250 companies took part in the event, which urged shoppers to consider local businesses instead of automatically going to chain stores.

But what does buying local mean? How important is local business to a community? To Michelle Long, executive director at Sustainable Connections, she's reminded of the importance whenever she goes traveling.

"Sometimes I'll be driving through towns in the Midwest, and all I'll see is chain store after chain store. You can't tell the difference to many of these towns, or say anything that's unique about them," Long said. "It makes me realize how lucky we are in Bellingham and how important it is to hold onto that uniqueness."

Keeping the town's character is not the only reason a community benefits when its residents shop at locally owned stores, Long said. She said more money is kept in the community, local non-profits benefit (studies have shown locally owned businesses donate more money for every \$100 in sales than chain stores do), the environment benefits (less sprawl created by large superstores being built on the city's fringes) and it's better for customer service as local businesses often hire people with more specific product expertise.

Chain stores are successful because they offer their own benefits to consumers. They generally have a wider product selection, can usually offer lower prices through volume purchasing, and usually have huge parking lots in locations that make it easy to get to.

Convincing people they don't have to get the rock-bottom price on a product can be a daunting task, but Long points out there is a strong core of locally owned businesses who do draw in customers without having the lowest prices or the "get people in and out as quickly as possible" attitude. She is hoping more people realize there is an option to chain-store shopping.

"When I talk to people, I ask them about their best shopping experiences, and the answer isn't usually about a chain store. It's usually about a unique store that gave them something they couldn't find anywhere else," Long said. "The chain stores are all the same, but locally owned businesses can offer a different experience, and isn't that what life is all about, finding new experiences?"

### **Taking matters into their own hands**

Bellingham isn't the only community that has been organizing ways to keep the local business climate healthy. In Austin, Texas, local business owners have their own buy local day, called Austin Unchained day. In Arcata, Calif., a 1998 ballot measure was passed mandating that city government to do more to make it more difficult for large national corporations to open stores there. In an effort to promote its small, locally owned eateries, San Luis Obispo, Calif., has an ordinance forbidding drive-through restaurants within the city limits.

"For those communities that want to keep their local identity, it is definitely an ongoing effort," said Steve Bercu, president of the Austin Independent Business Alliance and co-owner of an independent bookstore called BookPeople. "If no one is focusing on the issue, it doesn't take long for an area to become overrun with chain stores."

Buying local is not as black-and-white a concept as it used to be, however. Local restaurants rarely buy food within the area, for example, relying on the same distribution services as chain restaurants. In a world that is more integrated, most of the products on the shelf of any business come from somewhere else.

The key, according to Long, is to support those businesses that can make decisions on a local level. To participate with Sustainable Connections, a business must have half the owners living in Whatcom County, be privately owned and not be a franchisee. The importance of having business owners who live within the community is because they can make decisions that better suit their local customers, rather than relying on a national sales plan.

"A multitude of small businesses each selling products based not on a national sales plan but on the needs of their local customers guarantees a much broader range of product choices," Long said. She added that local business owners also tend to be more involved in local issues and government.

Long concedes that not everything customers want can be found in local, independent stores. Her goal is to get people to try to shop local when they can. Sustainable Connections is currently working out its plans for 2004, but she expects they will try to organize more public forums that discuss the concept of buying local to residents.

"Getting this information out there regularly is important, because shoppers need to be reminded why shopping local is beneficial to them," Long said.

The goals of Sustainable Connections are similar to other companies that try to promote the buy local concept. Among the employees at Cost Cutter and Food Pavillion stores, a buy local campaign is under way.

"We wanted to impress on our employees the importance of buying locally and how it strengthens a community," said Sue Cole of Brown & Cole. "It would be hypocritical for us not to support local businesses when we ask our customers to support us."

For years, Brown & Cole has been going through a remodeling process with the aim of having each store fit the needs of its community. At the new Food Pavillion store in Fairhaven, the company has brought in as many local products as possible, and Cole said sales have been especially strong in its natural foods section.

"Our core values as a company align closely with Sustainable Connections, so we were happy to support their work when they met with us," Cole said. "We try our best to think locally when making choices, and that is what this group is trying to accomplish within this community."

### **Economic impact difficult to determine**

During Think Local-Buy Local-Be Local day, signs were posted touting the benefits about buying from locally independent stores, including the economic incentive: According to a study done in Austin, if a consumer spent \$100 at a local store, 45 percent of that sale would circulate around the local community, compared to 13 percent if the same \$100 was spent at a chain store.

The accuracy of those numbers is questionable to Hart Hodges, an economics professor at Western Washington University. He took a look at the study and found some flaws in it, the most troubling being that chain stores wouldn't reveal their numbers on where they spent their money.

"It appears these studies have good data from locally owned stores, but I believe the assumptions made about the chain stores are not reasonable," Hodges said. "While I personally think there are philosophical and psychological benefits associated with buying and thinking local, I haven't seen a study out there that can show how big, if any, of an economic impact there is to this concept."

Because the buy local vs. chain-store question is debated often, Hodges is planning to do his own study interviewing both local businesses and chain stores.

### **What the power of organizing does in other places**

Having an organized network for local business owners has been able to help the group win some battles when they feel they are being trampled on by chain stores.

Although it is bigger than Bellingham, Austin has a similar business climate, Bercu said. A strong core of the locally owned independent businesses reside in the older part of Austin, while the chain stores have been building large stores in recent years along the main freeway.

Soon after Bercu organized his business alliance in Austin in early 2000, he discovered he would be waging his own battle with a chain store. Borders Books submitted plans to build a superstore across the street from BookPeople. Not

only that, he found out the city was planning to give tax incentives to Borders to make it happen.

"We raised a stink at the city council meeting, pointing out that we felt this would hurt the economy of Austin, and we were able to demonstrate how the tax incentives actually cost the city in the long run," Bercu said. "Borders later withdrew its plan, but the bigger victory is that we were able to get the city government to rethink how it did incentive plans as a way to try and attract new business to town. We were able to get them think about how doing things that hurt the local businesses outweighs the benefits of bringing in chain stores."

Long is hopeful that an organized local business group will provide the same kind of benefits.

"By working together, our voice will be much stronger than if we try to share our concerns individually," Long said. "One reason old and new residents love it here is the uniqueness of community, and that's something worth keeping."