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Program Boosts Small Businesses in East Harlem

Union Settlement's innovative program, supported by Citi Community Development and the NYC Department of Small Business Services, has resulted in \$553,000 in new sales for mom-and-pop shops

New report, <u>Buy Local East Harlem: Building an Inclusive Neighborhood Economy</u>, finds results are replicable in other communities

(New York, NY) – Two years after its inception, Union Settlement's Buy Local East Harlem initiative has proven a rousing success. The program, supported by Citi Community Development and the New York City Department of Small Business Services, connects small businesses in East Harlem with new customers and each other as well as with major "anchor institutions" such as hospitals, schools, and major cultural and social service organizations. According to a report of the findings released by Union Settlement, the program has led to an additional \$553,000 in sales for participating small businesses.

"Buy Local East Harlem has created huge opportunities for businesses to increase sales, resulting in more hiring and in more resources retained inside of the neighborhood," said **David Nocenti**, executive director of Union Settlement, of the initiative's impact. "If we do it right, which the new report suggests that we have, it's a virtuous cycle."

Buy Local East Harlem is helping local businesses build sales and wealth through a threepronged strategy that includes:

- Selling to Anchors: including organizing meet-and-greets between local businesses and anchor institutions and creating and providing anchors with an online and print edition of the East Harlem Marketplace and Supplier Directory, a regularly-updated list of almost 60 local vendors.
- Business-to-Business Sales and Support: including monthly Merchants Meetings in which local business owners meet to share knowledge and experiences that help each other overcome daily business challenges.
- Buy Local Initiatives: including running "cash mobs"—regularly organized groups of local consumers who visit local businesses en masse to make purchases—and events like Taste of East Harlem, which attracts more than a

dozen local restaurants and food businesses to share their fare with over 250 visitors and residents.

"Buy Local East Harlem helps strengthen small businesses and catalyze local economic opportunity," said **Gregory Schiefelbein**, Director, Citi Community Development. "By supporting this initiative, we aim to help create a model that builds and preserves vibrant neighborhoods."

East Harlem-based **Think Big Data** became a member of Buy Local East Harlem and won new business helping **Metropolitan Hospital** develop a portion of its website to promote new services the hospital is rolling out in the community. "Without Buy Local East Harlem, I would have never gotten to meet the right people at Metropolitan and benefit from their commitment to neighborhood businesses as an anchor institution," says founder **Rodney Mendez**, who grew up just blocks from the hospital. "It gave us the foot in the door we needed."

Union Settlement's new report, *Buy Local East Harlem: Building an Inclusive Neighborhood Economy*, found that the program's results are replicable in other lowincome communities. The report outlines key aspects of how the Buy Local model can be brought to these communities, including:

- Identifying an organization with standing in the community to lead the effort—an organization with the ability to reach out to anchor institutions and induce them to think seriously about which categories of their spending might include local vendors.
- Developing a range of small business support services in the area, including technical and financial training, coaching, and assistance in obtaining capital.

Furthermore, the report details how the Buy Local East Harlem model can grow within East Harlem, including:

- Increased bandwidth to go broader and deeper, as more staff capacity would expand the program's reach to include more businesses and anchors
- Finding additional opportunities to connect anchors to local businesses, such as working with anchors to catalog what they purchase and thinking tactically about where local vendors might be found to fill certain niches

About Buy Local East Harlem

Since 2017, with support from Citi Community Development and the NYC Department of Small Business Services, Buy Local East Harlem has been helping local businesses to build community wealth by increasing their sales—especially to the neighborhood's many anchor institutions, such as hospitals, schools, and major cultural and social service organizations.

About Union Settlement

Union Settlement has served the people of East Harlem since 1895. One of the largest settlement houses in New York, Union Settlement serves more than 10,000 East Harlem residents of all ages each year through its education, health, senior services, youth development, childcare, counseling, and economic development programs.