

Buy Local Considerations

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Examples of names/slogans from various communities

- Portland Buy Local (Maine)
- Seacoast Local (Portsmouth area)
- Local First Alliance (Upper Connecticut Valley – Vibrant communities)
- Think Local, Buy Local, Be Local (Portland, org)
- Build St. Louis, support local independents
- Local First Arizona
- Worcester Local First
- Think local first
- "Local Spoken Here,"
- "Keep Portland Independent,"
- "Think Local First,"
- "Buy Close By—Preserve Community."
- Homegrown El Paso

Definition of Local

Background information from Balle: Business Alliance for Local Living Communities

Source: <http://www.livingeconomies.org/netview/whos-eligible-to-join>



Who's eligible to join?

Defining "local"

Who's eligible to join a BALLE network? Sometimes determining which businesses are local and independently owned can be difficult. How about a locally owned McDonald's franchise? How about an insurance agent with a national company and a local office? Many businesses participate in cooperative marketing, offer exclusive lines, and have all sorts of other business agreements.

We define a locally owned business as one where the community member has full autonomy and local decision-making authority with respect to his or her business practices.

A simple survey like this one might help you figure out which businesses in your community are locally owned:

1. Is the business privately held (not publicly traded)?
2. Do the business owners, totaling greater than 50 percent of the business ownership, live in your local region?
3. Is the business registered in your state, with no corporate or national headquarters outside your region?
4. Can the business make independent decisions regarding the name and look of the business, as well as all business purchasing, practices, and distribution?
5. Does the business pay all its own rent, marketing expenses, and other expenses (without assistance from a corporate headquarters)?

How does BALLE define "local region"? Is it our neighborhood? Our city? Our county? Our state?

"Local" is really the area that people in the community consider to be local. Is your region defined by natural landscape features, or historic boundaries? Rural communities may define themselves by county, or by multiple counties. Some local food campaigns have noted that a two-hour drive from farm to table is often considered a "local" food-shed (like a watershed). In a large city, it may make sense to think in terms of both the greater metropolitan area and the business district neighborhood, depending on the situation.

The point is to look at what decisions about personal and business purchases will strengthen your local economy and community. If you buy your food at this store, where will the profits end up? Will they stay close by and get reinvested locally, or fly off to corporate headquarters in another state? Can you buy steel or building materials from a locally owned supplier, and does that shorten the shipping distance? Can you buy those items from a local producer?

COMMUNITY EXAMPLES OF BUY LOCAL EFFORTS:

Portland (ME) Buy Local definitions:

To participate in Portland Buy Local, a business or organization must be locally owned and independent.

"**Locally owned**" means the business is privately held and the owner or the majority of the owners are Maine residents and live within 50 miles of Portland at least half of the year. This includes employee- and

cooperatively owned businesses, as well as nonprofits, but not government units. The business must be registered in Maine with no corporate headquarters outside of the state.

"**Independent**" means the owner or owners have full decision-making authority over the business, and the business has no more than 10 outlets, with the majority located in Maine.

Seacoast Local (Portsmouth) definitions:

"**Locally owned**" means the business is privately held and at least one of the principal owners lives in York, Rockingham or Strafford counties, within 25 miles of Portsmouth Harbor. This includes employee- and cooperatively owned businesses, as well as non-profits. The businesses must be registered in New Hampshire or Maine with no corporate headquarters elsewhere.

"**Independent**" means the owner or owners have full decision-making authority over the business, and the business pays all of its own marketing, rent and other business expenses without assistance from or payment to a corporate headquarters.

Local First Alliance (Upper Connecticut Valley)

A locally owned and independent business or organization is qualified to be members of Local First Alliance if it meets **all** of the following criteria:

A Qualified Business:

- Is located physically in the Upper Valley region
- Has at least one owner living within the Upper Valley.
- These local owners have full authority and full autonomy to make all decisions regarding the name and look of the business, purchasing practices, & distribution.
- All marketing, rent, and other business expenses are paid without assistance from a corporate headquarters located outside the Upper Valley.

A Qualified Nonprofit Organization:

- Is located in and serves the Upper Valley region
- Has autonomous authority over all operational decisions.
- Grantmaking or gifting decisions are all done at this local level.

Worcester Local First

Please note: Your business **MUST** be headquartered in Worcester and neither a chain nor a franchise operation in order to qualify for either a Business Sponsor (large business, organization or institution, defined as *more than* \$10 million in annual revenue) or a Business Member (small business, defined as *less than* \$10 million in annual revenue) membership. Otherwise, you can become a Friend as long as your business, organization or institution is *outside* Worcester but *inside* Massachusetts, or you are an individual residing *inside* Massachusetts.

Pioneer Valley Local First

Criteria for Business Membership

- The business is privately held, not publicly traded.
- The business owners, totaling greater than 50% of the business ownership live within 50 miles of the Pioneer Valley.
- The business is based in Western Massachusetts and has no corporate or national headquarters outside the state.
- The business can make independent decisions regarding the name and look of the business, as well as all business purchasing practices and distribution.

Somerville Local First

Terms & Conditions

Somerville Local First reserves the right to refuse membership to any business whose mission and/or activities are incongruous with our core values. If you are a Somerville business interested in joining SLF, we welcome you and ask that you can say "Yes" to all of the following. *

For Businesses

- 1. My business is independent and privately held (not publicly traded).
- 2. The business owners, totaling greater than 50% of the business ownership, live in reasonable proximity to Somerville.
- 3. My business is based locally and has no corporate or national headquarters outside the state.

- 4. My business can make independent decisions regarding the name and look of the business, as well as all business purchasing practices and distribution.
- 5. My business pays all marketing, rent, and other business expenses without assistance from a corporate headquarters.

For non-profits

Please mark each box to proceed. *

- 1. Our organization promotes one or more of the following: education, sustainability, the arts, cultural life or diversity, community dialogue, community health, and/or provides services to an under-served Somerville population.
- 2. Our organization is independent and privately held (not corporate).
- 3. Our organization is operating in Somerville, MA and we focus our activities and events here in Somerville.
- 4. Our organization can make independent decisions regarding the name and look of the organization, as well as all organization purchasing practices and distribution.
- 5. My organization pays all marketing, rent, and other organization expenses without assistance from a corporate headquarters.

For artists

Please mark each box to proceed. *

- 1. I am an independent artist.
- 2. I live in (or produce my artwork in) Somerville, Massachusetts
- 3. My art is done locally and has no corporate or national sponsors outside the state.
- 4. I do not own a gallery or storefront in which I sell my artwork. *
- 5. I am interested in engaging in, promoting, and supporting a community focused on local businesses, non-profits, and artists

* If you partially or entirely own a gallery or a storefront, this categorizes you as a potential SLF Business Members. Please visit our [Business Member Application page](#).

Examples of Impact

Tuesday, June 8, 2010

Study: SCF Arizona's 'buy local' attitude leads to \$528M economic impact

PHOENIX BUSINESS JOURNAL - BY [Angela Gonzales](#)

A study released today found that SCF Arizona, the state's largest workers' compensation insurer, had a \$528.3 million economic impact in Arizona in 2009.

The Phoenix company sourced 82 percent of its goods and services from other Arizona companies, according to the study released by Local First Arizona, a nonprofit that encourages Arizona businesses to buy locally.

Kimber Lanning, executive director of Local First, said the purpose of the study was to demonstrate how one major employer can have a significant impact on Arizona's economy when buying from other Arizona-based companies. She said this is the first fully scientific study that measures the economic impact of a single employer.

SCF is in the process of becoming a private company. Gov. Jan Brewer signed Senate Bill 1045 into law in May, directing SCF to become a mutual insurance company, which means it would be owned by its policyholders. Created in 1925 as a state agency, SCF Arizona covers more than 35,000 businesses and has about a 40 percent market share in the state. Rick DeGraw, chief of staff of SCF Arizona, said the 531-employee company has been looking for ways to buy more locally over the past few years.

On June 1, SCF stopped buying office supplies from Minneapolis-based Corporate Express and switched to Tempe-based Wist Office Products Co., a workers' compensation policyholder.

"We compared 1,000 products, and were able to move over to Wist without paying more for anything," DeGraw said. Lanning has been trying to convince the state of Arizona to switch its \$5 million office supply contract with OfficeMax to an Arizona-based company. State legislation addressing that issue was unsuccessful in 2008, and she hasn't tried to get another bill introduced.

Lanning's group organized a study in 2007 that showed the state's \$5 million office supply contract was losing \$500,000 in "leakage" by staying with OfficeMax and not switching to a local supplier.

"The state of Arizona is one of only three remaining states that does not favor local businesses in the purchasing process," Lanning said.

Arizona's purchasing decisions are based on the lowest price rather than actual net gains for the state, she said. "We can prove if we spend a bit more money supporting a company that provides Arizona jobs, the impacts are positive," she said.

Source: [Study: SCF Arizona's 'buy local' attitude leads to \\$528M economic impact - Phoenix Business Journal](#)



SPECIAL ANNOUNCEMENT
from the
American Independent Business Alliance

New Survey Shows Power of Independent Business Alliances

Locally-owned independent businesses outperform average retailer sales during 2009 holidays. Those with active IBAs or similarly-modeled groups fared best.

Jan. 14, 2010 - More holiday shoppers deliberately sought out locally owned businesses this year, according to a national survey of more than 1,800 independent businesses.

The survey found that holiday sales for independent retailers were up an average of 2.2%. That contrasts with the U.S. Department of Commerce figures released today, which show that overall retail sales were down 0.3% in December and up 1.8% in November.

The survey also found that independent retailers in cities with active, long-term "Buy Independent / Buy Local" (BIBL) campaigns reported stronger holiday sales than those in cities without such campaigns. These BIBL campaigns

(largely, but not limited to Independent Business Alliances) have been launched in more than 100 cities and towns. Independent retailers in these cities reported an average increase in holiday sales of 3.0%, compared to 1.0% for those in cities without an active BIBL initiative.

Nearly 80% of those surveyed said public awareness of the value of choosing locally owned businesses had increased in the last year (16% said it had stayed the same).

"The buzz about buying local was louder among my customers this year than any other year," said a shoe store owner in Michigan.

"We've had many customers say they are making a real effort to 'Buy Local' this year. A number of customers said they saw an item at a chain store or online, and came back to us to purchase it," said a retailer in Maine.

A bookstore owner in Oregon added that the growing public awareness and support for independent businesses "has been critical to our ability to stay in business during down economic times."

The survey was conducted by the Institute for Local Self-Reliance, a nonprofit research organization, in partnership with several nonprofit and business organizations, including the American Booksellers Association, American Independent Business Alliance, American Specialty Toy Retailers Association, Business Alliance for Local Living Economies, and National Bicycle Dealers Association.

Similar surveys in [2009](#) and 2008 likewise found that independent businesses in cities with BIBL campaigns reported stronger sales than those in communities without such an initiative.

"This survey adds to the growing body of evidence that people are increasingly bypassing big business in favor of local entrepreneurs," said Stacy Mitchell, senior researcher with the Institute for Local Self-Reliance. "Amid the worst downturn in more than 60 years, independent businesses are managing to succeed by emphasizing their community roots and local ownership."

"These results reinforce what we've heard from our local affiliates -- that their campaigns are yielding real dividends and shifting local spending," said Jennifer Rockne, director of the American Independent Business Alliance. "That's good news for their local economies. Studies show that small businesses keep more dollars circulating locally and generate the majority of new jobs."

"For the third year in a row, this study demonstrates the bottom-line impact of local business alliances running Think Local First campaigns," said Michelle Long, executive director of the Business Alliance for Local Living Economies.

"Local entrepreneurs are the bedrock of the U.S. economy and, when they work together, they make our communities more resilient, unique, and rewarding places to live."

"This survey demonstrates how important such campaigns are in helping independent businesses achieve greater sales," said American Booksellers Association CEO Oren Teicher. "This insight about consumers' preferences is consistent with what we have seen since the launch of IndieBound in 2008. Shoppers value authenticity, they want to connect with and to strengthen their communities, and they recognize that bigger is not always better. Because of that, we believe that this is a time of great potential for locally owned businesses that are committed to working together."

Notes: for almost all respondents from communities with Buy Local campaigns in this survey, those campaigns are executed by organizations dedicated to the purpose of supporting local *independent* business. These groups engage in year-round, community-wide educational efforts and these results may not translate to Buy Local campaigns that operate seasonally or without organizational support. The survey did not attempt to evaluate the impact of campaigns simply urging people to keep tax revenues local, without regard to local ownership.

From Think Local First of Think Local First of Washtenaw Count

Breaking News!

This past January we asked our members to participate in a nationwide survey conducted by The Institute for Local Self-Reliance. They conducted the 2010 Independent Business Survey researching how the buy local movement affected the holiday shopping season. We had 35 local businesses participate and we now have the results to share with you.

Retailers saw an average of a 9.8% increase in sales over 2009. For non-retailers the change was -2.1%.

When asked if the local campaign has had an impact on their business, this is how they answered:

- 26% had a significant impact.
- 43% had a moderate impact.
- 23% had a little positive impact.
- And 6% had no impact.

When asked if the owner thought that their business being locally owned and independent mattered to their customers this is how they answered:

- 26% felt it mattered to most of their customers.
- 71% felt it mattered to some of their customers.
- 3% felt it matter to a few of their customers.
- And 0% felt it mattered to none of their customers.

When asked if public awareness of the benefits of supporting locally owned businesses had increased or decreased over the last year. This is how they answered:

- 97% thought it had increased.
- 3% thought it had stayed the same.
- 0% thought it had decreased.

Of the respondents 74% were retailers, 6% restaurant owners, 3% real estate sales and management, 8% professional services, 3% banking and finance, 3% health care, 3% other.

We find this encouraging news in that our message is resonating in the community. Folks understand the value that

local independently owned businesses provide to our community and are making a concerted effort to support them. We consistently hear that our work is having a positive impact on their businesses.

For more information: <http://www.thinklocalfirst.net/>