

A Christmas 'Miracle' for the Salvation Army

Target backs out; Wal-Mart and generous Americans step in.

By Martha Kleder, Policy Analyst

The Salvation Army is \$1 million short in its annual budget this year, according to preliminary reports. That deficit is blamed mostly on Target Stores Inc. When the retailer announced that it would no longer welcome the charity's bell ringers and kettles outside its stores, the public and CWA members were outraged, and Concerned Women for America (CWA) went into action.

"The news coverage was phenomenal," said Robert Knight, director of CWA's Culture & Family Institute. "Target upset mainstream, middle-of-the-road Americans by simultaneously doing harm to one of our nation's best charities and a much-loved Christmas tradition. My



Major George Hood
Salvation Army spokesman

phone never stopped ringing."

While not the first, Target is the largest retailer to stop supporting the charity.

The Salvation Army anticipated a loss of about \$9 million, the amount collected outside Target stores in 2003.

"We knew going into the 2004 Christmas season that we would be hard pressed to find other high-traffic locations for our kettles to make up that loss," Major George Hood, Salvation Army spokesman told CWA. "We are grateful for the support of CWA and the other Christian groups who kept this issue alive."

Some Locations Exceed Goals

In the final totals, however, the charity took a \$1 million loss from 2003, collecting \$92 million in the kettle drive this season.

"The Target decision definitely hurt us," Hood added, "but the generous support from the American public eased that loss tremendously, offsetting \$8 million of our anticipated \$9 million loss."

Local newspapers across the nation noted how Salvation Army units, which were cutting programs after the 2003 Christmas season, were thanking residents for exceeding their 2004 collection goals.

"It's nice to be able to plan out new areas of service with the extra money we

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raised this season, as opposed to wondering which services we would have to scale back,” Capt. Terry R. Smith, director of the Johnson County, Iowa, Salvation Army told the *Iowa City Press-Citizen*.

The Lee County Salvation Army in southwest Florida started its kettle drive \$60,000 behind. The drive began a week late because of Hurricane Charley. Target’s ban on bell ringers, which was mimicked by two local shopping centers, only made matters worse.

Local citizens not only met the \$300,000 goal, but they surpassed last year’s donations by \$60,000, setting an all-time local fundraising record.

“I’m so humbled...just speechless,” Lee County Salvation Army spokeswoman Lynda Long told *The News-Press*.

However, other locations were not as blessed. A number of Salvation Army units, most in economically depressed areas where the need is greatest, did not meet their goals.

A Tale of Two Retailers

Many local Salvation Army units noted a steep increase in donations during the

final two weeks. That was the same period when retail giant Wal-Mart offered to match donations, up to \$1 million, made to kettles in front of their stores. Donations made at Wal-Mart far exceeded that match amount.

That late-shopping surge helped Wal-Mart meet its sales forecast for December, and put the retailer on track for meeting its end-of-year sales projections.

Target announced a 5.1 percent sales increase for December but also warned that the sales increase resulted from deep discounting, which would likely hurt its year-end figures.

“While many people boycotted Target stores during Christmas, it seems that most of the people who continued to shop at Target grabbed the best deals and left, while Wal-Mart customers lingered, feeling more at ease about shopping there,” Knight said.

“Target still shows no regret for the damage it did to the Salvation Army,” he added. “I think this news of the tangible harm it has caused will not help the chain win back customers hurt and disappointed by Target’s actions.” ■

