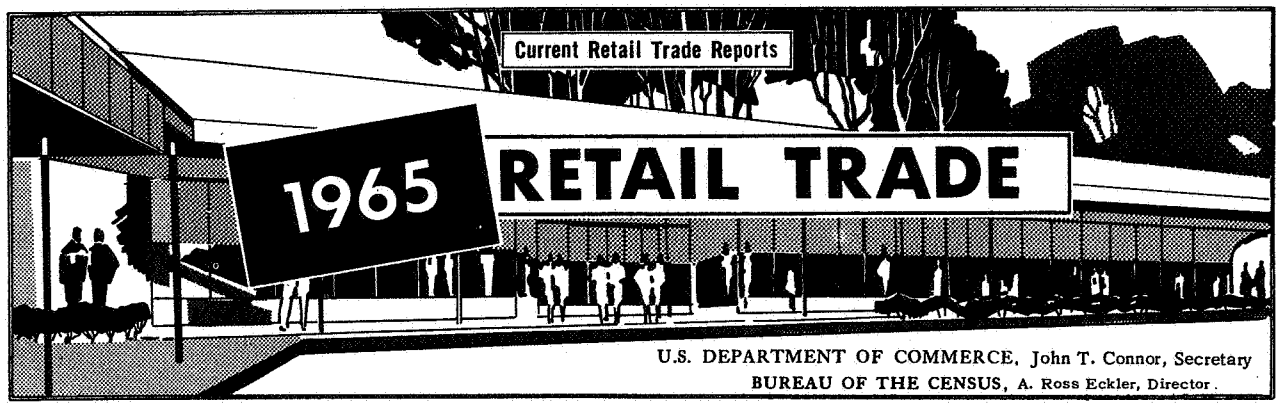


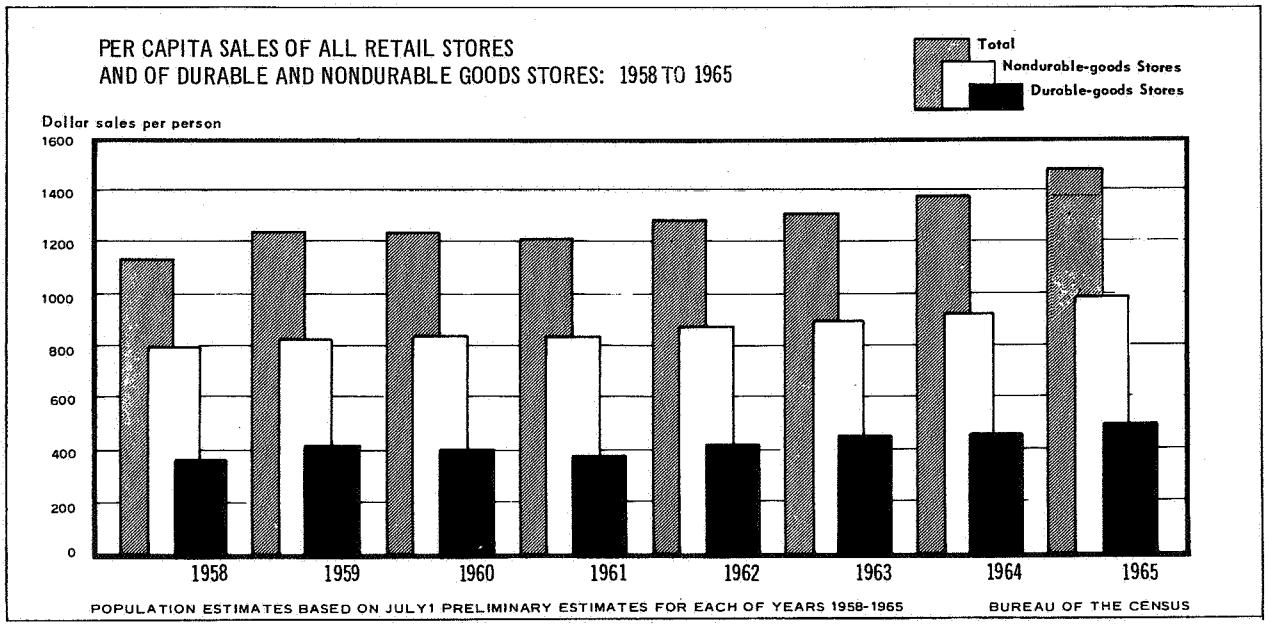
Issued: August 1966 Series: BR13-65

Annual Sales, Year-End Inventories, and Accounts Receivable of Retail Stores, by Kind of Business

SALES
- United States
- Regions and Geographic Divisions
- Selected Large States and Standard Metropolitan Statistical Areas

INVENTORIES
- United States
- Sales-Inventory Ratios
- Merchandise Inventories

ACCOUNTS RECEIVABLE
- United States
- Charge Account Balances
- Installment Account Balances



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ACKNOWLEDGMENTS—This report was prepared in the Business Division under the general direction of Paul Shapiro, Assistant Division Chief, Current Programs. Work was carried out under the supervision of Caesar Hill, Chief, Area Sample Surveys Branch; by Sol D. Helfand, Conrad L. Alexander, and John A. Barna. Staff assistance was provided by Max Shor, Assistant Division Chief, Staff and Special Projects and Ralph Woodruff, Assistant Division Chief, Research and Methodology.

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ANNUAL SALES

Year-to-Year Comparison

Sales of All Retail Stores.—Sales of all retail stores in the United States totaled $284 billion in 1965, an increase of 9 percent over total 1964 sales. Annual sales of durable goods stores increased 11 percent over the previous year while nondurable goods stores were up 7 percent.

All major kind of business groups showed percentage increases in comparison with 1964 levels, with the largest increase (15 percent) reported by the automotive group. Other increases in the durable goods category were reported by the lumber, building, hardware, farm equipment group (7 percent) and the furniture and appliance group (5 percent). In the nondurable goods category, 1965 sales in the general merchandise group were 11 percent higher than in 1964. Additional gains were shown by eating and drinking places (9 percent), the food group (6 percent), and the apparel group (3 percent). Drug and proprietary stores, gasoline service stations, and liquor stores followed the general upward trend, showing sales increases over the previous year of 8, 7, and 5 percent respectively.

Sales of Multiunit Organizations.—Annual sales of organizations operating 11 or more retail stores showed an increase of 8 percent over 1964 for all kinds of business combined. A sales gain of 8 percent over 1964 was shown by nondurable goods stores, while sales of durable goods stores were up 3 percent over the previous year. Compared with 1964, sales of all major kind of business groups showed increases. Multiunit organizations in the eating and drinking place and the drug and proprietary store categories reported the largest sales increases—13 percent each. The general merchandise group reported an increase of 10 percent over previous year sales. Accompanying these sales increases were 6 percent gains reported by liquor stores, tire, battery, accessory dealers, and by multiunit organizations in the food and furniture and appliance groups. The apparel group sales were up 4 percent.

Table 1.—ESTIMATED SALES OF ALL RETAIL STORES IN THE UNITED STATES, BY KIND OF BUSINESS: 1965 AND 1964

(Millions of dollars)

Kind of business	1965	1964	Percent change
United States, total[1]	283,950	261,630	+9
Durable-goods stores, total	93,718	84,173	+11
Nondurable-goods stores, total	190,232	177,457	+7
Food group[1]	66,920	62,864	+6
Grocery stores	61,068	57,272	+7
Meat markets	1,552	1,512	+3
Bakery products stores	1,142	1,134	+1
Eating and drinking places	21,423	19,577	+9
Eating places	15,682	13,980	+12
Restaurants, cafeterias, lunchrooms	12,896	11,567	+11
Drinking places	5,741	5,597	+3
General merchandise group	35,840	32,350	+11
Department stores and dry goods, general merchandise stores	27,939	25,000	+12
Department stores	23,421	20,809	+13
Variety stores	5,320	4,948	+8
Mail order houses (department store merchandise)	2,581	2,402	+7
Apparel group[1]	15,752	15,282	+3
Men's, boys' wear stores[2]	3,258	3,121	+4
Men's boys' clothing, furnishings stores	3,187	3,041	+5
Women's apparel, accessory stores[3]	6,243	5,944	+5
Women's ready-to-wear stores	5,172	4,920	+5
Family clothing stores	2,981	2,897	+3
Shoe stores	2,571	2,591	-1
Furniture and appliance group[1]	13,737	13,090	+5
Furniture, home furnishings stores	8,538	8,079	+6
Furniture stores	6,454	6,046	+7
Household appliance, TV, and radio stores	4,223	4,199	+1
Household appliance dealers	2,993	2,960	+1
Lumber, building, hardware, farm equipment group[1]	16,274	15,169	+7
Lumber yards, building materials dealers[4]	9,302	8,690	+7
Lumber yards	5,798	5,404	+7
Hardware stores	2,813	2,650	+6
Automotive group	56,266	48,730	+15
Passenger car, other automotive dealers	53,217	45,799	+16
Passenger car dealers[5]	51,197	44,222	+16
Passenger car dealers (franchised)	47,557	40,869	+16
Tire, battery, accessory dealers	3,049	2,931	+4
Gasoline service stations	21,765	20,269	+7
Drug and proprietary stores	9,335	8,613	+8
Drug stores	8,945	8,269	+8
Liquor stores	6,305	6,011	+5

Note: 1964 sales data for individual kinds of business were revised to reflect changes brought about by the revision in the sample which took effect October 1965. The sample revision, however, did not necessitate a revision in the 1964 sales estimates for all kinds of business combined. (See "Sample design" page 18). Measures of sampling variability are provided on page 19.

[1]Includes data for kinds of business not shown separately.

[2]Includes men's, boys' clothing, furnishings stores and custom tailors.

[3]Includes women's ready-to-wear, other apparel, accessory speciality shops; and furriers.

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

[5]Includes both franchised and nonfranchised car dealers.

Table 2.—ESTIMATED SALES OF RETAIL STORES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES (GROUP II STORES) IN THE UNITED STATES, BY KIND OF BUSINESS: 1965 AND 1964

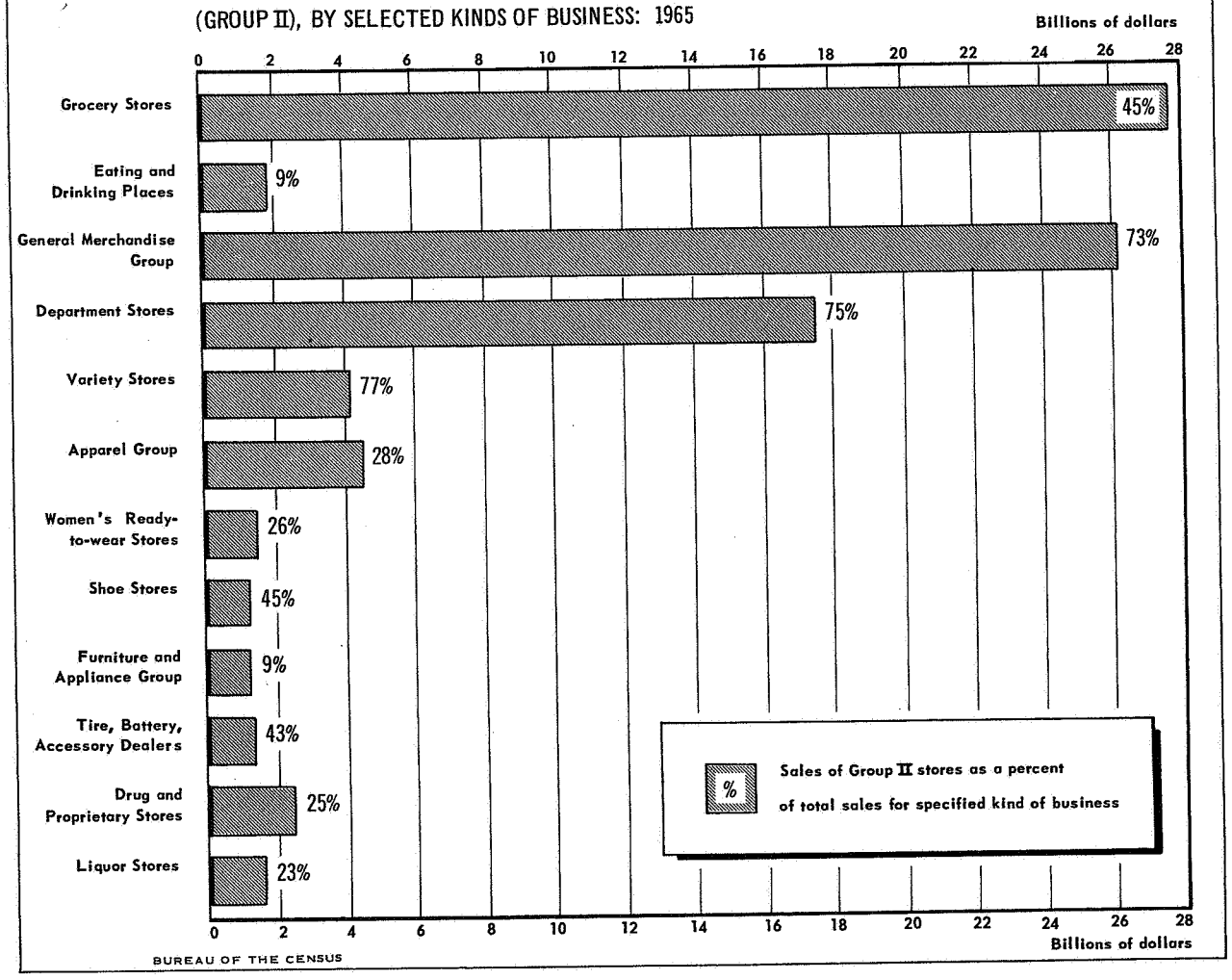
(Millions of dollars)

Kind of business	1965	1964	Percent change
United States, total[1]	73,454	68,306	+8
Durable-goods stores, total	5,506	5,320	+3
Nondurable-goods stores, total	67,948	62,986	+8
Food group	28,696	27,081	+6
Grocery stores	27,725	26,198	+6
Eating and drinking places	1,891	1,677	+13
General merchandise group[1]	26,112	23,645	+10
Department stores and dry goods, general merchandise stores	19,771	17,775	+11
Department stores	17,593	15,807	+11
Variety stores	4,096	3,770	+9
Apparel group[1]	4,445	4,287	+4
Men's, boys' wear stores[2]	557	531	+5
Women's apparel, accessory stores[3]	1,656	1,622	+2
Women's ready-to-wear stores	1,361	1,323	+3
Shoe stores	1,168	1,155	+1
Furniture and appliance group	1,193	1,126	+6
Tire, battery, accessory dealers	1,312	1,242	+6
Drug and proprietary stores	2,300	2,029	+13
Liquor stores[4]	1,454	1,375	+6

Note: 1964 sales estimates were revised to reflect changes brought about by the revision in the sample which took effect October 1965. See "Sample Design" page 18.

[1]Includes data for kinds of business not shown separately.
[2]Includes men's, boys' clothing, furnishings stores and custom tailors.
[3]Includes women's ready-to-wear, other apparel, accessory, specialty shops; and furriers.
[4]Includes municipally owned liquor stores.

Figure 1. ESTIMATED SALES OF RETAIL STORES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES (GROUP II), BY SELECTED KINDS OF BUSINESS: 1965



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The changes made in the sales estimates as a result of the October 1965 sample revision (see page 18) were at the United States total level. Revisions were not made in the geographic area data. As a result, there are small differences between the sum of the area data and the United States totals.

Distribution of Sales by Region, Division, Selected States, and Specified SMSA's

The North Central Region accounted for $84.3 billion or 29.7 percent of total 1965 United States retail sales, with the East North Central and West North Central Divisions, respectively totaling $59.9 billion and $24.4 billion of the region's total. In the East North Central Division, Illinois had sales of $17.5 billion, up 9 percent over 1964, Ohio $15.5 billion, up 12 percent over 1964; and Michigan $12.9 billion up 8 percent.

Retail sales in the South Region, the second ranking of the four United States regions, amounted to $78.9 billion, 27.8 percent of total retail sales for the United States. The largest portion of regional sales was made in the South Atlantic Division—$38.7 billion, followed by the West South Central Division—$25.2 billion, of which the State of Texas accounted for $15.4 billion; and the East South Central Division—$15.0 billion.

The Northeast Region had retail sales totaling over $70.8 billion (24.9 percent of the United States total), with the Middle Atlantic and New England Divisions accounting for $52.6 billion and $18.2 billion respectively. In the Middle Atlantic Division, New York State led with total sales of $25.8 billion; followed by Pennsylvania $16.4 billion; and New Jersey $10.4 billion.

In the West Region, retail sales totaled almost $50 billion, 17.6 percent of the United States total. The Pacific Division accounted for slightly over $39.1 billion or 78.3 percent of the region's total, with California having $29.5 billion of the Division total. The Mountain Division accounted for almost $10.9 billion or 21.7 percent of the region's sales. In the specified large standard metropolitan statistical areas, 1965 annual sales ranged from $16.3 billion in the New York area to $6.5 billion the Detroit area.

Figure 2. ESTIMATED SALES OF DURABLE AND NONDURABLE GOODS STORES: 1965
ALL RETAIL STORES BY GEOGRAPHIC REGIONS

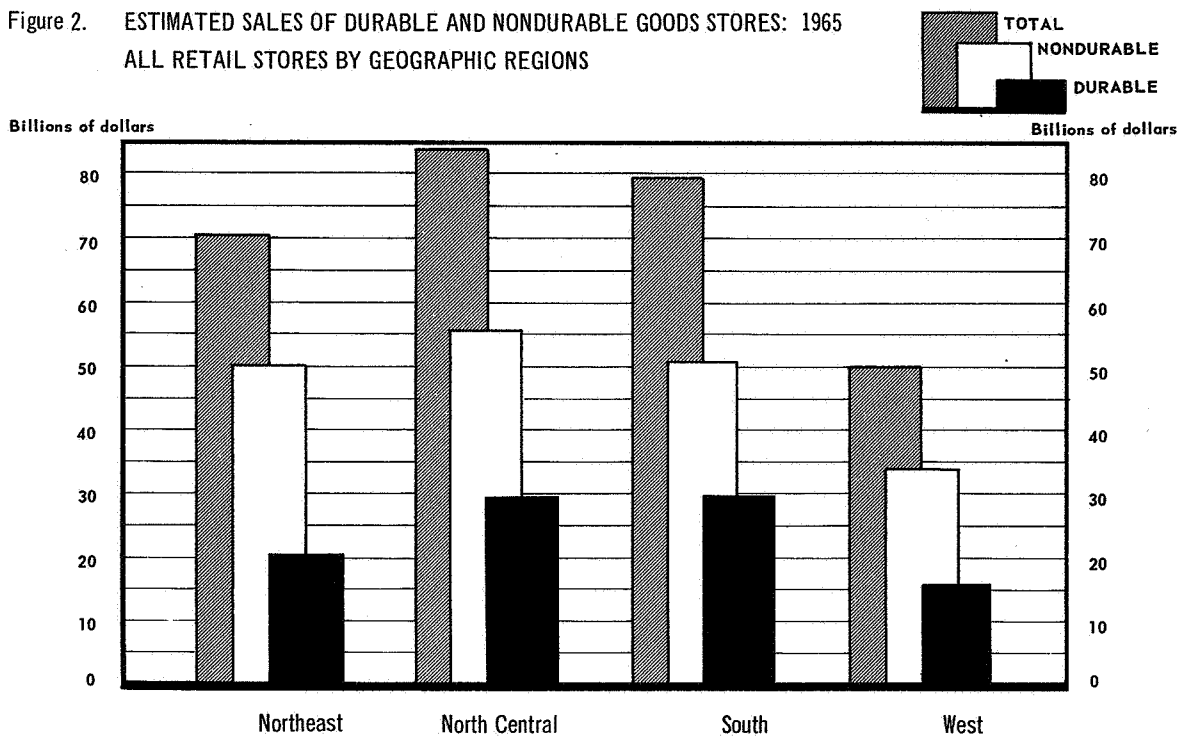

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Table 3.—ESTIMATED SALES OF ALL RETAIL STORES, BY GEOGRAPHIC REGIONS AND KIND OF BUSINESS: 1965 AND 1964

(Millions of dollars)

Kind of business	Northeastern States			North Central States			The South			The West		
	1965	1964	Percent change	1965	1964	Percent change	1965	1964	Percent change	1965	1964	Percent change
All kinds of business, total[1]	70,813	66,653	+6	84,318	76,952	+10	78,914	70,927	+11	49,956	47,098	+6
Durable-goods stores, total	20,821	19,348	+8	28,539	25,212	+13	28,451	24,852	+14	16,635	15,704	+6
Nondurable-goods stores, total	49,992	47,305	+6	55,779	51,740	+8	50,463	46,075	+10	33,321	31,394	+6
Food group	18,340	17,564	+4	18,378	17,244	+7	18,155	16,383	+11	11,567	11,000	+5
Grocery stores	15,540	14,750	+5	16,856	15,814	+7	17,236	15,569	+11	10,703	10,140	+6
Eating and drinking places	6,268	5,823	+8	6,443	5,819	+11	4,704	4,153	+13	3,881	3,606	+8
GAF[2], total	17,334	16,440	+5	19,066	17,525	+9	17,413	15,953	+9	11,167	10,463	+7
General merchandise group	8,826	7,723	+14	11,101	10,007	+11	8,978	8,213	+9	6,428	5,778	+11
Apparel group	4,936	5,079	-3	4,157	3,938	+6	4,490	4,231	+6	2,380	2,319	+3
Furniture and appliance group	3,572	(3)	(3)	3,808	3,580	+6	3,945	3,509	+12	(3)	(3)	(3)
Automotive group	(3)	(3)	(3)	16,484	13,784	+20	17,683	14,938	+18	(3)	(3)	(3)
Gasoline service stations	3,960	3,750	+6	7,060	6,520	+8	6,537	6,048	+8	4,244	(3)	(3)
Drug and proprietary stores	2,040	1,921	+6	2,829	2,588	+9	2,556	2,333	+10	1,894	(3)	(3)

Note: Estimates are based on a sample. (See sampling variabilities on page 20). States in geographic regions are shown on page 24.

[1]Includes data for kinds of business not shown separately. [2]Stores in general merchandise, apparel, and furniture and appliance groups; these are stores specializing in department-store types of merchandise. [3]Not shown because of high sampling variability.

Table 4.—ESTIMATED SALES OF ALL RETAIL STORES FOR SPECIFIED LARGE STANDARD METROPOLITAN STATISTICAL AREAS: 1965 AND 1964

(Millions of dollars)

Statistical area	1965	1964	Percent change
STANDARD CONSOLIDATED AREA[1]			
Chicago, Ill.-Northwestern Ind., total	12,493	11,290	+11
Nondurable-goods stores	9,255	(3)	(3)
GAF[2]	3,863	3,556	+9
New York, N.Y.-Northeastern N.J., total	23,134	22,340	+4
Nondurable-goods stores	17,260	(3)	(3)
GAF[2]	6,435	6,217	+4
STANDARD METROPOLITAN STATISTICAL AREA[1]			
Chicago, Ill., total	11,414	10,427	+9
Nondurable-goods stores	8,539	(3)	(3)
GAF[2]	3,647	3,366	+8
STANDARD METROPOLITAN STATISTICAL AREA—Continued			
Detroit, Mich., total	6,464	5,911	+9
GAF[2]	1,632	1,391	+17
Los Angeles,-Long Beach, and Anaheim, Santa Ana,-Garden Grove, Calif., total	13,012	12,898	+1
Nondurable-goods stores	8,777	(3)	(3)
GAF[2]	3,358	3,370	(4)
New York, N.Y., total	16,257	15,818	+3
Nondurable-goods stores	12,716	(3)	(3)
GAF[2]	4,723	4,666	+1
Philadelphia, Pa.,-N.J., total	6,680	6,333	+5
Nondurable-goods stores	4,617	(3)	(3)
GAF[2]	1,766	1,624	+9

Note: Estimates are based on a sample. (See sampling variabilities in table 15, page 20).

[1]Standard Consolidated Areas and Standard Metropolitan Statistical Areas are shown on page 24. Note that data for Los Angeles-Long Beach and Anaheim-Santa Ana-Garden Grove SMSA's combined include both Los Angeles and Orange Counties. [2]Stores in general merchandise, apparel, and furniture and appliance groups; these stores specialize in department store type of merchandise. [3]Not shown because of high sampling variability. [4]Less than 0.5 percent.

Per Capita Sales

Per capita retail sales in the United States in 1965 totaled $1,480 compared with $1,382 in 1964, an increase of 7 percent. Per capita sales of durable-goods stores rose 10 percent over the 1964 level, going from $445 in 1964 to $488 in 1965. This year-to-year increase reflected a 14 percent increase in the automotive group; per capita sales amounted to $293 in 1965, compared with $257 in 1964. The lumber, building, hardware, farm equipment group showed a 6 percent increase from $80 in 1964 to $85 in 1965. Per capita sales in the furniture and appliance group showed an increase of 4 percent, going from $69 in 1964 to $72 in 1965.

Sales of nondurable-goods stores were reported at $992 per capita in 1965, reflecting a 6 percent increase in sales per person over the $937 in 1964. The largest increases in the nondurable category were 9 percent—in the general merchandise group, where per capita sales increased from $171 in 1964 to $187 in 1965, in eating and drinking places, where per capita sales increased from $103 in 1964 to $112 in 1965, and in the drug and proprietary group, where per capita sales increased from $45 in 1964 to $49 in 1965. These were accompanied by 1965 per capita gains in the food group of 5 percent, gasoline service stations of 6 percent, and the apparel group of 1 percent.

Of the four regions in the country, the West had the highest per capita retail sales in 1965, $1,578, followed by the North Central Region, $1,567; the Northeast Region, $1,497; and the South Region, $1,335. Among the selected large states in the United States, per capita sales ranged in 1965 from a high of $1,676 in Missouri to a low of $1,252 in North Carolina.

Table 5.—PER CAPITA SALES OF SELECTED KINDS OF BUSINESS, ALL RETAIL STORES IN THE UNITED STATES AND GEOGRAPHIC REGIONS: 1965 AND 1964

(Data are based on preliminary civilian population estimates as of July 1, 1965 and 1964. Amounts in dollars)

Kind of business	United States			Northeast			North Central			South			West		
	1965	1964	Percent change	1965	1964	Percent change	1965	1964	Percent change	1965	1964	Percent change	1965	1964	Percent change
All kinds of business[1]	1,480	1,382	+7	1,497	1,421	+5	1,567	1,448	+8	1,335	1,217	+10	1,578	1,520	+4
Durable-goods stores	488	445	+10	440	412	+7	530	474	+12	481	426	+13	526	507	+4
Nondurable-goods stores	992	937	+6	1,057	1,009	+5	1,037	974	+6	854	791	+8	1,052	1,013	+4
Food group	349	332	+5	388	374	+4	342	324	+6	307	281	+9	365	355	+3
Grocery stores	318	302	+5	329	314	+5	313	298	+5	292	267	+9	338	327	+3
Eating and drinking places	112	103	+9	133	124	+7	120	109	+10	80	71	+13	123	116	+6
GAF[2]	341	321	+6	367	351	+5	354	329	+8	295	274	+8	353	338	+4
General merchandise group	187	171	+9	187	165	+13	206	188	+10	152	141	+8	203	186	+9
Department stores	122	110	+11	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Apparel group	82	81	+1	104	108	-4	77	74	+4	76	73	+4	75	75	0
Furniture and appliance group	72	69	+4	76	(3)	(3)	71	67	+6	67	60	+12	(3)	(3)	(3)
Lumber, building, hardware, farm equipment group	85	80	+6	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Automotive group	293	257	+14	(3)	(3)	(3)	306	259	+18	299	256	+17	(3)	(3)	(3)
Gasoline service stations	113	107	+6	84	80	+5	131	123	+7	111	104	+7	134	(3)	(3)
Drug and proprietary stores	49	45	+9	43	41	+5	53	49	+8	43	40	+8	60	(3)	(3)

NA Not available.
[1]Includes data for kinds of business not shown separately.
[2]Stores in the general merchandise, apparel, and furniture and appliance groups; these are stores specializing in department store types of merchandise.
[3]Not shown because of high sampling variability.

Figure 3. PER CAPITA SALES OF SELECTED KINDS OF BUSINESS, ALL RETAIL STORES, UNITED STATES: 1965 AND 1964

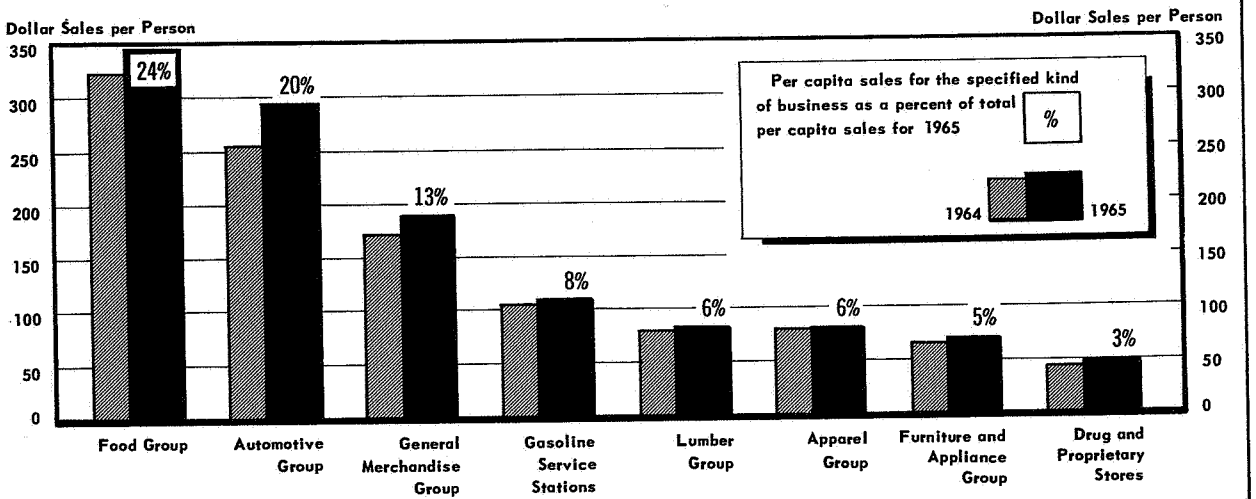


Table 6.—ESTIMATED ANNUAL AND PER CAPITA SALES OF ALL RETAIL STORES FOR SPECIFIED LARGE STATES: 1965 AND 1964

State	Annual sales (Mil. dols.)			Per capita sales[1] (Dollars)			State	Annual sales (Mil. dols.)			Per capita sales[1] (Dollars)		
	1965	1964	Percent change	1965	1964	Percent change		1965	1964	Percent change	1965	1964	Percent change
California.....	29,495	28,710	+3	1,612	1,587	+2							
Florida.....	8,585	7,577	+13	1,503	1,351	+11	New Jersey.....	10,396	9,768	+6	1,544	1,474	+5
Illinois.....	17,536	16,154	+9	1,654	1,547	+7	New York.....	25,804	24,994	+3	1,431	1,399	+2
Indiana.....	7,813	7,075	+10	1,602	1,469	+9	North Carolina..	6,034	5,233	+15	1,252	1,099	+14
Massachusetts....	8,593	7,882	+9	1,619	1,488	+9	Ohio.....	15,524	13,868	+12	1,518	1,376	+10
Michigan.....	12,909	11,952	+8	1,575	1,480	+6	Pennsylvania....	16,391	15,043	+9	1,425	1,315	+8
Minnesota.....	5,244	4,760	+10	1,478	1,354	+9	Texas.....	15,396	13,651	+13	1,482	1,335	+11
Missouri.....	7,491	6,473	+16	1,676	1,480	+13	Wisconsin.....	6,158	5,753	+7	1,487	1,402	+6

Note: Estimates are based on a sample (see sampling variability table 17, page 21).

[1]Data are based on preliminary civilian population estimates as of July 1, 1965 and 1964.

Table 7.—ESTIMATED ANNUAL AND PER CAPITA SALES OF ALL RETAIL STORES BY GEOGRAPHIC DIVISIONS AND KIND OF BUSINESS: 1965 AND 1964

Geographic division and kind of business	Annual sales (millions of dollars)			Per capita sales[1] (dollars)		
	1965	1964	Per-cent change	1965	1964	Per-cent change
NEW ENGLAND DIVISION						
Total[2]	18,222	16,848	+8	1,652	1,537	+7
Durable-goods stores	5,620	5,339	+5	509	487	+5
Nondurable-goods stores	12,602	11,509	+9	1,143	1,050	+9
Food group	4,782	4,297	+11	434	392	+11
GAF[3]	4,011	3,711	+8	364	339	+7
Gasoline service stations	1,070	1,003	+7	97	91	+7
MIDDLE ATLANTIC DIVISION						
Total[2]	52,591	49,805	+6	1,450	1,386	+5
Durable-goods stores	15,201	14,009	+9	419	390	+7
Nondurable-goods stores	37,390	35,796	+4	1,031	996	+4
Eating and drinking places	4,894	4,584	+7	135	128	+5
GAF[3]	13,323	12,729	+5	367	354	+4
General merchandise group	6,753	6,001	+13	186	167	+11
Apparel group	3,844	3,993	-4	106	111	-5
Gasoline service stations	2,890	2,747	+5	80	76	+5
Drug and proprietary stores	1,489	1,391	+7	41	39	+5
EAST NORTH CENTRAL DIVISION						
Total[2]	59,940	54,802	+9	1,576	1,461	+8
Durable-goods stores	19,628	17,403	+13	516	464	+11
Nondurable-goods stores	40,312	37,399	+8	1,060	997	+6
Food group	13,846	12,983	+7	364	346	+5
Eating and drinking places	4,773	4,255	+12	125	113	+11
GAF[3]	14,028	12,848	+9	369	342	+8
General merchandise group	8,041	7,289	+10	211	194	+9
Apparel group	3,161	2,985	+6	83	80	+4
Gasoline service stations	4,713	4,343	+9	124	116	+7
Drug and proprietary stores	2,081	1,891	+10	55	50	+10
WEST NORTH CENTRAL DIVISION						
Total[2]	24,378	22,150	+10	1,546	1,416	+9
Durable-goods stores	8,911	7,809	+14	565	499	+13
Nondurable-goods stores	15,467	14,341	+8	981	917	+7
Food group	4,532	4,261	+6	287	272	+6
GAF[3]	5,038	4,677	+8	320	299	+7
General merchandise group	3,060	2,718	+13	194	174	+11
Gasoline service stations	2,347	2,177	+8	149	139	+7
SOUTH ATLANTIC DIVISION						
Total[2]	38,723	34,898	+11	1,376	1,259	+9
Durable-goods stores	13,427	11,814	+14	477	426	+12
Nondurable-goods stores	25,296	23,084	+10	899	833	+8
Eating and drinking places	2,543	2,233	+14	90	81	+11
GAF[3]	8,989	8,213	+9	319	296	+8
General merchandise group	4,640	4,262	+9	165	154	+7
Apparel group	2,313	2,165	+7	82	78	+5
Gasoline service stations	3,077	2,863	+7	109	103	+6
Drug and proprietary stores	1,287	1,146	+12	46	41	+12
EAST SOUTH CENTRAL DIVISION						
Total[2]	15,030	13,465	+12	1,184	1,072	+10
Nondurable-goods stores	9,598	8,618	+11	756	686	+10
Food group	3,667	3,157	+16	289	251	+15
GAF[3]	3,279	2,938	+12	258	234	+10
General merchandise group	1,784	1,565	+14	141	125	+13
Gasoline service stations	1,286	1,258	+2	101	100	+1
WEST SOUTH CENTRAL DIVISION						
Total[2]	25,161	22,564	+12	1,376	1,253	+10
Durable-goods stores	9,592	(4)	(4)	525	(4)	(4)
Nondurable-goods stores	15,569	14,373	+8	851	798	+7
Food group	5,723	5,275	+8	313	293	+7
Eating and drinking places	1,473	1,293	+14	81	72	+13
GAF[3]	5,145	4,802	+7	281	267	+5
General merchandise group	2,554	2,386	+7	140	132	+6
MOUNTAIN DIVISION						
Total[2]	10,843	10,176	+7	1,415	1,342	+5
Nondurable-goods stores	7,229	6,819	+6	943	899	+5
Food group	2,523	(4)	(4)	329	(4)	(4)
GAF[3]	2,132	2,004	+6	278	264	+5
General merchandise group	1,171	1,097	+7	153	145	+6
PACIFIC DIVISION						
Total[2]	39,113	36,922	+6	1,630	1,578	+3
Durable-goods stores	13,021	12,347	+5	543	528	+3
Nondurable-goods stores	26,092	24,575	+6	1,087	1,050	+4
Food group	9,044	8,595	+5	377	367	+3
Eating and drinking places	3,130	2,915	+7	130	125	+4
GAF[3]	9,035	8,459	+7	377	361	+4
General merchandise group	5,257	4,681	+12	219	200	+10
Gasoline service stations	2,995	2,803	+7	125	120	+4

Note: States in geographic divisions are shown on page 24. Measures of sampling variability are shown in table 16, page 20.
[1]Data are based on preliminary civilian population estimates as of July 1, 1965 and 1964.
[2]Totals include data for kinds of business not shown separately.
[3]Stores in the general merchandise, apparel, and furniture and appliance groups; these are stores specializing in department store types of merchandise.
[4]Not shown because of high sampling variability.

MERCHANDISE INVENTORIES

Merchandise on Hand

The cost value of merchandise inventories in retail stores in the United States on December 31, 1965, was estimated at $31.7 billion, 11 percent higher than inventories held at the close of 1964. Of this total, $17.2 billion represented the value of stocks of nondurable goods stores (up 7 percent from 1964) and $14.5 billion, the stocks of durable goods stores (up 15 percent from 1964).

The automotive group as a whole showed a 27 percent expansion in inventory holdings on December 31, 1965, compared with the same date a year ago. The apparel group and general merchandise group closed the year with inventories higher than in 1964—up 11 percent and 8 percent respectively while department stores had an increase of 10 percent. The furniture and appliance group showed a 7 percent rise in inventories with furniture and home furnishings stores reporting a 4 percent increase. Inventories of the lumber, building, hardware, farm equipment group showed little change from 1964 (up 1 percent) while liquor stores and drug and proprietary stores reported inventory gains of 4 percent and 3 percent respectively.

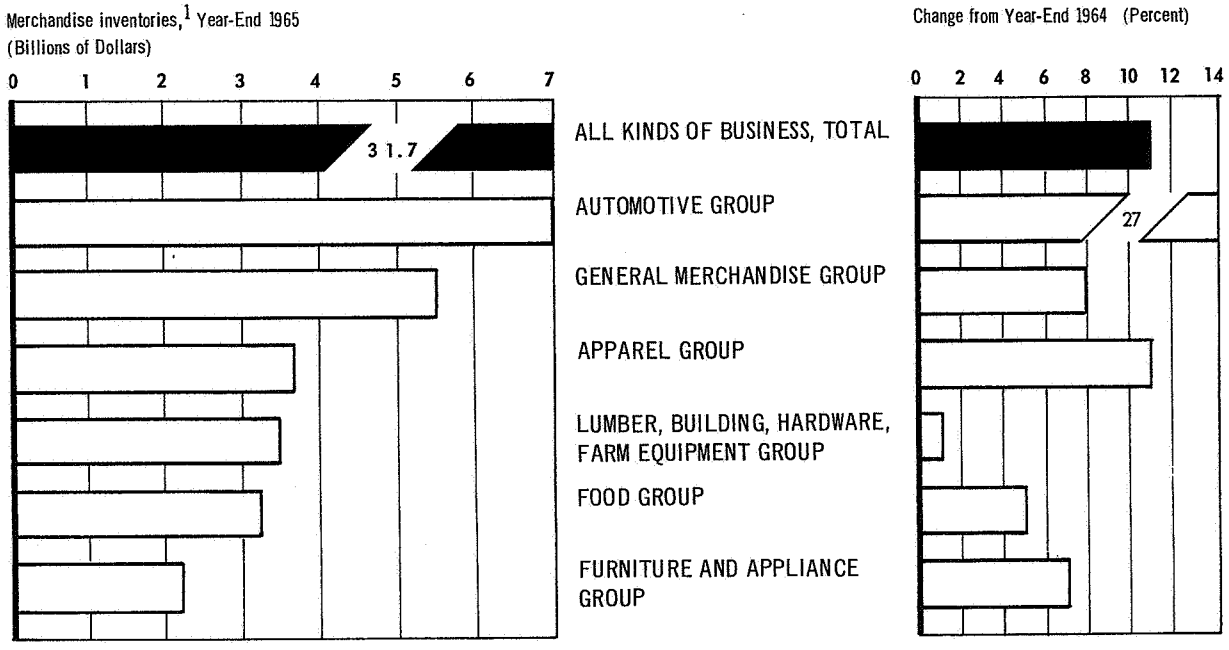
In warehouses and stores of organizations operating 11 or more retail stores, the cost value of merchandise held for sale on December 31, 1965, totaled $8.9 billion, 10 percent over that held on December 31, 1964. The general merchandise group which accounted for more than 45 percent of the total warehouse and store inventories of these organizations showed a year-to-year gain of 12 percent; food stores which accounted for over 22 percent recorded an increase of 9 percent.

Sales-Inventory Ratios

Annual sales of all retail stores in 1965 were 9.1 times the cost value of year-end store inventories. The ratio of sales to year-end inventories for nondurable goods stores was 11.1 in 1965, compared with 11.3 for 1964. The ratio of sales to year-end inventories for durable goods stores was 6.6 in 1965, down from 6.9 in 1964.

Passenger car dealers showed a sales-inventory ratio of 8.7 in 1965 compared with 10.4 in the preceeding year. The sales-inventory ratio for grocery stores decreased from 19.8 in 1964 to 19.3 in 1965 while the ratios showed little change from 1964 for department stores, 7.8 in 1965 compared with 7.9 the previous year; shoe stores, 3.8 compared with 3.7; and furniture and home furnishing stores 6.0 compared with 5.9. Farm equipment dealers showed an increase in the sales-inventory ratio from 3.6 in 1964 to 3.8 in 1965.

Figure 4. MERCHANDISE INVENTORIES— END OF YEAR 1965
ALL RETAIL STORES BY MAJOR KIND-OF-BUSINESS GROUPS



[1]Inventories at cost value, in stores.

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Table 8.—MERCHANDISE INVENTORIES AND SALES-INVENTORY RATIOS OF ALL RETAIL STORES IN THE UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1965 AND 1964

(Millions of dollars)

Kind of business	Merchandise inventories (at cost)			Sales-inventory ratio[2]	
	December 31		Percent change		
	1965	1964[1]		1965	1964
All kinds of business	31,678	28,640	+11	9.1	9.4
Durable-goods stores	14,514	12,645	+15	6.6	6.9
Nondurable-goods stores	17,164	15,995	+7	11.1	11.3
Food group	3,339	3,171	+5	20.1	20.5
Grocery stores	3,150	3,016	+4	19.3	19.8
Eating and drinking places	510	471	+8	40.1	42.9
General merchandise group	5,454	5,052	+8	7.1	7.0
Department stores and dry goods, general merchandise stores	4,093	3,825	+7	7.4	7.3
Department stores	3,224	2,933	+10	7.8	7.9
Variety stores	909	837	+9	6.2	6.1
Mail order (department store merchandise)	452	390	+16	6.0	6.6
Apparel group[3]	3,727	3,352	+11	4.7	4.7
Men's, boys' clothing furnishings stores	939	829	+13	3.9	3.9
Women's ready-to-wear stores	953	846	+13	6.0	6.2
Shoe stores	688	666	+3	3.8	3.7
Furniture and appliance group[3]	2,323	2,170	+7	6.0	6.3
Furniture, home furnishings stores	1,389	1,333	+4	6.0	5.9
Furniture stores	1,101	1,059	+4	5.5	5.5
Household appliance, TV, radio stores	730	588	+24	6.5	7.0
Household appliance dealers	501	411	+22	6.5	7.3
Lumber, building, hardware, farm equipment group	3,525	3,507	+1	4.7	4.6
Lumber yards, building materials dealers[4]	1,594	1,577	+1	5.8	5.9
Lumber yards	1,037	1,044	-1	5.6	5.6
Hardware stores	766	849	-10	3.7	3.6
Farm equipment dealers	1,165	1,081	+8	3.8	3.6
Automotive group[3]	7,007	5,513	+27	8.2	9.4
Passenger car dealers	5,921	4,458	+33	8.7	10.4
Passenger car dealers (franchised)	5,549	4,100	+35	8.7	10.4
Tire, battery, accessory dealers	567	531	+7	5.2	5.2
Gasoline service stations	893	860	+4	24.0	23.0
Other retail stores[3]	4,900	4,544	+8	7.4	7.4
Drug and proprietary stores	1,527	1,482	+3	6.1	6.1
Liquor stores	643	621	+4	9.7	9.7
Jewelry stores	614	536	+15	3.0	3.0

Note: Measures of sampling variability are provided on page 19. Warehouse inventories of Group II organizations are excluded from this table.

[1]The 1964 inventories have been revised on the basis of the October 1965 sample revision. See "Sample Design" page 18.
[2]Based on only those establishments in business the full calendar year, except for those Group II establishments which may not have been in operation the entire year.
[3]Dollar volume and sales-inventory ratios for group totals include kinds of business not shown separately.
[4]Includes lumber yards, building materials dealers; paint plumbing, and electrical stores.

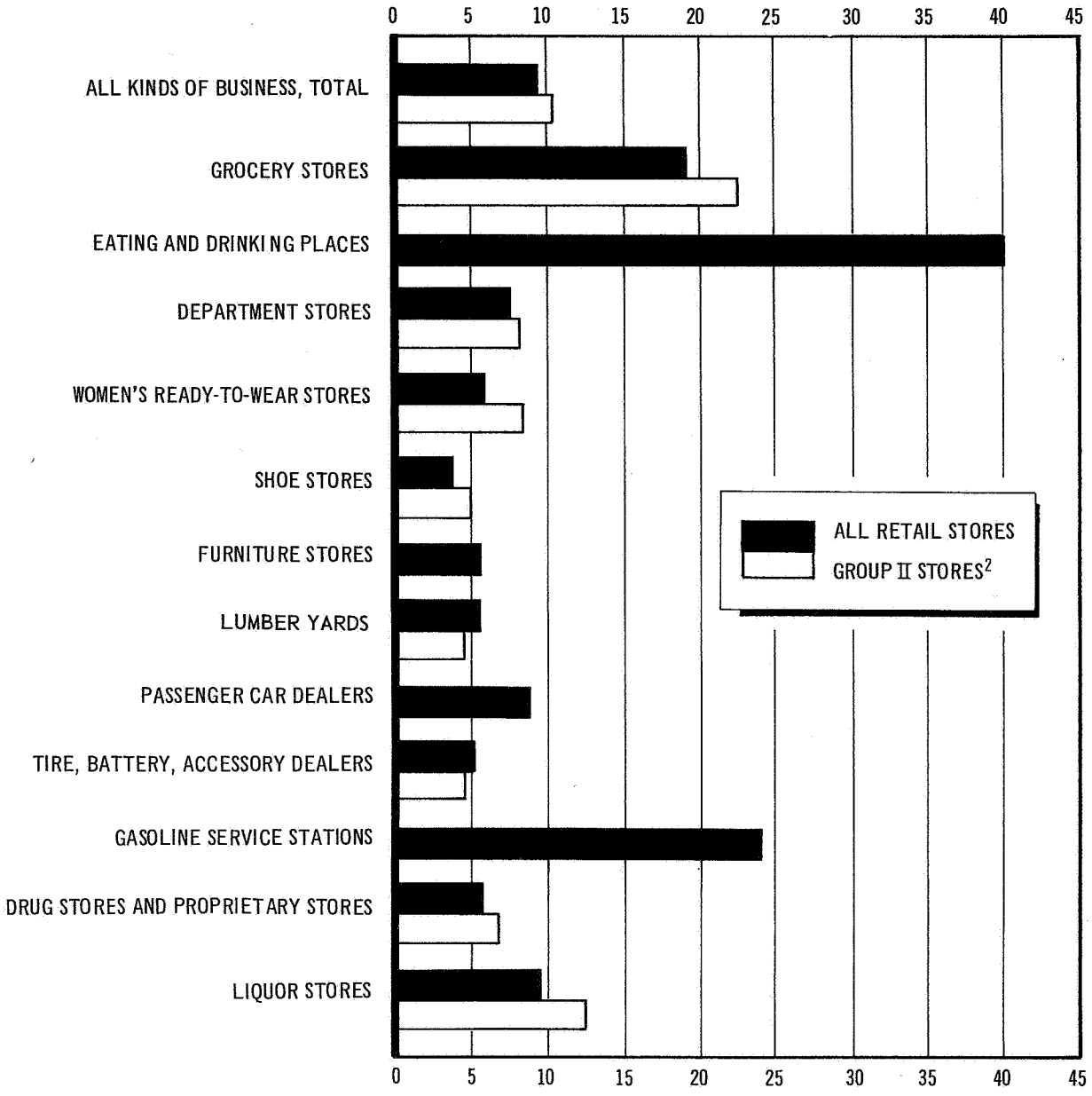
Table 9.—MERCHANDISE INVENTORIES AND SALES-INVENTORY RATIOS OF RETAIL STORES AND WAREHOUSES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES IN THE UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1965 AND 1964

Kind of business	Merchandise inventories, at cost (Millions of dollars)						Sales inventory ratio (stores only)	
	Total warehouses and stores			Stores				
	December 31—		Percent change	December 31—		Percent change		
	1965	1964[1]		1965	1964[1]		1965	1964
All kinds of business[2]	8,863	8,036	+10	7,106	6,495	+9	10.5	10.8
Durable-goods stores	1,084	993	+9	861	784	+10	6.4	6.7
Nondurable-goods stores	7,779	7,043	+10	6,245	5,711	+9	11.1	11.4
Food group[2]	1,963	1,803	+9	1,236	1,152	+7	23.0	23.7
Grocery stores	1,920	1,765	+9	1,207	1,125	+7	22.7	23.5
General merchandise group[2]	4,006	3,565	+12	3,578	3,236	+11	7.6	7.7
Department stores and dry goods, general merchandise stores	2,849	2,588	+10	2,506	2,317	+8	8.1	8.2
Department stores	2,510	2,271	+11	2,215	2,030	+9	8.2	8.3
Variety stores	723	636	+14	645	578	+12	6.9	6.9
Apparel group[2]	861	811	+6	777	731	+6	5.8	6.1
Men's, boys' clothing furnishings stores	152	152	0	142	139	+2	4.0	4.2
Women's ready-to-wear stores	184	165	+12	174	155	+12	8.1	8.8
Shoe stores	270	260	+4	233	229	+2	5.0	4.8
Furniture and appliance group	207	177	+17	140	120	+17	8.6	10.1
Lumber, building, hardware, farm equipment group	357	339	+5	308	284	+8	4.7	4.7
Lumber yards, building materials dealers[3]	246	216	+14	231	203	+14	5.0	4.7
Lumber yards	157	160	-2	151	153	-1	4.8	4.7
Tire, battery, accessory dealers	348	318	+9	285	253	+13	4.7	4.9
Drug and proprietary stores	424	372	+14	331	292	+13	7.0	7.3
Liquor stores	200	176	+14	115	104	+11	12.8	13.4

[1]1964 inventories adjusted on basis of sample revision effective October 1965. See "Sample Design" page 18.
[2]Includes data for kinds of business not shown separately.
[3]Includes lumber yards, building materials dealers; paint, plumbing, and electrical stores.

Figure 5. SALES-INVENTORY RATIOS— 1965 ALL RETAIL STORES AND GROUP II STORES, BY SELECTED KINDS OF BUSINESS

(Annual Turnover: 1965 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 organizations operating 11 or more retail stores.

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ACCOUNTS RECEIVABLE

Accounts receivable data published in the 1964 Annual Retail Trade Report were based on the old sample used prior to the October 1965 sample revision and are not comparable with those derived from the new sample. Consequently, data for 1964 are not shown in this report.

Retail stores in the United States reported a total of $18.2 billion of accounts receivable balances owed to them by customers as of December 31, 1965 with credit balances on charge accounts and on installment accounts amounting to $8.3 billion and $9.9 billion, respectively.

Receivable balances for nondurable-goods stores in total amounted to $11.1 billion. Department stores reported unpaid balances totaling $5.4 billion at the end of 1965 (29 percent of the total for all retail stores) while apparel stores showed year-end receivable balances of $1.3 billion.

Durable-goods stores in total reported accounts receivable balances at the close of 1965 at $7.1 billion. Contributing to these figures were retailers in the furniture and appliance group, with $2.7 billion; the lumber and building materials group, $1.7 billion; and the automotive group, $1.7 billion.

More than 83 percent of the 1965 year-end credit balances due from customers of general merchandise stores were on installment accounts. In furniture and appliance stores, installment amounts represented approximately 65 percent of total year-end 1965 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 60 percent was outstanding on charge accounts.

Stores of organizations operating 11 or more retail stores accounted for $7.9 billion of total receivables at the end of 1965, with $6.6 billion on installment accounts compared with $1.3 billion in charge accounts.

Figure 6. TOTAL ACCOUNTS RECEIVABLE: END OF YEAR 1965
ALL RETAIL STORES BY SPECIFIED KINDS OF BUSINESS

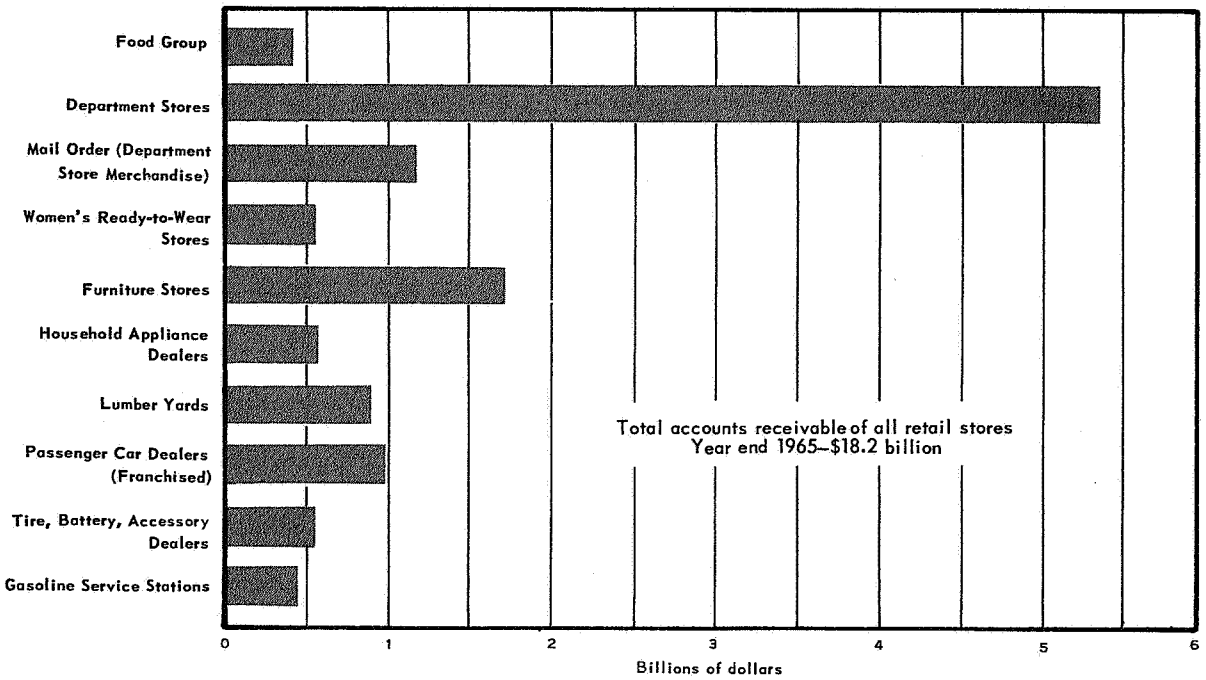

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Table 10.—ACCOUNTS RECEIVABLE OF ALL RETAIL STORES IN THE UNITED STATES, BY KIND OF BUSINESS: END OF YEAR 1965

(Millions of dollars)

Kind of business	Accounts receivable	Kind of business	Accounts receivable
All kinds of business	18,193	Furniture and appliance group[1]	2,662
Durable-goods stores	7,120	Furniture, home furnishings stores	1,902
Nondurable-goods stores	11,073	Furniture group	1,728
Food group	402	Household appliance, TV, radio stores	644
Grocery stores	319	Household appliance dealers	531
Eating and drinking places	138	Lumber, building, hardware, farm equipment group	1,733
General merchandise group[1]	7,396	Lumber yards, building materials dealers[2]	1,258
Department stores and dry goods, general merchandise stores	6,008	Lumber yards	902
Department stores	5,381	Automotive group[1]	1,687
Mail order houses (department store merchandise)	1,158	Passenger car dealers[3]	1,067
		Passenger car dealers (franchised)	988
		Tire, battery, accessory dealers	557
Apparel group	1,317	Gasoline service stations	432
Women's ready-to-wear stores	533	Other retail stores	2,426

Note: Measures of sampling variability are provided on page 21.

[1]Includes data for kinds of business not shown separately.
[2]Includes lumber yards, building materials dealers; paint, plumbing, and electrical stores.
[3]Includes both franchised and nonfranchised car dealers.

Table 11.—ACCOUNTS RECEIVABLE OF ALL RETAIL STORES IN THE UNITED STATES BY TYPE OF ACCOUNT AND KIND OF BUSINESS: END OF YEAR 1965

(Millions of dollars)

Kind of business	Total	Charge accounts	Installment accounts
All kinds of business[1]	18,193	8,269	9,924
Durable-goods stores	7,120	3,850	3,270
Nondurable-goods stores	11,073	4,419	6,654
Food group	402	376	(2)
General merchandise group	7,396	1,215	6,181
Department stores and dry goods, general merchandise stores	6,008	1,164	4,844
Department stores	5,381	1,020	4,361
Apparel group	1,317	973	344
Furniture and appliance group	2,662	937	1,725
Furniture, home furnishing stores	1,902	626	1,276
Household appliance, TV, radio stores	644	(2)	370
Lumber, building, hardware, farm equipment group	1,733	1,567	166
Lumber yards, building materials dealers	1,258	1,174	(2)
Lumber yards	902	872	(2)
Automotive group[1]	1,687	1,013	674
Passenger car dealers (franchised)	988	726	(2)
Tire, battery, accessory dealers	557	(2)	337
Gasoline service stations	432	421	(2)

Note: Measures of sampling variability are provided on page 21.

[1]Includes data for kinds of business not shown separately.
[2]Not shown because of high sampling variability.

Table 12.—ACCOUNTS RECEIVABLE OF RETAIL STORES OF ORGANIZATIONS OPERATING 11 OR MORE RETAIL STORES IN THE UNITED STATES, BY TYPE OF ACCOUNT, AND KIND OF BUSINESS: END OF YEAR 1965

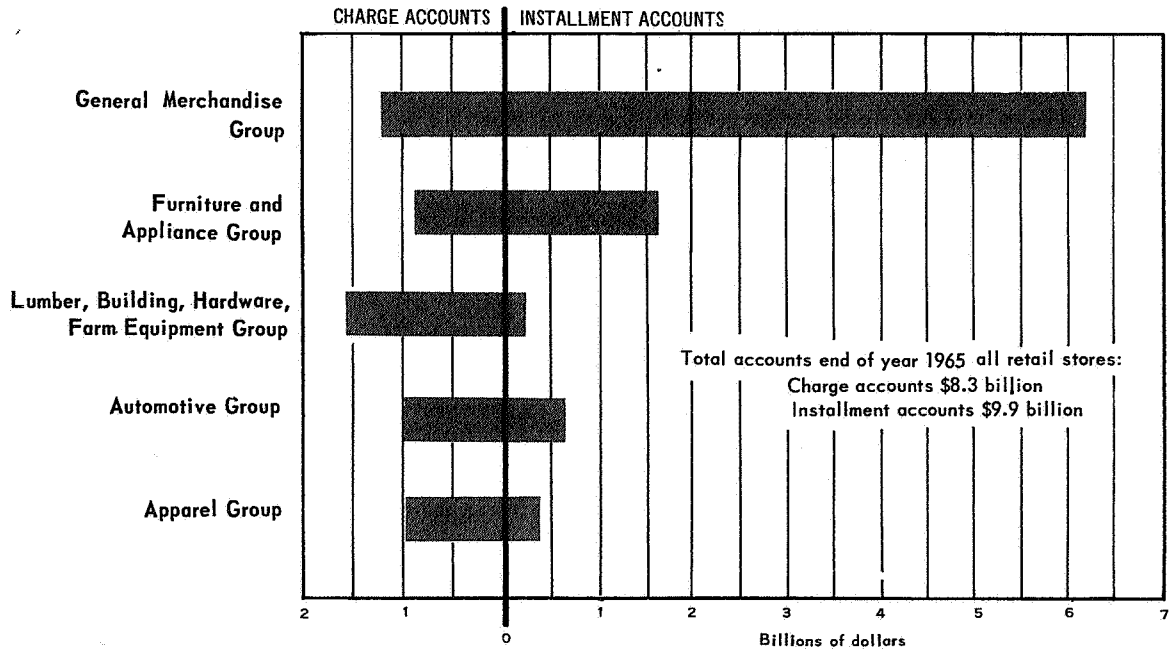
(Millions of dollars)

Kind of business	Total	Charge accounts	Installment accounts
All kinds of business[1]	7,948	1,369	6,579
Durable-goods stores	1,502	359	1,143
Nondurable-goods stores	6,446	1,010	5,436
General merchandise group	5,783	560	5,223
Department stores and dry goods, general merchandise stores	4,821	516	4,305
Department stores	4,363	490	3,873
Apparel group	364	201	163
Furniture and appliance group	437	51	386
Tire, battery, accessory dealers	391	(2)	(2)

Note: Measures of sampling variability are provided on page 21.

[1]Includes data for kinds of business not shown separately.
[2]Not shown because of high sampling variability.

Figure 7. ACCOUNTS RECEIVABLE ON CHARGE ACCOUNTS AND INSTALLMENT ACCOUNTS: END OF YEAR 1965



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SAMPLE DESIGN AND RELIABILITY OF THE DATA

Sample Design

Data on inventories in this report were derived from the 1965 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. A detailed description of this sample, and of the subsample used to derive monthly accounts receivable data, are shown in the Monthly Retail Sales Report. The sample was revised in October 1965 to improve the reliability of the estimates and to bring them more closely in line with the 1963 Census of Business results. The sample revision has not necessitated a revision in the previous sales or inventory estimates for all kinds of business combined at the United States level or for the geographic sales level shown in this report. However, revisions have been made to sales and inventory estimates for individual kinds of business at the United States level. These revisions reflect primarily classification and definitional changes described in Monthly Retail Sales reports published subsequent to September 1965. Statistics on annual sales and end-of-year accounts receivables shown in this report were derived from the Monthly Retail Trade Survey. The accounts receivable data were based on a subsample of the probability sample used to produce monthly sales estimates.

The sample design permits publication of sales data for geographic areas, selected States, and selected standard metropolitan statistical areas. For purposes of developing these estimates, Group II organizations, i.e., firms with 11 or more retail stores as reported in the 1963 Census of Business, are requested to report separately for a sample of their establishments or by county.

The 1965 annual sample consists of the following components:

A. Group II Firms—Organizations which operated 11 or more retail stores in 1963. All of these organizations were included in the survey 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 1963 Census of Business.

B. Group I Stores—Stores belonging to organizations which did not operate 11 retail stores or more at the time of the 1963 Census of Business. Stores selected for this portion of the sample are located within 243 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 243 primary strata. Within these 243 census sample areas, the Group I sample consists of—

1. "Large" stores - All stores located anywhere in the census sample areas which meet certain annual sales criteria. All known department stores located in census sample areas were included in the sample. For other kinds of business the designated amount of annual sales varied. This "large" store panel was supplemented on the basis of information from the 1963 Census of Business for certain GAF (general merchandise, apparel, furniture and appliance) stores in 20 large standard metropolitan statistical areas.

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 (December, January and February panels) were included in the annual survey.

APPROXIMATE NUMBER OF RETAIL STORES IN THE 1965 ANNUAL RETAIL TRADE SAMPLE

Total	Group II stores	Group I stores		
		"Large" stores	"Special" area segment stores	"Small" stores
152,800	119,900	6,800	4,600	21,500

[1] *Group I stores with sales of $6 million or more in 1963 are an exception, such establishments being included in the sample, regardless of location. These stores are referred to as National List Stores.*

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 2 percent for inventories, 8 percent for sales, and 11 percent for accounts receivable.

Table 13.—SAMPLING VARIABILITY FOR SALES ESTIMATES AND FOR MERCHANDISE INVENTORY ESTIMATES

Kind of business	Sampling variability (percent)		
	Sales	Merchandise inventory	
	Dollar volume estimate	Dollar volume estimate	Year-to-year change
United States	1	1	1
Durable-goods stores	2	2	1
Nondurable-goods stores	1	1	1
Food group	1	2	(NA)
Grocery stores	1	2	(NA)
Meat markets	6	(NA)	(NA)
Bakery products stores	6	(NA)	(NA)
Eating and drinking places	2	4	3
Eating places	3	(NA)	(NA)
Restaurants, cafeterias, lunchrooms	3	(NA)	(NA)
Drinking places	3	(NA)	(NA)
General merchandise group	1	2	1
Department stores and dry goods, general merchandise stores	2	2	1
Department stores	2	2	1
Variety stores	2	3	2
Mail order houses (department store merchandise)	(1)	(1)	(1)
Apparel group	3	4	2
Men's, boys' wear stores	5	6	4
Men's, boys' clothing furnishing stores	5	(NA)	(NA)
Women's apparel, accessory stores	3	(NA)	(NA)
Women's ready-to-wear stores	4	4	2
Family clothing stores	10	(NA)	(NA)
Shoe stores	4	5	2
Furniture and appliance group	3	4	2
Furniture, home furnishings stores	3	4	3
Furniture stores	4	5	3
Household appliance, TV, radio stores	5	6	4
Household appliance dealers	6	7	4
Lumber, building, hardware, farm equipment group	4	3	2
Lumber yards, building materials dealers	4	4	3
Lumber yards	5	4	(NA)
Hardware stores	5	5	2
Farm equipment	(NA)	8	4
Automotive group	3	3	2
Passenger cars, other automotive dealers	3	(NA)	(NA)
Passenger car dealers	3	3	2
Passenger car dealers (franchised)	3	4	(NA)
Tire, battery, accessory dealers	6	5	3
Gasoline service stations	2	3	2
Other retail stores	(NA)	2	2
Drug and proprietary-stores	3	4	2
Drug stores	3	(NA)	(NA)
Liquor stores	4	5	2
Jewelry stores	(NA)	6	3

Note: Estimates of the sampling variability of the 1965 sales and inventory data are not available. The estimates of the sampling variabilities shown above for sales were derived from sales statistics for the months of January through May 1960, while those for inventory were derived from the 1959 merchandise inventory estimates. The sampling variabilities of the 1965-1964 comparisons would tend to be somewhat higher than those shown in the table above, because of a redesign effective the early part of 1964 and another effective October 1965.

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.

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 is therefore not subject to sampling variability.

Table 14.--ESTIMATED RANGES OF SAMPLING VARIABILITY OF SALES OF ALL RETAIL STORES FOR GEOGRAPHIC REGIONS, BY KIND OF BUSINESS

Kind of business	Dollar volume sales estimates			
	North-east	North Central	South	West
All kinds of business	A	A	A	A
Durable-goods stores	B	A	B	B
Nondurable-goods stores	A	A	A	A
Food group	A	A	A	B
Grocery stores	A	A	B	B
Eating and drinking places	B	B	B	B
G.A.F., total	A	A	A	B
General merchandise group	A	A	A	B
Apparel group	B	B	B	B
Furniture and appliance group	B	B	B	C
Automotive group	C	B	B	C
Gasoline service stations	B	B	B	B
Drug and proprietary stores	B	B	B	B

Symbols used for the estimated sampling variability ranges, tables 14, 15, 16, and 17:
A = 0 to 3.5 percent
B = 3.6 to 7.0 percent
C = 7.1 to 10.5 percent

Table 15.--ESTIMATED RANGE OF SAMPLING VARIABILITY OF SALES FOR SPECIFIED STANDARD METROPOLITAN STATISTICAL AREAS AND STANDARD CONSOLIDATED AREAS

Area	Dollar volume (sales estimates)		
	Total	Nondurable	GAF
Standard Consolidated Areas			
Chicago, Ill.-Northwestern Indiana	B	B	B
New York, N.Y.-Northeastern New Jersey	B	A	B
Standard Metropolitan Statistical Areas			
Chicago, Ill	B	B	B
Detroit, Mich	B	C	B
Los Angeles-Long Beach, Calif	B	A	B
New York, N.Y	B	A	B
Philadelphia, Pa.-N.J	B	B	B

Table 16.--ESTIMATED RANGE OF SAMPLING VARIABILITY OF SALES FOR GEOGRAPHIC DIVISIONS BY KINDS OF BUSINESS

Kind of business	Dollar volume sales estimates								
	New England	Middle Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
Total	B	A	A	B	B	B	B	B	B
Durable-goods stores	B	B	B	B	B	C	C	([1])	B
Nondurable-goods stores	B	A	A	B	B	B	B	B	B
Food group	B	(NA)	A	B	(NA)	B	B	C	B
Eating and drinking places	C	B	B	C	B	C	B	C	B
G.A.F., total	B	B	A	A	B	B	B	B	B
General merchandise group	-	A	A	B	A	B	B	B	B
Apparel group	C	B	B	C	B	C	C	C	C
Gasoline service stations	B	B	B	B	B	B	C	C	B
Drug and proprietary stores	C	B	B	C	B	C	C	C	C

[1]More than 10.5 percent.

Table 17.—ESTIMATED RANGE OF SAMPLING VARIABILITY OF ALL RETAIL STORES FOR SPECIFIED LARGE STATES

State	Dollar volume sales estimate	State	Dollar volume sales estimate	State	Dollar volume sales estimate
California	B	Michigan	B	North Carolina	B
Florida	B	Minnesota	B	Ohio	B
Illinois	B	Missouri	B	Pennsylvania	B
Indiana	B	New Jersey	B	Texas	B
Massachusetts	B	New York	B	Wisconsin	B

Table 18.—SAMPLING VARIABILITY FOR ACCOUNTS RECEIVABLE ESTIMATES OF RETAIL STORES

Kind of business	Sampling variability of dollar volume estimates (percent)					
	All stores			Group II stores[1]		
	Total	Charge accounts	Install-ments	Total	Charge accounts	Install-ments
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	(NA)	(NA)	(NA)	(NA)
Grocery stores	4	(N/)	(NA)	(NA)	(NA)	(NA)
Eating and drinking places	11	(N/.)	(NA)	(NA)	(NA)	(NA)
General merchandise group	2	4	2	(2)	1	(2)
Department 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 mdse)	(3)	(NA)	(NA)	(NA)	(NA)	(NA)
Apparel group	5	6	7	2	4	2
Women's ready-to-wear stores	7	(NA)	(NA)	(NA)	(NA)	(NA)
Furniture and appliance group	3	5	4	1	3	1
Furniture, home furnishings stores	4	6	5	(NA)	(NA)	(NA)
Furniture stores	4	(NA)	(NA)	(NA)	(NA)	(NA)
Household appliances, TV, Radio stores	5	(NA)	6	(NA	(NA)	(NA)
Household appliance dealers	5	(NA)	(NA)	(NA)	(NA)	(NA)
Lumber, building, hardware, Farm equipment group	3	4	9	(NA)	(NA)	(NA)
Lumber yards, building materials dealers	4	4	(NA	(NA)	(NA)	(NA)
Lumber yards	5	5	(NA)	(NA)	(NA)	(NA)
Automotive group	4	5	6	(NA)	(NA)	(NA)
Passenger car dealers	5	(NA)	(NA)	(NA)	(NA)	(NA)
Passenger car dealers (franchised)	5	5	(NA)	(NA)	(NA)	(NA)
Tire, battery, accessory dealers	7	(NA)	4	1	(NA)	(NA)
Gasoline service stations	4	5	(NA)	(NA)	(NA)	(NA)
Other retail stores	4	(NA)	(NA)	(NA)	(NA)	(NA)

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.
NA not available.

[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 is less than 0.5 percent.

[3]Sampling variability is less than 0.1 percent. See footnote 1 table 13.

Appendix A: 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 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 year, except for some businesses which used a fiscal year rather than the calendar year for accounting purposes. About 15 percent of the retail inventory total refers to a fiscal-year end other than December 31, but this varied by kind of business (varying from about 23 percent for stores in the general merchandise group to about 6 percent for the automotive group). Inventory data for a date other than December 31, 1965, 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.

The sales-inventory ratios, shown in tables 8 and 9, are based on data for only those stores in operation throughout the full year which reported both sales and inventory, except for the ratios for organizations with 11 or more retail stores which are derived from annual sales figures containing sales of some stores not in operation the full year and end-of-year inventories of stores that began operating during 1965. Ratios for organizations with 11 or more stores are based on store inventories only and do not include warehouse inventories.

For some kinds of business, a slightly different sales-inventory ratio can be obtained by dividing the sales estimate in table 1 or 2 by the corresponding inventory estimate in table 8 or 9. For example, the all-store sales-inventory ratio for furniture stores would be 5.9 (6454 ÷ 1101) compared with 5.5 for the published ratio in table 8. The ratio obtained under this procedure is based

on data for all stores, including those that began or ceased operation in 1965, and it also includes estimates for nonreporters.

Accounts receivable

Balances owed to retail stores by their 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 amounts charged on credit cards issued 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.

APPENDIX B: 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[1]
Food group	54
Grocery stores	541
Eating and drinking places	58
General merchandise group	53 (See note below.)
Department stores and dry goods, general merchandise stores	531 and 5399
Department stores	531
Variety stores	533
Mail order (department store mdse.)	5321
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
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, excl. 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
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.

[1]As amended by the 1963 supplement.

Appendix C: Definitions of Standard Consolidated Areas and Standard Metropolitan Statistical Areas Included in This Report

STANDARD CONSOLIDATED AREAS

CHICAGO, ILL.—NORTHWESTERN INDIANA SCA:

Chicago, Ill., Standard Metropolitan Statistical Area: Cook, DuPage, Kane, Lake, McHenry, and Will Counties, Ill.

Gary-Hammond-East Chicago, Ind. Standard Metropolitan Statistical Area: Lake and Porter Counties, Indiana

NEW YORK, N.Y.-NORTHEASTERN NEW JERSEY SCA:

New York, N.Y. Standard Metropolitan Statistical Area: New York City and Nassau, Rockland, Suffolk, and Westchester Counties, N.Y.

NEW YORK, N.Y.-NORTHEASTERN NEW JERSEY SCA—Continued

Jersey City, N.J. Standard Metropolitan Statistical Area: Hudson County, N.J.

Newark, N.J., Standard Metropolitan Statistical Area: Essex, Morris, and Union Counties, N.J.

Paterson-Clifton-Passaic, N.J. Standard Metropolitan Statistical Area: Bergen and Passaic Counties, N.J.

Middlesex and Somerset Counties, N.J.

SELECTED STANDARD METROPOLITAN STATISTICAL AREAS

CHICAGO, ILL: Cook, DuPage, Kane, Lake, McHenry and Will Counties, Ill.

DETROIT, MICH.: Macomb, Oakland, and Wayne Counties, Mich.

LOS ANGELES-LONG BEACH, AND ANAHEIM,- SANTA ANA,-GARDEN GROVE, CALIF.: Los Angeles and Orange Counties, Calif.

NEW YORK, N.Y.: New York City and Nassau, Rockland, Suffolk, and Westchester Counties, N.Y.

PHILADELPHIA, PA.-N.J.: Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties, Pa.; Burlington, Camden, and Gloucester Counties, N.J.

Appendix D: Geographic Regions and Divisions

NORTHEASTERN STATES

New England Division
- Maine
- New Hampshire
- Vermont
- Massachusetts
- Rhode Island
- Connecticut

Middle Atlantic Division
- New York
- New Jersey
- Pennsylvania

NORTH CENTRAL STATES

East North Central Division
- Ohio
- Indiana
- Illinois
- Michigan
- Wisconsin

West North Central Division
- Minnesota
- Iowa
- Missouri
- North Dakota
- South Dakota
- Nebraska
- Kansas

THE SOUTH

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

THE WEST

Mountain Division
- Montana
- Idaho
- Wyoming
- Colorado
- New Mexico
- Arizona
- Utah
- Nevada

Pacific Division
- Washington
- Oregon
- California
- Alaska
- Hawaii

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