



Pittsburgh-area thrift stores face financial challenges amid rising costs



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Pittsburgh Post-Gazette

AUG 12, 2022

5:27 AM

Pittsburgh-area nonprofit thrift stores have been providing low-cost clothes and home items for people in need and thrifting fanatics alike. But rising costs across the economy have challenged these stores in their mission at a time when the community needs them the most.

At the Salvation Army of Greater Pittsburgh, Maj. Mark Unruh is concerned about how inflation will impact his organization's mission.

"If [the country] really goes into a recession and it lasts for a long period of time, it's going to be hard for us to get the donations that we need for the historic amount of product that comes in to pay those bills," said Maj. Unruh.

The Salvation Army provides shelter, food, clothing, financial and emotional assistance. "Everything is going to become more expensive," he said.

[The U.S. Bureau of Labor Statistics'](#) Consumer Price Index survey found the cost of clothing has increased 5% in the past year and almost 1% in June. Maj. Unruh said that may be enough to convince people to hang onto their items instead of donating them.

Thrift store operations fund 100% of the resources that The Salvation Army provides. Each thrift store is attached to a rehabilitation center. For the Shadyside location, the store funds the rehabilitation center for adult men next to the store. About 65% of store revenues go back into its operation, he said, with the rest supporting adult rehabilitation centers for those experiencing homelessness or coping with other issues.

In Allegheny County, the centers provided nearly 99,000 meals and snacks during the 2020-21 fiscal year. Revenue generated by an average bag of clothes provides nearly 24 meals. The average sale at the register provides one hour of counseling to the nearly 40,000 individuals served.

The Shadyside location is in the process of a renovation, which will add an additional 65 beds to the current 27 available. The COVID-19 pandemic slowed that project, putting the renovations over a year behind in part because of supply shortages for materials needed.

The Society of Saint Vincent de Paul, an international nonprofit operated by the Catholic church, also uses thrift stores to help fund emergency assistance programs. Its programs are operated by the society's Central Council of Pittsburgh, a network of 60 volunteer-based groups spread out over six counties to provide emergency assistance.

Four local thrift stores play a vital role in the organization's service to the community, said Ricardo Luckow, council executive director.

The thrift stores not only provide clothing at a low cost but also furniture and household items. Emergency assistance also helps neighbors with utilities and rent.

While the stores in Castle Shannon, Coraopolis, Monroeville and Penn Hills have not seen a decrease in item donations so far, the organization has seen a drop in monetary donations, Mr. Luckow said.

Meanwhile, demand is up for its assistance programs due to job loss, mental illnesses and other needs.

“We have seen recently a decrease in donations, so it becomes imperative that our operation continues to produce the income that's necessary to support now [and] even further,” said Mr. Luckow.

The organization recently received a notice for a \$122 per month increase in the leasing fee from its trucking company. That company cited inflation as a factor.

Another expense is the cost of new mattresses. The store purchases brand new mattresses and resells them at a low cost compared to other stores. Mattress prices from manufacturers have increased 18% and box springs 12%, which affects their resale prices. The nonprofit recently raised the cost of its items by 10% — the first price increase in years.

Another charitable organization, Goodwill of Southwestern Pennsylvania, also has raised prices by 10%.

“We know that people come to Goodwill because they're looking for a deal. We're very price-sensitive,” said Andrew Marano, vice president of donated goods and retail. He added that stores are looking for areas to decrease prices on items that have lower sales.

Goodwill of Southwestern Pennsylvania serves eight counties in Pennsylvania and nine counties in northcentral West Virginia. The nonprofit provides supportive housing, re-entry and youth services to those in the region.

The cost of store upkeep has jumped over the past year, said Mr. Marano. Because of supply chain shortages, local stores often see delivery delays for steel fixtures. Plus the cost of these fixtures has risen 50%, he said.

Other supplies such as fuel for trucks, cardboard boxes and wooden pallets have also risen. It also has increased wages for its workers.

Mr. Marano said the “Give Back Program” is an example of how supporting second-hand stores ripples through the community. Goodwill was able to fund 2,000 Give Back cards in partnership with social service agencies.

Families were given gift cards and were able to shop for necessities at the stores. The program helped more than 6,500 families in Allegheny County. The Salvation Army and St. Vincent de Paul have similar assistance programs. Individuals can go to the nonprofits' websites and sign up to be evaluated for vouchers.

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First Published August 11, 2022, 6:00am