



**INDIE IMPACT STUDY SERIES:
A NATIONAL COMPARATIVE SURVEY WITH THE
AMERICAN BOOKSELLERS ASSOCIATION**

SIX CORNERS, CHICAGO, ILLINOIS



Civic Economics is pleased to present the American Booksellers Association and the Six Corners Association with this supplement to the Indie Impact Study Series detailing the impact of the neighborhood's independent business community.

ABOUT THE INDIE IMPACT STUDY SERIES

Since its establishment in 2002, Civic Economics has conducted a number of studies comparing the economic impacts of independent, locally-owned businesses with that of their chain competitors. The essential methodology is the same throughout: independent businesses open their books to us and demonstrate the proportion of revenue expended five categories:

1. Profits paid out to local owners,
2. Wages paid to local workers,
3. Procurement of goods services for internal use,
4. Procurement of local goods for resale, and
5. Charitable giving within the community.

For chains competitors, the aggregate value of these is estimated from public records. The difference between these two totals captures the enhanced impact of the one or the other category of business (we have yet to encounter a situation where independents did not present a strong local impact advantage).

To learn more about previous studies in Austin, Chicago, San Francisco, Phoenix, Grand Rapids, and New Orleans and download a summary of those and others, please visit [The Civic Economics of Retail](#), at:

<http://civiceconomics.com/projects/featured-projects/the-civic-economics-of-retail/>

This study series was designed to allow up to ten participating communities to develop a localized analysis similar to those above. In each community, local organizers were responsible for recruiting businesses to complete a survey to quantify local recirculation of revenues. The study allows the participation of both retailers and restaurants, though many communities chose to focus on retail.



SIX CORNERS AND THE INDIE IMPACT SURVEY

The Six Corners Association collected surveys from independent, locally-owned businesses engaged in the retail and restaurant trade in the community. Each business was asked to complete a survey about its business practices that focused on the distribution of revenue that recirculates in the regional economy through the categories of expenditure described above.

Six retailers, all independent and locally-owned, participated in the local survey. Collectively, these retailers return a total of **70.7%** of all revenue to the local economy.

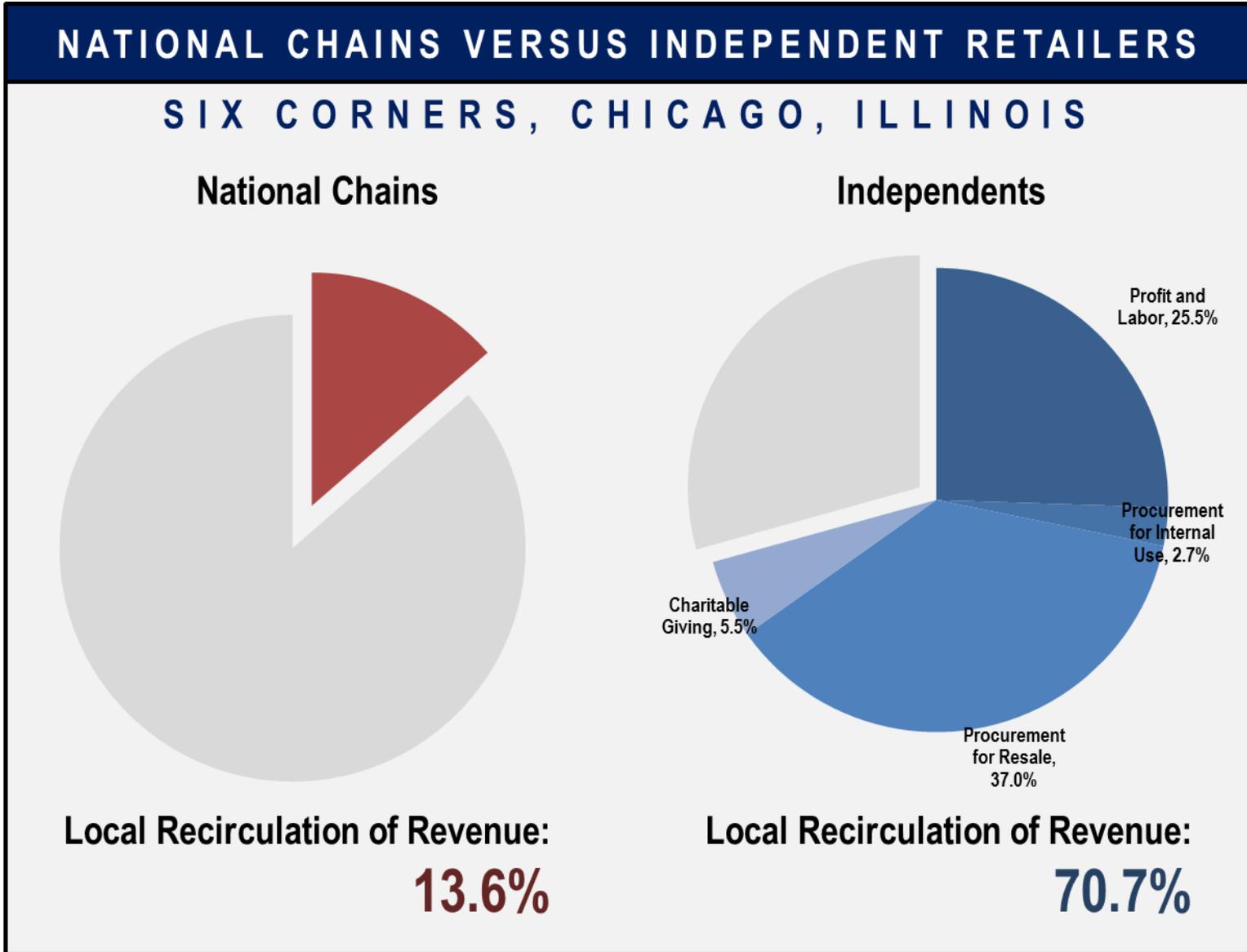
For comparison purposes, Civic Economics analyzed annual reports for four major national chain stores (Barnes & Noble, Home Depot, Office Max, and Target). These stores recirculate an average of **13.6%** of all revenue within the local markets that host its stores.

The charts on the following pages summarize these findings, providing further detail on local recirculation by local businesses.

Our thanks to the following local businesses for completing the financial survey on which this study is based:

- City Newsstand
- Gato and Sons Jewelers
- New Six Corners Flowers
- P&S Food & Liquor
- SINGER Factory Distributor
- style by andrea





Source: Civic Economics Survey of Independent Businesses; 10K Annual Reports for Office Max, Home Depot, Target, and Barnes & Noble



THE 10% SHIFT

According to the 2007 Economic Census, Cook County produces annual retail store sales across all lines of goods (excluding motor vehicles and gas stations) of roughly \$38 billion. Assuming this survey provides a representative sample of area independent retailers, a market shift of just 10% from chains to independents would retain an additional \$2 billion in the regional economy every year.

CONCLUSION

This analysis is one in a long line of studies nationwide in which Civic Economics has applied a similar methodology to gain an understanding of the economic impact of independent, locally-owned businesses. In every case, the findings have been unequivocal: independents bring substantial benefits to their local economies when compared to their chain competitors. While chain stores and restaurants extract locally generated revenues from the community with each nightly bank transaction, independents are creating a virtuous cycle of local spending. The extra dollars in the local economy produce more jobs for residents, extra tax revenues for local governments, more investment in commercial and residential districts, and enhanced support for local nonprofits. In short, these businesses create better places.

Civic Economics wishes to thank the American Booksellers Association, the Six Corners Association, and City Newsstand for sponsoring this study.

For more information about this study, please contact the Six Corners Association (SixCorners.com) or Civic Economics (CivicEconomics.com). Thank you.

