



## **Despite Recession, Home Depot Keeps on Giving**

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Last week's announcement from the Home Depot Foundation suggests that even with sales slumps and layoffs, the nation's largest retailer of home improvement products still views charitable giving as good business.

The company is expecting lower revenues for 2009 when results are announced in February, and for the third consecutive January is cutting its workforce. Still, the Home Depot Foundation gave \$74 million to 5,300 nonprofits last year, according to the recent announcement, an almost 50 percent increase from 2008.

"The Foundation has not been affected by how the broader economic pressures have affected our company," said Home Depot spokesperson, Paula Drake in an email to Triple Pundit.

In fact, during an economic downturn may be the best time for companies to burnish their reputations through cause marketing campaigns, according to Wendy Liebmann, chief executive at WSL Strategic Retail, a consulting company. In a recent NY Times article, Ms. Liebmann referenced a list of 10 reasons shoppers consider a store their favorite, and supporting "the community or worthwhile causes" came in number 8 on the list. "The key, as we come out of this recession, is that we don't trust many people anymore," Ms. Liebmann added, so "retailers feel the need to present themselves as good citizens" to counter that.

Home Depot is clearly getting the message, launching and supporting targeted campaigns aligned with their core business. A majority of the Foundation's contributions go to nonprofit organizations and employee volunteer programs that focus on building affordable, green housing and community gathering places, like parks and centers.

In addition to cash grants, the Foundation also contributes building materials, through programs like Framing Hope, a donation program that gives discontinued and clearance merchandise to local nonprofit organizations.

Through this program last year, the Foundation donated \$37 million in product to 1,600 nonprofit organizations, most of which focus on building and maintaining affordable housing and community shelters. This effort also diverted 12,500 tons of usable products from landfills.

The Foundation is also working on a ten-year commitment, started in 2007, to invest \$400 million to build and rehabilitate 100,000 affordable homes and to plant and restore three million trees. Since the program began, the Foundation has invested \$162.6 million (cash and in kind) as well as building and preserving 50,000 homes and planting over 600,000 trees in various communities.

Much of this work is accomplished through nonprofit partners that focus on community development and sustainable building standards like the U.S. Green Building Council who has developed the LEED for Homes Initiative for Affordable Housing.

The Home Depot Foundation is a 501(c)(3) organization established in 2002 to further the company's community building goals. You can download the Foundation's latest report here to get more detail on 2009 accomplishments.