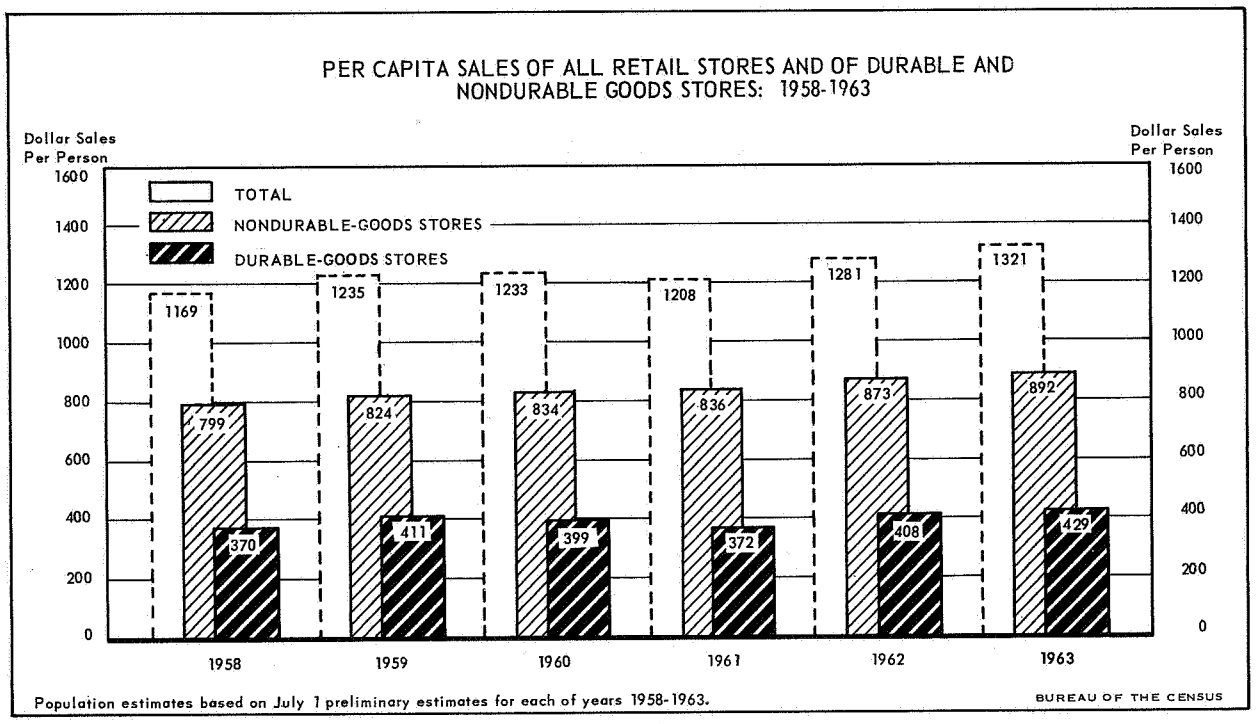
ANNUAL REPORT

SALES

ACCOUNTS RECEIVABLE

MERCHANDISE INVENTORIES



For sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Annual subscription to Current Retail Trade Reports (Weekly Retail Sales Report, Advance Monthly Retail Sales Report, Monthly Retail Trade Report, and Annual Retail Trade Report sold as a single subscription) $6.00. Single copies, available only from the Bureau of the Census, 20¢ each.

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Year-to-Year Comparison

Sales of All Retail Stores

Sales of all retail stores in the United States totaled $246 billion in 1963, an increase of 5 percent over total sales for 1962. This increase in total 1963 sales reflected increases in both durable and nondurable-goods stores. A total sales gain of 7 percent over 1962 was shown by durable-goods stores, and total sales of nondurable-goods stores increased 4 percent over the previous year.

In the durable-goods category, the automotive group and the furniture and appliance group each showed a 7 percent year-to-year increase. The 1963 sales total for the lumber, building, hardware, farm equipment group was 3 percent higher than in 1962. In the nondurable-goods category, the general merchandise group showed a total sales increase over 1962 of 5 percent. Gains were also shown by eating and drinking places (+4%), the food group (+3%), and the apparel group (+1%). Liquor store sales were up 5 percent, while gasoline service stations and drug and proprietary stores showed increases of 4 percent and 2 percent, respectively, over the previous year.

Sales of Multiunit Organizations

Sales of organizations operating 11 or more retail stores reported a 1963 sales increase of 5 percent over 1962 for all kinds of business combined, with nondurable-goods and durable-goods stores showing equal percentage gains. Compared with 1962, sales of all major kinds-of-business groups rose. Multiunit organizations in the general merchandise group reported the largest sales increase -- 8 percent, accompanied by gains in eating and drinking places and the furniture and appliance group of 4 percent each. The food group and the apparel group showed year-to-year increases of 3 percent. Sales of both liquor stores and drug and proprietary stores were 5 percent above 1962 levels, while tire, battery, accessory dealers showed a gain of 1 percent.

Table 1. ESTIMATED SALES OF ALL RETAIL STORES, UNITED STATES, BY KIND OF BUSINESS: 1963 AND 1962

(Millions of dollars)

Kind of business	United States		
	1963	1962	Percent change
All kinds of business, total	246,435	235,351	+5
Durable-goods stores, total	80,098	74,942	+7
Nondurable-goods stores, total	166,337	160,409	+4
Food group	59,143	57,609	+3
Grocery stores	53,551	52,124	+3
Meat markets	1,510	1,492	+1
Bakery products stores	1,102	1,073	+3
Eating and drinking places	18,071	17,305	+4
Eating places	12,609	12,023	+5
Restaurants, cafeterias, lunchrooms	10,333	9,853	+5
Drinking places	5,462	5,282	+3
General merchandise group	28,660	r27,206	+5
Department stores and dry goods, general merchandise stores	20,612	r19,527	+6
Department stores	16,683	r15,842	+5
Variety stores	4,625	4,457	+4
Mail order houses (department store mdse.)	2,124	r1,958	+8
Apparel group	14,460	14,338	+1
Men's, boys' wear stores[1]	2,786	2,740	+2
Men's, boys' clothing, furnishings stores	2,704	2,670	+1
Women's apparel, accessory stores[2]	5,593	5,476	+2
Women's ready-to-wear stores	4,921	4,782	+3
Family clothing stores	2,925	2,920	0
Shoe stores	2,487	r2,510	-1
Furniture and appliance group	11,612	10,814	+7
Furniture, home furnishings stores	7,465	6,997	+7
Furniture stores	5,456	5,126	+6
Household appliance, TV, radio stores	4,147	3,817	+9
Household appliance dealers	3,048	2,929	+4
Lumber, building, hardware, farm equipment group	15,528	15,068	+3
Lumber yards, building materials dealers[3]	8,917	8,738	+2
Lumber yards	6,006	5,738	+5
Hardware stores	2,647	2,628	+1
Automotive group	45,959	42,794	+7
Passenger car, other automotive dealers	43,197	40,126	+8
Passenger car dealers[4]	41,739	38,748	+8
Passenger car dealers (franchised)	38,211	34,976	+9
Tire, battery, accessory dealers	2,762	2,668	+4
Gasoline service stations	19,365	18,645	+4
Drug and proprietary stores	8,175	8,032	+2
Drug stores	7,897	7,742	+2
Liquor stores	5,659	5,401	+5

r Revised.
[1] Includes men's, boys' clothing, furnishings stores and custom tailors.
[2] Includes women's ready-to-wear, other apparel, accessory, specialty shops; and furriers.
[3] Includes lumber yards, building materials dealers; paint, plumbing and electrical stores.
[4] Includes both franchised and nonfranchised car dealers.
NOTE: All kinds of business, total, and group totals include kinds of business not shown separately. Measures of sampling variability are provided on page 19.

Per Capita Sales

Per capita retail sales in the United States in 1963 totaled $1,321 compared with $1,281 in 1962, an increase of 3 percent. Sales of durable-goods stores amounted to $429 in 1963, a 5 percent increase over the previous year's per capita of $408. This year-to-year increase reflected a 6 percent increase in the automotive group; per capita sales amounted to $246 in 1963, compared with $233 in 1962. The lumber, building, hardware, farm equipment group, and the furniture and appliance group showed 1963 increases in per capita sales of 1 percent and 5 percent, respectively, over the previous year.

Sales of nondurable-goods stores were reported at $892 per capita this year, reflecting a 2 percent increase in sales per person over the $873 in 1962. The general merchandise group showed per capita sales amounting to $154 in 1963 compared with $148 last year, reflecting the largest rise in the nondurable-goods category (4%). This was accompanied by 1963 per capita gains in the food group and eating and drinking places of 1 and 3 percent respectively. Per capita sales of the apparel group were unchanged from the previous year.

Table 2. PER CAPITA SALES OF SELECTED KINDS OF BUSINESS, ALL RETAIL STORES, UNITED STATES: 1963 AND 1962

(Data are based on civilian population estimates as of July 1, 1963, and 1962. July 1963 estimates are preliminary. Amounts in dollars.)

Kind of business	United States			Kind of business	United States		
	1963	1962	Percent change		1963	1962	Percent change
All kinds of business, total	1,321	1,281	+3	Apparel group	78	78	0
Durable-goods stores, total	429	408	+5	Furniture and appliance group	62	59	+5
Nondurable-goods stores, total	892	873	+2	Lumber, building, hardware, farm equipment group	83	82	+1
Food group	317	314	+1	Automotive group	246	233	+6
Eating and drinking places	97	94	+3	Gasoline service stations	104	101	+3
General merchandise group	154	148	+4	Drug and proprietary stores	44	44	0

NOTE: All kinds of business, total, includes kinds of business not shown separately.

FIG. 1 --PER CAPITA SALES OF SELECTED KINDS OF BUSINESS, ALL RETAIL STORES, UNITED STATES: 1963

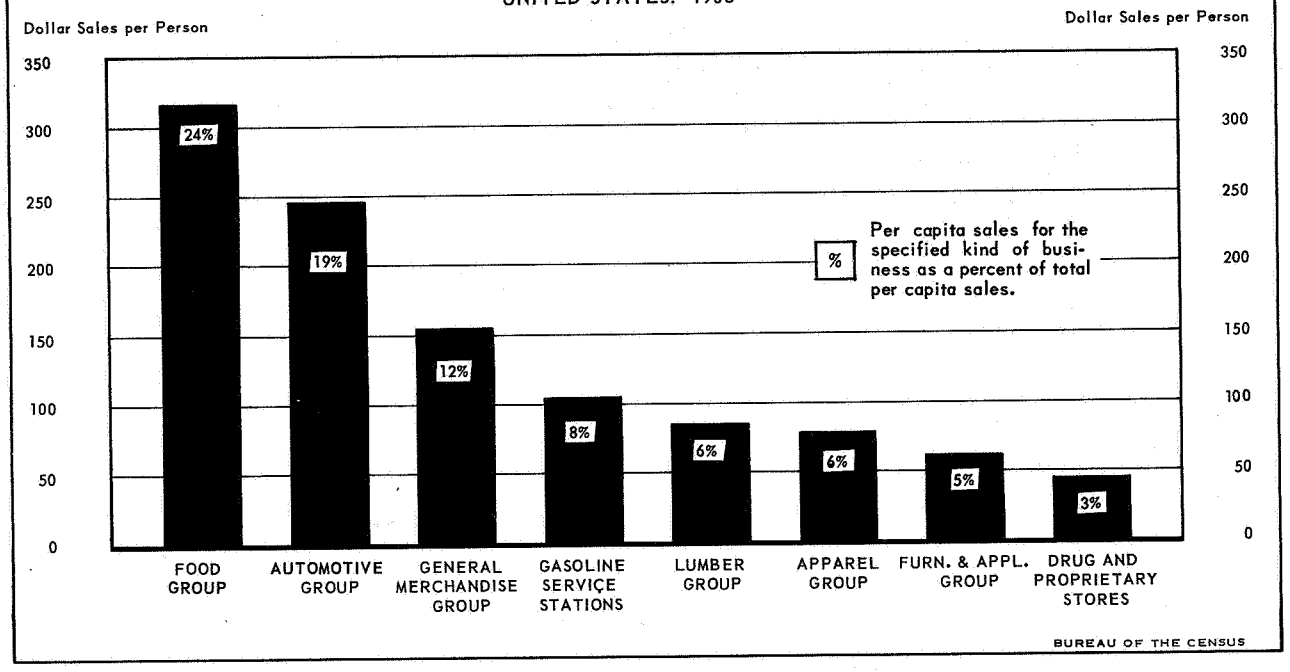


Table 3. ESTIMATED SALES OF RETAIL STORES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES (GROUP II STORES), UNITED STATES, BY KIND OF BUSINESS: 1963 AND 1962

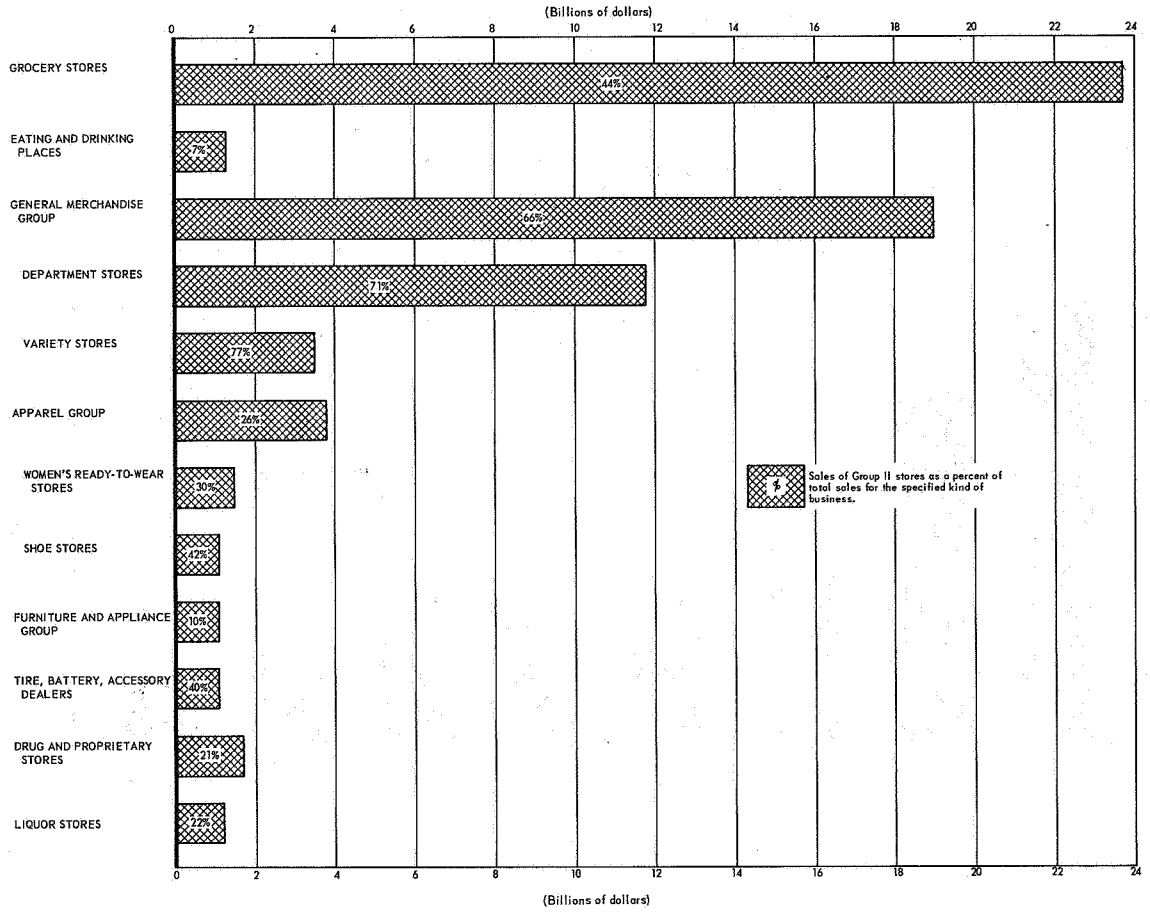
(Millions of dollars)

Kind of business	United States		
	1963	1962	Percent change
All kinds of business, total	58,280	55,576	+5
Durable-goods stores, total	4,469	4,271	+5
Nondurable-goods stores, total	53,811	51,305	+5
Food group	24,357	23,695	+3
Grocery stores	23,692	23,046	+3
Eating and drinking places	1,253	1,202	+4
General merchandise group	19,018	17,568	+8
Department stores and dry goods, general merchandise stores	13,563	r12,405	+9
Department stores	11,817	r10,812	+9
Variety stores	3,542	3,404	+4

Kind of business	United States		
	1963	1962	Percent change
Apparel group	3,796	r3,683	+3
Men's, boys' wear stores[1]	355	351	+1
Women's apparel, accessory stores[2]	1,607	1,490	+8
Women's ready-to-wear stores	1,481	r1,362	+9
Shoe stores	1,054	r1,082	-3
Furniture and appliance group	1,115	1,070	+4
Tire, battery, accessory dealers	1,098	1,087	+1
Drug and proprietary stores	1,728	1,640	+5
Liquor stores[3]	1,233	1,175	+5

r Revised.
[1] Includes men's, boys' clothing, furnishings stores and custom tailors.
[2] Includes women's ready-to-wear, other apparel, accessory, specialty shops; and furriers.
[3] Includes municipally operated liquor stores.
NOTE: All kinds of business, total, and group totals include data for kinds of business not shown separately.

FIGURE 2.--ESTIMATED SALES OF RETAIL STORES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES, BY SELECTED KINDS OF BUSINESS: 1963



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Distribution of Sales by Region, Division and Selected States

The North Central Region accounted for approximately $73 billion or 29.7 percent of total 1963 United States retail sales of $246.4 billion, with the East North Central and West North Central Divisions, respectively, totaling $51.7 billion and $21.4 billion of the region's total. Retail sales in the South Region, the second ranking of the four United States regions, amounted to almost $66 billion, 26.7 percent of total sales for the United States. The largest portion of these regional sales was made in the South Atlantic Division--$32.2 billion, followed by the West South Central Division's $21.3 billion and the East South Central Division's $12.3 billion.

The Northeast Region had retail sales totaling slightly less than $63 billion (25.6% of the United States total) with the Middle Atlantic and New England Divisions accounting for $47.5 billion and $15.5 billion, respectively. In the West Region, retail sales totaled $44.5 billion, 18 percent of the United States total. The Pacific Division accounted for $34.1 billion, or over 76 percent of the region's total sales, and the Mountain Division only $10.4 billion.

Of the four regions in the country, the West had the highest per capita retail sales in 1963, $1,462, followed by the North Central Region, $1,388; the Northeast Region, $1,365, and the South Region, $1,150. Among the larger States in the United States, per capita sales ranged in 1963 from a high of $1,513 in California to a low of $1,269 in Pennsylvania.

Table 4. ESTIMATED SALES OF ALL RETAIL STORES WITH PER CAPITA SALES, UNITED STATES AND CENSUS REGIONS, BY KIND OF BUSINESS: 1963

(Per capita sales based on preliminary civilian population estimates for July 1, 1963.)

Kind of business	1963 sales (Millions of dollars)					Percent distribution of sales by region				Per capita sales (Amount in dollars)				
	United States	North-east	North Central	South	West	North-east	North Central	South	West	United States	North-east	North Central	South	West
All kinds of business, total	246,435	62,980	73,088	65,865	44,502	25.6	29.7	26.7	18.0	1,321	1,365	1,388	1,150	1,462
Durable-goods stores, total	80,098	18,311	24,108	22,603	15,076	22.9	30.1	28.2	18.8	429	397	458	395	495
Nondurable-goods stores, total	166,337	44,669	48,980	43,262	29,426	26.9	29.4	26.0	17.7	892	968	930	755	967
Food group	59,143	16,582	16,464	15,594	10,503	28.0	27.8	26.4	17.8	317	359	313	272	345
Grocery stores	53,551	13,827	15,096	14,861	9,767	25.8	28.2	27.8	18.2	287	300	287	260	321
Eating and drinking places	18,071	5,526	5,400	3,779	3,366	30.6	29.9	20.9	18.6	97	120	103	66	111
GAF[1], total	54,732	15,043	15,993	14,186	9,510	27.5	29.2	25.9	17.4	293	326	304	248	312
General merchandise group	28,660	6,945	9,051	7,407	5,257	24.2	31.6	25.9	18.3	154	150	172	129	173
Department stores	16,683	4,277	5,289	3,693	(2)	25.6	31.7	22.1	(2)	89	93	100	64	(2)
Apparel group	14,460	4,756	3,680	3,891	2,133	32.9	25.4	26.9	14.8	78	103	70	69	70
Furniture and appliance group	11,612	(2)	3,262	2,888	(2)	(2)	28.1	24.9	(2)	62	(2)	62	50	(2)
Lumber, building, hardware, farm equip. group	15,528	(2)	5,839	4,049	(2)	(2)	37.6	26.1	(2)	83	(2)	111	71	(2)
Automotive group	45,959	(2)	13,152	13,898	(2)	(2)	28.6	30.2	(2)	246	(2)	250	243	(2)
Gasoline service stations	19,365	3,593	6,269	5,630	(2)	18.6	32.4	29.1	(2)	104	78	119	98	(2)
Drug and proprietary stores	8,175	1,872	2,467	2,182	(2)	22.9	30.2	26.7	(2)	44	41	47	38	(2)

[1] Stores in the general merchandise, apparel, and furniture and appliance groups; these are stores specializing in department store types of merchandise.
[2] Not shown because of high sampling variability.

Table 5. ESTIMATED SALES OF ALL RETAIL STORES WITH PER CAPITA SALES, UNITED STATES, CENSUS REGIONS, DIVISIONS, AND SELECTED STATES: 1963

(Per capita sales based on preliminary civilian population estimates for July 1, 1963. Amounts in dollars.)

Region, division, and State	Estimated 1963 sales (millions)	Percent distribution of 1963 sales	Per capita sales
United States, total	246,435	100.0	1,321
Northeast	62,980	25.6	1,365
New England Division	15,507	6.3	1,455
Massachusetts	7,433	3.0	1,436
Middle Atlantic Division	47,473	19.3	1,338
New York	24,012	9.8	1,359
New Jersey	8,992	3.6	1,400
Pennsylvania	14,469	5.9	1,269
North Central	73,088	29.7	1,388
East North Central Division	51,657	21.0	1,392
Ohio	13,087	5.3	1,289
Illinois	15,048	6.1	1,485
Michigan	11,008	4.5	1,360
West North Central Division	21,431	8.7	1,378
South	65,865	26.7	1,150
South Atlantic Division	32,221	13.1	1,187
East South Central Division	12,310	5.0	1,001
West South Central Division	21,334	8.6	1,197
Texas	12,992	5.3	1,281
West	44,502	18.0	1,462
Mountain Division	10,401	4.2	1,385
Pacific Division	34,101	13.8	1,487
California	26,142	10.6	1,513

Distribution of Sales by Type

Of the total 1963 sales of $246.4 billion, $193.1 billion (78%) represented sales for which the retailer received cash payment. Approximately $53.3 billion were sales made on credit extended by the retailer--$38.2 billion (16%) representing charge account sales, and $15.1 billion (6%), installment sales. This percentage distribution was not materially different from that derived in 1958, the most recent year for which comparable information is available. In that year, of the $200.4 billion annual sales, $152,0 billion (76%) were cash sales, approximately $38.0 billion (19%), charge account sales, and $10.4 billion (5%), installment sales.

The $193.1 billion in 1963 shown in table 6 as sales on a cash basis include sales on credit where the credit was extended by other organizations, such as banks, finance companies, etc., and where the retailer consequently received cash as a result of the sale. Of such sales, separate statistics were obtained where the credit, though extended by other organizations, was handled through the retail firm. The latter type sales amounted to approximately $16.9 billion in 1963 (exclusive of sales on gasoline credit cards). Of this amount, the automotive group totaled $13.2 billion or 78.1 percent. In 1958 these sales amounted to about $13.3 billion with the automotive group totaling $10.4 billion (78.2%). Separate figures are not available from this survey on sales on credit when the credit was obtained directly by the purchaser from other sources and was not handled through the retail firm. Such sales were presumably reported as cash sales by the retailer. (See footnote 1 to table 6.)

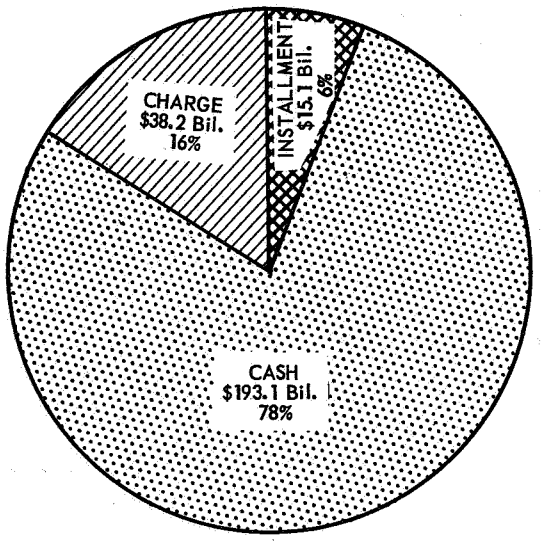
In 1963 more than half of the total sales in the lumber, building, hardware, farm equipment group represented sales on credit extended by the retailer (54%). Such sales were almost entirely charge account sales (50%). Of the $46 billion 1963 annual sales in the automotive group, the largest category among the durable-goods stores, approximately $37 billion (80%) represented sales for which the automotive dealer received cash payment (including sales on credit financed by other organizations). About $6.4 billion (14%) were charge account sales and $2.6 billion (6%) were installment sales financed by automotive dealers.

Sales of nondurable-goods stores were predominantly cash sales, 83 percent, as compared to 68 percent for durable-goods stores. The general merchandise group (including department stores) reported $3.7 billion charge sales and $6.9 billion installment sales, 13 percent and 24 percent, respectively, of the total sales for this group. The comparable percents for department stores alone were 19 percent for charge account sales and 30 percent for installment sales. In the apparel group cash sales totaled $10.7 billion (74%), charge account sales $2.9 billion (20%), and installment sales $0.9 billion (6%).

Sales of Multiunit Organizations by Type (Group II)

Approximately 79 percent of the 1963 sales of multiunit organizations of 11 or more retail stores (Group II organizations) were cash sales--$46.2 billion of a total of $58.3 billion. This represented only a slight percentage change from 1958 when 80 percent of the sales of multiunit organizations were reported as cash sales. Of the $12.1 billion sales made on credit extended by the retailer, $4.4 billion (8% of total sales) were charge sales and $7.7 billion (13%) were installment sales--in contrast to the 16 percent and 6 percent, respectively, for all retail stores combined. In 1958 credit sales for multiunit organizations were divided about equally between charge and installment sales with each representing approximately 10 percent of the Group II total, while all retail stores combined showed 19 percent for charge sales and 5 percent for installment sales. In 1963 general merchandise stores accounted for over three-fourths of the total installment sales of Group II organizations ($5.9 billion of $7.7 billion), but only about 37 percent of the Group II charge sales total ($1.6 billion of $4.3 billion).

FIG. 3.–PERCENT DISTRIBUTION OF SALES–CASH, CHARGE, AND INSTALLMENT: 1963
ALL RETAIL STORES



ALL RETAIL STORES TOTAL: $246.4 Billion

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Table 6. ESTIMATED SALES OF ALL RETAIL STORES AND OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES, BY TYPE OF SALE--CASH, CHARGE, AND INSTALLMENT, UNITED STATES, BY KIND OF BUSINESS: 1963

Kind of business	Sales (millions of dollars)					Percent distribution by type of sale			
	Total	On cash basis[1]	On credit extended by retail firms			On cash basis[1]	On credit extended by retail firms		
			Total	Charge account	Installment account[2]		Total	Charge account	Installment account[2]
All Retail Stores									
All kinds of business, total	246,435	193,158	53,277	38,215	15,062	78	22	16	6
Durable-goods stores, total	80,098	54,632	25,466	18,727	6,739	68	32	24	8
Nondurable-goods stores, total	166,337	138,526	27,811	19,488	8,323	83	17	12	5
Food group	59,143	56,951	2,192	2,116	(3)	96	4	4	(4)
Eating and drinking places	18,071	17,555	516	511	(3)	97	3	3	(4)
General merchandise group	28,660	18,002	10,658	3,741	6,917	63	37	13	24
Department stores and dry goods, general merchandise stores	20,612	11,593	9,019	3,481	5,538	56	44	17	27
Department stores	16,683	8,577	8,106	3,170	4,936	51	49	19	30
Mail order (department store merchandise)	2,124	962	1,162	(D)	(D)	45	55	(D)	(D)
Apparel group	14,460	10,678	3,782	2,856	926	74	26	20	6
Men's, boys' clothing, furnishings stores	2,704	1,841	863	709	154	68	32	26	6
Women's ready-to-wear stores	4,921	3,193	1,728	1,281	447	65	35	26	9
Furniture and appliance group	11,612	6,251	5,361	2,837	2,524	54	46	24	22
Furniture, home furnishings stores	7,465	3,572	3,893	1,979	1,914	48	52	26	26
Furniture stores	5,456	2,397	3,059	1,207	1,852	44	56	22	34
Household appliance, TV, radio stores	4,147	2,679	1,468	858	610	65	35	21	14
Household appliance dealers	3,048	1,867	1,181	648	533	61	39	21	18
Lumber, building, hardware, farm equipment group	15,528	7,073	8,455	7,779	676	46	54	50	4
Lumber yards, building materials dealers[5]	8,917	2,762	6,155	5,806	(3)	31	69	65	(3)
Hardware stores	2,647	1,838	809	666	143	70	30	25	5
Automotive group	45,959	36,924	9,035	6,405	2,630	80	20	14	6
Passenger car dealers	41,739	34,350	7,389	5,360	2,029	82	18	13	5
Passenger car dealers (franchised)	38,211	31,048	7,163	5,261	1,902	81	19	14	5
Tire, battery, accessory dealers	2,762	1,307	1,455	936	519	47	53	34	19
Gasoline service stations	19,365	16,782	2,583	2,487	(3)	87	13	13	(4)
Drug and proprietary stores	8,175	7,357	818	810	(3)	90	10	10	(4)
Retail Stores of Organizations Operating 11 or More Retail Stores (Group II Stores)									
All kinds of business, total	58,280	46,201	12,079	4,348	7,731	79	21	8	13
Food group	24,357	24,221	136	125	11	99	1	1	(4)
Eating and drinking places	1,253	1,199	54	54	...	96	4	4	...
General merchandise group	19,018	11,575	7,443	1,550	5,893	61	39	8	31
Department stores and dry goods, general merchandise stores	13,563	7,251	6,312	1,517	4,795	54	46	11	35
Department stores	11,817	6,086	5,731	1,442	4,289	52	48	12	36
Apparel group	3,796	3,011	785	422	363	79	21	11	10
Furniture and appliance group	1,115	472	643	137	506	42	58	12	46
Tire, battery, accessory dealers	1,098	404	694	335	359	37	63	30	33

(D) Withheld to avoid disclosure.

[1] Includes, in addition to sales entirely on a cash basis, the following two categories:

a. Sales on credit where the credit, although handled through the retail firm, was actually extended by other organizations (such as banks, finance companies, etc.) and where consequently the retail firm received cash as a result of the sale. Although included above as "cash" sales, separate figures were obtained in this survey on sales on credit handled through the retail firm but extended by others. Such sales are estimated at $16,864 million in 1963 (exclusive of sales on gasoline credit cards which were not reported separately from other "cash" sales). This total included primarily $13,182 million for the automotive group; $1,663 million for the furniture and appliance group; and $1,102 million for the lumber, building, hardware, farm equipment group. Group II organizations reported sales of this type amounting to $139 million.

b. Sales made on credit obtained directly by the purchaser from other sources without being handled through the retail firm, similarly involving cash payment. Since only retail firms were canvassed in this survey, no separate statistics could be obtained on sales on credit obtained directly by the purchaser from other sources.

[2] Includes sales on "revolving credit" accounts (See page 21).

[3] Not shown because of high sampling variability.

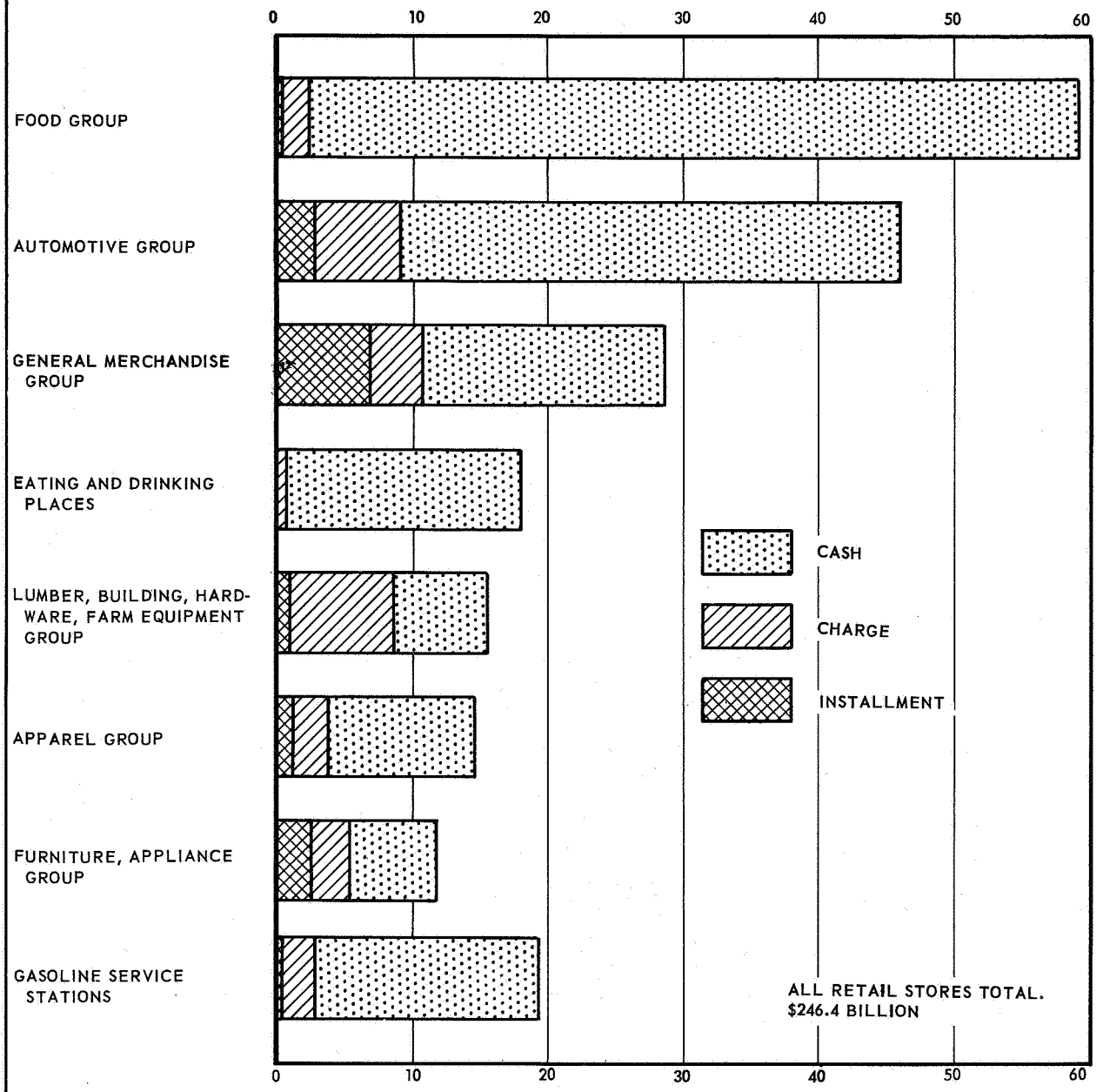
[4] Less than one half of one percent.

[5] Includes lumber yards, building materials dealers; paint, plumbing, and electrical stores.

NOTES: All kinds of business, total, and group totals include kinds of business not shown separately. Measures of sampling variability are provided on page 20.

FIG. 4.--TOTAL SALES--CASH, CHARGE, AND INSTALLMENT: 1963
ALL RETAIL STORES BY KIND-OF-BUSINESS GROUP

(Billions of Dollars)



Note: See footnote 1 at bottom of Table 6.

BUREAU OF THE CENSUS

ACCOUNTS RECEIVABLE

Retail stores in the United States reported a total of $15.5 billion of accounts receivable balances owed to them by customers as of December 31, 1963, 8 percent more than the $14.3 billion reported as of the same date a year earlier. Credit balances on charge accounts and on installment accounts amounted to $7.8 billion and $7.7 billion, respectively, at the close of 1963, with charge accounts showing a year-to-year increase of 5 percent, and installment accounts an increase of 12 percent.

The data shown for accounts receivable balances in the report reflect only amounts owed to retail stores and do not include amounts owed to other organizations, such as financial institutions, for retail purchases. It should also be noted that changes in receivables balances from year to year may reflect changes in the practice of discounting or selling receivables to banks, finance companies, and others, as well as changes in the amounts of goods sold on credit and in the rates at which customers made payments.

Department stores reported unpaid balances totaling $3.7 billion at the end of 1963, 12 percent over 1962. Department store credit balances accounted for more than 24 percent of the total for all retail stores--more than was contributed by any other single kind of business. Within the general merchandise group, accounts receivable held by mail order establishments (department store merchandise) were 21 percent over December 31, 1962, but their contribution to the total accounts receivable for all kinds of business was less than 7 percent. Apparel stores with $1.2 billion showed an increase of 9 percent from 1962. Receivable balances for nondurable-goods stores in total amounted to $8.9 billion, 10 percent more than the amount owed at the close of 1962.

Durable-goods stores in total recorded accounts receivable balances at the close of 1963 at $6.6 billion, 6 percent more than the amount registered a year ago. Contributing to these figures were dealers in the furniture and appliance group, with $2.3 billion, up 7 percent; the lumber and building materials group, $1.8 billion, up 2 percent; and the automotive group, $1.6 billion, up 9 percent.

More than 78 percent of the 1963 year-end credit balances due from customers of general merchandise stores were on installment accounts. In furniture and appliance stores installment accounts represented approximately 67 percent of total year-end 1963 outstanding balances. In contrast, the credit balances outstanding for the lumber, building, hardware, farm equipment group and for the apparel group were predominantly on charge accounts (90 percent and 74 percent, respectively). For the automotive group, about 58 percent were outstanding on charge accounts.

Stores of organizations operating 11 or more retail stores accounted for $5.6 billion of total receivables at the end of 1963. This amount was 14 percent more than was held at the close of 1962. More than four-fifths of the credit balances owed by customers at the end of 1963 to stores of these organizations was on installment accounts, $4.5 billion as compared with $1.1 billion in charge accounts. General merchandise stores operated by organizations of 11 or more retail stores reported $3.9 billion of accounts receivable balances, 18 percent more than on the same date a year earlier. This amount was 70 percent of the total 1963 receivables of these organizations in all kinds of business.

Table 7. ACCOUNTS RECEIVABLE OF ALL RETAIL STORES, UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1963 AND 1962

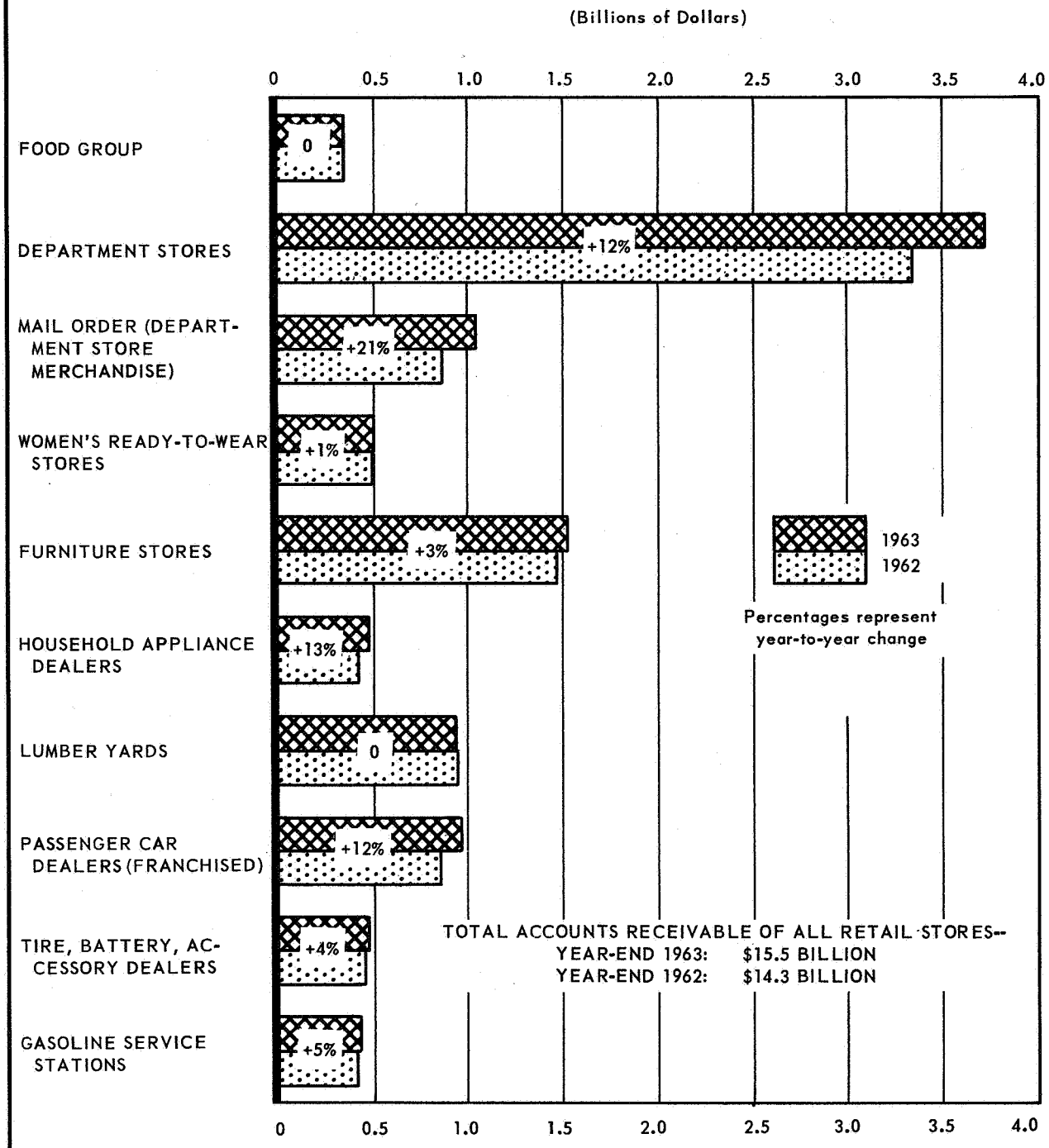
(Millions of dollars)

Kind of business	All retail stores		
	December 31--		Percent change, 1963 from 1962
	1963	1962	
All kinds of business, total	15,484	14,299	+8
Durable-goods stores, total	6,626	6,241	+6
Nondurable-goods stores, total	8,858	8,058	+10
Food group	354	354	0
Eating and drinking places	89	96	-7
General merchandise group	5,423	4,782	+13
Department stores and dry goods, general merchandise stores	4,164	3,720	+12
Department stores	3,730	3,340	+12
Mail order (department store merchandise)	1,062	879	+21
Apparel group	1,186	1,090	+9
Women's ready-to-wear stores	512	509	+1

Kind of business	All retail stores		
	December 31--		Percent change, 1963 from 1962
	1963	1962	
Furniture and appliance group	2,278	2,130	+7
Furniture, home furnishings stores	1,716	1,636	+5
Furniture stores	1,532	1,481	+3
Household appliance, TV, radio stores	562	494	+14
Household appliance dealers	490	432	+13
Lumber, building, hardware, farm equipment grp.	1,778	1,747	+2
Lumber yards, building materials dealers[1]	1,300	1,265	+3
Lumber yards	948	951	([2])
Automotive group	1,560	1,432	+9
Passenger car dealers	1,048	939	+12
Passenger car dealers (franchised)	980	872	+12
Tire, battery, accessory dealers	479	459	+4
Gasoline service stations	442	420	+5
Other retail stores	2,374	2,248	+6

[1] Includes lumber yards, building materials dealers; paint, plumbing and electrical stores.
[2] Less than 0.5 percent.
NOTE: All kinds of business, total, and group totals include kinds of business not shown separately. Measures of sampling variability are provided on page 20.

FIG. 5.–TOTAL ACCOUNTS RECEIVABLE: END OF YEAR 1963 AND 1962
ALL RETAIL STORES BY SELECTED KINDS OF BUSINESS



BUREAU OF THE CENSUS

Table 8. ACCOUNTS RECEIVABLE OF ALL RETAIL STORES, BY CHARGE AND INSTALLMENT ACCOUNTS, UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1963 AND 1962

(Millions of dollars)

Kind of business	Total			Charge accounts			Installment accounts[1]		
	December 31--		Percent change 1963 from 1962	December 31--		Percent change 1963 from 1962	December 31--		Percent change 1963 from 1962
	1963	1962		1963	1962		1963	1962	
All kinds of business, total	15,484	14,299	+8	7,826	7,441	+5	7,658	6,858	+12
Durable-goods stores, total	6,626	6,241	+6	3,622	3,312	+9	3,004	2,929	+3
Nondurable-goods stores, total	8,858	8,058	+10	4,204	4,129	+2	4,654	3,929	+18
Food group	354	354	0	342	346	-1	(2)	(2)	(2)
General merchandise group	5,423	4,782	+13	1,160	1,185	-2	4,263	3,597	+19
Department stores and dry goods, general merchandise stores	4,164	3,720	+12	1,065	1,087	-2	3,099	2,633	+18
Department stores	3,730	3,340	+12	950	970	-2	2,780	2,370	+17
Apparel group	1,186	1,090	+9	873	827	+6	313	263	+19
Furniture and appliance group	2,278	2,130	+7	760	650	+17	1,518	1,480	+3
Lumber, building, hardware, farm equipment group	1,778	1,747	+2	1,606	1,553	+3	172	194	-11
Automotive group	1,560	1,432	+9	902	796	+13	658	636	+3

[1] Includes "revolving credit" accounts (see page 21).
[2] Not shown because of high sampling variability.
NOTE: All kinds of business, total, and group totals, include kinds of business not shown separately. Measures of sampling variability are provided on page 20.

Table 9. ACCOUNTS RECEIVABLE OF RETAIL STORES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES, BY CHARGE AND INSTALLMENT ACCOUNTS, UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1963 AND 1962

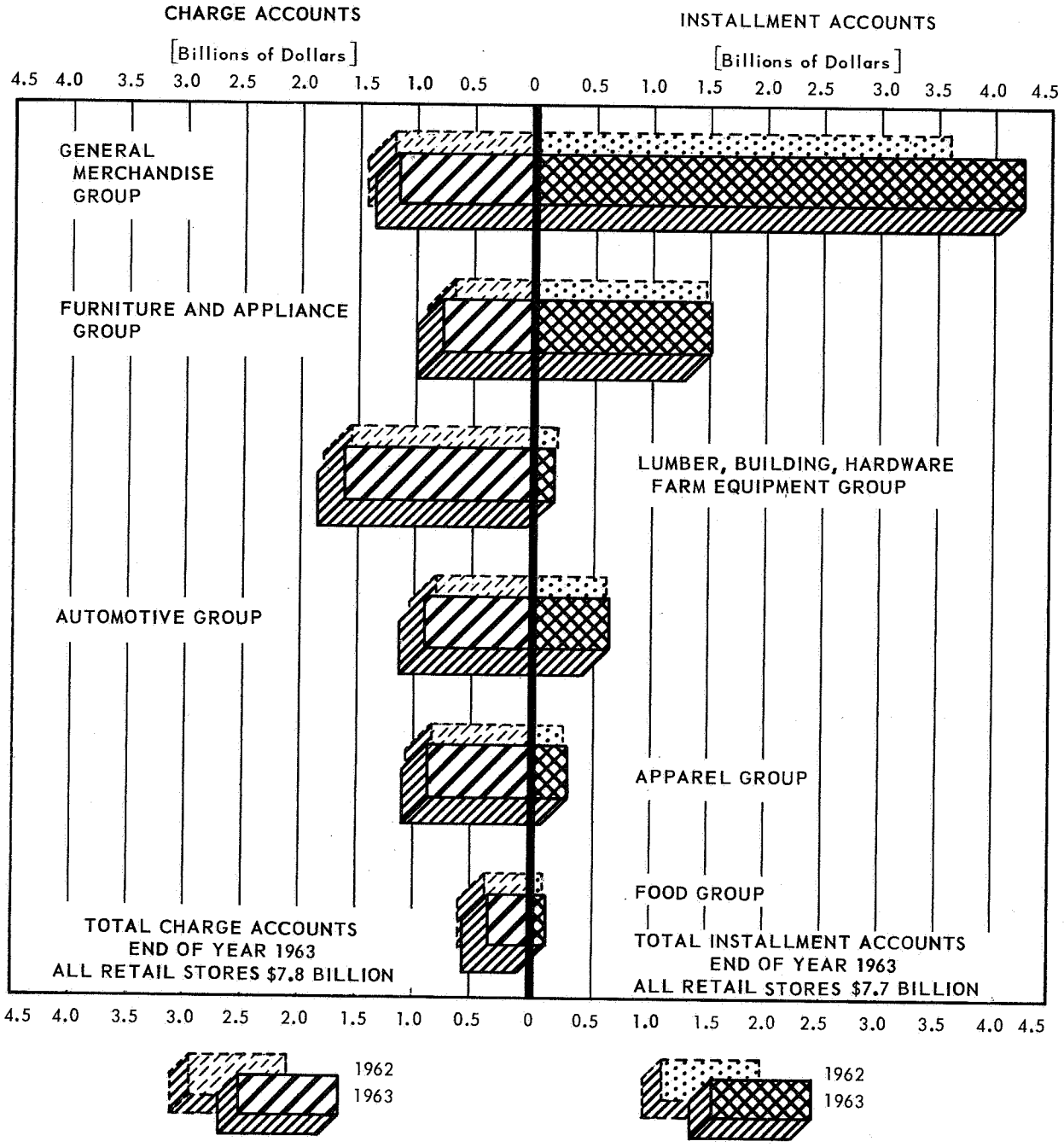
(Millions of dollars)

Kind of business	Total			Charge accounts			Installment accounts[1]		
	December 31--		Percent change 1963 from 1962	December 31--		Percent change 1963 from 1962	December 31--		Percent change 1963 from 1962
	1963	1962		1963	1962		1963	1962	
All kinds of business, total	5,591	4,894	+14	1,116	1,067	+5	4,475	3,827	+17
Durable-goods stores, total	1,222	1,155	+6	331	304	+9	891	851	+5
Nondurable-goods stores, total	4,369	3,739	+17	785	763	+3	3,584	2,976	+20
General merchandise group	3,904	3,316	+18	489	481	+2	3,415	2,835	+20
Department stores and dry goods, general merchandise stores	3,095	2,633	+18	449	440	+2	2,646	2,193	+21
Department stores	2,779	2,382	+17	418	419	(2)	2,361	1,963	+20
Apparel stores	294	251	+17	138	124	+11	156	127	+23
Furniture and appliance group	375	350	+7	43	48	-10	332	302	+10
Tire, battery, accessory dealers	288	280	+3	(3)	(3)	(3)	(3)	(3)	(3)

[1] Includes "revolving credit" accounts (see page 21).
[2] Less then 0.5 percent.
[3] Not shown because of high sampling variability.
NOTE: All kinds of business, total, and group totals include kinds of business not shown separately. Measures of sampling variability are provided on page 20.

FIG. 6.–ACCOUNTS RECEIVABLE ON CHARGE ACCOUNTS AND INSTALLMENT ACCOUNTS: END OF YEAR 1963 AND 1962

RETAIL STORES BY SELECTED KIND-OF-BUSINESS GROUPS



BUREAU OF THE CENSUS

MERCHANDISE INVENTORIES

Merchandise on Hand

The cost value of merchandise inventories in retail stores in the United States on December 31, 1963, was estimated at $27 billion, 5 percent higher than inventories held at the close of 1962. Of this total, $15 billion represented the value of stocks of nondurable-goods stores (up 4% from 1962) and $12 billion, the stocks of durable-goods stores (up 7% from 1962).

A comparison of inventories held by franchised passenger car dealers at the end of 1963 with stocks on hand on December 31, 1962, shows a year-to-year increase of 12 percent. Data for related trades showed gasoline service station end-of-year inventories up 4 percent and tire, battery, accessory stores up 10 percent.

Department stores reported a 12 percent expansion in inventory holdings on December 31, 1963, compared with the same date a year ago while the general merchandise group as a whole showed a 7 percent increase. Inventories of liquor stores were 3 percent higher at the close of 1963 than a year ago, and drug and proprietary stores reported an increase of 4 percent. Lumber and building materials dealers and furniture stores closed the year with inventories slightly higher than in 1962 (each +2%), while household appliance, TV, radio stores represented a sizable increase of 13 percent.

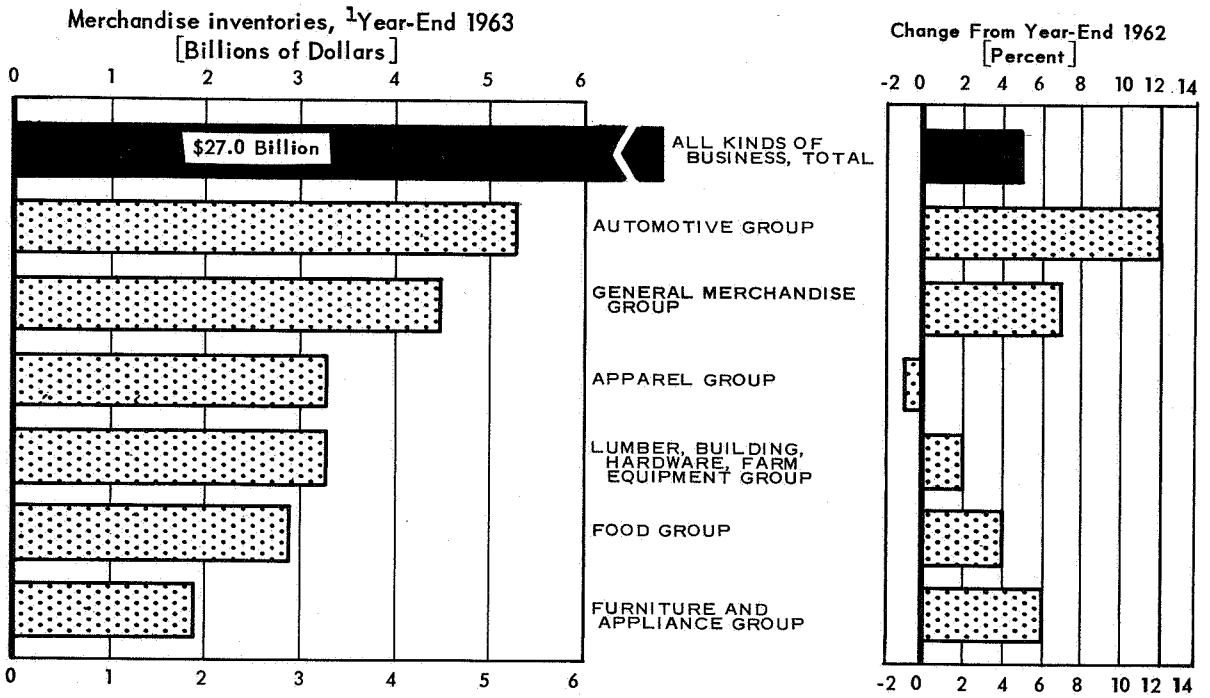
In warehouses and stores of organizations operating 11 or more retail stores, the cost value of merchandise held for sale on December 31, 1963, totaled $7 billion, 7 percent over that held December 31, 1962. The general merchandise group, which accounted for more than 42 percent of the total warehouse and store inventories of these organizations showed a year-to-year gain of 9 percent; the food stores which accounted for almost 24 percent, recorded a rise of 7 percent.

Sales-Inventory Ratios

Annual sales of all retail stores in 1963 were 9.2 times the cost value of year-end store inventories. The ratio of sales to year-end inventories for nondurable-goods stores was 11.2 in 1963, compared with 11.3 for 1962. The ratio of sales to year-end inventories for durable-goods stores was 6.6 in 1963, unchanged from the ratio for 1962.

Passenger car dealers, whose stocks on hand at the close of 1963 were 12 percent higher than at the close of 1962, showed a sales-inventory ratio of 9.4 in 1963 compared with 9.7 in the preceding year. Sales-inventory ratios showed little change from 1962 for grocery stores, 19.7 in 1963 compared with 19.9 the previous year; department stores, 7.7 compared with 7.9; women's ready-to-wear stores, 6.4 compared with 6.2; and furniture stores, 5.2 compared with 5.1. Hardware stores and shoe stores both remained unchanged from 1962 at 3.4 and 3.6, respectively.

FIG. 7.--MERCHANDISE INVENTORIES: END OF YEAR 1963
ALL RETAIL STORES BY MAJOR KIND-OF-BUSINESS GROUPS



[1]Inventories at cost value, in stores.

BUREAU OF THE CENSUS

Table 10. MERCHANDISE INVENTORIES AND SALES-INVENTORY RATIOS OF ALL RETAIL STORES UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1963 AND 1962

(Millions of dollars)

Kind of business	Merchandise inventories (at cost) December 31—			Sales-inventory ratio[1]	
	1963	1962	Percent change	1963	1962
All kinds of business, total	27,034	25,642	+5	9.2	9.2
Durable-goods stores, total	12,029	11,243	+7	6.6	6.6
Nondurable-goods stores, total	15,005	14,399	+4	11.2	11.3
Food group	2,939	2,817	+4	20.6	20.8
Grocery stores	2,777	2,664	+4	19.7	19.9
Eating and drinking places	448	413	+8	40.5	41.4
General merchandise group	4,491	4,216	+7	6.8	6.8
Department stores and dry goods, general merchandise stores	3,132	2,859	+10	7.1	7.2
Department stores	2,336	2,081	+12	7.7	7.9
Variety stores	829	833	0	5.7	5.5
Mail order (department store merchandise)[2]	321	307	+5	6.8	6.2
Apparel group	3,289	3,315	-1	4.5	4.6
Men's, boys' clothing, furnishings stores	820	779	+5	3.4	3.5
Women's ready-to-wear stores	797	843	-5	6.4	6.2
Shoe stores	694	706	-2	3.6	3.6
Furniture and appliance group	1,910	1,795	+6	5.9	6.0
Furniture, home furnishings stores	1,291	1,247	+4	5.6	5.6
Furniture stores	990	975	+2	5.2	5.1
Household appliance, TV, radio stores	619	548	+13	6.6	7.0
Household appliance dealers	430	379	+13	7.0	7.4
Lumber, building, hardware, farm equipment group	3,293	3,240	+2	4.7	4.5
Lumber yards, building materials dealers[3]	1,458	1,416	+3	5.9	5.7
Lumber yards	1,016	1,000	+2	5.7	5.4
Hardware stores	826	818	+1	3.4	3.4
Farm equipment dealers	1,009	1,006	0	3.9	3.9
Automotive group	5,282	4,697	+12	8.7	9.0
Passenger car dealers	4,387	3,927	+12	9.4	9.7
Passenger car dealers (franchised)	3,987	3,547	+12	9.4	9.7
Tire, battery, accessory dealers	527	481	+10	5.1	5.4
Gasoline service stations	804	775	+4	23.9	23.6
Other retail stores	4,578	4,374	+5	7.6	7.5
Drug and proprietary stores	1,396	1,344	+4	6.0	6.2
Liquor stores	612	596	+3	9.8	9.3
Jewelry stores	474	478	-1	2.8	2.7

[1] Based on only those establishments in business the full calendar year.
[2] All inventories for this kind of business are included in store inventories.
[3] Includes lumber yards, building materials dealers; paint, plumbing, and electrical stores.
NOTE: Dollar volume and sales-inventory ratios for all kinds of business, total, and group totals include kinds of business not shown separately. Measures of sampling variability are provided on page 19.

Table 11. MERCHANDISE INVENTORIES AND SALES-INVENTORY RATIOS OF RETAIL STORES AND WAREHOUSES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES, UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1963 AND 1962

Kind of business	Merchandise inventories, at cost (millions of dollars)						Sales-inventory ratio (stores only)	
	Total warehouses[1] and stores			Stores				
	December 31—		Percent change, 1963 from 1962	December 31—		Percent change, 1963 from 1962		
	1963	1962		1963	1962		1963	1962
All kinds of business, total	7,001	6,531	+7	5,535	5,102	+8	10.8	11.1
Durable-goods stores, total	910	853	+7	684	624	+10	6.7	6.9
Nondurable-goods stores, total	6,091	5,678	+7	4,851	4,478	+8	11.3	11.7
Food group	1,654	1,547	+7	1,039	969	+7	23.6	24.6
Grocery stores	1,623	1,519	+7	1,018	951	+7	23.4	24.3
General merchandise group	2,957	2,721	+9	2,681	2,442	+10	7.4	7.4
Department stores and dry goods, general merchandise stores	1,990	1,771	+12	1,787	1,564	+14	7.9	8.1
Department stores	1,705	1,515	+13	1,529	1,330	+15	8.1	8.3
Variety stores	649	649	0	584	585	0	6.4	6.2
Apparel group	742	708	+5	651	618	+5	6.0	6.1
Men's, boys' clothing, furnishings stores	100	98	+2	89	86	+3	4.1	4.3
Women's ready-to-wear stores	188	176	+7	174	161	+8	8.8	8.9
Shoe stores	266	260	+2	227	221	+3	4.7	4.8
Furniture and appliance group	178	176	+1	113	110	+3	10.3	10.3
Lumber, building, hardware, farm equipment group	292	274	+7	241	226	+7	4.6	4.6
Lumber yards, building materials dealers[2]	188	178	+6	174	167	+4	4.6	4.5
Lumber yards	138	133	+4	132	129	+2	4.6	4.3
Tire, battery, accessory dealers	303	282	+7	232	201	+15	4.7	5.3
Drug and proprietary stores	324	295	+10	243	224	+8	7.3	7.6
Liquor stores	174	174	0	95	90	+6	13.2	13.4

[1] Warehouse inventories of Group II organizations are excluded from table 10.
[2] Includes lumber yards, building materials dealers; paint, plumbing, and electrical stores.
NOTE: All kinds of business, total, and group totals include kinds of business not shown separately.

Table 12. ESTIMATED SALES AND YEAR-END MERCHANDISE INVENTORIES OF RETAIL STORES OF ORGANIZATIONS OPERATING 4 OR MORE RETAIL STORES, UNITED STATES, BY KIND OF BUSINESS: 1963

(Millions of dollars)

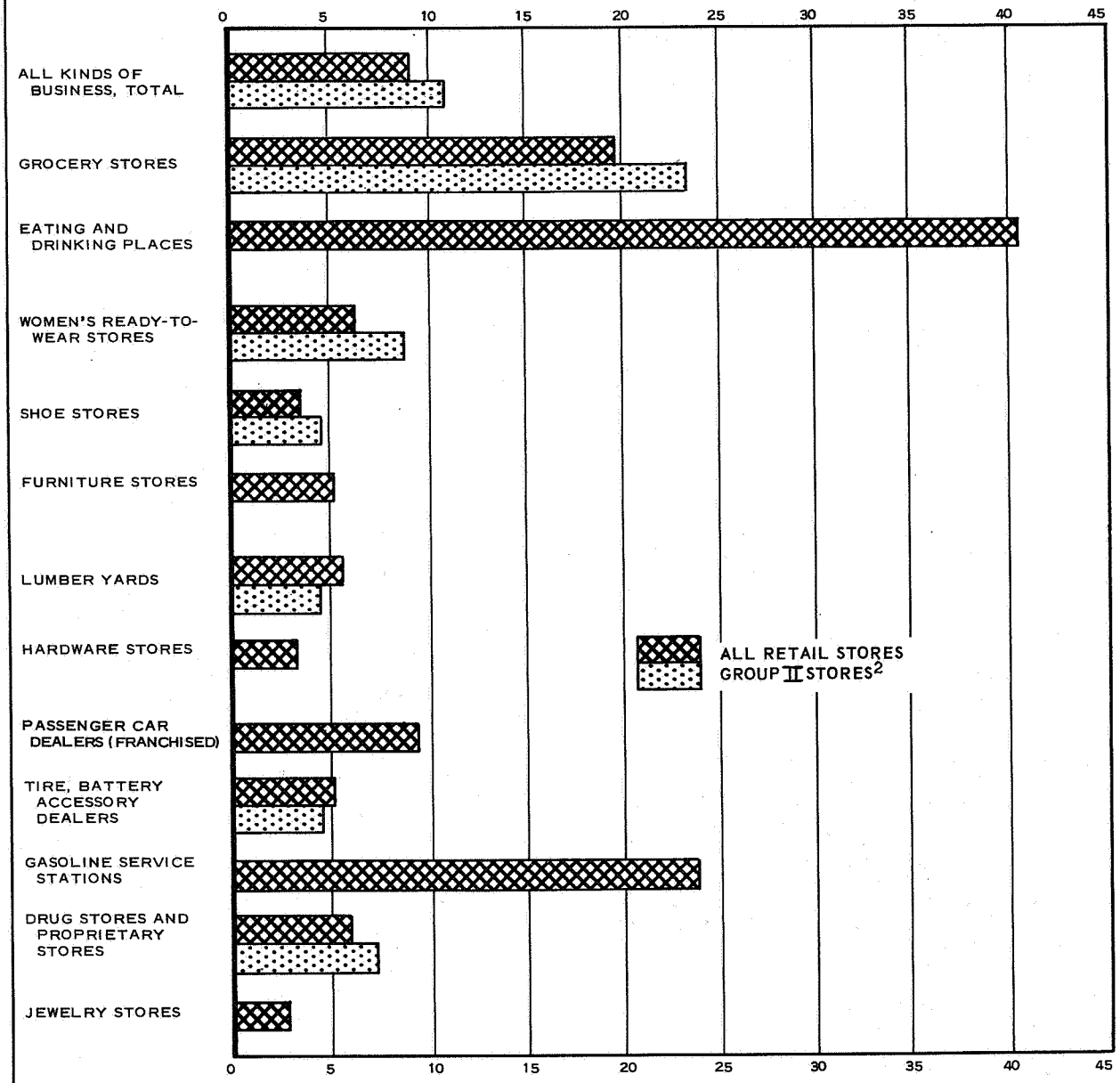
Kind of business	Annual sales		Merchandise inventories (at cost)	
	1963	Percent change, 1963 from 1962	Dec. 31, 1963	Percent change, 1963 from 1962
All kinds of business, total	69,752	+6	7,094	+8
Food group	27,604	+5	1,189	+6
Grocery stores	26,666	+5	1,158	+6
General merchandise group	20,907	+8	3,171	+12
Department stores and dry goods, general merchandise stores	15,126	+11	2,237	+16
Department stores	12,936	+11	1,888	+16

NOTE: All kinds of business, total, and group totals include kinds of business not shown separately. Measures of sampling variability are provided on page 20.

FIG. 8.--SALES-INVENTORY RATIOS: 1963

ALL RETAIL STORES AND GROUP II STORES BY SELECTED KINDS OF BUSINESS

(Annual Turnover: 1963 Sales divided by year-end inventories, at cost)[1]



[1]Data based on establishments in business the full calendar year, except for those Group II establishments which may not have been in operation the entire year. Ratios exclude warehouse inventories of Group II stores.

[2]Retail stores of organization operating 11 or more retail stores.

BUREAU OF THE CENSUS

SAMPLE DESIGN AND RELIABILITY OF THE DATA

Sample Design

Data on inventories in this report were derived from the 1963 Annual Retail Trade Survey, which was based on essentially the same probability sample used to produce national monthly estimates of retail sales published in the Monthly Retail Trade Report. Statistics on annual sales and end-of-year accounts receivables shown in this report were derived from the Monthly Retail Trade Survey. These accounts receivable data were based on a subsample of the probability sample used to produce monthly sales estimates.

The additional annual sales data for geographic areas and selected states presented in Tables 4 and 5 of this report, were made possible by revisions in the monthly survey sample design and reporting procedures, affecting primarily Group II organizations, i.e., firms with 11 or more retail stores as reported in the 1958 Census of Business. Because these changes in survey procedure were made effective with data for April 1962, comparable annual data for 1962 are not available. For additional discussion of these changes, see the section, "Changes in Survey Sample Redesign and Reporting Procedures," in the Monthly Retail Trade Area Sales Supplement.

I. Inventories

The 1963 annual sample consists of the following components:

A. Group II Firms--Organizations which operated 11 or more retail stores in 1958. All of these organizations are included in the sample and generally provided one report for all their retail stores. For those Group II firms with retail stores in more than one kind of business, the reported figures were prorated among the different kinds of business on the basis of the percentage distribution of the firm's total sales by kind of business as reported in the 1958 Census of Business.

B. Group I Stores--Stores belonging to organizations which did not operate 11 or more retail stores at the time of the 1958 Census of Business. Stores selected for this portion of the sample are located within 233 Census Sample Areas[1]. These Census Sample Areas generally consist of combinations of two or three counties and were chosen randomly (with known probability of selection), one from each of 233 primary strata. Within these 233 Census Sample Areas, the Group I sample consists of:

1. "Large" stores: Those stores whose annual sales in 1954 exceeded a designated amount varying by kind of business and Census Sample Area.

2. "Special" area segment stores: Stores other than "large" stores described above located in a subsample of land segments (selected with known probability) within the Census Sample Areas and qualifying on the basis that their sales exceeded certain criteria which were lower than those designated for the "large" stores.

3. "Small" stores: All remaining stores located in the subsample of land segments within the Census Sample Areas mentioned above. These land segments are divided into 12 panels so that, in general, "small" stores in a different group of land segments are personally enumerated each month of the year for purposes of the monthly report. The stores located in three of these panels (November, December, and January panels) were included in the annual survey.

APPROXIMATE NUMBER OF RETAIL STORES IN THE 1963 ANNUAL RETAIL TRADE SAMPLE

Total	Group II stores	Group I stores		
		"Large" stores	"Special" area segment stores	"Small" stores
129,500	96,200	5,400	5,500	22,400

II. Accounts Receivable

The subsample used to obtain monthly accounts receivable data is described below:

A. Group II firms and Group I stores canvassed by mail each month for sales figures were subsampled on the basis of their accounts receivables as of December 31, 1957, as reported in the 1957 Annual Retail Trade Survey. Those Group II firms added in the panel revision of January 1961 were subsampled on the basis of their accounts receivables as of November 30, 1960.

1. Those with total receivables above certain specified criteria were assigned to a "fixed" panel which is canvassed monthly for accounts receivable data. These criteria vary by Census Sample Area and by sample component, with one set of criteria established for the "special" area segment stores and another for the other sample components.

2. Those with total receivables below these criteria were divided into 12 "rotating" panels. Such panels report for only two successive months each year, depending upon the "rotating" panel to which they are assigned. For example, the January panel is canvassed for end-of-month January and February receivables, the February panel for February and March receivables, etc.

B. All Group I "small" stores described in I, B3 above are canvassed for accounts receivable data for the month that they are enumerated for sales figures. For both sales and receivables data, these establishments are also canvassed for figures for the previous month, thus providing data for two consecutive months each year. The December 31, 1963 and 1962 accounts receivable data published in this annual retail trade report are the estimates produced in the monthly accounts receivable survey for that month and previously published in the Monthly Retail Trade Report for January 1964 and February 1963, respectively.

[1] Group I stores with sales of $5 million or more in 1954 are an exception, such establishments being included in the sample, regardless of location.

Reliability of the Data

Because the estimates obtained are based on a sample, exact agreement is not expected with the results that would be obtained from a complete Census of retail stores in which the same enumeration procedure is used. However, because every retail store in the United States has had a chance of being selected for the sample, and because the probability of selection for each store in the sample is known, it is possible to approximate the sampling variability of the estimates made from the sample.

Approximate measures of the differences which may exist because of sampling for the estimates are shown in tables 13 to 18. Measures of sampling variability for sales-inventory ratios of retail stores have not been computed, but, in general, are expected to be less than those for merchandise inventory dollar volume estimates.

The measures of sampling variability shown are at the one sigma level. At this level, the chances are two out of three that the amounts estimated in this survey would differ from the results of a complete Census using the same enumeration procedure, by less than the percentage shown. Although certain data not expressly shown in this publication may be derived by subtraction, it should be pointed out they are subject to higher sampling variabilities and should not be used in making comparisons.

Measures of sampling variability shown in this report do not include biases which might arise from differences of response or nonreporting. Nonresponse amounted to about 3 percent for inventories, 8 percent for sales, and 10 percent for accounts receivable.

Table 13. SAMPLING VARIABILITY FOR SALES ESTIMATES AND FOR MERCHANDISE INVENTORY ESTIMATES OF ALL RETAIL STORES

Kind of business	Sampling variability (percent)			Kind of business	Sampling variability (percent)		
	Sales	Merchandise inventory			Sales	Merchandise inventory	
	Dollar volume estimate	Dollar volume estimate	Year-to-year change		Dollar volume estimate	Dollar volume estimate	Year-to-year change
United States, total	1	1	1	Furniture and appliance group	3	4	2
				Furniture, home furnishings stores	3	4	3
Durable-goods stores, total	2	2	1	Furniture stores	4	5	3
Nondurable-goods stores, total	1	1	1	Household appliance, TV, radio stores	4	6	4
				Household appliance dealers	NA	7	4
Food group	1	2	NA	Lumber, building, hardware, farm equipment group	3	3	2
Grocery stores	1	2	NA	Lumber yards, building materials dealers	3	4	3
Eating and drinking places	2	4	3	Lumber yards	4	4	NA
Eating places	3	NA	NA	Hardware stores	4	5	2
				Farm equipment	NA	8	4
General merchandise group	1	2	1	Automotive group	3	3	2
Department stores and dry goods, general merchandise stores	1	2	1	Passenger car dealers	NA	3	2
Department stores	2	2	1	Passenger car dealers (franchised)	3	4	NA
Variety stores	2	3	2	Tire, battery, accessory dealers	NA	5	3
Mail order houses (department store mdse.)	(1)	(1)	(1)	Gasoline service stations	2	3	2
Apparel group	3	4	2	Other retail stores	NA	2	2
Men's, boys' clothing, furnishings stores	NA	6	4	Drug and proprietary stores	2	4	2
Women's ready-to-wear stores	3	4	2	Liquor stores	3	5	2
Shoe stores	4	5	2	Jewelry stores	NA	6	3

NA Not available.

[1] The sampling variability is very low because a large part of the estimate is accounted for by Group II firms which are included on a certainty rather than a sample basis and are therefore, not subject to sampling variability.

NOTE: Estimates of the sampling variability of the 1963 sales and inventory data are not available. The estimates of the sampling variabilities shown above for sales were derived from the 1958 sales statistics, while those for inventory were derived from the 1959 merchandise inventory statistics. Both the sales and inventory sampling variabilities are believed to be suitable approximations of the sampling variabilities of the 1963 statistics.

Corresponding estimates of sampling variability are not available for kinds of business not shown above. In general, they tend to be higher than the sampling variability in the table above for the broader kinds of business in which they are included.

Table 14. ESTIMATED RANGES OF SAMPLING VARIABILITY OF ALL RETAIL STORES, UNITED STATES AND CENSUS REGIONS, BY KIND OF BUSINESS

Kind of business	Dollar volume estimates				
	United States	The Northeastern States	The North Central States	The South	The West
Total	A	A	A	A	A
Durable-goods stores	A	B	A	B	B
Nondurable-goods stores	A	A	A	A	A
Food group	A	A	A	A	B
Grocery stores	A	A	A	B	B
Eating and drinking places	A	B	B	B	B
GAF, total	A	A	A	A	B
General merchandise group	A	A	A	A	B
Department stores	A	B	A	B	-
Apparel group	A	B	B	B	B
Furniture and appliance group	A	-	B	B	-
Lumber group	B	-	B	B	-
Automotive group	A	-	B	B	-
Gasoline service stations	A	B	B	B	-
Drug and proprietary stores	A	B	B	B	-

Symbols used for the estimated sampling variability ranges, Tables 14 and 15.

A = 0 to 3.5 percent.
B = 3.6 to 7.0 percent.

Table 15. ESTIMATED RANGES OF SAMPLING VARIABILITY OF ALL RETAIL STORES, FOR CENSUS REGIONS, DIVISIONS, AND SELECTED STATES

Region, division, and State	Dollar volume estimates	Region, division, and State	Dollar volume estimates
Northeast	A	South	A
New England Division	B		
Massachusetts	B	South Atlantic Division	B
Middle Atlantic Division	A	East South Central Div.	B
New York	B	West South Central Div.	B
New Jersey	B	Texas	B
Pennsylvania	B		
North Central	A	West	A
East North Central Div.	A		
Ohio	B		
Illinois	B	Mountain Division	B
Michigan	B	Pacific Division	B
West North Central Div.	B	California	B

Table 16. SAMPLING VARIABILITY FOR SALES OF RETAIL STORES, BY CASH-CREDIT TYPE*

(Percent)

Kind of business	Total	Type of sale: On cash basis	On credit extended by retail firms: Charge account	On credit extended by retail firms: Installment account
All kinds of business, total	1	1	2	1
Durable-goods stores, total	2	2	2	1
Nondurable-goods stores, total	1	1	2	2
Food group	1	1	5	-
Eating and drinking places	2	2	11	-
General merchandise group	1	1	3	1
Department stores and dry goods, general merchandise stores	1	2	4	2
Department stores	2	2	3	2
Mail order (department store merchandise)	(1)	(1)	(1)	(1)
Apparel group	3	1	3	8
Men's, boys' clothing, furnishings stores	5	5	8	15
Women's ready-to-wear stores	4	6	4	12
Furniture and appliance group	3	4	5	2
Furniture, home furnishings stores	3	6	6	5
Furniture stores	4	5	7	6
Household appliance, TV, radio stores	4	6	7	6
Household appliance dealers	4	7	4	5
Lumber, building, hardware, farm equipment group	3	4	4	10
Lumber yards, building materials dealers	3	6	3	-
Hardware stores	4	4	8	7
Automotive group	3	3	4	1
Passenger car dealers	3	3	4	2
Passenger car dealers (franchised)	3	3	5	1
Tire, battery, accessory dealers	3	6	7	6
Gasoline service stations	2	2	4	-
Drug and proprietary stores	2	2	7	-

[1] Sampling variability is very low because a large part of the estimate is accounted for by Group II firms, which are included on a certainty rather than a sample basis and are therefore not subject to sampling variability.

NOTE: Estimates of the sampling variability of the 1963 sales data are not available. The estimates of the sampling variabilities shown above for sales by type were derived from the 1958 sales statistics. These variabilities are believed to be suitable approximations of the sampling variabilities of the 1963 statistics.

Table 17. SAMPLING VARIABILITY FOR ACCOUNTS RECEIVABLE ESTIMATES OF RETAIL STORES

Kind of business	Sampling variability of dollar volume estimates (percent): All stores: Total	All stores: Charge accounts	All stores: Installments	Group II stores[1]: Total	Group II stores[1]: Charge accounts	Group II stores[1]: Installments
All kinds of business total	1	2	2	(2)	1	(2)
Durable-goods stores, total	2	2	3	1	3	1
Nondurable-goods stores, total	2	2	2	(2)	1	(2)
Food group	4	4	-	-	-	-
Eating and drinking places	11	-	-	-	-	-
General merchandise group	2	4	2	(2)	1	(2)
Dept. stores and dry goods, general merchandise stores	2	4	2	(2)	1	(2)
Department stores	2	5	2	(2)	(2)	(2)
Mail order (department store merchandise)	(3)	(3)	(3)	-	-	-
Apparel group	5	6	7	2	4	2
Women's ready-to-wear stores	7	-	-	-	-	-
Furniture and appliance group	3	5	4	1	3	1
Furniture, home furnishings stores	4	6	5	-	-	-
Furniture stores	4	-	-	-	-	-
Household appliance, TV and radio stores	5	-	6	-	-	-
Household appliance dealers	5	-	-	-	-	-
Lumber, building, hardware, farm equipment group	3	4	9	-	-	-
Lumber yards, building materials dealers	4	4	-	-	-	-
Lumber yards	5	5	-	-	-	-
Automotive group	4	5	6	-	-	-
Passenger car dealers	5	-	-	-	-	-
Passenger car dealers (franchised)	5	5	-	-	-	-
Tire, battery, accessory dealers	7	-	4	1	-	-
Gasoline service stations	4	5	-	-	-	-
Other retail stores	4	-	-	-	-	-

[1] A portion of the Group II stores accounts receivable estimate is based on a sample and is therefore subject to sampling variability.
[2] Sampling variability less than .5 percent.
[3] See footnote (1), table 13.

Note: These are median figures based on the ranges of sampling error of the accounts receivable estimates published in the Monthly Retail Trade Report for May and December 1959 and January through March 1960. For further information see the Monthly Retail Trade Report for January 1964, pages 10 and 11.

Table 18. SAMPLING VARIABILITY FOR MERCHANDISE INVENTORY ESTIMATES OF ORGANIZATIONS OPERATING 4 OR MORE RETAIL STORES

Kind of business	Sampling variability (percent)
All kinds of business, total	1
Food group	2
Grocery stores	2
General merchandise group	1
Department stores and dry goods, general merchandise stores	1
Department stores	2

Note: Sampling variability of the 1963 merchandise inventory data are not available. The estimates of the sampling variabilities shown above, which are those derived from the 1959 merchandise inventory statistics, are believed to be suitable approximations of the sampling variabilities of the 1963 statistics.

EXPLANATION OF TERMS

Retail trade

Includes those establishments primarily engaged in selling merchandise for personal, household, or farm consumption.

Some of the important characteristics of retail trade establishments, as defined for this survey, are: The establishment is a recognizable place of business and is engaged in activities to attract the general public to buy; the establishment buys or receives merchandise as well as sells; the establishment may render services or may engage in processing incidental or subordinate to selling. Not all of these characteristics need be present, and some are modified by trade practice. Excluded from retail trade are peddlers and itinerant vendors without an established place of business. Also excluded are places of business operated by institutions and open only to their own members or personnel, such as school cafeterias, cafeterias operated by industrial plants for their employees, and establishments operated by agencies of the Federal Government on Military posts, at hospitals, etc. However, liquor stores operated by States, counties, and municipalities are included.

Retail stores

Separate places of business primarily engaged in selling merchandise at retail, including separate departments in such stores leased to others.

In addition to those kinds of business readily recognizable as retail stores, such as grocery stores and drug stores, the term retail stores also includes eating and drinking places, gasoline service stations, lumber yards, coal yards, mail-order houses, establishments from which direct selling (house-to-house) is conducted, and establishments which sell merchandise through coin-operated vending machines. Stores with annual sales less than $500 during the year were excluded from the tabulations for this report.

Sales

Total receipts from customers during the year after deduction of refunds and allowances for merchandise returned by customers. Receipts from repairs and from other services to customers, sales for resale, and sales taxes and excise taxes are included in the sales data.

The sales figures represent total sales and receipts of all establishments primarily engaged in retail trade. They do not include sales at retail by manufacturers, wholesalers, service establishments, and other businesses whose primary activity is other than retail trade.

Merchandise inventories

Stocks of goods (valued at cost) held for sale through retail stores. Merchandise inventories of organizations operating 11 or more retail stores are shown for stores and combined for stores and warehouses. Included are only those warehouses which maintain a supply of merchandise primarily intended for distribution to retail stores within the organization.

Merchandise inventories exclude the value of fixtures, furnishings, equipment, and supplies used in store and warehouse operations and not held for resale. Inventories were reported as of the close of the calendar years, except for some businesses which used a fiscal year rather than the calendar year for accounting purposes. About 20 percent of the retail store inventory total refers to a fiscal-year end other than December 31, but this varied by kind of business (varying from about 40% for stores in the food group to about 5 percent for gasoline service stations). Inventory data for a date other than December 31, 1963, have been accepted and included in the tabulations without adjustment.

Sales-inventory ratio

The relationship of annual sales to December 31 inventories, derived by dividing annual sales by the cost value of year-end inventories.

This sales-inventory ratio is based on data for those stores in operation throughout the full year only, except for the ratios for organizations with 11 or more stores which are derived from annual sales figures containing sales of some stores not in operation the full year. Ratios for organizations with 11 or more stores are based on store inventories only and do not include warehouse inventories.

Accounts receivable

Balances of credit sales due retail stores from customers.

The data in this report refer to receivables outstanding as of the end of the year. Receivables against which the firm may have borrowed are included. However, credit paper discounted or sold to others and accounts actually charged off as bad debts are excluded. For example, consumer credit paper sold to financial institutions and collection agencies is not included. Also excluded are accounts charged on credit cards used by other organizations, such as oil companies, Central Charge Service, Diners' Club, etc.

Charge account receivables--receivables outstanding for which full payment was scheduled to be made at the end of the customary billing period.

Installment account receivables--receivables outstanding on accounts which were scheduled to be paid in two or more payments, regardless of the name of the plan, such as "budget," "revolving credit," "coupon" plans, etc.

ANNUAL RETAIL TRADE SURVEY KIND-OF-BUSINESS CLASSIFICATION AND CORRESPONDING STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES

Annual retail trade survey kind-of-business classification	Corresponding 1957 SIC code
Food group	54
Grocery stores	541, excluding delicatessens
Eating and drinking places	58
General merchandise group	53 (See note below.)
Department stores and dry goods, general merchandise stores	531 and 5392
Department stores	531
Variety stores	533
Mail order (department store merchandise)	5322
Apparel group	56
Men's, boys' clothing and furnishings stores	561
Women's ready-to-wear stores	562
Shoe stores	566
Furniture and appliance group	57, excluding 5733 (music stores) but including 5932 (antique stores)
Furniture, home furnishings stores	571
Furniture stores	5712
Household appliance, TV, radio stores	572 and 5732
Household appliance dealers	572
Lumber, building, hardware, farm equipment group	52
Lumber yards, building materials dealers	521, 522, 523, 524
Lumber yards	5211
Hardware stores	5251
Farm equipment dealers	5252
Automotive group	55, excluding 554 (gasoline service stations)
Passenger car dealers	551 and 552
Passenger car dealers (franchised)	551
Tire, battery, accessory dealers	553
Gasoline service stations	554
Other retail stores	59, excluding 5932 (antique stores) but including 5733 (music stores)
Drug and proprietary stores	591
Liquor stores	592 and part of 92 and 93 (liquor stores operated by State and local governments)
Jewelry stores	597

Note: In the Standard Industrial Classification Manual, nonstore establishments, such as mail-order houses, merchandise vending machine operators, and direct selling (house-to-house) organizations are all included in the general merchandise group. In the Annual Retail Trade Survey, such establishments are classified with store-type establishments on the basis of the commodities sold. On this basis, mail-order houses (department store merchandise) are included in the general merchandise group, but other nonstore establishments are classified in other kind-of-business groups in the Annual Retail Trade Survey.

CENSUS REGIONS AND DIVISIONS			
NORTHEAST REGION	NORTH CENTRAL REGION	SOUTH REGION	WEST REGION
New England Division Maine New Hampshire Vermont Massachusetts Rhode Island Connecticut Middle Atlantic Division New York New Jersey Pennsylvania	East North Central Division Ohio Indiana Illinois Michigan Wisconsin West North Central Division Minnesota Iowa Missouri North Dakota South Dakota Nebraska Kansas	South Atlantic Division Delaware Maryland District of Columbia Virginia West Virginia North Carolina South Carolina Georgia Florida East South Central Division Kentucky Tennessee Alabama Mississippi West South Central Division Arkansas Louisiana Oklahoma Texas	Mountain Division Montana Idaho Wyoming Colorado New Mexico Arizona Utah Nevada Pacific Division Washington Oregon California Alaska Hawaii

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