

Briefly...

■ Maine Tax

Over 60,000 signatures were filed with Maine's Secretary of State on Friday, September 12, to place a controversial tax reform law on the June 2010 ballot for voter approval or rejection. The new law flattened the tax rate to 6.5 percent and expanded the sales tax to dozens of services including self storage. Upon the petition filing, the law was suspended. Opponents of the reform, including the SSA and Maine-SSA, claim the changes will harm the economy by increasing taxes on many small businesses.

■ Next Up!

Make your plans now to join the SSA in the Rockies next spring. Public Storage CEO Ron Havner will address members of the Association at the famous Broadmoor Resort in Colorado Springs, Colorado.

■ Your New Board

At the SSA Fall Conference & Trade Show in Las Vegas, the Association announced the results of its board of directors election and officers for 2010. Congratulations to new board member Terry Bagley, president of Centreshift and a long-standing board member of the Utah Self Storage Association. He is joined by re-elected board members Shelley Geiler of Polo Properties in Newport Beach, California and Michael Riva of Store-It-All in Warren, Vermont. Michael Riva was also chosen as the 2010 vice chairman, making him the 2011 chairman. Kelly Gallacher of Devon Self Storage will return as treasurer and is joined by secretary Pat Reilly, of Urban Self Storage.



Media Giants: Self Storage Gauges America

By Tim Dietz – SSA VP, Communications & Government Relations

For many years the self storage industry flew under the radar; a curious business idea seeking definition and a place in real estate, as well as in American society. That the second billion square feet of storage space took only seven years to go up, when the first billion took about 22 years, is evidence enough that the proverbial “cat was out of the bag” several years ago as far as development was concerned.

But in many ways the awakening of mainstream America to self storage, both as an accepted industry and a cultural indicator, is still unfolding. Last month's widely-read article in the *New York Times Magazine* was notable both because of the influence of the publication itself and what it reported—that today's trends within the self storage sector are an accurate barometer of American trends.

The *NY Times Magazine* piece used Self Storage Association data to draw conclusions about the industry and its rare place in American culture. The article reflects on self storage as an industry truly integrated throughout our society, saying, “one out of every 10 households in the country rents a unit, making (self storage facilities) among our last national commons—places where nearly every conceivable kind of American still goes.”

The *Times* considers that the industry may be coming full circle, as is the country itself. The circle started four decades ago during a thrifty period when the industry's inception largely filled a transitory role for people relocating, continued through the over-consumptive years, and is now back to a more pragmatic purpose, for instance satisfying the needs of households facing foreclosure.

Times writer Jon Mooallem points out the ironies of a down economy that has created circumstances in which some people desperately need to rent self storage (those losing their homes), versus what self storage had become—a symptom of hyperactive consumption. “It seems to be upsetting a longstanding

See *Media Giants*, page 9

equilibrium—a kind of psycho-financial inertia that has kept so many tenants in place,” wrote Mooallem.

“The collapsing economy created an opportunity, and in some cases an ultimatum, for Americans to reassess the raft of obligations and loads of stuff we accumulated before things went wrong,” he wrote. “The storage industry’s expansion in the first flush years of this decade was both enabled by, and helped enable, the extreme consumption that defined America then. The people coming through the gates now are defining who we will be when this turmoil is over.”

The *Times* is not the first influential national news outlet to feature the self storage industry as a gauge of this tumultuous period. In March, the *Wall Street Journal* covered the industry in an article entitled, “Savers Drop Self Storage.” The *WSJ* reported: “Self-storage companies are finding that even pack rats are willing to dump sentimental items to save money during a recession.”

Public Storage chief financial officer John Reyes told the *WSJ* that, “A real problem right now that we’ve experienced is not really the move-in so much as it’s the move-out volume that’s going on.”

Reyes’ comment parallels the trends noted in the *Times* article, which indicates that the quickening turnover is

making it difficult to measure the occupancy within the industry. “Owners around the country have reported quickening rates of both move-outs and move-ins, making any occupancy rate—the industry’s fundamental yardstick—feel kind of arbitrary,” the article reported.

Despite the fact that dozens of news organizations feature the self storage industry each month, the attention that the industry is receiving from such media goliaths as the *New York Times Magazine* and the *Wall Street Journal* is noteworthy because of both organizations’ stature in our e-centric society. Technorati is a full-service media company that evaluates media trends. The Technorati Attention Index shows that, other than *YouTube*, *nytimes.com* (which includes the *Times*’ magazine content) is twice as influential as any other nonblog media. The company lists the *Wall Street Journal*’s influence fourth on its list, after *YouTube*, the *NY Times* and the UK’s *Guardian*.

To be featured so prominently within such influential media is evidence of self storage’s current and important role within American culture. The industry has not only come of age, it has been recognized as an established and standard indicator of the disposition of our entire country. Mooallem said as much in his article: “Storage is part of our national infrastructure now. It’s hard to imagine a product more malleable to whatever turns our individual life stories take, where we’re collectively heading.” ❖

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