

Local retail sales in decline

By MICHELLE KUBITZ
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NORTHFIELD — Did big box retail make a significant dent in the retail health of Northfield?

There are many factors that comprise the retail health of a community, said Bruce Schwartau, an educator with the University of Minnesota Extension Service.

While people may want to point fingers at the arrival of Target on the fringes of Northfield, Schwartau suggests looking at the neighboring behemoth to the south — Menards — and other factors when it comes to what kind of “pull factor” Northfield retail sector has.

Schwartau presented a retail trade analysis of Northfield Tuesday at the Northfield Downtown Development Corporation’s monthly forum.

The most current numbers Schwartau presented to the audience are from 2003 — a combination of information taken from the U.S. Census Bureau and the Minnesota Department of Revenue.

Schwartau showed audience members the city’s strengths and weaknesses in retail, as well as how Northfield competes compared to similar and nearby cities such as Red Wing and Faribault.

For Northfield, gross retail sales peaked in 2001 and have

declined since then.

It’s a number that can’t be blamed on Target, because Target is located within Northfield’s city limits, Schwartau said.

The city can look north to metro-area shopping centers or even as nearby as Dundas and it’s retail offerings, such as Menards and Kmart.

Although Northfield trails Faribault in retail sales by about \$100 million, both cities are following the same trend where their retail sales are declining every year.

How much of an impact does the metro area have on retail sales in Rice County?

Schwartau drew a laugh from the crowd when he said, “If you want to pick up Faribault’s sales, blow up (Interstate) 35.”

Schwartau’s numbers also indicated that people spend more money in the cities they work in.

“There is a significant correlation between where people buy their stuff and where they work,” he said, referencing Red Wing as an example.

“Red Wing also has a good job market too, that draws in people working there and buying there as well,” he said. “They are also pulling in people from neighboring communities.”

Despite these comparisons and other numbers that Schwartau presented, Northfield

has it’s strengths that outpace the retail averages of Rice County.

Northfield’s retail strengths are food, auto and miscellaneous retail sales. In addition, a good chunk of money is spent at eating and drinking establishments.

Although these are strong areas, “these are the significant areas that need attention,” Schwartau said.

A discussion on drawing attention to these strengths and retaining the people who shop locally will continue next Tuesday at an extension of the NDDC forum.

A second session will be hosted from 8-9:30 a.m. Tuesday in the conference room of the Archer House.

When it comes to identifying opportunities that Northfield needs to embrace in the future, Schwartau referred to the audience members.

“The answers are really out here ... but this gives you an idea of the trends in the past ... and what we should be looking for” in the future, he said. “... I just want you to start thinking about what you can do to grow retail health.”

Tuesday’s forum was sponsored by the NDDC, First National Bank and the *Northfield News*.

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