

Does Local Ownership Matter?



**A “Taste” of a Two-Day Master Class
Led by Michael H. Shuman**

Workshop Mission

- ***Education*** – About the myriad strategies for local economic development available today.
- ***Training*** – On the practical and legal issues linked to these strategies.
- ***Organizing*** – To connect you with similarly minded people in your community.

The Struggle Over Capitalisms

TINA
vs.
LOIS



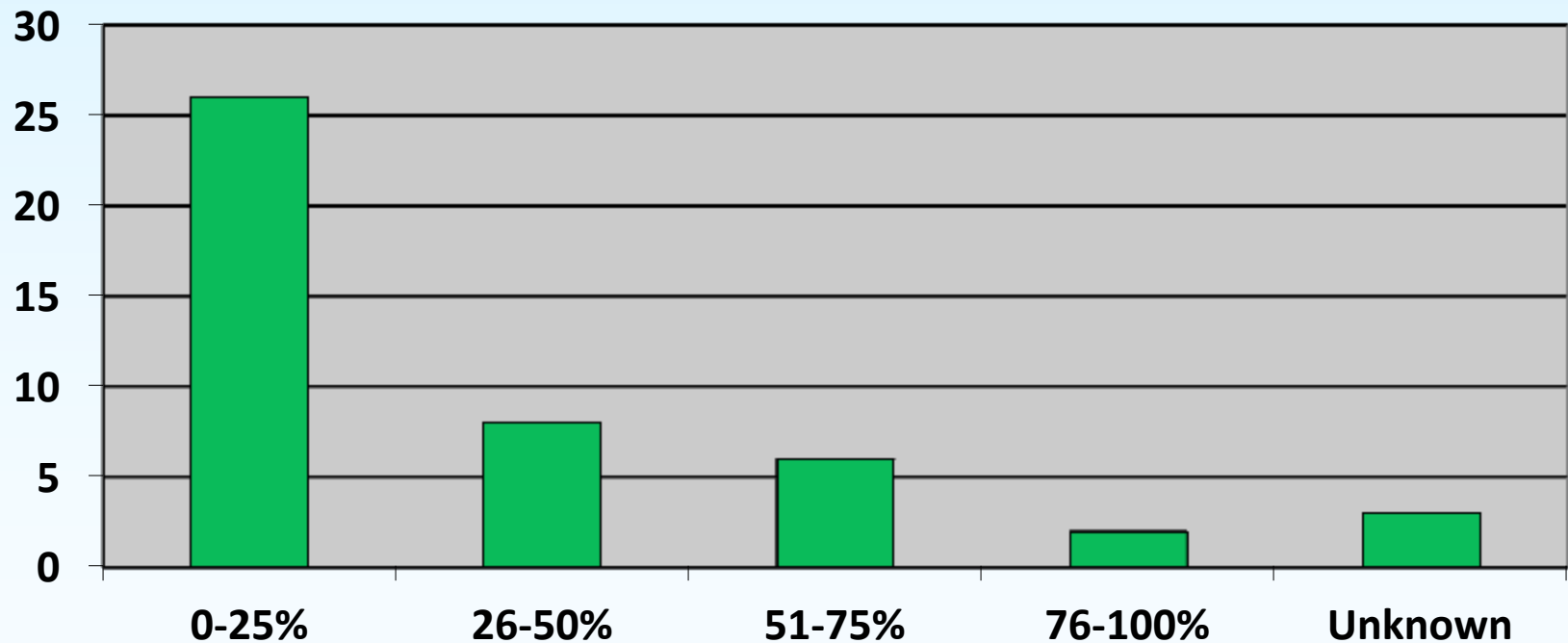
TINA—There Is No Alternative



- Attract Toyotas
- Prioritize Exports
- Reassure Locals

“Economic Development” Today

**Breakdown of 45 Largest Programs in 15 U.S. States
(% Money Invested in Local Business)**



LOIS–The Alternative

- LO:
Local Ownership
- IS:
Import-Substituting
Development



Three Rules for Local Prosperity

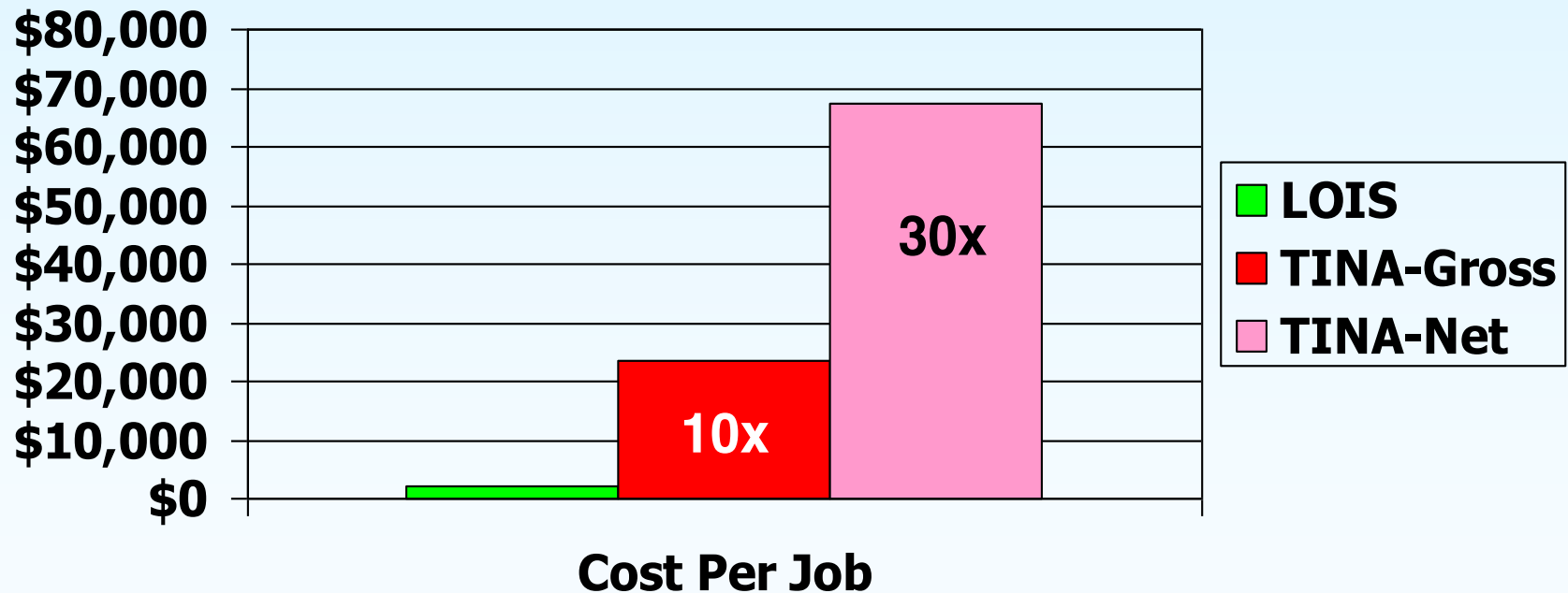
- (1) Maximize local ownership of business.
- (2) Maximize local self-reliance.
- (3) Spread models of triple-bottom line success.



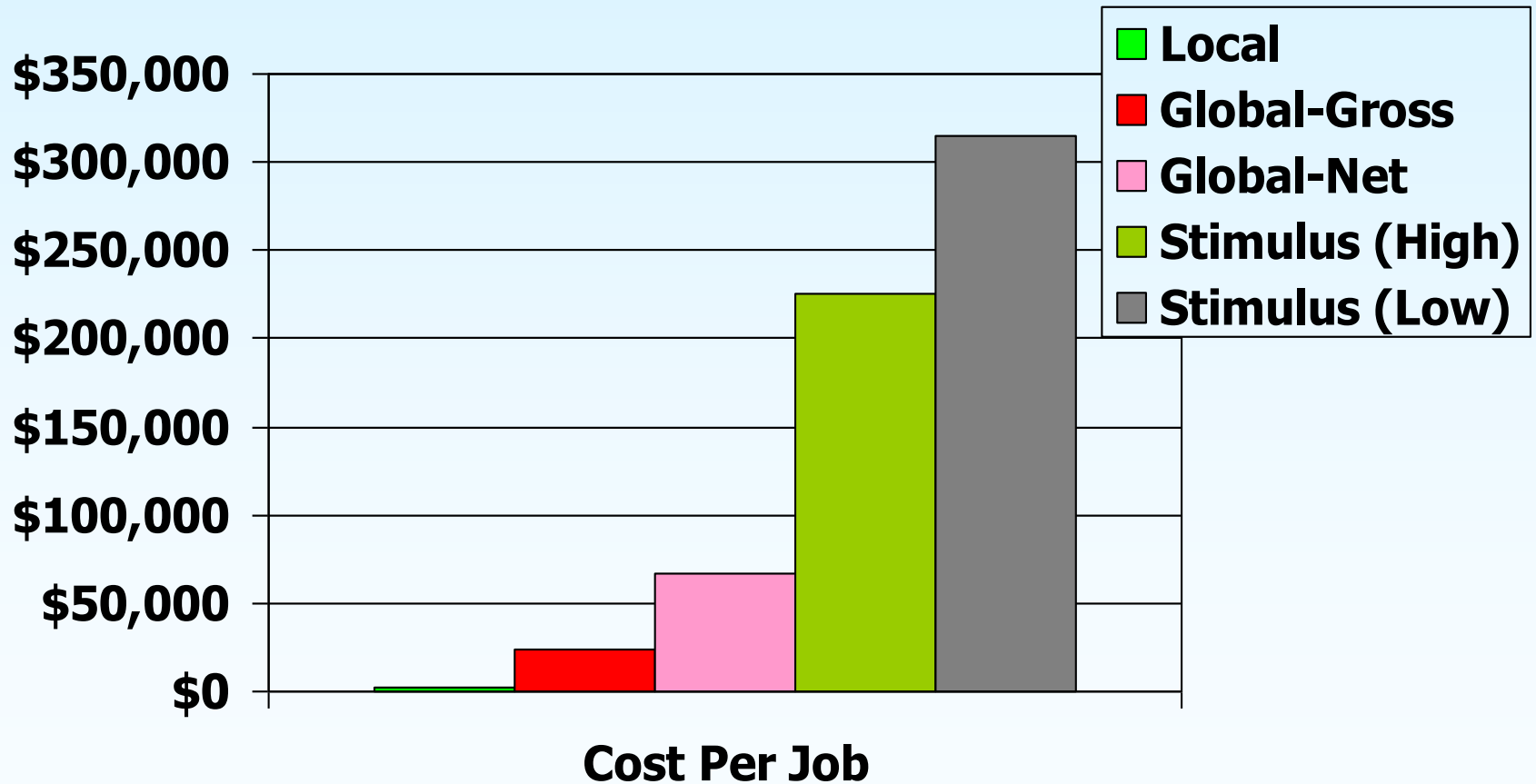
Rule #1:

Maximize Local Ownership

Business Subsidies in Lane County (OR) (mid-2003)

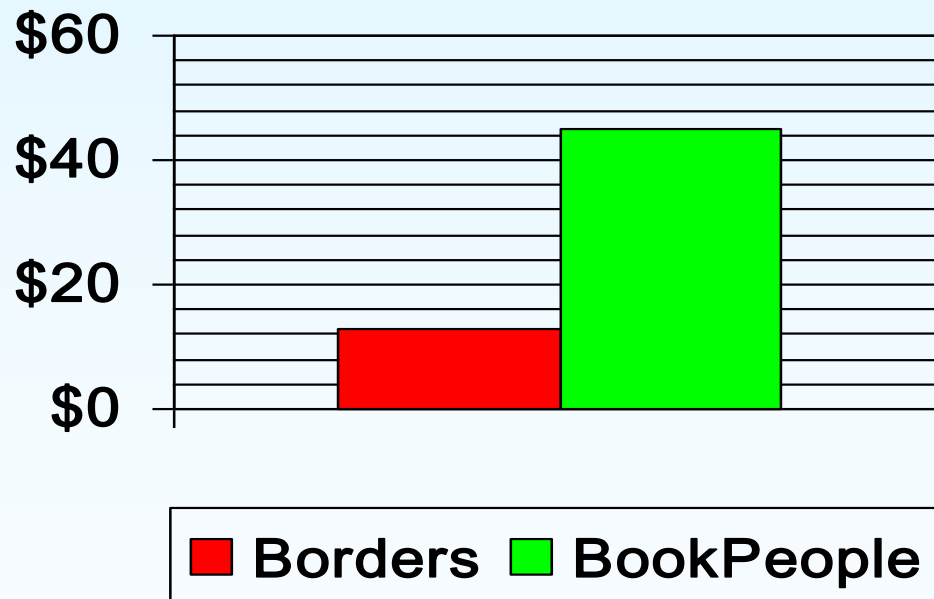


Recent U.S. Stimulus

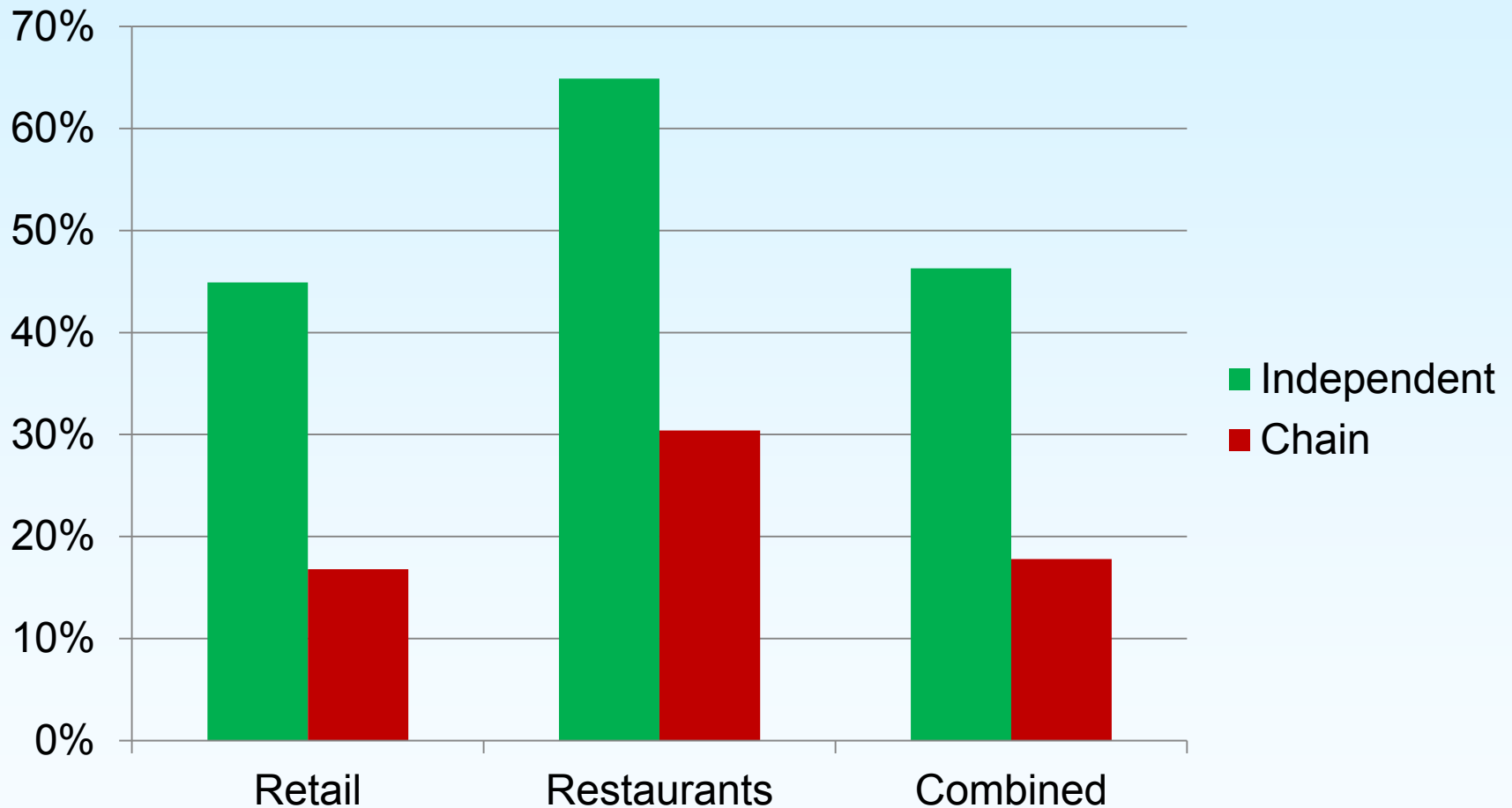


The Importance of Multipliers

Impact of \$100 Spending (Austin)



Why LO Matters: A 2013 Study in British Columbia



The Jobs Verdict

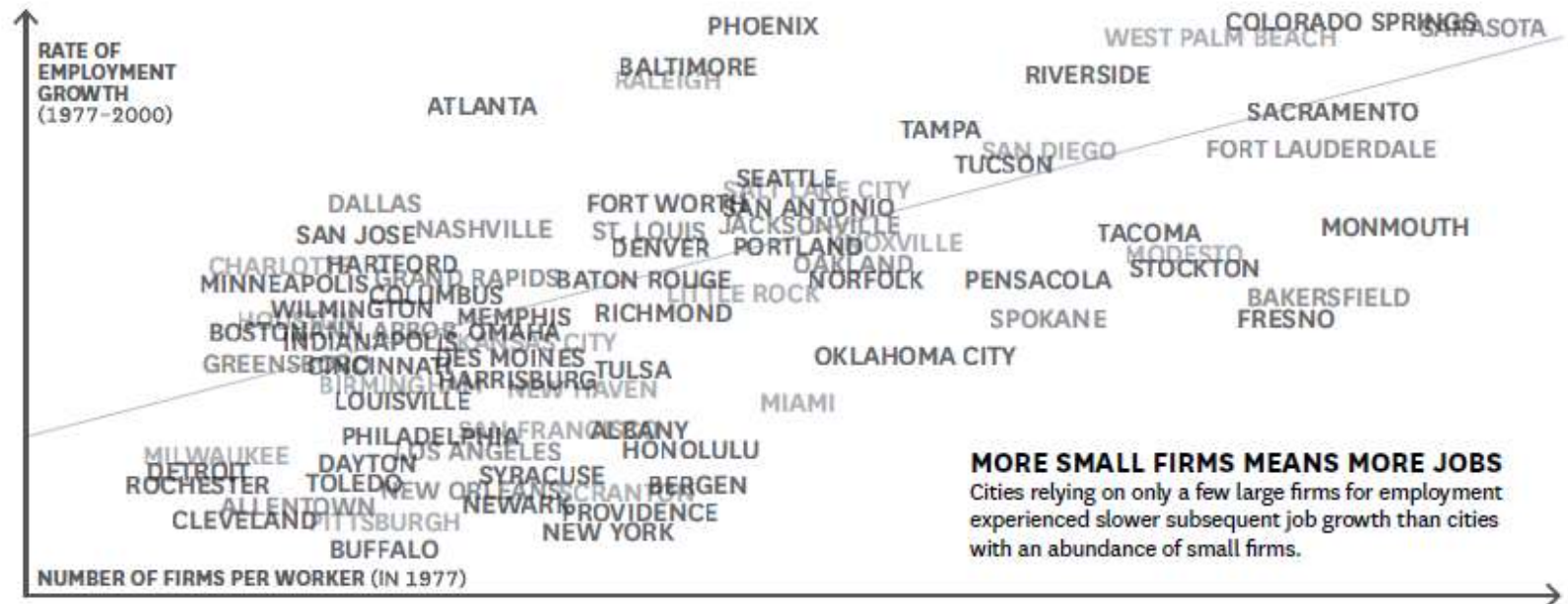
Study	\$ Circulated Locally: Local vs. Nonlocal Ownership
Austin (2002)	3.5
Maine (2003)	5.0
Chicago (2004)	1.6
Toledo (2004)	4.0
Iowa (2006)	1.6 (Jobs)
San Francisco (2007)	1.4-1.7
Phoenix (2007)	2.9
Grand Rapids (2008)	1.6
New Orleans (2009)	2.0
AVERAGE	2.6

Harvard Business Review

July-August 2010

More Small Firms Means More Jobs

Cities relying on only a few large firms for employment experienced slower subsequent job growth than cities with an abundance of small firms.



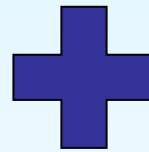
Other Reasons Ownership Matters

- Smart Growth
- Tourism
- Entrepreneurship
- Public Health
- Civil Society
- Political Participation



Rule #2:

Maximize Local Self-Reliance



'Dead-end' Austrian town blossoms with green energy



Hardwick, Vermont



The Zingerman's Story





Zingerman's
BAKEHOUSE



BEARCLAWCOFFEE.COM



you really can
taste the difference





Zingerman's
roadhouse
really good american food







SHARING ZINGERMAN'S UNIQUE APPROACH TO BUSINESS

SEMINARS | BOOKS & DVDs | CUSTOM TRAINING

 SEARCH

FEATURED SEMINAR!

Zingerman's marketing "secrets"

Zingerman's is known for a colorful, bold, engaging Look & Feel that is carried through print media, in-store signage and displays, online merchandising, social media and more. Our marketing specialists share what Zingerman's has done on a relatively small budget, and how you can adapt our approach and tools to work for your business.

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[Fun, Flavorful Finance](#)

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[The Art of Giving Great Service](#)

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[Leading with Zing!](#)

July 10

[Customer Service Express Workshop](#)

VIEW MORE...

Rule #3:

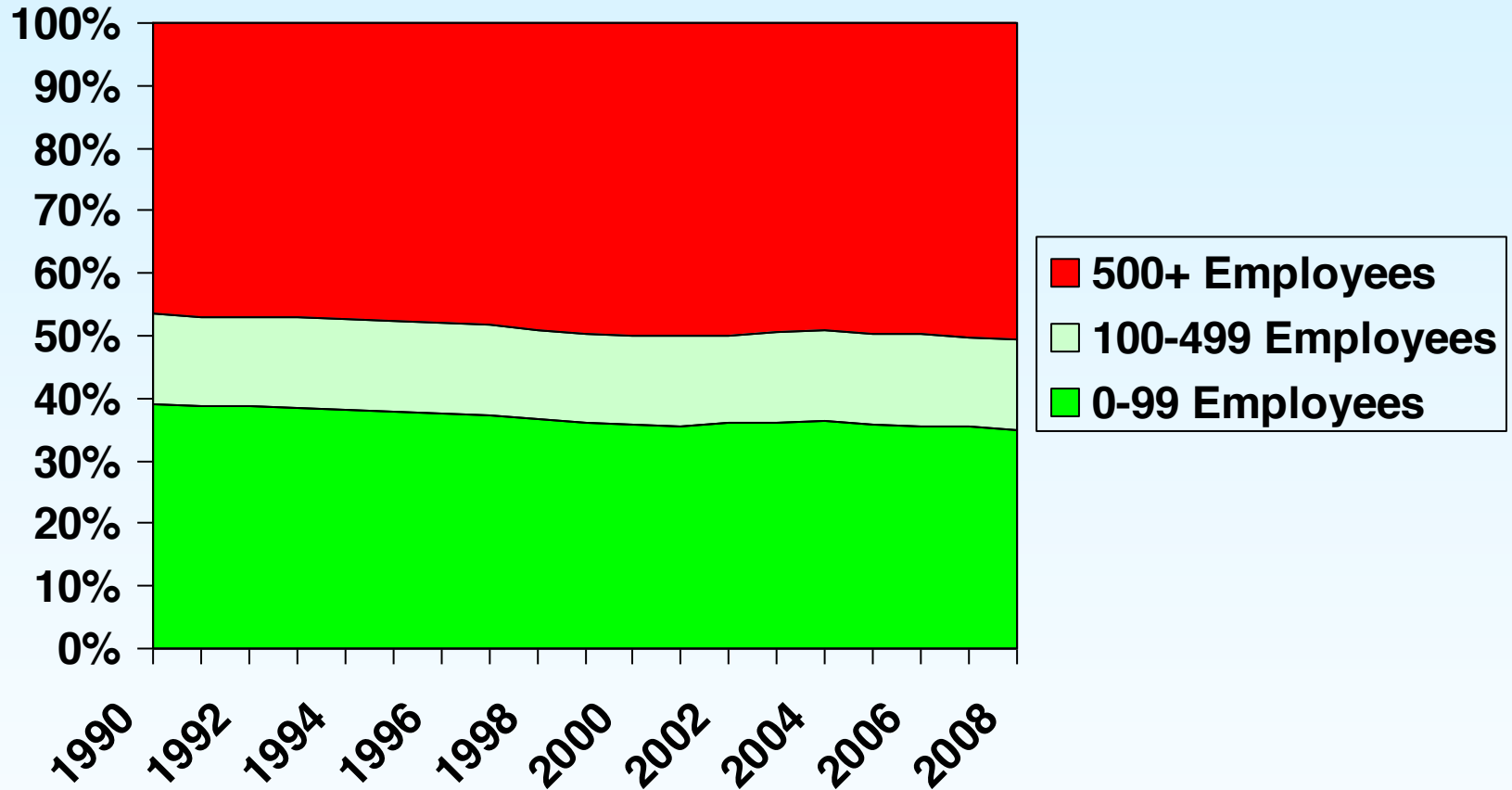
Spread Triple-Bottom-Line Business



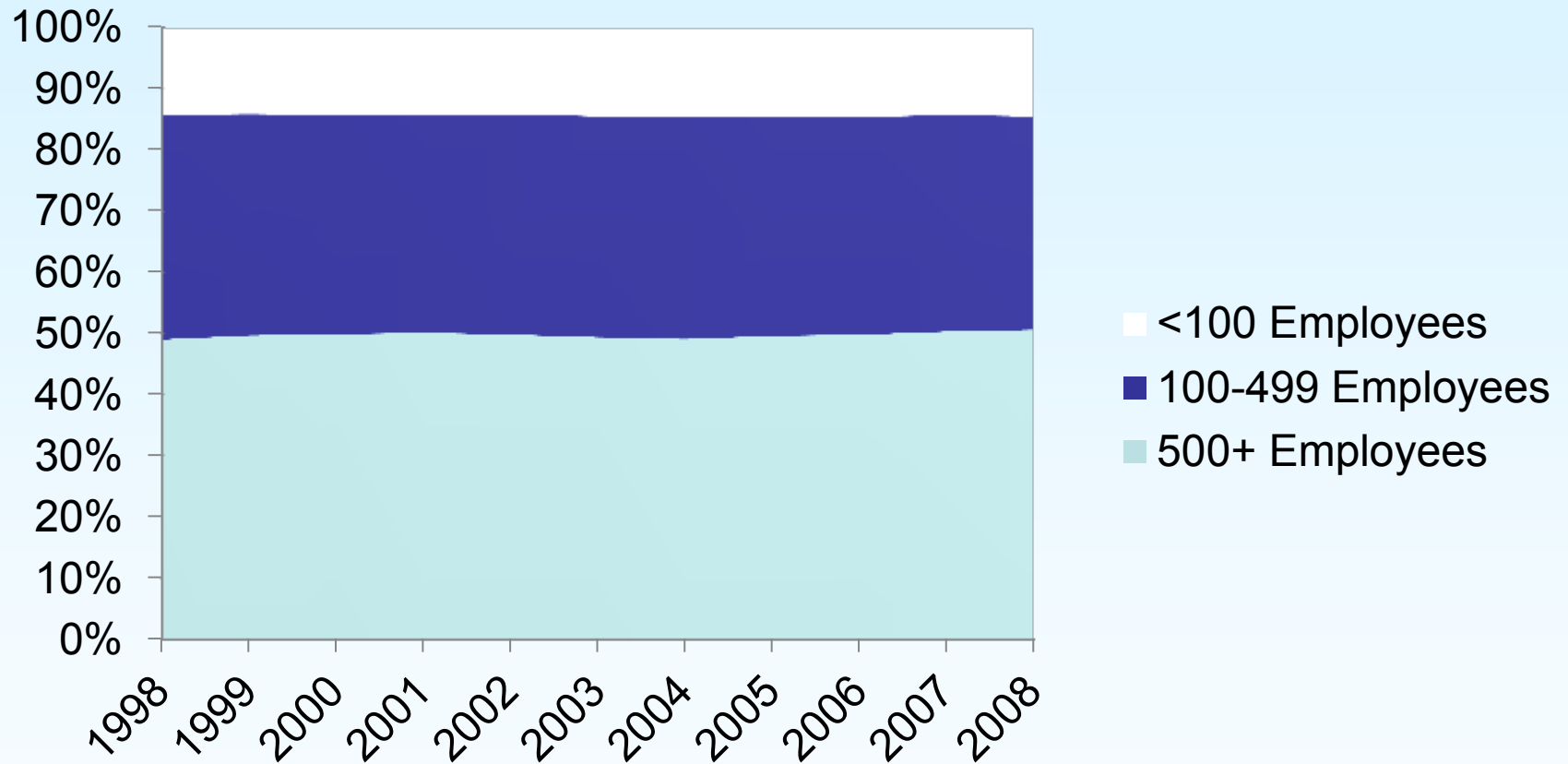
But Can Local Compete?



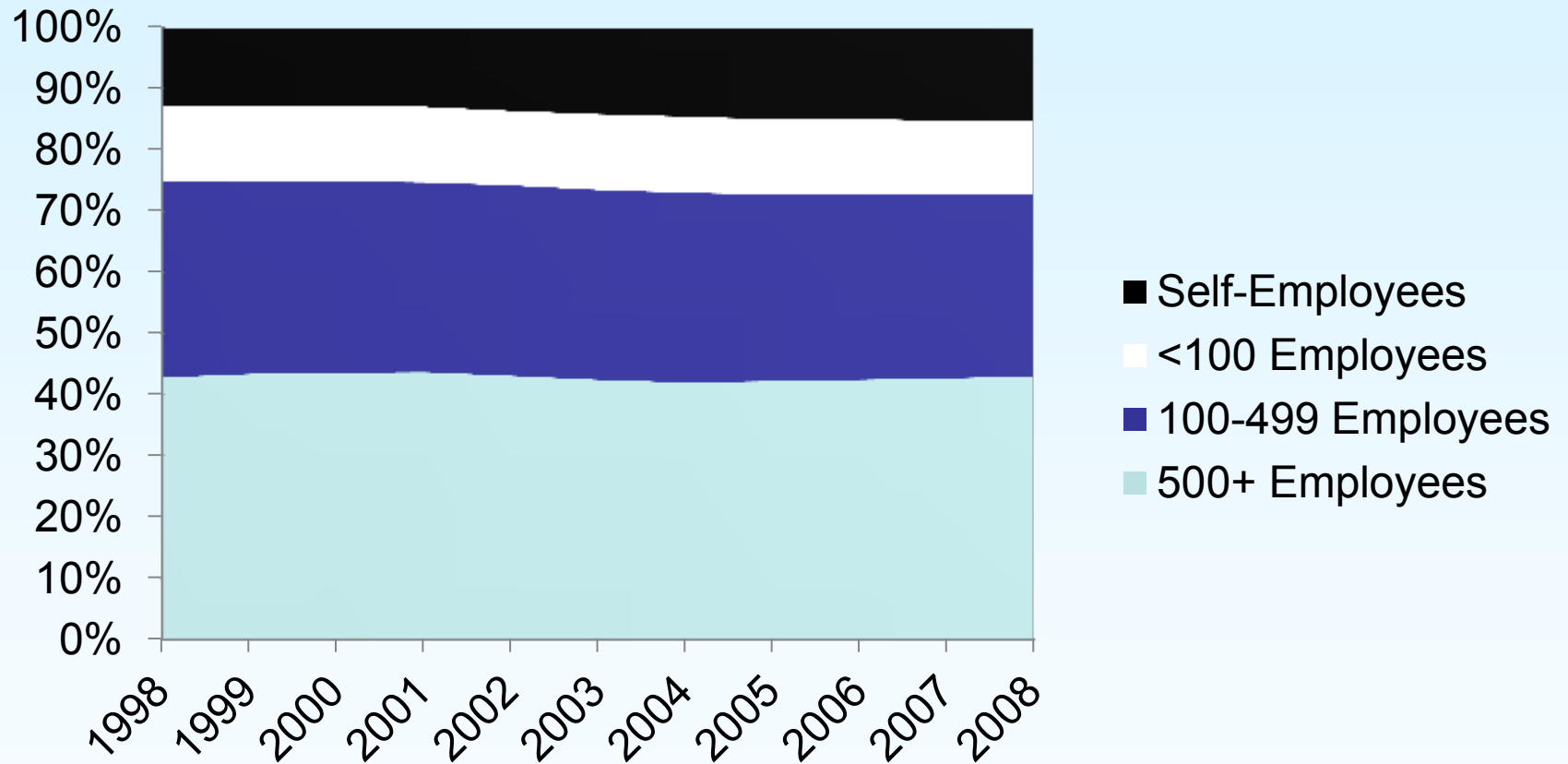
Market Share of Local (Jobs in U.S. Economy)



The Competitiveness of Small



The Competitiveness of Small

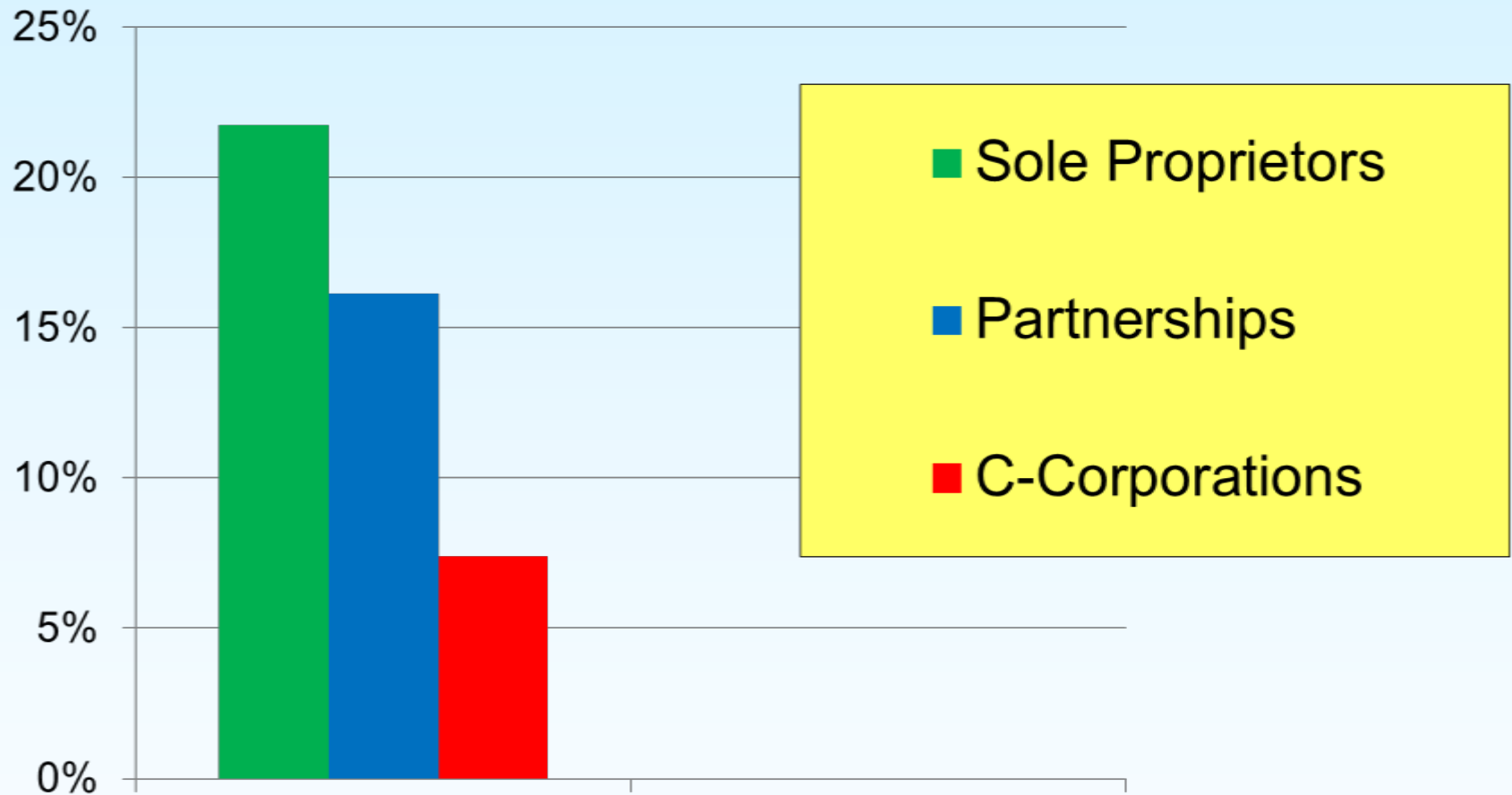


Competitiveness of Canadian Small Business



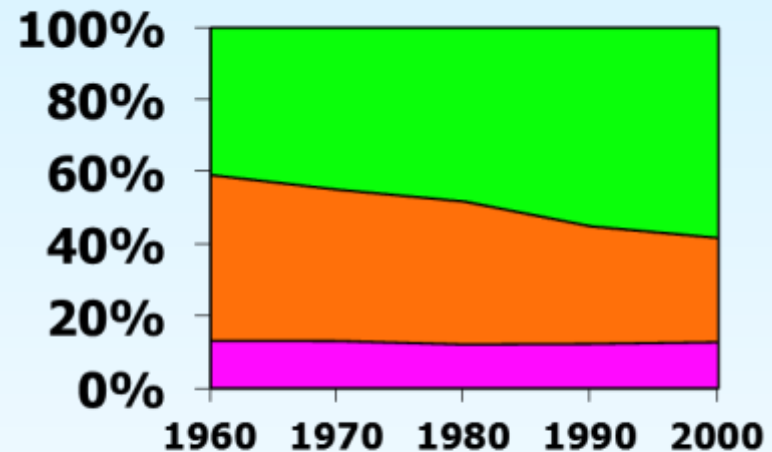
Profitability of Local in 2006

(Net Income/Net Revenue)



Why Global Is Becoming Less Competitive

- **Service Economy**
- Rising Oil Costs
- Home-Based Buz



■ Durables

■ Nondurables

■ Services

Why Global Is Becoming Less Competitive

- Service Economy
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Why Global Is Becoming Less Competitive

- Service Economy
- Rising Oil Costs
- **Home-Based Buz**



How To Nurture Local Business?

Planning	Plug the leaks.
People	Support entrepreneurs.
Partners	Compete through collaboration.
Purse	Harness pensions locally.
Purchasing	Spearhead “Local First” campaigns.
Policymaking	Remove anti-local biases.

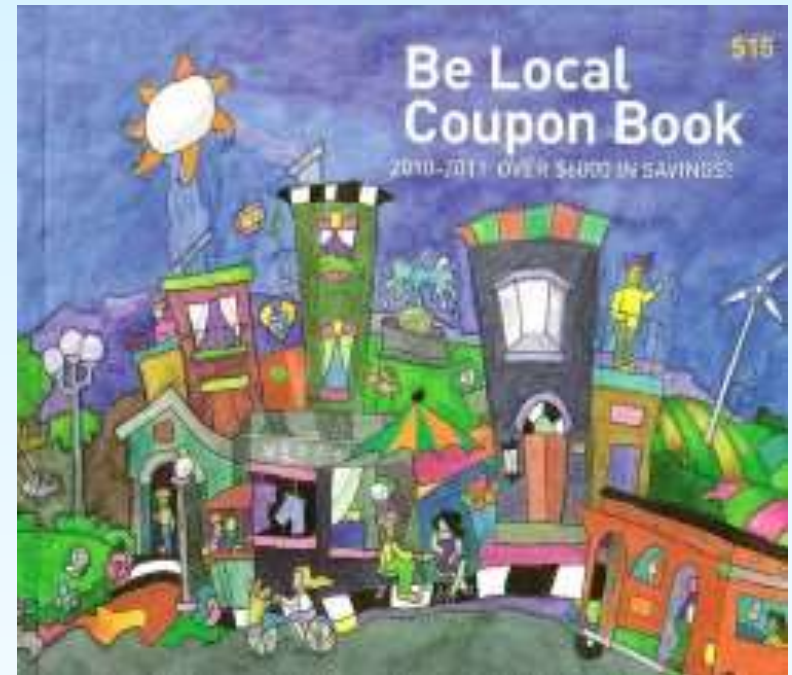
Economic Development Today

- Unsustainable
- Unstable
- Underserving



Low-Cost “Meta-Business”

- Supports *All* Local Businesses
- Revenue Generating
- Modest One-Time Investments



Meta-Business Examples

Planning
People
Partners
Purse
Purchasing
Policymaking



Meta-Business Examples

Planning
People
Partners
Purse
Purchasing
Policymaking



Meta-Business Examples

Planning
People
Partners
Purse
Purchasing
Policymaking

many missions one market
MISSION
MARKETS™



Community Portals

MISSION MARKETS

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Home What We Do The MMX Services Our Team Contact

The Financial Marketplace For Sustainable Capitalism

Find Sustainable Investments Raise Mission Aligned Capital Transact on The MMX Use Impact Metrics **Create a Community Portal**

Create a Community Portal

A Community Portal is our turnkey technology solution creating a branded private capital marketplace allowing communities and organisations to more effectively serve their markets.

changeXchange
northwest

Welcome to ChangeXchange NW

Meta-Business Examples

Planning

People

Partners

Purse

Purchasing

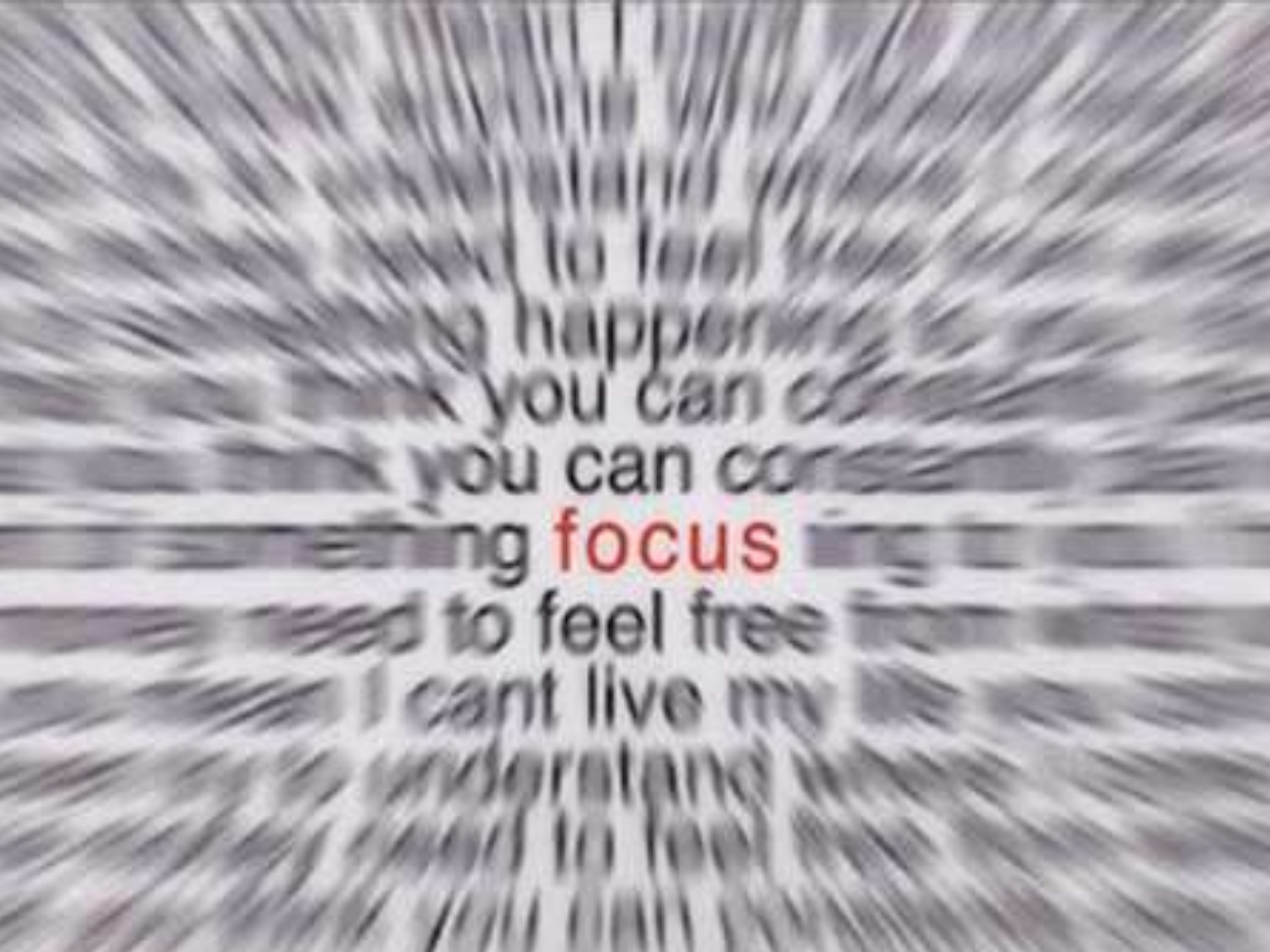
Policymaking



A Deep Dive on Community Capital

- Banking
- Cooperatives
- Accredited Investors
- Non-Securities
- Local Stock & Local Exchanges
- Local Investment Funds





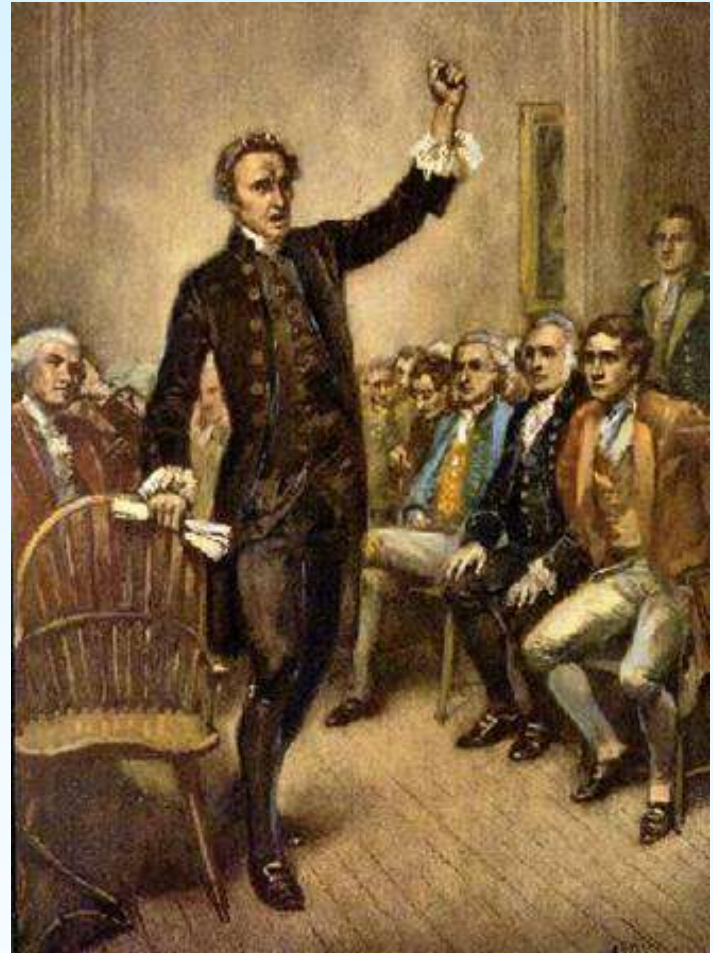
...to feel free from...
...I cant live my life...
...understand...
...to feel...
...you can't...
...happening...
...you can...
...focus...
...to feel free from...
...I cant live my life...
...understand...
...to feel...
...you can't...

Choose Wisely



Patrick Henry: (with minor edits)

“Why stand we here idle?
Is life so dear or peace so
sweet as to be purchased
at the price of chains...?
Forbid it, Almighty God. I
know not what course
others may take, but as
for me, give me
community or give me
death!”



Questions & Discussion



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www.locatopia.net (soon!)

