



Buying From A Local Business?
Why it's important!




What is a community?

- A group of people living and working in the same area with:
 - Similar lives and values
 - Shared interests
 - Common historical & geographical perspectives
 - Reciprocal dependence
- A collection of puzzle pieces that need each other for the big picture



Why buy local?

- Economic Impact
- Social Impact
- Environmental Impact
- Governmental Impact
- Value Impact



Economics – When is a dollar more than a dollar?

- When it is spent in the local community
- When you consider “the economic multiplier” – US Chamber of Commerce
 - Money circulates – is spent and re-spent – seven times
 - When it is spent locally a larger percentage is also spent locally
 - More money stays in the community benefiting everyone that lives there




Local Economic Impact ...by the numbers

- Case Studies

- Andersonville IL
- Mid-state Maine
- Austin, TX
- Toledo, OH
- Economic Impact Analysis

- % Dollars retained

- 68% – 43%
- 45% - 14%
- 45% - 14%
- 45% - 20%
- 45% - 13%



The “economic multiplier” makes this real money!

ANDERSONVILLE STUDY 68% v 43% on \$1 million

1 TIME	\$680,000	\$430,000
2 TIMES	\$462,400	\$292,400
3 TIMES	\$314,432	\$198,832
4 TIMES	\$213,814	\$135,205
5 TIMES	\$145,393	\$91,940
6 TIMES	\$98,867	\$62,519
7 TIMES	\$67,230	\$42,513

TOTALS **\$1,982,136** **\$1,253,410**

**ECONOMIC IMPACT ON LOCAL
COMMUNITY = \$728,726! – 58% More!**



It could be much worse!

Maine Study 45% v 14% on \$1 million

1 TIME	\$450,000	\$140,000
2 TIMES	\$202,500	\$19,600
3 TIMES	\$91,125	\$2,744
4 TIMES	\$41,006	\$384
5 TIMES	\$18,453	\$54
6 TIMES	\$3,737	\$8
7 TIMES	\$1,682	\$1
TOTALS	\$805,139	\$162,791

**ECONOMIC IMPACT ON LOCAL
COMMUNITY = \$642,348! – +395%**

Ultimate Reciprocity

What goes around, comes around – 7 times!





A Picture is worth...

YOUR DOLLARS

LOCALLY OWNED BUSINESS SPEND \$100 AT A LOCAL BUSINESS



NON-LOCALLY OWNED BUSINESS SPEND \$100 AT A NON-LOCAL BUSINESS



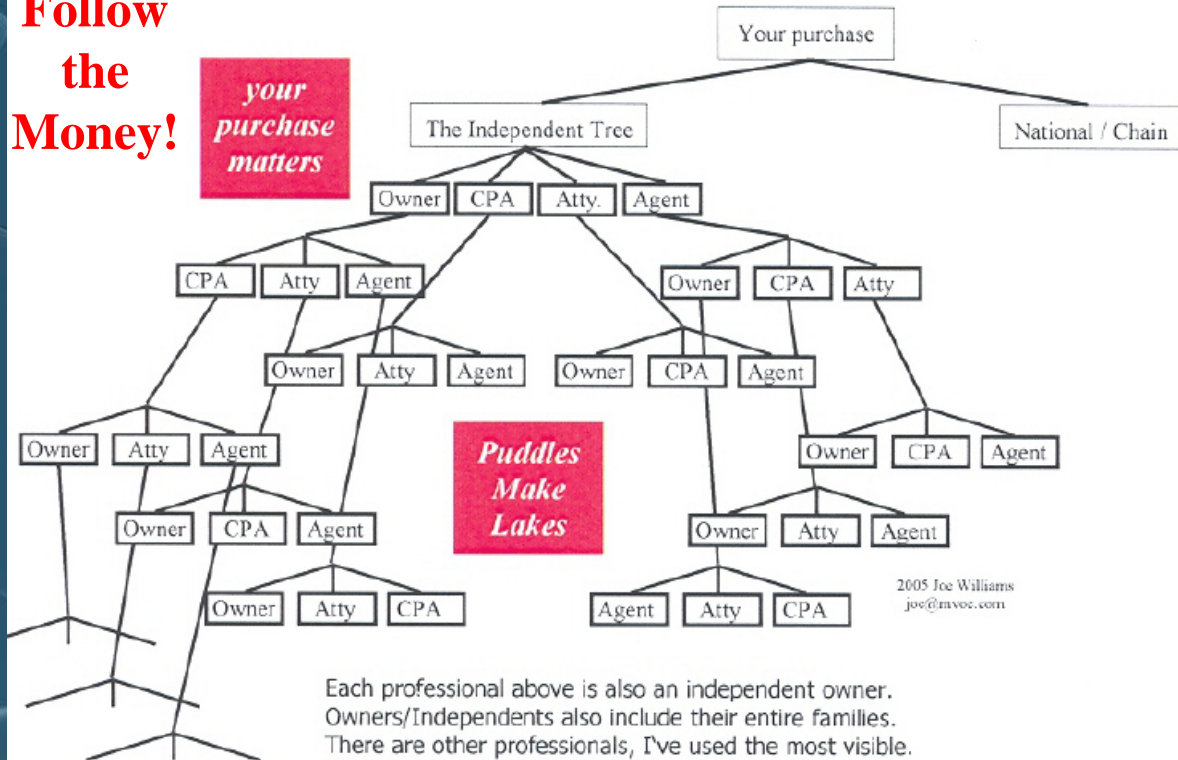
GREEN = Money Staying In Your Community
For every \$100 spent locally, \$73 remain in the local economy.

RED = Money Leaving Your Community
For every \$100 spent non-locally, \$43 remain in the local economy.

...a thousand words

**Follow
the
Money!**


*your
purchase
matters*



*Puddles
Make
Lakes*

2005 Joe Williams
jow@mvoe.com

Each professional above is also an independent owner.
Owners/Independents also include their entire families.
There are other professionals, I've used the most visible.
The Independent tree will continue on indefinitely.



Social Impact

Decisions that shape lives

- Local businesses employ more people – your friends and neighbors
- Poverty increases with “Big Box” retailers like Wal-Mart – Penn State study
- Local businesses provide better benefits like healthcare – recent study reports 55,000 Wal-Mart employees on state healthcare
- Local businesses bring diversity to the community – *“A choice not an echo”*
- Local businesses support local charities
- Local Businesses enhance the “Quality of Life” of their communities



Environmental Impact

- Store failures - closures create “blight”
- Store successes – more of the same
- Questionable behavior - pollution & safety
- Traffic congestion – stores and trucks
- Suburban sprawl – when everything looks the same



Governmental Impact

- Big Box retailers:
 - Receive tax subsidies in excess of actual tax revenue – so you pay more taxes
 - Require more public services – from local government, police, trash collection, road maintenance, etc
 - Pay less wages so people pay lower taxes
 - Force more people to state welfare services that also raise taxes