

RETAIL DISTRIBUTION: 1929

CHAPTER I.—INTRODUCTION

This is the third of three parts, comprising the volume on retail distribution in the United States, published as a result of the first Census of Distribution, which was taken as a part of the Fifteenth Decennial Census, and contains the State reports in alphabetical order from Alabama to New Hampshire, inclusive. The reports from New Jersey to Wyoming are presented in part 3. The data were collected in 1930 and cover business activities of the year 1929.

After a trial census of 11 cities, in 1926, this first nation-wide census of retail distribution was taken by complete field canvass in 1930 and reports the business of the year 1929. Not only does it establish the foundation for future censuses of this character, but at the same time it provides a mass of data for current use by retailers, wholesalers, manufacturers, publishers, advertisers, and students of distribution. It is fortunate that the base or reporting year was 1929, for no subsequent year to date would have provided what might be described as a normal comparison between the various kinds of business and between the States, which is essential for the initial retail census. A census in 1933 would measure the nature and extent of the changes which a serious business depression brings about, but the 1929 figures provide a better picture of the normal interrelations within the retail field, relative costs of doing business and the nature of commodities sold, and are of maximum use in the formulation of current business plans.

The final statistics compiled from the data collected for 1929 were originally published in the form of individual State reports containing detailed information for counties and incorporated places, and a summary containing statistics for the United States by States, as well as data for cities having 30,000 or more inhabitants.

Scope of the census.—The three parts of this volume contain information on number of stores, personnel, pay roll, stocks, sales, operating expenses, seasonal employment characteristics, credit business, receipts from sale of meals, receipts for repairs and service of automobiles, merchandise manufactured by retailers, returned goods and allowances, country buying, retail sales of manufacturing establishments and wholesalers, sales to other retailers, forms of organization, and sales by commodities. Whenever possible, these data were classified by kinds of business, type of operation, and size of establishment.

Part 1 presents all of this information summarized for the United States, for the most part by States. However, the greater portion of Part I is devoted to the presentation of statistics relative to number of stores, personnel, pay roll, stocks, and sales, by

counties and incorporated places (Table 13), and number of stores and net sales for counties and incorporated places, by kinds of business (Table 14). These tables have been consolidated in Part I for ready reference, especially for those engaged in analyzing the marketing possibilities in the various areas of the country.

Parts II and III present detailed statistics for the individual States on all phases of the Retail Census with the exception of the data contained in Tables 13 and 14, Part I, virtually comprising a combined reprint of the individual State reports, omitting Tables 13 and 14 for each State.

Retail distribution, as covered in this census, is the process of purveying goods to ultimate consumers for consumption or utilization, together with services incidental to the sale of goods. The function of the retailer is primarily to anticipate the wants of the consumer and to make available, at the right time and at a convenient place, a reasonable selection of goods capable of satisfying those wants. The distinguishing characteristic of a retailer is that the business is done in a retail manner, in a place of business open to the general public.

(a)—The census does not include wholly service businesses, such as laundries, dry cleaners, barber shops, and the like, nor does it include the professions, such as medicine and the law, nor does it include public utilities, such as water, gas, and electricity. Some semi-service businesses, such as garages, which sell a substantial amount of merchandise in addition to service, are included. In such cases the service income is included in the same total with the sale of merchandise, but is shown separately in later analyses in this report. (Table 9.)

(b)—Bakeries, planing mills, power laundries, and cleaning and dyeing establishments for many years have been included in the census of manufacturers, and therefore they were not reported by the enumerators as part of the census of distribution. Bakery-goods stores shown in the retail reports are those which do not produce their own goods, or which produce them in quantities too small to be included in the census of manufactures. Lumber yards which manufacture their own lumber and millwork are likewise excluded, as are hotel dining rooms. All of these classifications, which have been excluded from the retail census, and which sell products and service at retail, are shown in Table 11 of this report.

(c)—Some stores report that they sell a certain proportion, but less than half of their goods to other retailers. Such "wholesale" sales are included but are shown separately in Table 10 of this report. Similarly, some wholesale establishments report that they sell a certain proportion, but less than half of their goods, at retail. These retail sales are not excluded from the wholesale census. This is an important consideration in some kinds of business, such

RETAIL DISTRIBUTION

as hardware stores, where a store that is popularly known as a retail store actually may be doing more than one-half of its business at wholesale and, therefore, does not appear at all in the retail census. For this reason Table 11C, showing the retail sales made by wholesale establishments, has been included in this report.

(d)—Supply houses, including artists' supplies, barbers' supplies, and dental supplies, have been included in the wholesale census rather than in the retail census except in a very few cases. So, too, have most machinery dealers and dealers in iron and steel products, leather and findings, and junk. Undertakers are included only when their receipts include the sale of funeral supplies.

Method of taking the census.—The Census of Distribution was taken by enumerators who personally visited each establishment engaged in retail trade and secured reports on the appropriate schedule forms. In the rural districts and places having less than 10,000 inhabitants, the field work was done by the enumerators engaged on the Census of Population and Agriculture. In cities having 10,000 or more inhabitants, special enumerators were appointed to take the Census of Distribution. Six forms of schedules were used to canvass establishments engaged in retail trade. Copies of these schedules appear in the appendix.

Method of tabulation.—The retail schedules when filled out by the enumerators were examined by the supervisors in the field and forwarded to the Bureau of the Census, Washington, D. C. Upon receipt of the schedules by this bureau, a large force of trained clerks in the Distribution Division were assigned to the task of editing them to make sure that the items had been properly entered on the schedules. The punch-card system of tabulation was used.

How stores are classified.—The information in this report is shown under kind-of-business classifications, and then according to types of operation. The business classification, although usually related broadly to the kind of merchandise carried, is not synonymous with a merchandise or commodity classification. For instance, grocery-store sales are not exclusively sales of groceries; ready-to-wear stores sell accessories and sometimes shoes in addition to outer apparel; drug stores sell many lines other than drugs; furniture stores sell floor coverings and electric household appliances; and department stores sell furniture. Stores are classified according to their principal commodities or according to their popular designation. Types of operation are principally independent types and chain types, shown in detail in Table 5.

The complete classification list, based upon the kind of business, contains approximately 250 separate classifications, into which all returns are divided. Each return is coded in accordance with its detailed classification. However, in some cases, particularly in some of the smaller cities and in some States, it is necessary to combine as few as 2 and as many as 20

specific classifications into a smaller number of what are known as condensed classifications in order to avoid revealing the figures of individual concerns in the particular kinds of business in which only a few concerns are engaged. The full list is used with few exceptions in the State reports and for the cities whenever possible. (Table 1.) However, in order to preserve and maintain a uniform method of combining the different kinds of stores, a condensed classification groups the 200 and more separate kind-of-business classifications into 59 condensed kinds. These 59 condensed classifications are used as subheadings in all tables in which the separate classifications appear, thus making it possible to combine the kinds of business reported for the States and larger cities into the same groupings.

A later section is devoted to definitions of each of the 59 classifications mentioned above, describing also each classification contained in the complete list (these definitions appear in the order in which the classifications are listed in the tables), and to a description of the various types of operation.

Sales nearly \$53,000,000,000.—In 1929, the business year covered by this census, the known total sales at retail approximated \$53,000,000,000.

Of this total, more than \$49,000,000,000 is the aggregate of sales in the 1,543,158 retail stores analyzed in detail in this report; direct consumer sales by manufacturers, including dyeing and cleaning establishments, totaled more than \$2,400,000,000; retail sales by wholesalers amounted to nearly \$700,000,000; and meals sold in hotel dining rooms totaled \$358,000,000 in addition to the restaurant sales included in the retail census.

In addition to the nearly \$53,000,000,000 total, there is a large volume of supplies and equipment sold by wholesalers to ultimate consumers for utilization rather than for resale, sometimes called "end sales." Receipts of strictly service establishments are also not included. Sales by peddlers having no established place of business, farm products sold direct from farms to consumers, and drugs dispensed by physicians are not covered by the census. It is to be expected that in many individual cases the sales of retailers who went out of business during the census year, or operated only seasonally during the year, were not obtained.

Below is a summary of all known sales at retail. Further detail as to each item can be found in the several tables to which reference is made herein:

NATURE OF THE BUSINESS	Total sales (1929)
Total sales in all retail stores included in the Retail Census (Table 1).....	\$49, 114, 653, 269
Additional milk-dealer sales (developed by direct correspondence since completion of the field survey) (Table 11-E).....	129, 500, 822
Direct consumer sales by manufacturers (includes power laundries and dyeing and cleaning establishments) (Table 11-A).....	49, 244, 154, 091
Retail sales by wholesalers (Table 11-C).....	2, 426, 016, 035
Sales of meals in hotel dining rooms (Table 11-A).....	689, 817, 082
	358, 301, 000
	52, 718, 288, 208