

At Overloaded Thrift Shops, Coronavirus Is Wreaking Havoc

B [bloomberg.com/opinion/articles/2020-04-30/at-overloaded-thrift-shops-coronavirus-is-wreaking-havoc](https://www.bloomberg.com/opinion/articles/2020-04-30/at-overloaded-thrift-shops-coronavirus-is-wreaking-havoc)

A glut of donations and a lack of demand have left a crucial American industry reeling.

By
Adam Minter

April 29, 2020, 6:00 PM PDT



Donate responsibly.

Photographer: Justin Sullivan/Getty

Photographer: Justin Sullivan/Getty

If one thing has seemed to unite Americans during the coronavirus pandemic, it's spring cleaning. With stay-at-home orders in effect, a long-delayed clearing-out of basements, closets, back bedrooms and desk drawers has become a popular way to pass the time. One result is that America's thrift stores are informally reporting unprecedented volumes of donations. And that's creating a problem that goes far beyond finding a loving home for your old sweaters.

The thrift industry is more important than most Americans realize. Largely out of sight, it

employs tens of thousands of people and generates at least \$18 billion in annual revenue. It keeps an enormous amount of used stuff out of landfills, and contributes billions each year to social-service and job-training programs that are crucial to communities nationwide.

Those services are more important than ever in a pandemic. But to sustain them, Americans will have to take more care in donating their used stuff.

The thrift industry emerged in the late 19th century as a means of employing the poor and underemployed. The Methodist organization that evolved into Goodwill Industries International began with a program to collect and mend clothes in poor Boston neighborhoods. Today Goodwill, a nonprofit, operates more than 3,300 retail outlets across North America. It generated \$6.1 billion in revenue in 2018, making it the biggest player in the fast-growing secondhand sector.

Turning the random assortment of stuff that's dropped at a donation door into that kind of money isn't easy. Roughly half the space of any Goodwill outlet is devoted to sophisticated sorting and pricing operations. Any donations that make it past this cull and to the sales floor will be cycled off quickly to make way for new stuff. What doesn't sell on the floor — as much as 75% of the merchandise, depending on location — is then sent to discount outlets and ultimately onto global markets, where used goods are usually in high demand.

With economies now seizing up, however, that's no guarantee. Mexican traders, who account for at least 30% of the business at thrift stores close to the southern border, stopped working when travel restrictions were imposed in March. Kenya, one of the world's largest buyers of secondhand clothes, recently suspended such imports from countries "experiencing an epidemic." Steven Bethell, President of Bank & Vogue, an Ottawa-based used-clothing broker, told me that prices for clothing bound for Africa have fallen by more than half in recent weeks.

A drop-off in demand plus a surge in supply is creating a storage problem, with thrift stores across the country now looking for additional space or even suspending donations. That, in turn, has led to a rush of well-intentioned spring cleaners dumping their used goods at the doors of closed thrift shops. These informal "donations" don't help anyone: They create health and safety risks, force thrifts to pay disposal costs for stuff that might otherwise have been a source of revenue, and increase the likelihood that perfectly good products will end up in landfills.

The consequences should be a concern for all Americans, whether or not they shop in thrift stores. In 2018, Goodwill alone funded \$5.3 billion in charitable services, including education assistance, job training and work placements. Smaller donation-based charities, such as the arc Thrift Stores in Colorado, spend millions each year employing people with disabilities. As the pandemic's economic impact spreads, those contributions will necessarily shrink. Already, Goodwill is facing thousands of layoffs nationwide.

Even so, the industry remains guardedly optimistic. When I spoke to Lisa Allen, co-president of the Goodwill of Southern Arizona, she was preparing a 20,000 square-foot warehouse that could hold many more tons of donated stuff. Donations are the lifeblood of her organization, and she was clear — as were other executives I spoke to — that Goodwill still wants the stuff. She simply asked that people hold off until later in the year, when donations are expected to slow.

If you're looking to donate, you should also make sure your stuff is labeled and take care that it's actually usable. A broken toaster isn't a gift to Goodwill, it's a cost. Most thrifts maintain lists of acceptable items that are worth consulting before dropping anything off. Whatever you do, don't "donate" when the thrift store is closed. More likely than not, your stuff will be pilfered or ruined by the elements before it gets through the door.

When the U.S. starts to recover from the pandemic, thrift-based charities will have a crucial role to play in getting people back to work. Until then, America's spring-cleaning drive needs to slow down so it doesn't clean out the charities too.

This column does not necessarily reflect the opinion of the editorial board or Bloomberg LP and its owners.

To contact the author of this story:
Adam Minter at aminter@bloomberg.net

To contact the editor responsible for this story:
Timothy Lavin at tlavin1@bloomberg.net

©2020 Bloomberg L.P. All Rights Reserved