

Sustainable Industries

Buy local is going strong

by Sara Stroud - 4.26.10

BELLINGHAM, WASH.

While big companies such as Apple (Nasdaq: AAPL) and Nike (NYSE: NKE) made headlines in 2009 for their decisions to leave the [U.S. Chamber of Commerce](#) in response to its position on climate change legislation, another shift has been taking place across the country. Increasingly, small businesses are looking beyond traditional business associations and joining those with a strong focus on local ownership and sustainability.

At the forefront of the buy-local surge is Bellingham, Wash.-based [Business Alliance for Local Living Economies \(BALLE\)](#), which started in 2001. Whereas it took a long time to rack up the 20 initial BALLE networks, there are now about 80 networks in the United States and Canada—almost 20 new networks have been born so far in 2010. Meanwhile, individual networks are reporting growth in their ranks, says [Michelle Long](#), the nonprofit's executive director.

Apparently their sales are growing too. A 2010 survey of 1,800 independent retailers conducted by Minneapolis-based [Institute for Local Self-Reliance](#) showed that over the 2009 holiday season in cities with buy local campaigns—most of which were affiliates with BALLE or Montana-based [American Independent Business Alliance](#)—independent retailers reported an average increase in sales of 3 percent. U.S. Commerce Department figures reported overall retail sales as up 1.8 percent in November and down .3 percent in December.



Still, the slumping economy also drives consumers to cheaper options and sometimes local comes at a slightly higher cost. In San Francisco, where the sales tax is almost 10 percent, local retailers have taken a hit from online retailers, such as Amazon (Nasdaq: AMZN), that may sell items without sales tax, according to [San Francisco Locally Owned Merchants Alliance](#) executive director Hut Landon. The group, which started about five years ago and has about 200 members, is lobbying state lawmakers to address the issue.

But while local merchants have not been spared from the impacts of a sagging economy, the downturn has also caused the networks' message to resonate with consumers, BALLE leaders say. Landon says he sees increased attention by consumers to the buy local movement, and a recognition of potential economic benefits by merchants.

Landon says he sees the network having the greatest appeal among retail sectors that have been hardest hit by chain stores and online sales, such as hardware stores, bookstores and restaurants. "It seems to be growing," he says, "That's the good news."