



Buy Local East Harlem

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Executive Summary

Local businesses are the hearts of their neighborhoods. They tend to hire locally—and their owners often live locally, too—so dollars spent with them wind up being pumped back into the neighborhood as they pay employees and buy supplies, multiplying their economic impact. This helps communities to build and retain wealth.

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. The initiative has also seeded a dense and growing network of local business owners to foster **business-to-business** sales. And it markets small businesses to the broader community **residents and visitors** by holding a variety of special events and promoting the neighborhood’s commercial corridors. *Buy Local East Harlem* employs three mutually reinforcing strategies. It **builds relationships** by making strategic introductions between potential vendors and anchor institutions. It has also created a community of business-owners who support one another with camaraderie, advice, and sales opportunities. *Buy Local East Harlem* **builds capacity** by connecting business owners with training and coaching to help businesses thrive as they scale. Finally, it **promotes the neighborhood** in order to increase retail spending by residents and local visitors.

These efforts have led to **over a half-million dollars** in additional sales among East Harlem businesses in the past two years—a number that is likely an undercount since it is a challenge to consistently track and report every additional sale.

There are two important reasons for *Buy Local East Harlem*’s success to date. First, Union Settlement

engaged the broader community through the East Harlem Community Alliance. The Alliance’s Buy Local committee, led by the New York Academy of Medicine, has increased engagement with peer anchor institutions who see the value in supporting local businesses to build community wealth and resilience. Second, Union Settlement provides executive-level support for the work of its Business Development Center, of which *Buy Local East Harlem* is part of. Business development programs exist in many other place-based social service organizations, often as an extra service. But Union Settlement executive director David Nocenti saw the wisdom in engaging businesses as an essential partner in helping the community to do more from within to support its residents’ economic mobility and social growth. He pays close attention to *Buy Local East Harlem* and gives it the support it needs, especially in cultivating cross-institutional relationships among anchors. The initiative further benefits from being designed and run by a former East Harlem business owner, Michelle Cruz, who also struggled with the many challenges that she is now helping other entrepreneurs and shopkeepers to overcome. This makes it easier for her to connect with business owners, who typically find it hard to make time to focus on strategic efforts like cultivating relationships with large, prospective customers.

This case study describes the *Buy Local East Harlem* program model and shares some ideas on how it can be expanded locally and potentially replicated by organizations in other communities.



Union Settlement annually provides more than 10,000 East Harlem residents with programs in education, health, senior services, youth development, childcare, counseling, and economic and small business development.

About East Harlem

For more than a century, amid continual social and economic change, East Harlem has been a welcoming enclave for immigrants and entrepreneurs. East Harlem runs north from East 96th Street between Fifth Avenue and the Harlem River. It is home to more than 120,000 residents of diverse ethnicities, nationalities, and incomes. Almost half identify as Hispanic or Latino and 30 percent as African American; just over one-quarter of East Harlem's residents live in public housing.¹

Union Settlement has served East Harlem since 1895. Today, it annually provides more than 10,000 residents with programs in education, health, senior services, youth development, childcare, counseling, and economic and small business development. The East Harlem Community Alliance (EHCA), launched in 2012, is a coalition of over 200 local businesses, nonprofits, religious congregations and government agencies that work together to strengthen the economic base of East Harlem. Projects undertaken encourage purchasing that supports locally owned businesses, as well as hiring neighborhood residents for jobs in its many anchor institutions.

The [Neighborhood 360°](#) program was created by the NYC Department of Small Business Services (SBS) to identify, develop, and launch commercial revitalization projects in partnership with local stakeholders, like Union Settlement. Through proactive planning and targeted investments, Neighborhood 360° supports projects that strengthen and revitalize the streets, small businesses, and community-based organizations that anchor New York City neighborhoods.

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1. Commercial District Needs Assessment: East Harlem, Manhattan. NYC Department of Small Business Services. 2016. Retrieved September 2019 from <https://www1.nyc.gov/assets/sbs/downloads/pdf/neighborhoods/n360-cdna-east-harlem.pdf>.

The Genesis of *Buy Local East Harlem*

Neighborhood businesses play an essential role in developing economically secure and resilient communities by building and retaining wealth locally.² Despite being in the throes of an unprecedented shift in economic landscape posed by online retailers, local businesses remain at the hearts of their communities. They serve the daily needs of residents and encourage neighbors to engage with one another. Locally-owned businesses tend to hire locally and their owners often live locally. That means dollars spent there get pumped back into the neighborhood, multiplying economic impact.

David Nocenti, Union Settlement's executive director, understood this seven years ago when he launched EHCA. "We recognized that East Harlem, while a low-income community, had a wealth of resources," says Nocenti, who also chairs the Alliance. "Not necessarily money, but really strong organizations and anchor institutions. We asked: what can we do together to lift East Harlem up without looking outside the community for assistance? We focused on increasing local purchasing and hiring by these anchors. Opportunities for businesses to increase sales results in more hiring opportunities, resulting in more resources retained inside of the neighborhood. If we do it right, it's a virtuous cycle."

EHCA's Buy Local committee is made up of some of the neighborhood's largest anchor institutions, including Mount Sinai Hospital, Metropolitan Hospital, the New York Academy of Medicine, and several charter

Buy Local East Harlem had the promise to help strengthen businesses and catalyze local economic opportunity



Taste of East Harlem 2019

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2. The Institute for Local Self-Reliance has compiled many studies on the importance and impacts of locally owned businesses in their communities. (See <https://ilsr.org/key-studies-why-local-matters/>.) In addition, the firm Civic Economics has conducted a number of economic impact studies across the country that specifically look at the levels of revenue recirculation and multiplication results from spending at independently owned stores. (See <http://www.civiceconomics.com/indie-impact.html>.)

schools. “We knew that if we could get these institutions to shift even a small amount of their spending to local vendors it could make a big difference in the community,” says Edwin Nieves, director of the Business Development Center at Union Settlement. But, he continued, in those early days, “it was very hard to get most organizations to make real commitments. The committee meets once a quarter. Everyone has full-time jobs that made focusing on this difficult, despite everyone’s best intentions. There was no continuity or follow-through from one meeting to the next.”

“Buy Local East Harlem had the potential to help strengthen businesses and catalyze local economic opportunity, which aligns with Citi’s efforts to support and preserve vibrant neighborhoods,”

according to Gregory Schiefelbein, Director, Citi Community Development. With financial support from Citi and SBS, Union Settlement hired former neighborhood business owner Michelle Cruz in 2017 to run the buy local initiative. Cruz had just closed down East Harlem Café, a favorite with local residents, after eight years in business. “People told me they loved it and I knew the community wanted it to remain open,” says Cruz. “But the financials just weren’t there to keep going. It was heartbreaking.” Cruz grew up less than a mile away, in Robert F. Wagner Houses, so she has known since she was a kid how important locally-owned businesses are to the neighborhood. “One of the reasons I took on this role was to keep other businesses from going through what I went through. I want them to be able to pursue their dreams and succeed.”

SELLING LOCAL AROMAS

About four years ago, Chef Eileen Barrett and her sister Jo-Ann closed their café in East Harlem. “We realized we weren’t café people,” Jo-Ann shared recently. Which might be okay since they had already been in business for eight years baking fancy custom cakes. “Having a shop was a lot of money to spend for a business that was driven more by corporate sales and weddings.” No one should be too concerned, though, because the following month Aromas won “Best of Weddings” in *The Knot* magazine—the first of four times (ahem... so far) that they’ve won.

Knowing your strengths in business is powerful but it still doesn’t guarantee success. Weddings can be inconsistent and corporate customers finicky. “We made money,” Jo-Ann says, “but it was hard to make the investments we needed to get to the next level.”

The Barrett sisters discovered *Buy Local East Harlem*, which used its connections to anchor institutions to help Aromas win regular catering gigs with Hunter College, Union Settlement and several local charter schools. “That’s been about 20 percent of our revenue for the past 18 months,” Jo-Ann said. “It’s the kind of predictable income that lets us make investments in growing the business.” Indeed, for the first time, the Barrett sisters are spending money on marketing instead of relying on word-of-mouth referrals. And they’re building a CRM—a customer relationship management system—to help them better track orders and to make strategic decisions about how better to serve their existing clients.

“Closing the café and focusing on weddings and corporate clients was the right decision,” Jo-Ann added. “But I can’t help but think that if *Buy Local East Harlem* was around then, the café might have been more successful.”



Buy Local East Harlem promotes business-to-business sourcing so that owners can keep their supply chains local.

Cruz also brings her relationships with many of the merchants in the neighborhood; knowing them—and their struggles—enabled her to create the right model for *Buy Local East Harlem*. She also engaged in a great deal of additional outreach to inform the approach—outreach that seeded the communications channels she now has with scores of businesses: calling, emailing, texting, walking the blocks, and attending every meeting she possibly could, especially with anchor institutions.

Local leaders have noticed, too. “*Buy Local East Harlem*’s various services—including technical assistance, marketing, promotion, and relationship-building—has helped retain small businesses, expand their reach, increase their profits, and revitalize our local economy,” says Diana Ayala, the neighborhood’s city council member. “I am proud to support this program and thank them for their work on behalf of East Harlem.”

How it Works

In addition to working with **anchor institutions** to purchase some of their goods and services from local vendors, *Buy Local East Harlem* promotes **business-to-business** sourcing so that owners are keeping their supply chains local. And the initiative also educates **consumers in the community** about the empowerment that comes from buying locally and creates opportunities throughout the year for residents and visitors alike.

To do this, *Buy Local East Harlem* employs three strategies: **building relationships** among business owners and with the right anchor institutions who can buy their goods or services; **building capacity** by connecting business owners with the training and advice through Union Settlement’s Business Development Center; and **promoting the neighborhood** to attract more retail spending by residents and visitors alike.

Buy Local East Harlem Strategies in Action

Build Relationships

- Anchor Institution Meet & Greets and Neighborhood Trolley Tours
- Peer-to-Peer Business Advice & Support

Build Capacity

- Minority- and Woman-owned Business Enterprise Certification
- Access to Financing
- Small Business Training Workshops

Promote the Neighborhood

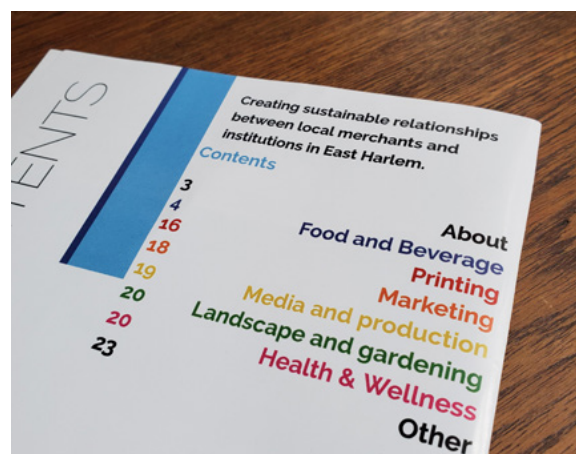
- Holiday Pop-Up Markets
- Taste of East Harlem
- Cash Mobs
- East Harlem Nights
- Shop & Dine East Harlem

SELLING TO ANCHORS

Institutions purchase in such large quantities that even a slight shift to smaller vendors can have outsize impacts. But adjusting institutional purchasing policies and procedures to be small-business-friendly is trickier than it seems. Most large institutions, especially hospitals, are apt to buy from national and international suppliers who can fill large orders regularly and easily and who can often interface seamlessly with real-time inventory tracking systems. And payment terms of 60 – 90 days, which many institutions say are hard to change given their internal fiscal processes, are prohibitive to small businesses with tight cash flows. Where procedures don't get in the way, perception can. For instance, Pamela Abner, who is vice president for Mt. Sinai Hospital's Office of Diversity & Inclusion, says she found that unconscious bias can factor into the thinking of procurement staff when evaluating smaller businesses as would-be vendors—something she is working to change at her institution.

"It will take a commitment to participation and learning—and perseverance," says Kimber Bogard, senior vice president for strategy and programs at the New York Academy of Medicine (NYAM), an East Harlem anchor institution. She is also the chair of EHCA's Buy Local committee, which she has been leveraging to understand how these challenges are getting in the way of increased local purchasing—and to develop solutions in collaboration with her peers. "We're learning first from the institutions who have most bought into our buy-local effort." Bogard's own organization is a case in point. She's been trying to get NYAM to purchase from local bakeries and coffee houses to supply refreshments for its internal and community meetings. But an existing contract with a caterer who manages NYAM's event space precludes it at the moment. She's looking for alternative solutions that keep NYAM on the right side of its contractual obligations while still supporting local vendors.

On the supply-side of the equation, *Buy Local East Harlem* has compiled a list of almost 60 local vendors into an online (and printed) [East Harlem Marketplace and Supplier Directory](#). Vendors are grouped by category, such as food and beverage, printing, marketing, landscaping, and health and wellness. The directory is updated regularly and shared with participating anchor institutions.



Having information on potential suppliers and institutional customers is helpful, but it still can be challenging for small vendors to break into large anchors. *Buy Local East Harlem* has tried to overcome this by creating regular opportunities for vendors and purchasers to meet face-to-face and make human connections that facilitate relationship-building and lead to sales. Occasional **Trolley Tours** bring anchor CEOs or senior purchasing staff to visit several neighborhood businesses during the course of an afternoon and see them in operation. Bi-monthly **"Meet & Greet"**s held at different neighborhood restaurants allow for more laid-back opportunities for anchor staff and business owners to rub shoulders, learn more about each other, and forge business relationships.

Cruz is trying to foster these relationship-development opportunities independent of her or the Buy Local program to help them endure beyond the tenure of any program or individual.



Nine East Harlem businesses were visited on the 2019 Trolley Tour route

BUSINESS-TO-BUSINESS SALES AND SUPPORT

Buy Local East Harlem uses every opportunity to connect businesses to one another, too. On one morning each month, a dozen or so local merchants gather at **Merchants Meetings** to share knowledge and experiences that help each other overcome daily business challenges. For example, Angela Fuller, better known to many in the neighborhood by her business moniker, The Egg Roll Queen, was falling behind on orders during a busy period. Another East Harlem business at one meeting, Pabade Bakery, offered to step in and help with deliveries until Fuller could hire another staff person. The meetings sometimes lead to business deals among themselves, too.

Buy Local East Harlem helps ensure the sustainability of these relationships by encouraging merchants themselves to take on leadership roles, including rotating who is in charge of setting up and leading each month's meeting.

BUYING LOCAL: METROPOLITAN HOSPITAL



Metropolitan Hospital is one of the anchor institutions enthusiastically supporting *Buy Local East Harlem*. It is also one of New York City's public healthcare institutions and, as a result, the hospital must follow the City of New York procurement rules, which are notoriously challenging for small businesses to navigate just to get signed up as a potential vendor. (City procurement also encourages bulk purchasing to reduce unit costs, which makes it hard for the vendors that do succeed in signing up to find appropriately sized bids and win them.) "I can't do much to change city procurement rules," Metropolitan's CEO,

Alina Moran says. "But I can make sure we help small businesses understand what the city's process is and figure out if it makes sense for them to become part of it—and, if so, how to do it." Moran's procurement team regularly sits down with potential vendors to navigate the process, even if the hospital doesn't wind up buying from them immediately. This is important because once a vendor is signed up, they're "in the system" for the city's 10 other public hospitals—and, potentially, other city agencies.

East Harlem-based Think Big Data got signed up and is now helping Metropolitan 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."

Metropolitan Hospital also knows how to work outside of the inside-game, so to speak. Hospital staff realized that they have the discretion to open their lobby to a pop-up market without having to require vendors to register with the official city procurement system. The inaugural market in 2018 had a total of 21 vendors—seven vendors each week for three weeks—offering their fare and wares in the lobby. The businesses' presence enlivened the public space, provided an opportunity for visitors and staff to shop for holiday gifts, and was a welcome additional source of revenue (and exposure) for the vendors. Tabitha Lozano, founder of East Harlem bakery Sprinkle Splash Sweet Shoppe, saw longer-term benefits from her participation. "It increased orders from doctors and staff through my Seamless and Grubhub accounts," she said. Metropolitan Hospital is hosting the pop-up market again in 2019.

ENGAGING THE COMMUNITY TO BUY LOCALLY

Buy Local East Harlem worked with neighborhood anchor Metro Hope Church to help organize and hold cash mobs after Sunday services several times a year. (A second church has since joined in.) The churches bring community members to visit a local business, en masse, to make purchases. This infuses cash into the business, but it also helps introduce community members to a new shop that may be struggling to gain a following. The cash mobs can galvanize community support for local businesses and reinforce the power of collective action. It is perhaps particularly telling that some of the people showing up are other business owners.



Each year, the **Taste of East Harlem** event attracts more than a dozen local restaurants and food businesses to share their fare with over 250 visitors and residents. And the **Shop & Dine East Harlem Holiday Campaign** makes it easy for shoppers to find seasonal food and gifts from local merchants. Beginning in 2018, *Buy Local East Harlem* worked with anchor institution Metropolitan Hospital to enable almost two-dozen local merchants to set up a **holiday pop-up market** in its lobby to sell gift items to hospital staff, visitors, and patients. **East Harlem Nights** are fun, periodic opportunities for the community to enjoy the neighborhood while helping small businesses to increase their sales.

Cash mobs galvanize community support for local businesses and reinforce the power of collective action.

SELLING LOCAL DEAR MAMA COFFEE



Dear Mama Coffee wasn't Zachary Sharaga's first business when he opened it a couple of years ago. But Dear Mama, in East Harlem, was his first coffee bar. "I wanted to build the place I wish I had growing up in the Bronx, in a neighborhood like the one I grew up in," Sharaga said recently. "Back then, we had bodegas or nothing."

He built Dear Mama as a 1,500-square-foot specialty coffee bar, cafe, art space, and event venue. Yet, when he opened, it was hard to

get people in the neighborhood to come in. "I worked behind the counter seven days a week for the first two years," he said. "People walked in every day and said, 'Oh, man, these are downtown prices.' I would say, 'No, they're living-wage prices.'" Sharaga would have been happy to explain why his prices were higher than some other places in the neighborhood: that he paid his staff there an average of \$18 an hour plus tips, that his coffee beans came from fair-trade farmers, that he was also building a space the whole community could gather in. But he didn't get a lot of interlocutors. "I spent a lot of time just standing on the sidewalk trying to convince folks to come inside."

Then, on a recent Sunday afternoon, *Buy Local East Harlem* helped organize a cash mob to arrive at Dear Mama. "It brought people who normally wouldn't have stopped in," Sharaga said. "We could have a longer conversation about what I am trying to do here and how I conceived of it based on where I grew up—a neighborhood a lot like East Harlem. It started to move the needle on our sales."

There are a lot of reasons why neighbors might avoid a business. One, Sharaga said, is the perception that it isn't for them—but maybe, instead, for newer people in the neighborhood. Sometimes that can be surmounted just by giving them an excuse to walk over the threshold and hear a bit more about the owner and their story. "The cash mob was a great way to help people overcome preconceived notions."



Buy Local East Harlem is being run by someone who inherently understands small businesses and their owners' struggles.

Why it Works

The success of *Buy Local East Harlem* is the result of several key elements.

Union Settlement has made small business support everyone's business. Union Settlement realized that engaging a wider array of neighborhood institutions was needed to realize many of their goals for the community. A highly engaged committee of EHCA, run by one of the neighborhood anchors, means that not all of the business engagement and prospecting efforts has to fall solely on the *Buy Local East Harlem* project director's shoulders. Rather, a peer group of larger institutions in the community is helping to develop momentum that can be leveraged by *Buy Local East Harlem*. And while anchor purchasing is an essential part of the program's model, it is complemented by lower-hanging fruit in the form of encouraging business-to-business sales and encouraging the broader community of residents and visitors to buy local.

Business engagement has executive-level focus from Union Settlement. Despite the fact that Union Settlement is not primarily a business-support organization, business engagement work is closely integrated to its wider mission. Union Settlement's client programming focuses on supporting the whole person. In the main, that means running adult education, after-school, and wellness programs. But wealth generated by local economic development gives the community a greater base of resources from which to grow and thrive. Many other place-based social service organizations also support businesses but never fully tie their outcomes together to amplify one another the way Union Settlement and its executive director are doing with *Buy Local East Harlem*.

Collaboration is a force-multiplier. It's almost trite to say so, but effective collaboration is perhaps *Buy Local East Harlem's* most important ingredient.

Project Director Michelle Cruz never turns down an opportunity to work on events with local cultural institutions or other agencies doing similar work—holiday decoration committees, emergency preparedness groups, local churches, the local community board. Shop & Dine East Harlem was successful, in part, because of the collaboration with local partners like the Caribbean Cultural Center, Uptown Grand Central, the holiday tree committee, and an annual pasteles, or pastry-making, contest. *Buy Local East Harlem* even partners with adjacent neighborhoods' community groups to support their efforts to make sure East Harlem businesses are part of a greater network, casting a wider marketing net.

Stakeholders need to hear why small business support is essential. Change is almost always hard. It's hard for big institutions to change their procurement policies. It's hard for small business owners beset by their daily challenges to think about making time for fellow business owners. And it can be hard to change consumers' habits who find convenience in shopping at chains or online. But people respond to persistence and clear, consistent communication—both of which *Buy*

Local East Harlem deploys. They are constantly communicating to stakeholders what they're doing and the impact it's having—in conversations with business owners, in meetings with elected officials, and in presentations to community boards. East Harlem's institutions see more clearly that they are serving the same constituents—in their hospitals, schools and social service organizations. This helps them to see why investing in the change to do more local purchasing is important.

***Buy Local East Harlem* is being run by someone who inherently understands small businesses and their struggles.** Not every business support organization needs to be run by a former small business owner, but East Harlem benefits mightily from that being the case there. Michelle Cruz's previous experience at her East Harlem Café—the successes and the challenges—helps her understand how to meet business owners where they are, how to communicate effectively with them, what she can ask of them, and how to empathize with them. Business owners we spoke to for the profiles in this report reinforced this uniformly.

SELLING LOCAL SPREAD-MMMS

When Rebecca Montero launched Spread-mmms three years ago, she was lucky to be able to take advantage of affordable space in an East Harlem-based shared kitchen to make the many flavors of "sassy, savory tapenades" for which she's become known. Montero wholesales to about two dozen businesses, mostly in Manhattan and Brooklyn with a few shops a bit farther afield. "One big challenge," she says, "is that without a storefront it's been hard finding customers right here in my neighborhood."

But through *Buy Local East Harlem*'s various events that brings local businesses together to meet one another, like their monthly merchants meetings and Taste of East Harlem, Montero has begun to find space on the shelves of some specialty food shops in the neighborhood. One connection she made was with Dan Cohen, owner of nearby Super Nice Coffee & Bakery. "He tasted some of my spreads and thought he could use them on some of his breakfast sandwiches," she said. Now he's using them in his baked goods in really interesting ways, too."

Montero appreciated the opportunity for more business connections—and the sense of community *Buy Local East Harlem* fosters among entrepreneurs. But she's especially keen on how open the program is to trying new things. "Another business owner and I brainstormed an idea at an event with Michelle and she just ran with it to make it happen," Montero said of *Buy Local*'s project director, Michelle Cruz. "She makes it so much easier to be in business."

Impacts

One of the blessings for East Harlem is the number of anchor institutions and the density of small businesses there. But that's also what makes it challenging to measure some of the sales-related outcomes of the program. Since the program's inception in 2017, *Buy Local East Harlem* is aware of a total of 44 businesses reporting over half a million dollars in additional sales from its programs, including selling to anchors. But it's important to point out that these are just the figures that the program is aware of. Cruz reports several instances of hearing anecdotally about businesses who have had sales increases from the introductions made by *Buy Local East Harlem*, leading her to believe that the numbers are substantially higher. Small businesses have enough to worry about daily, they can't necessarily be expected to track and report on the sources of all of their business. And some businesses are reluctant to share sales information, even though they may be grateful for the benefits they receive from programs that help them.



Fiscal Year	Businesses Reporting	Additional Sales Attributed to <i>Buy Local East Harlem</i> Elements
2018	16	\$161,000
2019	41	\$202,000
2020 (to date)	44	\$199,000
	Total:	\$562,000

Buy Local East Harlem recognizes how important it is to capture information on its impact in ways that will resonate for stakeholders and, with its partners at EHCA, is working with anchors and businesses to better capture the increases in sales resulting from this work. The challenge is balancing how to track as many sales tied to program activity as possible without making it too time-consuming for either businesses or program staff. The Buy Local committee of the EHCA, which now meets quarterly with participating anchor institutions, has tried to strike the balance by developing a simple reporting sheet anchors can use to report local sales quarterly. It will be put into use in the Autumn of 2019.

Listed below are outputs from the program—the discrete events and activities that *Buy Local East Harlem* organizes or sponsors. Where available, outcome measures in the form of sales figures have also been included.

Strategy	Activity	Outputs/Outcomes
Build Relationships	Anchor Institution Meet & Greets <i>Bi-monthly</i>	<ul style="list-style-type: none"> Approximately \$250,000 in additional sales reported by businesses Meaningful relationships for future sales
	Anchor Institution Trolley Tour <i>One to date</i>	<ul style="list-style-type: none"> 22 anchor institutions participated 9 businesses visited \$8,700 in additional sales
	Peer-to-Peer Merchants Meetings <i>Monthly</i>	<ul style="list-style-type: none"> At least 24 peer-to-peer relationships created that have resulted in ongoing sales
Build Capacity	Small Business Training & Workshops <i>Ongoing</i>	<ul style="list-style-type: none"> 24 workshops to date
	MWBE Certification Assistance <i>Ongoing</i>	<ul style="list-style-type: none"> 2 businesses certified to date 5 additional businesses in-process
	One-on-One Counseling <i>Ongoing</i>	<ul style="list-style-type: none"> Have helped several businesses with: navigating landlord-tenant challenges; learning crowdfunding; legal assistance referrals; applications for financing
Promote the Neighborhood	Cash Mobs <i>4x per year</i>	<ul style="list-style-type: none"> 7 held to date Average of 35 – 40 attendees Average of 75 percent new patrons Average of \$1,100 in sales
	Taste of East Harlem <i>Annual (two to date)</i>	<ul style="list-style-type: none"> Over 250 attendees 17 businesses showcased
	East Harlem Nights <i>Annual (one to date)</i>	<ul style="list-style-type: none"> 600 residents and neighborhood visitors attended Over \$4,000 in sales
	Shop & Dine East Harlem Holiday Campaign <i>Annual (one to date)</i>	<ul style="list-style-type: none"> Over 500 holiday guides distributed highlighting holiday dining and shopping options Over 1,000 local residents participating in promoted events, including a kick-off event, holiday markets, and Small Business Saturday
	Holiday Pop-Up Market <i>Annual (three to date)</i>	<ul style="list-style-type: none"> 21 local vendors showcased



Opportunities to Grow and Replicate the *Buy Local East Harlem* Model

INCREASE BANDWIDTH TO GO BROADER AND DEEPER

Buy Local East Harlem already has more than enough to do. Much of the model's success is a result of the high-touch approach the program takes to strategically connecting local businesses to anchor opportunities, training resources, and each other. While information can be compiled and distributed in the form of supplier directories and lists of anchor institutions, the real results yielded by *Buy Local East Harlem* are relationship-driven, facilitated by the program's director. Simply adding staff capacity in strategic ways would help expand the program's current reach to include more businesses and more anchors.

Union Settlement estimates that they have been engaging about one-quarter of the businesses in the neighborhood for whom *Buy Local East Harlem* might be a resource. With additional capacity, it would be possible to develop strategies for beginning to engage the balance of the businesses. At the same

time, working more intensively with businesses—such as connecting them with business training, helping them get certified by the NYC Department of Small Business Services as minority- or woman-owned businesses, or getting ready to access financing—would help them grow, hire, and complete the virtuous community cycle Union Settlement envisions for *Buy Local East Harlem*.

FINDING ADDITIONAL OPPORTUNITIES TO CONNECT ANCHORS TO LOCAL BUSINESSES

The current supplier directory is organized by business sector, such as “marketing” or “food and beverage”. With the capacity to add some additional detail or nuance to these entries can make it more likely to resonate with how anchor institutions have shown they are using these services. For instance, descriptors like “catering for meetings”, “event venue”, or “sign printing” will help focus potential customers’ thinking about when local businesses are a viable option for their procurement needs.



It might also significantly increase opportunities if the business-to-anchor initiative took a more customer-focused approach. For instance, instead of merely surveying what interested businesses can provide to anchors, the program could work with anchors to catalog what they purchase and, then, think more tactically about where local vendors might be found to fill certain niches. One suggestion several social service organizations suggested was the need for skilled trade work (plumbers, electricians, etc.) for facilities-related jobs. Another anchor uses a large company for their housekeeping and cleaning services but would gladly entertain using a local provider instead if one exists.

CULTIVATE BUSINESS LEADERSHIP

Buy Local East Harlem has already identified a few business owners who are taking on a leadership role in programming and events. The initiative will continue to encourage and develop other owners to take on some responsibility for business organizing and support, reinforcing the ethos that a more business-led approach will be more sustainable over time.



Pabade Bakery

BRINGING THE *BUY LOCAL* MODEL TO OTHER COMMUNITIES

One of the most exciting parts of the model is how replicable it is in other lower-income communities, especially those with anchor institutions willing to play a meaningful role.

The organization leading the effort should be one with **appropriate standing in the community to prevail upon anchor institutions** to be thoughtful about which categories of their spending might be capable of including local vendors in the mix of suppliers. As we've seen in East Harlem, this part may require patience and perseverance as institutions grapple with how to adjust their procurement policies and procedures to provide opportunities to—and to shift staff orientation to see the wisdom in working with—smaller, local business owners. Having executive-to-executive conversations is a powerful way to begin such work and to ensure momentum builds and is maintained.

Developing a **directory of what local businesses can provide** in terms of goods and services to anchors is critical to help make the pitch to anchors. But equally important is **understanding what anchors are buying** and helping them to think creatively about where opportunities to shift spending might exist. For instance, a hospital may only think of catering services at an institutional scale until they realize there are myriad opportunities to cater individual department-level meetings with local food businesses. Spending time to explore those opportunities can yield more opportunities than might be initially apparent.

Many small businesses are not fully prepared for the challenges of working with a large customer, especially if it's their first one. Coaching business owners to anticipate the lead-time that will be

needed for a larger order, for instance, is important to ensuring a successful experience. Some smaller businesses may also need access to financing for cash flow if an institution's payment terms are greater than, say 30 days. These are areas where **having a range of small business support services**—technology and financial training, coaching, or help obtaining capital—and making them available to business owners at the right time, are essential. Union Settlement was able to provide these through their Business Development Center, alongside *Buy Local East Harlem*. Other organizations might need to partner closely with another entity that provides these services expertly.

Beyond selling to anchors, many communities will be able to find **dozens of creative ways that promote the neighborhood and their small business owners throughout the year**. These are opportunities to introduce businesses—especially hospitality businesses—to the wider community, and to educate residents and regular visitors about the benefits to them and their neighbors of buying local.

Finally, **the chance for business owners to get to meet one another is exceedingly powerful**. The life of a small business owner can be exceedingly lonely as they grapple with daily operations, marketing, and finances. Most spend all of their time “working in the business” and don't have a chance to spend enough time “working on the business,” as the small business mantra goes. So fostering business-to-business connections through social hours or group workshops on a regular basis can help form a community of support and practice among business owners that serves as a front line of support and advice that can lead to a more successful, sustainable, and thriving set of local businesses generating jobs and wealth for their community.

Interested in replicating the *Buy Local East Harlem* model in your community?

Contact Michelle Cruz at mcruz@unionsettlement.org or (646) 545-5205.





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