

WHY WE BOUGHT A BOOKSTORE

This is a story about buying local and supporting those people who run businesses in your neighborhood.

This story first appeared in a book written by Stephen Mayer, one of the owners of Books Inc call "The Toughest Guy I Ever Knew". That book was written to honor Steve's dad who had recently passed away. The book contained 15 stories on a variety of subjects that explained Steve's business philosophy and lessons he had learned through his 40 year plus career.

About 25 years ago Steve helped Books Inc through a bankruptcy and when the company needed some additional financing, Steve and his wife Patty agreed to support the company and became an owner, board member and the CFO.

We hope you enjoy this "Blast from the Past" and will continue to support Books Inc and other local companies.

Have you ever wondered what happened to so many of the local neighborhood businesses that were part of your life when you were growing up?

There is no single answer, but between high rents, internet sales, "Big Box" discount stores, expensive employee costs and changing lifestyles, the family-owned neighborhood businesses have had a tough time trying to survive. Change is good and provides many opportunities; however, I can't help but believe one day we will all look back and, as in the Dr. Seuss book, "The Lorax," we will be like the Once-ler and regret what has happened.

Neighborhoods, downtown areas, and shopping malls used to be filled with local small businesses, many of them owned by families who lived in the same neighborhood and whose kids went to school and church with the same people who shopped at their stores. A community's local establishments such as bookstores, pharmacies, clothing boutiques, repair shops, grocery stores, coffee shops and other types of retail shops were the lifeblood of the neighborhood. The owner not only knew each aisle, shelf, and product, but knew many of the customers by first name. Each business was unique, often with an interesting history, many spanning generations, offering summer jobs to the kids in the area and donating time, money, and merchandise to local

activities. Local businesses kept money in the community and hired neighborhood employees. No one had to drive 40 miles to get to work. The money multiplier stayed local, and communities reaped the benefits. Owners greeting locals was common, creating close, community relationships, and daily business activities were all located within the store itself rather than at a national headquarters.

Today, it is a different story. With national chains located in every neighborhood, these “anonymous” businesses are causing the strength of a community’s locally-owned and managed businesses to disappear. Many people buy the majority of their purchases on the internet, which is also making it hard for the local business to survive. When I return to the San Francisco neighborhood where I grew up, over 90% of the businesses where my family shopped are no longer there.

I find this sad and very disturbing. Believe me, I understand capitalism and the need for change, but spending a little more at the local store, instead of a “Big Box” retailer or the internet, goes a long way to keeping these local establishments in business.

I’m a fan of the little guys working hard to make a living and having a connection to their community. That’s why, when my wife and I had the opportunity twenty years ago to help Books Inc., the largest independent book seller in the west, we took a gamble, trusted our gut, and said yes. Books Inc. had just gone through a bankruptcy, resulting in the closing of eleven of their thirteen stores and needed capital to rebuild the company. As a kid growing up, I spent a lot of time in the local hobby shop, the local hardware store and the local bookstore. My favorite was the bookstore. There was something special about the relationship between books, reading, schools, kids, families and a neighborhood. Even though most independent bookstores were having a tough time, we were determined to help the company and its management create a community asset in the neighborhoods of the Bay Area. Some people warned us the local bookstore was a business whose time had come and gone, but we thought otherwise.

Books Inc. started its business in San Francisco in 1851 and has operated continuously for almost 170 years. The company now owns and operates eleven bookstores, all of which (other than their stores located at San Francisco International Airport) are in neighborhoods supporting the local community. On an annual basis, we host over one thousand authors, book fairs or school events at the stores. We actively support over 100 schools and employ 150 people. When

I go into the stores and walk around, I am amazed how knowledgeable the staff is about the inventory and how helpful they are with customers. Many

of the staff have been working at Books Inc, for ten, twenty and, in some cases, thirty years.

Seeing little kids sitting on their parent's lap (or, in many cases their grandparents') reading books, and not tapping their smart phones, brings a smile to my face.

I advocate for buying locally whenever possible. I am probably a dinosaur, but I seldom buy anything on the internet and certainly never on Amazon. To me Amazon is like the Evil Empire in Star Wars. At a recent meeting with a group of small business leaders in San Francisco, I was amazed that Amazon has displaced almost 150,000 retail jobs in the last decade, many of them the part-time jobs we all had as kids growing up. Since their warehouses are in remote locations, they don't pay market wages or benefits to their employees. I realize the reality of only buying at the farmers' market or at local businesses is not easy or even realistic in practice. However, I do know putting forth the extra effort to buy and support local businesses goes a long way in the community.

When given the option between buying through the internet or from a company that has dozens of locations in each state, versus going to the local store, I challenge you to opt for the latter. The couple extra dollars you may pay are going back into your community and are stimulating the economy around you. Walking around a shopping district, you may find yourself thinking, "Hey, I remember when that store was there. I wonder what happened?" You can make a difference and contribute to the success of your local businesses simply by buying less on the internet and shopping more locally.

I started this chapter asking if people remember Dr. Seuss's book, "The Lorax." I am sure many of you read it when you were in Kindergarten. It tells the story of what happens to a community when an entrepreneur known as Once-ler begins to cut down the Truffula Trees to make a special garment out of Thneed. Though the Lorax warns of destroying the town by cutting down the trees, Once-ler doesn't care as he is making a lot of money. The product is a success and Once-ler expands his factory and hires more people to cut down the trees for the Thneed. Soon all of the Truffula trees are gone, the air is full of pollution from the factory and lack of trees, and the animals and birds that lived in the trees were forced to leave. The community is destroyed, and all of the people move away. When the Lorax leaves, left behind is a monument with the words "unless" written on it. It is only then that Once-ler realizes the meaning of "unless" that the Lorax was trying to tell him- "unless someone cares a great deal, the situation will never improve." Might be a good idea to go to your local bookstore and buy a copy of the Lorax. It is a lesson in sustainability, community, consumerism, and progress that we could all learn from again.

And so that's why we invested in Books, Inc. We believe in supporting local companies and appreciate

the value they add to communities. Before you push that button on your computer and buy a book online at Amazon, remember the Lorax's words somewhat paraphrased, "unless you support your local business, the business will be gone forever."

Please buy local.