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Wal-Mart, gay business group form partnership

As retailer prepares to expand presence in urban areas, conservative groups warn of potential backlash.

MARILYN GEEWAX

Cox Washington Bureau

Washington -- Wal-Mart Stores Inc., the retail giant that grew up in the rural South, is moving to attract gay shoppers as it expands its presence in urban centers.

By entering into a partnership with the National Gay and Lesbian Chamber of Commerce this week, the company "is making a very sincere effort to reach out to people who are a significant part of our customer base," Wal-Mart spokesman Bob McAdam said Wednesday.

"I am proud of that effort," he said.

But Wal-Mart did not issue a news release about the alliance, leaving the chamber to announce it. And as news of the partnership trickles out, a backlash is taking shape among some conservatives.

"I don't think this is something that will sell on Main Street America, where most Wal-Mart stores are located," said Tony Perkins, president of the Family Research Council, a conservative public policy group in Washington. "I don't think cheap prices on goods from China will be enough to stop a rollback in their customer base if they choose to go down this aisle."

By partnering with a gay business group, Wal-Mart is "validating the idea that homosexual activists have the right to shake down corporations out of fear of being called bigots," said Robert Knight, director of the Culture and Family Institute at Concerned Women for America, a Washington-based public policy group.

More urban stores

In April, the retailer announced a strategy to increase its presence in urban areas. Over the next two years, it plans to build more than 50 stores in neighborhoods with high crime or unemployment rates, on sites that are environmentally contaminated, or in vacant buildings or malls in need of revitalization.

Among them is a store under construction in Atlanta at I-75 and Howell Mill Road, on the site of the old Castlegate Hotel. The store is expected to open in early 2007.

The alliance with the business group is not expected to bring a visible influx of gay-oriented merchandise to Wal-Mart stores. McAdam said the specific purpose of the partnership is to help Wal-Mart attract and hire a diverse array of suppliers, including gays and lesbians.

Though it obtains much of its merchandise from overseas suppliers, the world's largest retailer also uses many local firms to provide services, such as landscaping, architectural designing, painting and much more, he said.

Justin Nelson, co-founder and president of the 4-year-old gay business coalition, said he was certain that objections from conservatives would not cause Wal-Mart, headquartered in Bentonville, Ark., to back away from his organization. Wal-Mart initiated the partnership, he said, and "it's a rock-solid relationship."

In recent months, as his group and Wal-Mart have discussed their possible relationship, "it was brought up that religious zealots would make these hateful comments," he said. Wal-Mart executives persuaded chamber officials they would remain resolute, he said.

Nelson said that while Wal-Mart may start taking flak from the right, he expects it from the left. Many liberal groups say the company fails to provide its 1.3 million U.S. workers with adequate wages and benefits.

Jeremy Bishop, program director of Pride at Work, a constituency group within the AFL-CIO labor federation, said Wal-Mart should not expect the support of gay shoppers when it does not offer domestic partnership benefits for its gay workers.

"This community is really social justice-minded," Bishop said. "It won't be fooled by this."

McAdam said Wal-Mart has an anti-discrimination policy covering sexual orientation and is considering offering domestic partnership benefits.

Wal-Mart is evaluating its gay-related policies in discussions with groups such as the Human Rights Campaign and the Gay and Lesbian Alliance Against Defamation, he said.

Ken Pearson, chairman of PRIDE, a group for Wal-Mart's gay, lesbian, bisexual and transgendered employees, said he has found that "Wal-Mart is very fair-minded."

He said that as the company weighs domestic partnership benefits, "the officers are very willing to listen," he said. "I would not have stuck around for 10 years if I thought Wal-Mart treated employees unfairly. The needle has a ways to go, but we are making positive progress."

Wal-Mart started reaching out to gay groups in the past year, he said.

Perhaps the most visible sign came in early April when Wal-Mart began selling DVDs of "Brokeback Mountain," a movie about a love affair between two male ranchers. The company continued to sell the DVDs despite protests from some conservatives.

Also, McAdam confirmed that Wal-Mart had hired Bob Witeck, chief executive officer of Witeck-Combs Communications Inc., a Washington-based communications firm that specializes in reaching gay consumers.

Witeck was in Bentonville in mid-April when Wal-Mart held its annual two-day conference for journalists.

CHRIS GREENBERG / Bloomberg News

Over the next two years, Wal-Mart plans to build more than 50 stores in urban areas, on sites considered less than desirable.

MARTIN LEISSL / Bloomberg News

A spokesman says the partnership is to help Wal-Mart attract a diverse array of suppliers, including gays and lesbians.