

CURRENT  
BUSINESS  
REPORTS

**1977  
Retail  
Trade**

**Annual Sales and Purchases,  
Year-End Inventories, and  
Accounts Receivable by  
Kind of Retail Store**

BR-77-13  
Issued April 1979



**U.S. Department of Commerce**  
Juanita M. Kreps, Secretary  
Courtenay M. Slater, Chief Economist

**BUREAU OF THE CENSUS**  
(Vacant), Director



## BUREAU OF THE CENSUS

(Vacant), Director

Robert L. Hagan, Deputy Director

Shirley Kallek, Associate Director for Economic Fields

Business Division

Tyler R. Sturdevant, Chief

**ACKNOWLEDGEMENTS** — This report was prepared in the Business Division under the general direction of Carl Bostrom, Assistant Division Chief, Current Business Surveys. Planning, implementation, and compiling of this report were under the supervision of Irving True, Chief, Annual/Monthly Retail Inventory and Sales Branch, assisted by William Owens, Michael Shimberg, and Anna Mahan. The processing system and computer programs were developed under the direction of Heyward Glisson, Assistant Chief for Data Processing, assisted by Evelyn Williams, Pauline Hanson, Bessie Drew, and Charles Eargle. Staff assistance was provided by Paul Shapiro, Senior Business Statistician, Staff and Program Review; Nash Monsour, Assistant Division Chief, Research and Methodology; and Mitchell Trager, Research and Development Branch.

Inquiries concerning this report should be addressed to Mr. Irving True, Business Division, Bureau of the Census, Washington, D.C. 20233. Telephone (301) 763-7660/7661.

---

### Library of Congress Cataloging Information

U.S. Bureau of the Census.  
Annual retail trade report. 1952-  
Washington.

v.

HF5429.U442

55-60385

---

The Advance Monthly Retail Sales report, the Monthly Retail Trade report, and the Annual Retail Trade report are available on a single subscription from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, at \$25 per year. Add \$6.75 for each subscription to a foreign address. Postage stamps not acceptable; currency submitted at sender's risk. Remittances from foreign countries must be by international money order or by draft on a U.S. bank. Single copies of the Annual Retail Trade report are for sale by Subscriber Services (Publications), Bureau of the Census, Washington, D.C. 20233 at \$1.30 each.

## Contents—Continued

12.	Methods of Inventory Valuation by Kind of Business: 1977 and 1976 .....	11
13.	Estimated Merchandise Inventories of All Retail Stores and Warehouses by Legal Form of Ownership and Kind of Business: 1977 .....	12
14.	Estimated Accounts Receivable of All Retail Stores in the United States, by Type of Account and Kind of Business: End of Year 1977 .....	13
15.	Estimated Accounts Receivable of Retail Stores of Group II Companies in the United States, by Type of Account and Kind of Business: End of Year 1977 .....	13
16.	Estimated Sampling Variability for Sales, Purchases and Inventory Estimates .....	19
17.	Estimated Sampling Variability for Accounts Receivable Estimates .....	20

### FIGURES

1.	Estimated Sales of All Retail Stores in the United States, by Selected Kind of Business: 1977 and 1976 .....	2
2.	Percent Distribution of Sales—Cash, Charge, and Installment: 1977 .....	4
3.	Total Cost of Merchandise Purchased by All Retail Stores in the United States, by Kind of Business Groups: 1977 .....	8
4.	Total Merchandise Inventories of All Retail Stores and Warehouses, by Major Kind of Business: End of Year 1977 and 1976 .....	10
5.	Sales-Inventory Ratios of All Retail Stores, by Kind of Business: 1977 .....	10
6.	Total Accounts Receivable, Charge and Installment Accounts of All Retail Stores: End of Year 1977 .....	14

# Contents

## TEXT

	Page
Annual Sales .....	1
Merchandise Purchases .....	6
Merchandise Inventories .....	9
Accounts Receivable .....	12
Explanatory Material .....	15

## TABLES

1. Estimated Sales of All Retail Stores in the United States, by Kind of Business: 1977 and 1976 .....	1
2. Estimated Retail Sales of Group II Companies by Kind of Business for the United States: 1977 .....	2
3. Estimated Sales of All Retail Stores and of Group II Companies by Type of Sales—Cash, Charge, and Installment—in the United States, by Kind of Business: 1977 .....	3
4. Estimated Sales Taxes as a Percent of Sales of All Retail Stores in the United States, by Kind of Business: 1977 .....	5
5. Estimates of Civilian Population, Retail Sales, and Per Capita Sales in the United States: 1968-1977 .....	5
6. Estimated Sales of All Retail Stores in the United States, by Legal Form of Ownership and Kind of Business: 1977 .....	6
7. Estimated Cost of Merchandise Purchased by All Retail Stores in the United States, by Kind of Business: 1977 .....	7
8. Estimated Cost of Merchandise Purchased by Retail Stores of Group II Companies in the United States, by Kind of Business: 1977 .....	7
9. Estimated Cost of Merchandise Purchased by All Retail Stores in the United States, by Legal Form of Ownership and Kind of Business: 1977 .....	8
10. Estimated Merchandise Inventories and Sales-Inventory Ratios of Retail Stores and Warehouses in the United States, by kind of Business: End of Year 1977 and 1976 .....	9
11. Estimated Merchandise Inventories and Sales-Inventory Ratios of Retail Stores and Warehouses of Group II Companies in the United States, by Kind of Business: End of Year 1977 and 1976 .....	11

## ANNUAL SALES

## Year-to-Year Comparison

Sales of all retail stores in the United States were estimated at \$724 billion in 1977, an increase of 11 percent over 1976 sales. Sales of nondurable goods stores increased 9 percent over the previous year, while durable goods stores showed a 14-percent increase.

All major kinds of business showed percentage increases in comparison with 1976 levels. Eating and drinking places, general merchandise group stores, and mail-order houses

(department store merchandise) each showed an 11-percent increase. Gasoline service stations and drug and proprietary stores both showed a 9-percent increase. Following the general upward trend were food stores with a 7-percent increase while sales increases of 5 percent were reported by both apparel and accessory stores and liquor stores. In the durable goods category, building materials, hardware, garden supply, and mobile home dealers showed a 17-percent increase while automotive dealers were up 16 percent. Furniture, home furnishings, and equipment stores showed a 10-percent increase.

Table 1. Estimated Sales of All Retail Stores in the United States, by Kind of Business: 1977 and 1976

(Millions of dollars)

1972 SIC code	Kind of business	1977	1976 <sup>r</sup>	Percent change	1972 SIC code	Kind of business	1977	1976 <sup>r</sup>	Percent change
	Retail trade, total.....	724,020	655,163	+11		Nondurable goods stores, total.....	476,188	438,282	+9
	Total (excluding automotive group).....	575,576	526,675	+9	53 531, 9	General merchandise group stores....	90,133	81,528	+11
	Durable goods stores, total...	247,832	216,881	+14	531 539	Department stores, miscellaneous general merchandise stores.....	82,531	73,815	+12
52	Building materials, hardware, garden supply, and mobile home dealers....	38,641	33,097	+17	54	Department stores.....	72,333	64,761	+12
521, 3, 5	Building materials, supply, hardware stores.....	33,025	28,122	+17	541 546	Miscellaneous general merchan- dise stores.....	10,198	9,054	+13
521, 3	Building materials and supply stores.....	26,509	22,143	+20	554	Variety stores.....	7,602	7,713	-1
525	Hardware stores.....	6,516	5,979	+9	56 561	Food stores.....	158,519	147,792	+7
55 ex. 554	Automotive dealers.....	148,444	128,488	+16	541 546	Grocery stores.....	147,142	137,122	+7
551, 2, 5, 6, 7, 9	Motor vehicle and miscellaneous automotive dealers.....	135,777	117,808	+15	554	Retail bakeries.....	2,276	2,121	+7
551, 2	Motor vehicle dealers.....	127,919	110,491	+16	56	Gasoline service stations.....	58,231	53,416	+9
551	Motor vehicle dealers (franchised).....	119,065	103,158	+15	561 562, 3, 8	Apparel and accessory stores.....	34,341	32,658	+5
553	Auto and home supply stores.....	12,667	10,680	+19	562 565 566	Men's, boys' clothing, furnish- ings stores.....	7,052	6,799	+4
57	Furniture, home furnishings, equipment stores.....	34,761	31,560	+10	58 5812 5812 (pt.)	Women's clothing, specialty stores, furriers.....	13,106	12,939	+1
571	Furniture and home furnishings stores.....	20,792	18,618	+12	5813	Women's ready-to-wear stores....	11,843	11,767	+1
5712	Furniture stores.....	13,871	12,403	+12	591	Family clothing stores.....	6,693	6,083	+10
5722, 32	Household appliance, radio, and TV stores.....	10,801	9,890	+9	592	Shoe stores.....	5,852	5,193	+13
5722	Household appliance stores.....	5,106	4,619	+11	5961 (pt.)	Eating and drinking places.....	63,556	57,368	+11
						Eating places.....	54,785	49,258	+11
						Restaurants, lunchrooms, cafeterias.....	36,001	32,361	+11
						Drinking places (alcoholic beverages).....	8,771	8,110	+8
						Drug stores and proprietary stores..	22,918	21,110	+9
						Liquor stores.....	12,832	12,241	+5
						Mail-order houses (department store merchandise) <sup>1</sup> .....	6,705	6,061	+11

Note: Measures of sampling variability are shown in table 16. U.S. and group totals include kinds of business not shown separately.

<sup>r</sup>Revised. See explanatory material on page 18.

<sup>1</sup>Includes sales made by mail-order catalog desks located within department stores of mail-order firms.

Table 2. Estimated Retail Sales of Group II Companies by Kind of Business for the United States: 1977

1972 SIC code	Kind of business	Sales (millions of dollars)	Percent of total retail sales <sup>1</sup>	1972 SIC code	Kind of business	Sales (millions of dollars)	Percent of total retail sales <sup>1</sup>
	Retail trade, total.....	244,056	33.7		Nondurable good stores--Con.		
553	Durable goods stores, total....	17,283	7.0	54	Food stores.....	84,363	53.2
	Auto and home supply stores.....	2,637	20.8	541	Grocery stores.....	83,269	56.6
				56	Apparel and accessory stores.....	11,785	34.3
	Nondurable goods stores, total..	226,773	47.6	562, 3, 8	Women's clothing, specialty stores, furriers.....	4,921	37.5
53	General merchandise group stores.....	79,899	88.6	562	Women's ready-to-wear stores.....	4,760	40.2
531	Department stores.....	68,404	94.6	565	Family clothing stores.....	2,752	41.1
533	Variety stores.....	5,837	76.8	566	Shoe stores.....	2,802	47.9
539	Miscellaneous general merchandise stores.....	5,658	55.5	5812	Eating places.....	12,078	22.0
				591	Drug stores and proprietary stores....	10,745	46.9

Note: The Group II component of the sample consists of companies which had 11 or more retail establishments according to the most recent update of multiestablishment files and which were selected with certainty (i.e., their sales size exceeded specified dollar volume cutoffs which varied by kind of business). Group totals include kinds of business not shown separately.

<sup>1</sup>Percent of total retail sales as shown in table 1.

FIGURE 1.  
Estimated Sales of All Retail Stores in the United States,  
by Selected Kinds of Business: 1977 and 1976

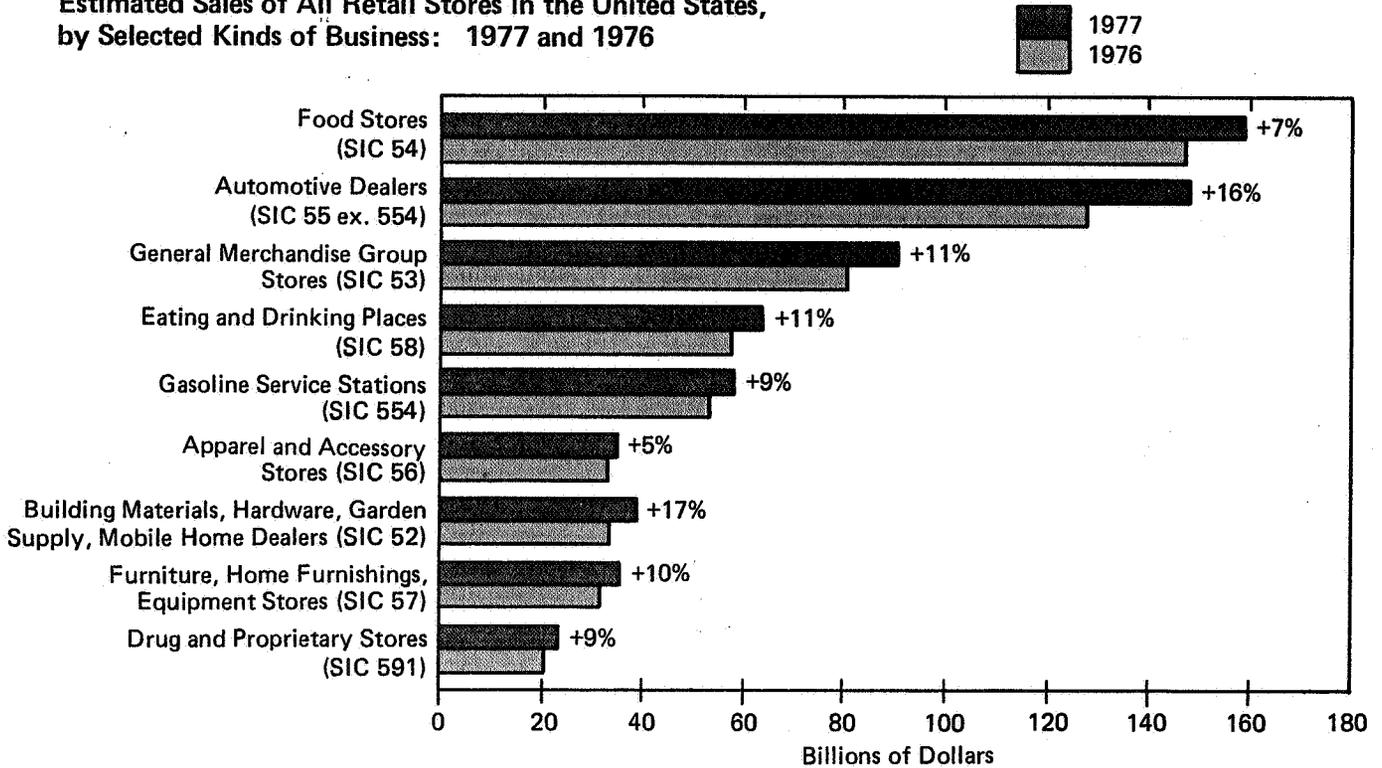


Table 3. Estimated Sales of All Retail Stores and of Group II Companies by Type of Sales—Cash, Charge, and Installment—in the United States, by Kind of Business: 1977

1972 SIC code	Kind of business	Sales (millions of dollars)						Percent distribution by type of sale					
		Total	On cash basis <sup>1</sup>	On credit extended by retail firms				On cash basis <sup>1</sup>	On credit extended by retail firms				
				Total	Charge accounts <sup>2</sup>	Installment accounts <sup>2</sup>			Total <sup>3</sup>	Charge accounts <sup>2</sup>	Installment accounts <sup>2</sup>		
						Open-end	Closed-end				Open-end	Closed-end	
	ALL RETAIL STORES												
	Retail trade, total.....	724,020	613,970	110,050	70,333	31,433	8,284	85	15	10	4	1	
	Total (excluding automo- tive group).....	575,576	484,334	91,242	55,221	29,845	6,176	84	16	10	5	1	
	Durable goods stores, total.	247,832	197,448	50,384	40,000	5,576	4,808	80	20	16	2	2	
52	Building materials, hardware, garden supply, and mobile home dealers.....	38,641	20,577	18,064	16,364	1,395	305	53	47	42	4	1	
521, 3, 5	Building materials, supply, hardware stores.....	33,025	15,860	17,165	15,531	1,367	267	48	52	47	4	1	
521, 3	Building materials and supply stores.....	26,509	10,853	15,656	14,272	1,198	186	41	59	54	5	1	
525	Hardware stores.....	6,516	5,007	1,509	1,259	169	81	77	23	19	3	1	
55 ex. 554	Automotive dealers.....	148,444	129,684	18,760	15,077	1,582	2,101	87	13	10	1	1	
551, 2, 5, 6, 7, 9	Motor vehicle and miscellaneous automotive dealers.....	135,777	121,304	14,473	11,948	1,059	1,466	89	11	9	1	1	
551, 2	Motor vehicle dealers.....	127,919	113,848	14,071	11,564	1,049	1,458	89	11	9	1	1	
551	Motor vehicle dealers (franchised).....	119,065	105,455	13,610	11,359	917	1,334	89	11	10	1	1	
553	Auto and home supply stores....	12,667	8,380	4,287	3,129	523	635	66	34	25	4	5	
57	Furniture, home furnishings, equipment stores.....	34,761	25,608	9,153	5,315	1,884	1,954	74	26	15	5	6	
571	Furniture and home furnishings stores.....	20,792	13,919	6,873	3,867	1,532	1,474	67	33	19	7	7	
5712	Furniture stores.....	13,871	8,804	5,067	2,236	1,404	1,427	63	37	16	10	10	
5722, 32	Household appliance, radio, and TV stores.....	10,801	8,864	1,937	1,251	321	365	82	18	12	3	3	
5722	Household appliance stores....	5,106	3,815	1,291	841	195	255	75	25	16	4	5	
	Nondurable goods stores, total.....	476,188	416,522	59,666	30,333	25,857	3,476	87	13	6	5	1	
53	General merchandise group stores..	90,133	64,998	25,135	5,179	17,997	1,959	72	28	6	20	2	
531, 9	Department stores, miscellaneous general merchandise stores....	82,531	57,528	25,003	5,080	17,964	1,959	70	30	6	22	2	
531	Department stores.....	72,333	48,840	23,493	4,477	17,179	1,837	68	32	6	24	3	
539	Miscellaneous general merchan- dise stores.....	10,198	8,688	1,510	603	785	122	85	15	6	8	1	
533	Variety stores.....	7,602	7,470	132	99	(S)	(S)	98	2	1	(Z)	(Z)	
54	Food stores.....	158,519	156,157	2,362	2,235	127	(Z)	99	1	1	(Z)	(Z)	
541	Grocery stores.....	147,142	145,214	1,928	1,810	118	(Z)	99	1	1	(Z)	(Z)	
546	Retail bakeries.....	2,276	2,199	77	76	(Z)	(Z)	97	3	3	(Z)	(Z)	
554	Gasoline service stations.....	58,231	51,674	6,557	5,887	606	(S)	89	11	10	1	(Z)	
56	Apparel and accessory stores.....	34,341	28,562	5,779	2,372	3,228	179	83	17	7	9	1	
561	Men's, boys' clothing, furnish- ings stores.....	7,052	5,776	1,276	665	575	36	82	18	9	8	1	
562, 3, 8	Women's clothing, specialty stores, furriers.....	13,106	10,594	2,512	1,008	1,411	93	81	19	8	11	1	
562	Women's ready-to-wear stores..	11,843	9,516	2,327	904	1,348	75	80	20	8	11	1	
565	Family clothing stores.....	6,693	5,065	1,628	437	1,145	46	76	25	7	17	1	
566	Shoe stores.....	5,852	5,609	243	145	93	(S)	96	4	2	2	(Z)	
58	Eating and drinking places.....	63,556	60,927	2,629	2,493	(S)	(S)	96	4	4	(Z)	(Z)	
5812	Eating places.....	54,785	52,221	2,564	2,438	(S)	(S)	95	5	4	(Z)	(Z)	
5812 (pt.)	Restaurants, lunchrooms, cafeterias.....	36,001	33,873	2,128	2,027	(S)	(S)	94	6	6	(Z)	(Z)	
5813	Drinking places (alcoholic beverages).....	8,771	8,706	65	55	(S)	(S)	99	1	1	(Z)	(Z)	
591	Drug stores and proprietary stores.....	22,918	20,861	2,057	1,824	222	(S)	91	9	8	1	(Z)	
592	Liquor stores.....	12,832	12,664	168	163	(S)	(S)	99	1	1	(Z)	(Z)	
5961 (pt.)	Mail-order houses (department store merchandise) <sup>4</sup> .....	6,705	3,179	3,526	(D)	(D)	(D)	47	53	(D)	(D)	(D)	

See footnotes at end of table.

**Table 3. Estimated Sales of All Retail Stores and of Group II Companies by Type of Sales—Cash, Charge, and Installment—in the United States, by Kind of Business: 1977—Continued**

1972 SIC code	Kind of business	Sales (millions of dollars)						Percent distribution by type of sale					
		Total	On cash basis <sup>1</sup>	On credit extended by retail firms				On cash basis <sup>1</sup>	On credit extended by retail firms				
				Total	Charge accounts <sup>2</sup>	Installment accounts <sup>2</sup>			Total <sup>3</sup>	Charge accounts <sup>2</sup>	Installment accounts <sup>2</sup>		
						Open-end	Closed-end				Open-end	Closed-end	
	<b>GROUP II STORES</b>												
	Retail trade, total.....	244,056	204,037	40,019	13,384	22,822	3,813	84	17	6	9	2	
	Durable goods stores, total..	17,283	11,915	5,368	3,270	1,097	1,001	69	31	19	6	6	
553	Auto and home supply stores.....	2,637	1,396	1,241	502	298	441	53	47	19	11	17	
	Nondurable goods stores, total.....	226,773	192,122	34,651	10,114	21,725	2,812	85	15	4	10	1	
53	General merchandise group stores..	79,899	56,708	23,191	4,369	16,950	1,872	71	29	5	21	2	
531	Department stores.....	68,404	46,180	22,224	4,145	16,287	1,792	68	32	6	24	3	
533	Variety stores.....	5,837	5,736	101	68	32	1	98	2	1	1	(Z)	
539	Miscellaneous general merchan- dise stores.....	5,658	4,792	866	156	631	79	85	15	3	11	1	
54	Food stores.....	84,363	84,059	(Z)	(Z)	(Z)	(Z)	100	(Z)	(Z)	(Z)	(Z)	
541	Grocery stores.....	83,269	83,020	(Z)	(Z)	(Z)	(Z)	100	(Z)	(Z)	(Z)	(Z)	
56	Apparel and accessory stores.....	11,785	9,908	1,877	247	1,543	87	84	16	2	13	1	
562, 3, 8	Women's clothing, specialty stores, furriers.....	4,921	4,028	893	171	663	59	82	18	3	13	1	
562	Women's ready-to-wear stores..	4,760	3,891	869	167	648	54	82	18	4	14	1	
565	Family clothing stores.....	2,752	2,000	752	53	673	26	73	27	2	24	1	
566	Shoe stores.....	2,802	2,732	70	1	69	(Z)	98	2	(Z)	2	(Z)	
5812	Eating places.....	12,078	10,663	1,415	1,370	45	(Z)	88	11	11	(Z)	(Z)	
591	Drug stores and proprietary stores.....	10,745	10,561	184	85	98	(Z)	98	2	1	1	(Z)	

Note: U.S. and group totals include kinds of business not shown separately. Sampling variabilities are shown on page 19.  
 D Withheld to avoid disclosure.    S Not shown because of high sampling variability.    Z The amount is less than 0.5 percent.

<sup>1</sup>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 for sales on credit handled through the retail firm but extended by others. Such sales were estimated at \$67,562 million for 1977 at the all retail store level (it should be noted that this estimate is probably understated due to the inability of some retail firms to report these data separately); (b) sales made on credit obtained directly by the purchaser from other sources without being handled through the retail firm, similarly involving cash payment.

<sup>2</sup>See page 16 for definition of charge and installment accounts.

<sup>3</sup>Some totals may not add due to rounding.

<sup>4</sup>Includes sales made by mail-order catalog desks located within department stores of mail-order firms.

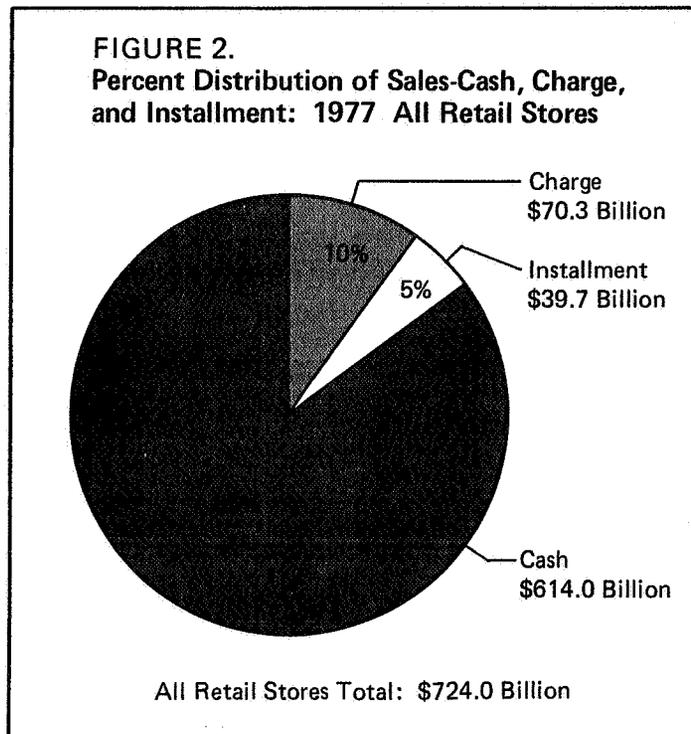


Table 4. Estimated Sales Taxes as a Percent of Sales of All Retail Stores in the United States, by Kind of Business: 1977

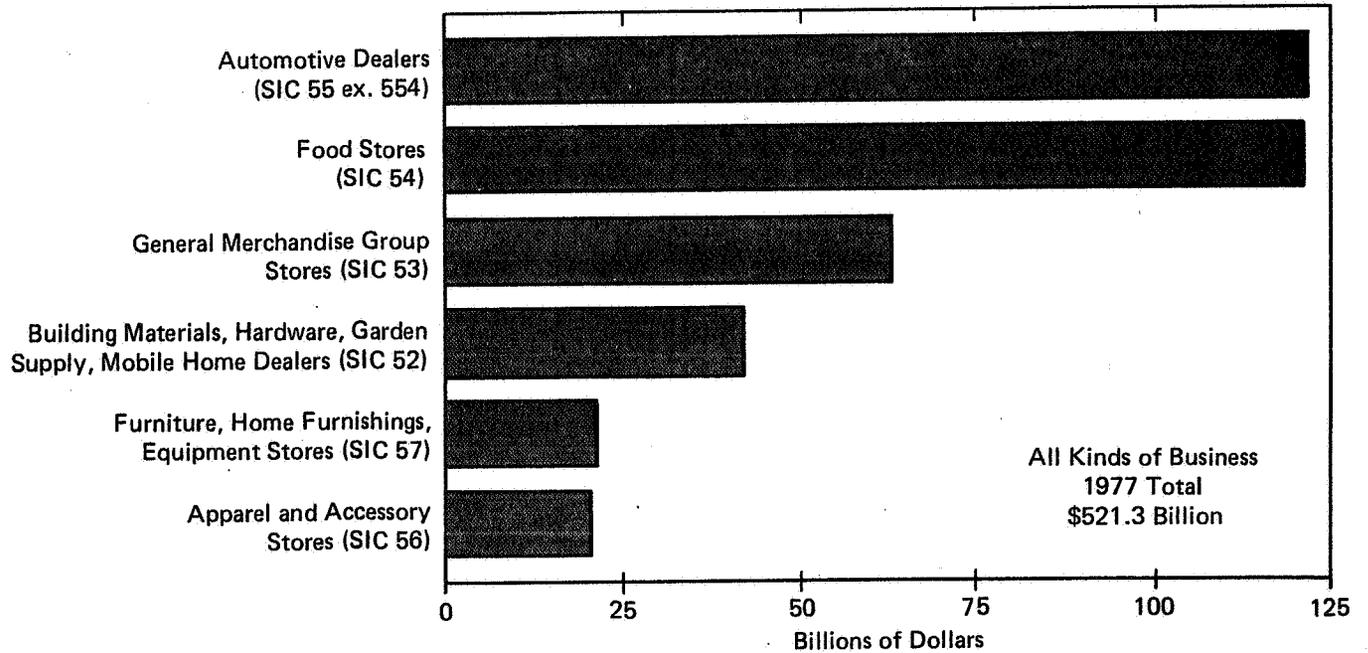
1972 SIC code	Kind of business	1977 sales tax (percent)	1972 SIC code	Kind of business	1977 sales tax (percent)
	Retail trade, total.....	3.1		Nondurable goods stores, total.....	3.1
	Total (excluding automotive group).....	3.2	53 531, 9	General merchandise group stores.....	4.3
	Durable goods stores, total.....	3.0	531 533	Department stores, miscellaneous general merchandise stores.....	4.3 4.4
52	Building materials, hardware, garden supply, and mobile home dealers.....	3.5	54	Department stores.....	4.4
521, 3, 5	Building materials, supply, hardware stores.....	3.6	541	Variety stores.....	2.0
521, 3	Building materials and supply stores.....	3.6	546	Food stores.....	2.0
525	Hardware stores.....	3.9	554	Grocery stores.....	1.6
			56	Retail bakeries.....	2.4
55 ex. 554	Automotive dealers.....	2.5	561	Gasoline service stations.....	3.9
551, 2, 5, 6, 7, 9	Motor vehicle and miscellaneous automotive dealers.....	2.4	562, 3, 8	Apparel and accessory stores.....	3.8
551, 2	Motor vehicle dealers.....	2.4	562	Men's, boys' clothing, furnishings stores.....	3.9
551	Motor vehicle dealers (franchised).....	2.4	565	Women's clothing, specialty stores, furriers.....	3.9
553	Auto and home supply stores.....	3.3	566	Women's ready-to-wear stores.....	4.1
			58	Family clothing stores.....	3.7
			5812	Shoe stores.....	4.2
			5812(pt.)	Eating and drinking places.....	4.3
			5813	Eating places.....	4.3
57	Furniture, home furnishings, equipment stores.....	4.0	591	Restaurants, lunchrooms, cafeterias.....	3.7
571	Furniture and home furnishings stores.....	4.0	592	Drinking places (alcoholic beverages).....	2.8
5712	Furniture stores.....	4.3	592	Drug stores and proprietary stores.....	4.2
5722, 32	Household appliance, radio, and TV stores.....	3.9	5961(pt.)	Liquor stores.....	3.5
5722	Household appliance stores.....	3.9		Mail-order houses (department store merchandise)...	

Table 5. Estimates of Civilian Population, Retail Sales, and Per Capita Sales in the United States: 1968-1977

Year	Civilian population estimates <sup>1</sup> as of July 1 (thousands)	Retail sales		Durable goods stores		Nondurable goods stores	
		Total (millions of dollars)	Per capita sales (dollars)	Total (millions of dollars)	Per capita sales (dollars)	Total (millions of dollars)	Per capita sales (dollars)
1968.....	197,113	324,358	1,646	101,695	516	222,663	1,130
1969.....	199,145	346,717	1,741	108,621	545	238,096	1,196
1970.....	201,722	368,403	1,826	109,195	541	259,208	1,285
1971.....	204,258	406,234	1,989	128,810	631	277,424	1,358
1972.....	206,461	449,069	2,175	148,427	719	300,642	1,456
1973.....	208,102	503,332	2,419	169,589	815	333,743	1,604
1974.....	209,683	536,309	2,558	167,054	797	369,255	1,761
1975.....	211,373	584,776	2,767	181,268	858	403,508	1,909
1976.....	213,000	655,163	3,076	216,881	1,018	438,282	2,058
1977.....	214,685	724,020	3,372	247,832	1,154	476,188	2,218

<sup>1</sup>U.S. Department of Commerce, Bureau of the Census, Current Population Reports, Series P-25, No. 706, September 1977 and No. 791, December 1978.

**FIGURE 3.**  
**Total Cost of Merchandise Purchased by All**  
**Retail Stores in the United States, by Kind-**  
**of-Business Groups: 1977**



**Table 9. Estimated Cost of Merchandise Purchased by All Retail Stores in the United States, by Legal Form of Ownership and Kind of Business: 1977**

1972 SIC code	Kind of business	Total (millions of dollars)	Individual proprietorships (percent of total)	Partnerships (percent of total)	Corporations (percent of total)
	Retail trade, total.....	521,269	14	4	80
	Total (excluding automotive group).....	398,008	17	4	77
	Durable goods stores, total.....	190,748	10	4	85
52	Building materials, hardware, garden supply, and mobile home dealers.	28,350	11	5	82
55 ex. 554	Automotive dealers.....	123,261	7	3	89
57	Furniture, home furnishings, equipment stores.....	22,601	18	5	75
	Nondurable goods stores, total.....	330,521	17	4	76
53	General merchandise group stores.....	60,590	1	1	97
531	Department stores.....	47,945	(2)	(2)	99
54	Food stores.....	122,543	13	3	83
541	Grocery stores.....	115,464	12	3	84
554	Gasoline service stations.....	47,867	49	6	43
56	Apparel and accessory stores.....	20,869	11	4	84
58	Eating and drinking places.....	29,293	29	8	62
591	Drug stores and proprietary stores.....	16,077	9	3	85

Note: Totals include kinds of business and forms of ownership not shown separately.

Z The dollar amount is less than 1 percent of all forms of ownership combined.

## MERCHANDISE INVENTORIES

### Merchandise on Hand

The cost of merchandise inventories in stores and warehouses of retail stores in the United States on December 31, 1977, was estimated at \$88.1 billion, or 14 percent higher than the estimate of stocks held a year ago. Of this total, \$45.0 billion represented the value of stocks of nondurable goods stores, an increase of 12 percent over 1976, and \$43.1 billion represented the value of durable goods stores, up 15 percent from a year ago.

In the durable goods category, automotive dealers showed a 17-percent increase in the value of inventory holdings from the previous year, while building materials, hardware, garden supply, and mobile home dealers increased 16 percent. Furniture, home furnishings, and equipment stores increased the value of holdings 11 percent year-to-year. In the nondurable goods category, increases from a year ago were reported by mail-order houses, (department store merchandise) up 23 percent; general merchandise group stores, up 17 percent; apparel and accessory stores, up 15 percent; gasoline

service stations, up 10 percent; eating and drinking places, up 9 percent; food stores, up 8 percent; and liquor stores, up 5 percent.

### Sales-Inventory Ratio

Annual sales of all retail stores in 1977 were 8.2 times the cost of year-end inventories held in retail stores and warehouses of retail stores compared to 8.4 in 1976. The ratio of sales to year-end inventories for nondurable goods stores was 10.6 in 1977, compared to 11.0 in 1976. The ratio for durable goods stores was 5.7 in 1977 and 5.8 in 1976.

Motor vehicle dealers showed a sales-inventory ratio of 7.3 in 1977, compared with 7.6 for the preceding year. The ratio reported by grocery stores for 1977 was 16.1, down from 16.2 for 1976, and department stores decreased to 6.1 for 1977 from 6.4 for 1976. Furniture, home furnishings, and equipment stores decreased to 5.1 for 1977 from 5.2 for 1976, while building materials, hardware, garden supply, and mobile home dealers increased to 5.4 in 1977 from 5.3 for 1976.

**Table 10. Estimated Merchandise Inventories and Sales-Inventory Ratios of Retail Stores and Warehouses in the United States, by Kind of Business: End of Year 1977 and 1976**

1972 SIC code	Kind of business	Merchandise inventories at cost <sup>1</sup> (millions of dollars)						Sales-inventory ratio <sup>2</sup>			
		Warehouses and stores			Stores			Warehouses and stores		Stores	
		1977	1976 <sup>r</sup>	Percent change	1977	1976 <sup>r</sup>	Percent change	1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>
	Retail trade, total.....	88,148	77,617	+14	78,225	68,521	+14	8.2	8.4	9.3	9.6
	Total (excluding automotive group).....	66,273	58,994	+12	56,823	50,349	+13	8.7	8.9	10.1	10.5
	Durable goods stores, total.....	43,170	37,607	+15	40,623	35,313	+15	5.7	5.8	6.1	6.1
52	Building materials, hardware, garden supply, and mobile home dealers.....	7,187	6,215	+16	6,655	5,786	+15	5.4	5.3	5.8	5.7
521, 3, 5	Building materials, supply, hardware stores....	6,013	5,259	+14	5,523	4,855	+14	5.5	5.3	6.0	5.8
521, 3	Building materials and supply stores.....	4,292	3,813	+13	3,876	3,474	+12	6.2	5.8	6.8	6.4
525	Hardware stores.....	1,721	1,446	+19	1,647	1,381	+19	3.8	4.1	4.0	4.3
55 ex. 554	Automotive dealers.....	21,875	18,623	+17	21,402	18,172	+18	6.8	6.9	6.9	7.1
551, 2, 5, 6, 7, 9	Motor vehicle and miscellaneous automotive dealers.....	19,300	16,241	+19	19,030	15,981	+19	7.0	7.3	7.1	7.4
551, 2	Motor vehicle dealers.....	17,461	14,569	+20	17,339	14,452	+20	7.3	7.6	7.4	7.6
551	Motor vehicle dealers (franchised).....	16,472	13,730	+20	16,357	13,620	+20	7.2	7.5	7.3	7.6
553	Auto and home supply stores.....	2,575	2,382	+8	2,372	2,191	+8	4.9	4.5	5.3	4.9
57	Furniture, home furnishings, equipment stores....	6,808	6,115	+11	5,909	5,314	+11	5.1	5.2	5.9	5.9
571	Furniture and home furnishings stores.....	3,893	3,501	+11	3,430	3,088	+11	5.3	5.3	6.1	6.0
5712	Furniture stores.....	2,916	2,698	+8	2,531	2,355	+7	4.8	4.6	5.5	5.3
5722, 32	Household appliance, radio, and TV stores.....	2,113	1,920	+10	1,726	1,569	+10	5.1	5.2	6.3	6.3
5722	Household appliance stores.....	991	920	+8	815	752	+8	5.2	5.0	6.3	6.1
	Nondurable goods stores, total.....	44,978	40,010	+12	37,602	33,208	+13	10.6	11.0	12.7	13.2
53	General merchandise group stores.....	15,895	13,643	+17	13,212	11,280	+17	5.7	6.0	6.8	7.2
531, 9	Department stores, miscellaneous general merchandise stores.....	14,158	12,062	+17	11,680	9,879	+18	5.8	6.1	7.1	7.5
531	Department stores.....	11,932	10,143	+18	9,701	8,175	+19	6.1	6.4	7.5	7.9
533	Variety stores.....	1,737	1,581	+10	1,532	1,401	+9	4.4	4.9	5.0	5.5
54	Food stores.....	9,558	8,840	+8	7,369	6,639	+11	16.6	16.7	21.5	22.3
541	Grocery stores.....	9,130	8,469	+8	6,994	6,318	+11	16.1	16.2	21.0	21.7
554	Gasoline service stations.....	1,919	1,743	+10	1,629	1,494	+9	30.3	30.6	35.7	35.8
56	Apparel and accessory stores.....	7,149	6,229	+15	6,749	5,905	+14	4.8	5.2	5.1	5.5
561	Men's, boys' clothing, furnishings stores.....	1,747	1,437	+22	1,679	1,387	+21	4.0	4.7	4.2	4.9
562	Women's ready-to-wear stores.....	1,852	1,629	+14	1,758	1,562	+13	6.4	7.2	6.7	7.5
566	Shoe stores.....	1,458	1,377	+6	1,317	1,245	+6	4.0	3.8	4.4	4.2
58	Eating and drinking places.....	1,549	1,416	+9	1,371	1,232	+11	41.0	40.5	46.4	46.6
591	Drug stores and proprietary stores.....	3,748	3,527	+6	3,369	3,188	+6	6.1	6.0	6.8	6.6
592	Liquor stores.....	1,381	1,310	+5	1,210	1,146	+6	9.3	9.3	10.6	10.7
5961 (pt.)	Mail-order houses (department store merchandise).....	1,050	852	+23	733	584	+26	6.4	7.1	9.1	10.4

Note: Measures of sampling variability are shown in table 16. U.S. and group totals include kinds of business not shown separately.

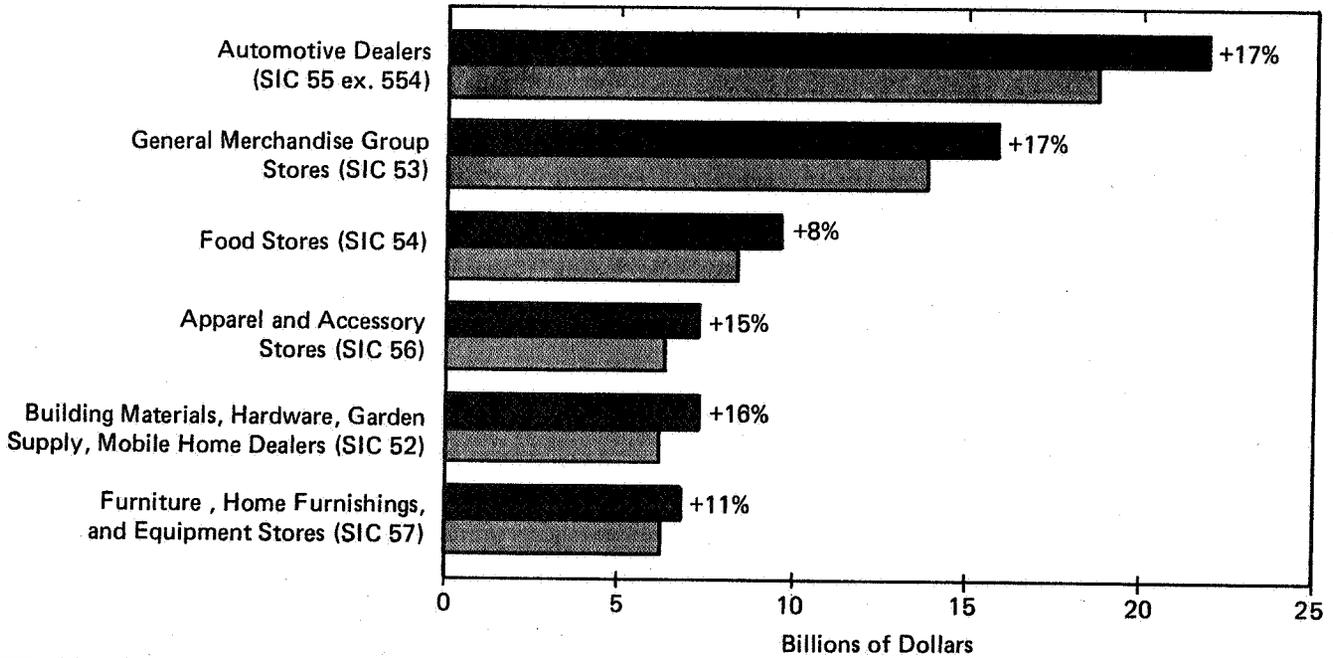
<sup>r</sup>Revised.

<sup>1</sup>Data not adjusted for seasonal variations.

<sup>2</sup>See explanatory material on page 16 for an explanation of the method used to calculate sales-inventory ratio.

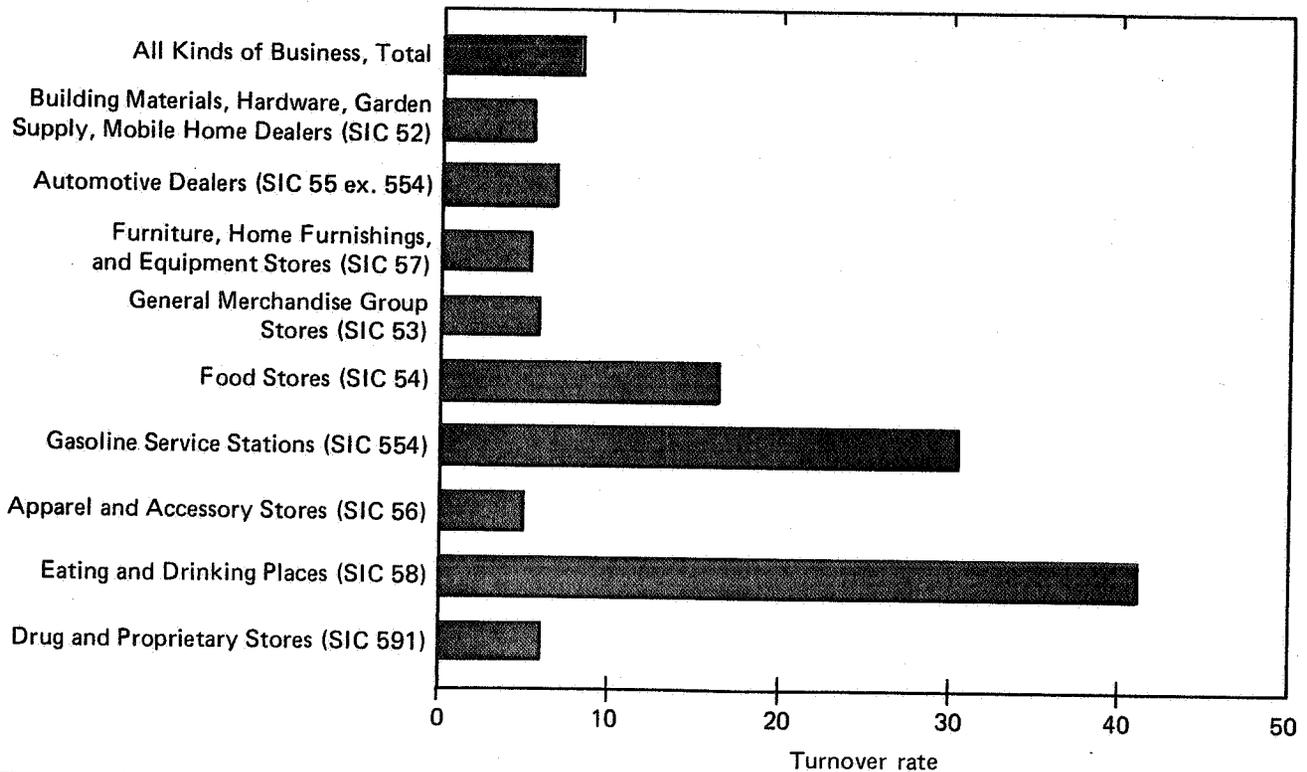
**FIGURE 4.**  
**Total Merchandise Inventories of All Retail Stores and Warehouses**  
**by Major Kinds of Business: End of Year 1977 and 1976**  
 (Merchandise inventories, at cost)

All Kinds of Business  
 1977 Total \$88.1 Billion  
 1976 Total \$77.6 Billion



**FIGURE 5.**  
**Sales-Inventory Ratios of All Retail Stores,**  
**by Kinds of Business: 1977**

(Annual turnover: 1977 sales divided by year-end inventories, at cost)



**Table 11. Estimated Merchandise Inventories and Sales-Inventory Ratios of Retail Stores and Warehouses of Group II Companies in the United States, by Kind of Business: End of Year 1977 and 1976**

1972 SIC code	Kind of business	Merchandise inventories at cost <sup>1</sup> (millions of dollars)						Sales-inventory ratio	
		Warehouses and stores			Stores			Warehouses and stores 1977	Stores 1977
		1977	1976	Percent change	1977	1976	Percent change		
	Retail trade, total.....	30,086	26,180	+15	22,890	19,711	+16	8.1	12.4
	Durable goods stores, total.....	3,994	3,513	+14	3,347	2,937	+14	4.3	5.9
553	Auto and home supply stores.....	716	704	+2	631	622	+1	3.7	4.2
	Nondurable goods stores, total.....	26,092	22,667	+15	19,543	16,774	+17	8.7	13.5
53	General merchandise group stores.....	13,889	11,693	+19	11,267	9,409	+20	5.8	8.5
531	Department stores.....	11,242	9,457	+19	9,050	7,537	+20	6.1	9.1
533	Variety stores.....	1,350	1,202	+12	1,150	1,030	+12	4.3	5.7
539	Miscellaneous general merchandise stores.....	1,297	1,034	+25	1,067	842	+27	4.4	6.7
54	Food stores.....	5,487	5,054	+9	3,440	3,063	+12	15.4	27.5
541	Grocery stores.....	5,420	4,999	+8	3,393	3,024	+12	15.4	27.5
56	Apparel and accessory stores.....	2,067	1,819	+14	1,753	1,572	+12	5.7	7.5
562, 3, 8	Women's clothing, specialty stores, furriers...	617	529	+17	531	471	+13	8.0	10.4
562	Women's ready-to-wear stores.....	587	505	+16	504	450	+12	8.1	10.6
565	Family clothing stores.....	536	437	+23	468	390	+20	5.1	7.1
566	Shoe stores.....	615	582	+6	490	469	+4	4.6	6.0
5812	Eating places.....	322	300	+7	205	180	+14	37.5	67.1
591	Drug stores and proprietary stores.....	1,827	1,628	+12	1,473	1,315	+12	5.9	6.2

Note: U.S. and group totals include data for kinds of business not shown separately.

<sup>1</sup>Data not adjusted for seasonal variations.

**Table 12. Methods of Inventory Valuation by Kind of Business: 1977 and 1976**

(Percent of estimated total store and warehouse inventory as shown in table 10)

1972 SIC code	Kind of business	Cost method <sup>1</sup>								Retail method <sup>4</sup>						Other methods	
		First-in, first-out <sup>2</sup>		Last-in, first-out <sup>3</sup>		Average		Specific		Approxim- ating cost		Approxim- ating lower cost or market		Last-in, first-out <sup>3</sup>			
		1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>	1977	1976 <sup>r</sup>
	Retail trade, total.....	17	18	8	8	8	8	28	27	8	8	14	14	10	10	7	8
	Total (excluding automotive group).....	19	20	8	8	9	9	17	17	10	9	18	18	13	13	6	6
	Durable goods stores, total.....	18	19	8	7	8	7	45	45	5	5	6	6	1	1	10	10
52	Building materials, hardware, garden supply, and mobile home dealers.....	27	30	7	6	10	9	24	23	9	8	10	10	2	2	12	12
55 ex. 554	Automotive dealers.....	11	12	10	10	5	4	57	57	2	2	3	3	1	1	11	11
553	Auto and home supply stores.....	19	20	26	28	15	12	23	22	2	2	4	5	1	1	9	10
57	Furniture, home furnishings, equipment stores.....	26	26	4	3	13	13	39	38	5	5	7	7	1	1	7	7
	Nondurable goods stores, total.....	17	17	9	9	8	8	12	12	10	10	22	21	18	18	5	6
53	General merchandise group stores.....	6	6	9	7	5	5	2	2	7	8	29	29	41	39	3	3
531	Department stores.....	2	2	11	11	2	2	1	1	5	6	31	32	46	44	1	1
54	Food stores.....	24	24	11	11	8	8	10	10	15	15	16	17	10	10	5	5
541	Grocery stores.....	24	24	11	11	8	8	10	9	15	15	17	17	11	11	5	5
554	Gasoline service stations.....	18	19	8	9	18	18	38	37	10	10	2	2	(Z)	(Z)	5	5
56	Apparel and accessory stores.....	12	13	2	2	7	7	20	20	15	14	27	27	8	7	9	10
58	Eating and drinking places.....	46	45	2	3	12	12	24	24	3	3	3	4	(Z)	(Z)	9	9
591	Drug stores and proprietary stores.....	29	28	15	17	9	6	16	17	11	11	12	12	1	2	7	7
592	Liquor stores.....	29	27	2	2	12	11	33	34	10	11	4	4	1	1	9	10
5961 (pt.)	Mail-order houses (department store merchandise).....	4	3	20	21	(D)	(D)	(Z)	(Z)	(Z)	(Z)	(D)	(D)	16	16	4	5

<sup>r</sup>Revised. D Withheld to avoid disclosure. Z The amount is less than 0.5 percent.

<sup>1</sup>Method of accounting which values inventory in terms of purchase cost.

<sup>2</sup>Costs are based on the assumption that the first units placed in stock are the first to be sold.

<sup>3</sup>Costs are based on the assumption that the last units placed in stock are the first to be sold.

<sup>4</sup>Method of accounting which estimates the purchase cost of inventory from the selling price.

Table 13. Estimated Merchandise Inventories of All Retail Stores and Warehouses by Legal Form of Ownership and Kind of Business: 1977

1972 SIC code	Kind of business	Total (millions of dollars)	Individual proprietorships (percent of total)	Partnerships (percent of total)	Corporations (percent of total)
	Retail trade, total.....	88,148	12	4	82
	Total (excluding automotive group).....	66,273	13	4	80
	Durable goods stores, total.....	43,170	12	5	81
52	Building materials, hardware, garden supply, and mobile home dealers.....	7,187	13	6	79
55 ex. 554	Automotive dealers.....	21,875	7	3	88
57	Furniture, home furnishings, equipment stores.....	6,808	17	5	76
	Nondurable goods stores, total.....	44,978	11	3	83
53	General merchandise group stores.....	15,895	1	1	96
531	Department stores.....	11,932	(Z)	(Z)	99
54	Food stores.....	9,558	14	4	81
541	Grocery stores.....	9,130	13	3	81
554	Gasoline service stations.....	1,919	45	6	45
56	Apparel and accessory stores.....	7,149	13	5	81
58	Eating and drinking places.....	1,549	22	7	70
591	Drug stores and proprietary stores.....	3,748	11	3	83

Note: Totals include kinds of business and forms of ownership not shown separately.

Z The dollar amount is less than 1 percent of all forms of ownership combined.

## ACCOUNTS RECEIVABLE

Retail stores in the United States reported a total of \$34.1 billion of accounts-receivable balances owed to them by customers as of December 31, 1977. Credit balances on charge accounts and on installment accounts amounted to \$10.7 billion and \$23.4 billion, respectively, at the close of 1977.

Receivable balances for nondurable goods stores amounted to \$24.0 billion in total. Department stores reported unpaid balances totaling \$16.0 billion at the end of 1977 (47 percent of the total for all retail stores) and apparel and accessory stores had \$1.9 billion unpaid balances.

Durable goods stores reported balances at \$10.1 billion. Contributing to these figures were dealers in building materials, hardware, garden supply, and mobile home dealers, with \$2.8 billion; automotive dealers, \$2.8 billion; and furniture, home furnishings, and equipment stores, \$3.0 billion.

Approximately 93 percent of the 1977 year-end credit balances due from customers of the general merchandise group stores was on installment accounts. Installment accounts represented approximately 66 percent of total year-end 1977 outstanding balances for furniture, home furnishings, and equipment stores. In contrast, the credit balances outstanding for building materials, hardware, garden supply and mobile home dealers, and gasoline service stations were predominantly on charge accounts (91 percent and 99 percent, respectively). For automotive dealers, about 60 percent was outstanding due to charge accounts.

Stores of organizations operating 11 or more retail stores accounted for \$21.7 billion of total receivables at the end of 1977. Credit balances on charge accounts and on installment accounts amounted to \$2.3 billion and \$19.4 billion, respectively, at the close of 1977.

**Table 14. Estimated Accounts Receivable of All Retail Stores in the United States, by Type of Account and Kind of Business: End of Year 1977**

(Millions of dollars. Data NOT ADJUSTED for seasonal variations and holiday differences)

1972 SIC code	Kind of business	Total accounts receivable	Charge accounts	Total installment accounts	Open-end installment accounts	Closed-end installment accounts
	Retail stores, total.....	34,149	10,659	23,490	17,937	5,553
	Durable goods stores, total.....	10,089	6,026	4,063	1,708	2,355
52	Building materials, hardware, garden supply, and mobile home dealers.....	2,772	2,521	(S)	(S)	(S)
521, 3	Building materials and supply stores.....	2,384	2,209	(S)	(S)	(S)
55 ex. 554	Automotive dealers.....	2,780	1,663	1,117	294	823
551, 2	Motor vehicle dealers.....	1,335	(S)	(S)	(S)	(S)
551	Motor vehicle dealers (franchised).....	1,275	1,056	(S)	(S)	(S)
553	Auto and home supply stores.....	1,389	(S)	852	(S)	642
57	Furniture, home furnishings, equipment stores.....	3,033	1,031	2,002	824	1,178
571	Furniture and home furnishings stores.....	2,262	727	1,535	615	920
5712	Furniture stores.....	1,976	(S)	(S)	(S)	(S)
5722, 32	Household appliance, radio, and TV stores.....	645	(S)	(S)	(S)	(S)
5722	Household appliance stores.....	462	(S)	(S)	(S)	(S)
	Nondurable goods stores, total.....	24,060	4,633	19,427	16,229	3,198
53	General merchandise group stores.....	16,695	1,113	15,582	13,039	2,543
531, 9	Department stores, miscellaneous general merchandise stores.....	16,684	1,111	15,573	13,035	2,538
531	Department stores.....	16,001	1,019	14,982	12,590	2,392
54	Food stores.....	266	203	(S)	(S)	(S)
541	Grocery stores.....	203	(S)	(S)	(S)	(S)
554	Gasoline service stations.....	662	584	(S)	(S)	(S)
56	Apparel and accessory stores.....	1,916	738	1,178	1,120	(S)
562	Women's ready-to-wear stores.....	736	(S)	(S)	(S)	(S)
58	Eating and drinking places.....	340	(S)	(S)	(S)	(S)
5961 (pt.)	Mail-order houses (department store merchandise).....	1,649	(S)	(S)	(S)	(S)

Source: U.S. Department of Commerce, Bureau of the Census, Monthly Retail Trade report, December 1978.

Note: Measure of sampling variability shown on page 20.

S Not shown because of high sampling variability.

**Table 15. Estimated Accounts Receivable of Retail Stores of Group II Companies in the United States, by Type of Account and Kind of Business: End of Year 1977**

(Millions of dollars. Data NOT ADJUSTED for seasonal variations and holiday differences)

1972 SIC code	Kind of business	Total accounts receivable	Charge accounts	Total installment accounts	Open-end installment accounts	Closed-end installment accounts
	Retail trade, total.....	21,693	2,287	19,406	15,633	3,773
	Durable goods stores, total.....	2,332	698	1,634	682	952
553	Auto and home supply stores.....	788	(S)	(S)	(S)	(S)
	Nondurable goods stores, total.....	19,361	1,589	17,772	14,951	2,821
53	General merchandise group stores.....	15,994	894	15,100	12,632	2,468
531, 9	Department stores, miscellaneous general merchandise stores.....	15,989	894	15,095	12,628	2,467
531	Department stores.....	15,502	881	14,621	12,266	2,355
56	Apparel and accessory stores.....	800	169	631	613	(S)

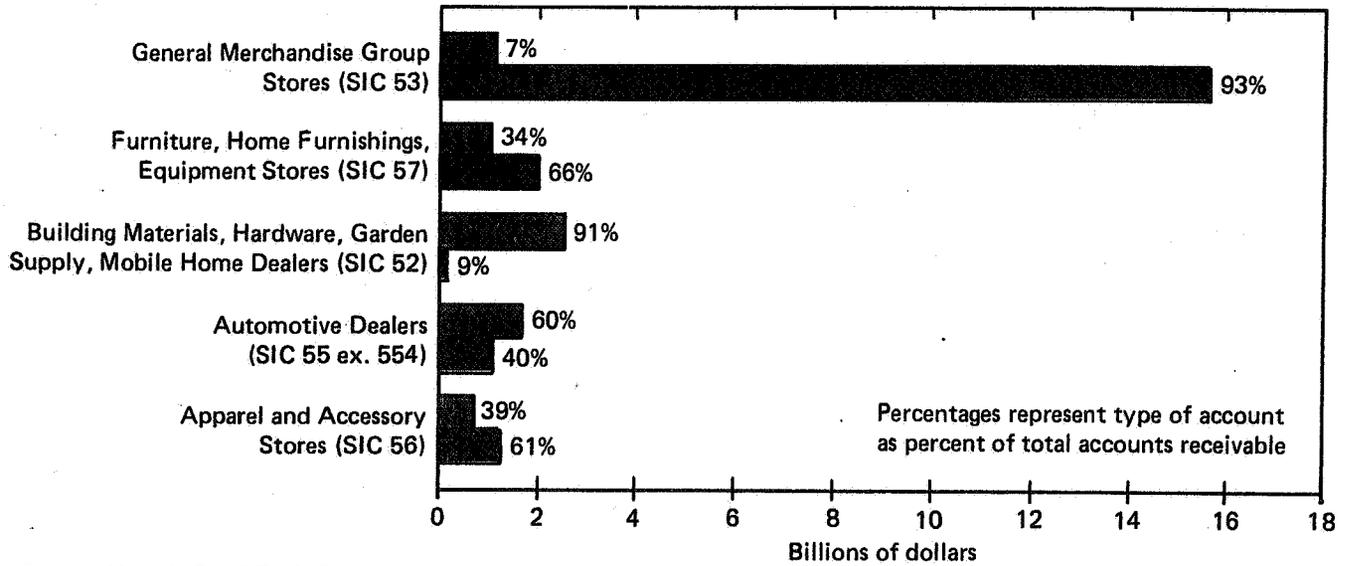
Source: U.S. Department of Commerce, Bureau of the Census, Monthly Retail Trade report, December 1978.

Note: Measure of sampling variability shown on page 20.

S Not shown because of high sampling variability.

**FIGURE 6.**  
**Total Accounts Receivable, Charge and Installment**  
**Accounts of All Retail Stores: End of Year 1977**

■ Charge accounts  
 ■ Installment accounts



Source: Monthly Retail Trade Report, December, 1978.

## Explanatory Material

### Definition of Terms

#### Retail Trade

This category includes establishments engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods. In general, retail establishments are classified by kind of business according to the principal lines of commodities sold (groceries, hardware, etc.), or the usual trade designation (drug store, cigar store, etc.). Some of the important characteristics of retail trade establishments are: The establishment is usually a 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 process its products, but such processing is incidental or subordinate to selling; the establishment is considered as retail in the trade; and the establishment sells to customers for personal or household use. Not all of these characteristics need be present, and some are modified by trade practice.

For the most part, establishments engaged in retail trade sell merchandise to the general public for personal or household consumption. Exceptions to this general rule are made necessary by trade practices. For example, lumber yards and paint, glass and wallpaper stores are included in retail trade if they sell to the general public, even if a higher proportion of their sales is made to contractors. However, establishments that sell exclusively to business establishments, institutional and industrial users, or contractors are classified in wholesale trade.

Buying of goods for resale to the consumer is a characteristic of retail trade establishments that particularly distinguishes them from the agricultural and extractive industries. For example, farmers who sell only their own produce at or from the point of production are not classified as retailers.

Processing, incidental or subordinate to selling, often is conducted at retail stores. For example, restaurants prepare meals and meat markets cut meat. Retail establishments of manufacturing concerns are included in retail trade.

Chain store warehouses are considered auxiliary to the retail establishment served and are classified on the basis of the activity carried on by such retail stores.

#### Sales

Sales include the following: Merchandise sold for cash or credit at retail and wholesale by establishments primarily engaged in retail trade; amounts received from customers for layaway purchases; receipts from rental or leasing of vehicles,

equipment, instruments, tools, etc.; receipts for delivery, installation, maintenance, repair, alteration, storage, and other services; and gasoline, liquor, tobacco, and other excise taxes which are paid by the manufacturer or wholesaler and passed along to the retailer. Sales are net after deductions for refunds and allowances for merchandise returned by customers. Trade-in allowances are not deducted from total sales. Total sales do not include commissions from vending machine operators or non-operating income from such sources as investments, rental or sale of real estate, etc.

Sales exclude sales and excise taxes collected directly from customers and paid directly to a local, State or Federal tax agency. The sales tax percentages shown in table 4 were derived from separate reporting of these taxes on the annual survey by the retail firms selected. Also excluded from sales are receipts from customers for carrying or other credit charges.

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 others whose primary activity is other than retail trade.

#### Merchandise Purchases

Merchandise purchases represent the total cost, after deduction of returns and discounts for early payment, of merchandise which was purchased for resale during the year, whether or not payment for the merchandise was made during the year. Merchandise purchases data include cash and credit purchases made at central offices and company warehouses. Also included is the cost of goods in transit where title has passed to the purchaser.

Companies engaged in both manufacturing and retail operations were asked to report purchases as the cost value of intercompany transfers from their plants or warehouses to their retail stores. These companies were also requested to report the cost of outside purchases.

Merchandise purchases exclude expenditures for supplies or equipment intended for company use rather than for resale, the cost of raw materials or parts purchased for manufacture into a finished product, and goods included in the purchase price of a business.

#### Merchandise Inventories

Merchandise inventories include stocks of goods (valued at cost) held for sale through retail stores. Methods of valuation may vary according to the accounting practices of the firm.

Merchandise inventories are shown for stores and warehouses combined and for stores only. Included are only those warehouses which maintained supplies 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 the fiscal year rather than the calendar year for accounting purposes. About 32 percent of the retail inventory total refers to a fiscal-year end other than December 31, but this varied by kind of business (from about 68 percent for stores in the general merchandise group to about 8 percent for stores in the automotive group). Inventory data for a date other than December 31 have been accepted and included in the tabulations without adjustment.

The sales-inventory ratios shown in table 10 indicate the relationship of annual sales to December 31 inventories and are derived by dividing annual sales (table 1) by the cost value of inventories (table 10).

In addition to reporting the total cost value of inventory, respondents in the annual survey were requested to report the accounting procedure used to determine that cost value. Table 12 shows, as a percent of total value, the alternative methods in common use for determining the cost value of the units remaining in inventory as of the end of the year.

### Accounts Receivable

Retail accounts receivable are amounts owed to retail stores by their customers for purchases made on credit. The data in this report refer to receivables outstanding as of the end of the month, including receivables against which the firm has borrowed. However, credit paper discounted or sold to others (e.g., consumer credit paper sold to financial institutions or collecting agencies) and amounts actually charged off as bad debts are excluded. Also excluded are amounts charged on credit cards issued by oil companies, banks, and other such organizations that issue credit cards.

Charge accounts are credit accounts for which full payment is scheduled to be made at the end of the customary billing period.

Installment accounts are credit accounts for which payment is scheduled to be made in two or more parts. These accounts represent two major types—“open-end” and “closed-end.”

“Open-end” installment accounts are primarily “revolving” or optional accounts where a deferred payment privilege is extended through a line of credit and the customer has the option of paying the balance in full (usually with no finance charge) or paying in two or more installments subject to some minimum required payment with a finance charge usually assessed.

“Closed-end” installment accounts are those generally requiring a new contract to cover each extension of credit. A precomputed finance charge is assessed at the time credit is extended, and specified fixed schedules of installment pay-

ments are established with the number and the amount of payments and due dates specified in the contract.

### Unpublished Data

Selected additional data, such as dollar volume sales estimates for some kinds of business not separately shown in this report, are produced as a byproduct of the regularly published statistics. These additional data have not been included in this publication because their sampling variability is so high as to make them potentially misleading. The Bureau of the Census, on written request, will release such figures for individual use, though not for publication. It should be noted that some unpublished figures can be derived directly from this report by subtracting published data from their respective totals. However, the figures obtained by such subtraction would be subject to the high sampling variability described above for unpublished kinds of business, and their use would be subject to the same hazards.

## Sample Design and Reliability of the Data

### Description of the Sample

The 1977 Annual Retail Trade sample consists of all sampling units tabulated in the production of monthly estimates of retail sales published in the Current Business Report Series BR, **Monthly Retail Trade**, for November and December, 1977 and January 1978.

Specifically, the annual sample consists of all sampling units in the list component and one-fourth of the sampling units in the area component of the sample used to produce monthly estimates. The *list component* is comprised of a fixed panel of large businesses, most of which were selected with certainty, and three rotating panels of smaller businesses. The *area component* consists of twelve panels of land segments. In the monthly survey, only one rotating panel in the list component and only one rotating panel in the area component, plus the list component's fixed panel are canvassed in any given month. In the annual retail trade survey, all three rotating list panels, the fixed panel, and three rotating area panels are used, thereby reducing the sampling error of the annual estimates.

**The list sample**—The list sample originally was drawn from the Standard Statistical Establishment List (SSEL) as updated to December 31, 1974. The initial SSEL consisted of 2 lists. One list was composed of all Employer Identification (EI) numbers issued by the Internal Revenue Service (IRS) with reported payroll in at least one quarter of 1973 or 1974, with payroll in the 1972 Census of Retail Trade, or with sales/receipts greater than \$100,000 in the 1972 census. The second list consisted of all establishments of known multiestablishment companies as of December 31, 1974. These lists contained information on sales/receipts, payroll, employment, name and address, kind-of-business classification, etc.

Prior to the availability of the 1974 SSEL, a study of the universe of retail businesses was carried out using files from the 1972 Census of Retail Trade. This study determined the stratification of the sampling units based on 1972 sales and kind of business, and also determined the optimal allocation of the sample necessary to meet specified variance objectives for sales estimates for different kind-of-business groups. The primary stratum boundary determined in the study was the certainty cutoff to be used for each kind of business. The cutoff was particularly important since it also determined the type of sampling unit.

Sampling units for the list sample consisted of both companies and EI numbers. To be eligible for the initial list sample, an EI had to be active; i.e., had payroll in 1974 and was on the IRS mailing list for Federal Insurance Contributions Act (FICA) taxpayers. If a known multiestablishment company had total retail sales (on a 1972 basis) above the cutoff for its major kind of business, the company was selected for the sample with certainty. The company, which could consist of one or more EI's, was then the sampling unit; therefore, any new retail establishments that the company might acquire, even if under new or different EI numbers, were in the sample with certainty.

All retail companies below the certainty cutoff as well as all single establishment retail companies were treated on an EI basis; that is, the EI number was the sampling unit. The EI numbers were then stratified according to their major kind of business and their estimated sales (on a 1972 basis). Within each stratum, a simple random sample of EI's was selected. The sampling rates for these EI numbers varied between 1 in 3 and 1 in 1,000. Three such samples of EI numbers, called panels, were drawn. Since all 3 panels were canvassed in the annual retail trade sample, the sampling rates varied between 1 in 1 and 1 in 333.

For those EI numbers in the initial sample that were not classified in a kind-of-business category and for all EI "births" after the initial selection, a two-phase selection procedure was used. EI "births," as used here, are new EI numbers recently assigned by the Social Security Administration (SSA) to FICA taxpayers. In the first phase, "births" were stratified by kind of business and size (expected employment or quarterly payroll). A relatively large sample was drawn and canvassed for a more reliable measure of size (sales in 2 recent months) and a more detailed kind-of-business code, if needed.

Using this more reliable information, the cases selected in the first phase were restratified and the final sample drawn with overall probabilities equivalent to those used in drawing the initial sample from the 1974 SSEL. Because of the lag in reporting "births" to the IRS and the SSA and the time needed to accomplish the two-phase birth-selection procedure, "births" are actually added to the sample about 8 or 9 months after they begin operation. During this period, they are represented by the area sample. The ongoing birth-selection procedure is carried out quarterly.

To be eligible for list sample canvass and tabulation in a given month, a retail business must meet the following requirements:

1. It must be on the IRS mailing list for FICA taxpayers from the previous quarter.
2. It must have been selected from either the SSEL or the file of employer "births." For this purpose, a universe file of all businesses ever given a chance of selection is maintained. This file shows, among other things, which EI numbers actually have been selected.

For businesses that were selected into the sample with certainty, the first requirement is changed. These certainty sampling units are not dropped from canvass and tabulation if they are no longer on the IRS mailing list. Rather, these businesses are contacted, and, if there are successor businesses, they are added to the survey. This is a tighter form of control for the larger businesses.

**The area sample**—The area sample is a two-stage sample. In the first stage, 10 primary sampling units (single counties or small groups of contiguous counties) were selected with certainty and 48 were drawn with probability proportionate to size (population). Each selected primary sampling unit (PSU) was then subdivided into small land segments containing, at the time of selection, an average of about four retail stores each. Twelve subsamples of these land segments were drawn in each PSU at an overall rate of 1 in 1,000 (1 in 2,000 or 1 in 3,000 in the smallest PSU's). A different subsample, or panel, is included in the area sample for each month of the year. Each of these 12 panels include approximately 420 land segments.

In the annual retail trade survey sample, three are sample panels are used. This reduces the overall sampling rate to 1 in 333 (1 in 667 or 1 in 1,000 in the smallest PSU's).

All retail establishments in these selected land segments are canvassed. Sufficient information (mainly concerning the EI number) is obtained to determine whether the business has had a chance of selection in the list sample component. If it has no EI number or if its EI number fails to match either the list sample universe or the current FICA mailing list, it is tabulated in the area sample. The area sample thus includes businesses without employees and employers, mainly recent EI "births," not represented in the list sources.

### Group I and Group II Definitions

Group II consists of companies which had 11 or more retail establishments at the time the initial monthly retail trade sample was selected from the 1974 SSEL and qualified for certainty selection. To qualify for certainty, total annual sales of these companies (on a 1972 basis) had to exceed specified dollar volume cutoffs which varied by kind of business. The certainty cutoff ranged from annual sales of \$2 million to annual sales of \$25 million or more.

In previous sample designs, the sole criterion for classifying a company as being Group II was that the company had to have operated 11 or more retail stores at the time of the most recent retail census. Under the current sample design, a Group II company must meet both the establishment cutoff as well as the certainty sale-size cutoff. Group I consists of all other retail establishments.

Although separate tabulations are made for Group I and Group II in the list sample, only the data developed for Group II is published separately (table 3). Group I estimates are included in the "retail trade, total" figures shown in this report.

### Estimation

All statistical estimates in this report were developed from summations of weighted information from the sampling units. The weights used are the inverse of the probability of selection (or sampling rate) of sampling units in the annual survey.

All estimates include annual sales, purchases, and beginning year inventories for firms not in business at the end of calendar year 1977. In most instances, this information was derived from estimated sales data for the months of 1977 during which the firm was in operation, with purchases and beginning year inventories estimated from the relationship of these items to sales for firms in business at the end of 1977. Firms not in business at the end of 1977 account for approximately 2.6 percent of total 1977 annual sales.

The 1977 and 1976 inventory estimates contained in this publication were derived from the sample previously described. The 1976 inventory estimates originally published in the 1976 Annual Retail Trade report were derived from data reported by a different sample of retailers. The 1976 sales estimates in this report were based on the sum of monthly estimates which were revised to reflect the results of the 1977 Annual Retail Trade Survey. More details concerning the revision procedure are contained in the Current Business Report, Series BR-79-01, **Monthly Retail Trade**, January 1979. Estimates of accounts receivable shown in this publication were taken from December 1977 estimates published in the Current Business Report, Series BR-78-02, **Monthly Retail Trade**, December 1978.

### Reliability of the Data

Because the estimates were based on a sample, exact agreement with the results that would be obtained from a complete census of retail stores using the same enumeration procedure was not expected. However, because every retail store in the United States had a chance of being selected for the sample, and because the probability of selection for each store in the sample was known, it was 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 16 and 17. 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 are at the one standard error level. The sampling error, or standard error of the estimate, is a measure of the variability among the estimates from all possible samples of the same size and design and, thus, is a measure of the precision with which an estimate from a particular sample approximates the results of a complete enumeration. The coefficient of variation (expressed as a percent) is the standard error of the estimate times 100 percent divided by the value being estimated. Note that measures of sampling variability, such as the standard error or coefficient of variation, are estimates derived from the sample and are also subject to sampling variability.

The coefficients of variation presented in tables 16 and 17 permit certain confidence statements about the sample estimates. The particular sample used in this survey was one of a large number of samples of the same size that could have been selected using the same design. In about two out of three of these samples, the estimate would differ from a complete enumeration by less than the corresponding percentage for that estimate shown in the sampling variability table. In about 19 out of 20 of these samples, the estimates would differ from the results of a complete enumeration by less than twice the percentages shown.

The coefficients of variation shown in this report do not measure biases which might arise from differences of response or nonreporting. Nonresponse amounted to about 5 percent for sales, 6 percent for inventories, and 8 percent for purchases.

Table 16. Estimated Sampling Variability for Sales, Purchases, and Inventory Estimates

(Coefficients of variation in percent)

1972 SIC code	Kind of business	Dollar volume estimates			1972 SIC code	Kind of business	Dollar volume estimates		
		Sales	Pur- chases	Inven- tory			Sales	Pur- chases	Inven- tory
	Retail trade, total.....	0.7	0.8	1.2		Nondurable goods stores, total.....	0.6	0.8	0.8
	Total (excluding automotive group).....	0.7	0.8	1.3	53 531, 9	General merchandise group stores....	0.4	0.5	0.6
	Durable goods stores, total...	1.2	1.5	2.2	531 539	Department stores, miscellaneous general merchandise stores.....	0.4	0.5	0.6
52	Building materials, hardware, garden supply, and mobile home dealers....	1.9	2.1	3.6	533	Department stores.....	0	0	0
521, 3, 5	Building materials, supply, hardware stores.....	2.2	2.1	4.0	54	Miscellaneous general merchan- dise stores.....	3.4	3.9	3.7
521, 3	Building materials and supply stores.....	2.5	2.5	3.9	541	Variety stores.....	2.4	2.3	2.5
525	Hardware stores.....	4.4	5.3	7.8	546	Food stores.....	1.0	1.1	1.4
					554	Grocery stores.....	1.0	1.0	1.3
55 ex. 554	Automotive dealers.....	1.5	1.6	1.9	56	Retail bakeries.....	6.2	(S)	(S)
551, 2, 5, 6, 7, 9	Motor vehicle and miscellaneous automotive dealers.....	1.6	1.7	2.2	561	Gasoline service stations.....	2.9	3.2	3.5
551, 2	Motor vehicle dealers.....	1.5	1.6	1.7	562, 3, 8	Apparel and accessory stores.....	2.0	2.4	2.8
551	Motor vehicle dealers (franchised).....	1.2	1.3	1.6	562	Men's, boys' clothing, furnish- ing stores.....	4.5	4.8	6.1
553	Auto and home supply stores.....	3.2	4.1	5.2	565	Women's clothing, specialty stores, furriers.....	2.6	3.1	4.3
					566	Women's ready-to-wear stores....	2.6	3.1	4.3
57	Furniture, home furnishings, equipment stores.....	2.4	2.6	2.5	58	Family clothing stores.....	3.7	4.0	4.8
571	Furniture and home furnishings stores.....	3.1	3.2	3.0	5812	Shoe stores.....	3.0	3.3	3.4
5712	Furniture stores.....	2.7	2.8	3.3	5812(pt.)	Eating and drinking places.....	2.3	3.9	6.7
5722, 32	Household appliance, radio, and TV stores.....	4.4	4.8	4.6	5813	Eating places.....	2.5	4.3	7.8
5722	Household appliance stores.....	4.4	4.5	7.0	591	Restaurants, lunchrooms, cafeterias.....	3.5	3.9	(S)
					592	Drinking places (alcoholic beverages).....	5.8	6.1	6.3
					5961(pt.)	Drug stores and proprietary stores..	1.2	1.3	1.3
						Liquor stores.....	3.0	3.2	4.1
						Mail-order houses (department store merchandise).....	0	0	0

Note: The estimates of sampling variability shown above are based on sales, purchases, and inventory estimates derived from the 1977 Annual Retail Trade survey.

S The coefficients of variation for these kinds of business exceed publication standard.

Table 17. Estimated Sampling Variability for Accounts Receivable Estimates

1972 SIC code	Kind of business	Dollar volume estimates	1972 SIC code	Kind of business	Dollar volume estimates
	TOTAL ACCOUNTS RECEIVABLE			INSTALLMENT ACCOUNTS	
	Retail trade, total.....	0.9		Retail trade, total.....	0.7
	Durable goods stores, total.....	2.7		Durable goods stores, total.....	3.0
52	Building materials, hardware, garden supply, and mobile home dealers.....	3.6	55 ex. 554	Automotive dealers.....	5.8
521, 3	Building materials and supply stores.....	4.0	553	Auto and home supply stores.....	6.4
55 ex. 554	Automotive dealers.....	3.2	57	Furniture, home furnishings, equipment stores....	4.2
551, 2	Motor vehicle dealers.....	3.8	571	Furniture and home furnishings stores.....	4.7
551	Motor vehicle dealers (franchised).....	3.6		Nondurable goods stores, total.....	0.3
553	Auto and home supply stores.....	6.2		General merchandise group stores.....	0.2
57	Furniture, home furnishings, equipment stores....	4.3	53	Department stores, miscellaneous general	
571	Furniture and home furnishings stores.....	5.6	531, 9	merchandise stores.....	0.2
5712	Furniture stores.....	6.0	531	Department stores.....	0.0
5722, 32	Household appliance, radio, and TV stores.....	9.3		Apparel and accessory stores.....	2.1
5722	Household appliance stores.....	7.8			
	Nondurable goods stores, total.....	0.4	56		
53	General merchandise group stores.....	0.1		OPEN-END INSTALLMENT ACCOUNTS	
531, 9	Department stores, miscellaneous general			Retail trade, total.....	0.5
	merchandise stores.....	0.1		Durable goods stores, total.....	3.8
531	Department stores.....	0.0		Automotive dealers.....	5.7
54	Food stores.....	12.8	55 ex. 554	Furniture, home furnishings, equipment stores....	5.8
541	Grocery stores.....	8.7	57	Furniture and home furnishings stores.....	6.6
554	Gasoline service stations.....	6.3	571		
56	Apparel and accessory stores.....	2.3		Nondurable goods stores, total.....	0.3
562	Women's ready-to-wear stores.....	4.4		General merchandise group stores.....	0.2
58	Eating and drinking places.....	6.3	53	Department stores, miscellaneous general	
5961(pt.)	Mail-order houses (department store merchandise)..	0.1	531, 9	merchandise stores.....	0.2
	CHARGE ACCOUNTS		531	Department stores.....	0.0
	Retail trade, total.....	2.0	56	Apparel and accessory stores.....	2.1
	Durable goods stores, total.....	3.1			
52	Building materials, hardware, garden supply, and mobile home dealers.....	3.8		CLOSED-END INSTALLMENT ACCOUNTS	
521, 3	Building materials and supply stores.....	4.2		Retail trade, total.....	2.2
55 ex. 554	Automotive dealers.....	2.8		Durable goods stores, total.....	4.3
551	Motor vehicle dealers (franchised).....	2.3	55 ex. 554	Automotive dealers.....	7.5
57	Furniture, home furnishings, equipment stores....	7.3	553	Auto and home supply stores.....	9.0
571	Furniture and home furnishings stores.....	8.9	57	Furniture, home furnishings, equipment stores....	5.7
	Nondurable goods stores, total.....	2.0	571	Furniture and home furnishings stores.....	6.4
53	General merchandise group stores.....	1.6		Nondurable goods stores, total.....	1.3
531, 9	Department stores, miscellaneous general		53	General merchandise group stores.....	0.2
	merchandise stores.....	1.6	531, 9	Department stores, miscellaneous general	
531	Department stores.....	0.0	531	merchandise stores.....	0.3
54	Food stores.....	9.2		Department stores.....	0.0
554	Gasoline service stations.....	6.7			
56	Apparel and accessory stores.....	3.3			

Source: U.S. Department of Commerce, Bureau of the Census, Monthly Retail Trade report, December 1978.

Note: The measures of sampling variability shown above were calculated from May through December monthly estimates.

## Kind-of-Business Classification

The kinds of business shown in this report parallel broad classifications defined in the 1972 edition of the Standard Industrial Classification (SIC) manual. Descriptions of each kind of business follow. Data for some kinds of business are not shown separately but are included in the major group or other totals.

### DURABLE GOODS

#### BUILDING MATERIALS, HARDWARE, GARDEN SUPPLY, AND MOBILE HOME DEALERS (SIC Major Group 52)

This major group includes retail establishments primarily engaged in selling lumber and other building materials; paint, glass, and wallpaper; hardware; nursery stock; lawn and garden supplies; and mobile homes.

It includes lumber and other building materials dealers and paint, glass, and wallpaper stores selling to the general public, even if sales to contractors account for a larger proportion of total sales. These establishments are known as, "retail" in the trade. Establishments primarily selling these products but not selling to the general public are classified in wholesale trade.

**Lumber and Other Building Materials Dealers (SIC 521)<sup>1</sup>**—Establishments engaged in selling primarily lumber, or lumber and a general line of building materials, to the general public. The lumber which they sell may include rough and dressed lumber, flooring, molding, doors, sashes, frames, and other millwork. The building materials may include roofing, siding, shingles, wallboard, paint, brick, tile, cement, sand, gravel, and other building materials and supplies. Hardware is often an important line of retail lumber and building materials dealers.

**Paint, Glass, and Wallpaper Stores (SIC 523)<sup>1</sup>**—Establishments engaged in selling primarily paint, glass, and wallpaper, or any combination of these lines, to the general public.

**Hardware Stores (SIC 525)**—Establishments primarily selling a number of basic hardware lines such as tools, builders' hardware, paint and glass, housewares and household appliances, cutlery, and roofing materials, no one of which accounts for 50 percent or more of the sales of the establishments.

**Retail Nurseries, Lawn and Garden Supply Stores (SIC 526)<sup>1</sup>**—Establishments primarily engaged in selling trees,

shrubs, other plants, seeds, bulbs, mulches, soil conditioners, fertilizers, pesticides, garden tools, and other garden supplies to the general public. These establishments primarily sell products purchased from others, but may sell some plants which they grow themselves.

**Mobile Home Dealers (SIC 527)<sup>1</sup>**—Establishments primarily engaged in the retail sale of new and used mobile homes, including parts and accessories.

#### AUTOMOTIVE DEALERS (SIC Major Group 55 ex. 554)

This major group includes retail dealers selling new and used automobiles, boats, recreational and utility trailers, and motorcycles; and those selling new automobile parts and accessories. Automobile repair shops maintained by the establishments engaged in the sale of new automobiles are also included.

**Motor Vehicle Dealers (Franchised)—New and Used (SIC 551)**—Establishments primarily engaged in the sale of new automobiles or new and used foreign or domestic automobiles. These establishments frequently maintain repair departments and used car lots and carry stocks of replacement parts, tires, batteries, and automotive accessories. Used car lots and repair departments operated by franchised new passenger car dealers are not considered separate locations.

**Motor Vehicle Dealers (Nonfranchised)—Used Cars Only (SIC 552)<sup>1</sup>**—Establishments primarily selling used cars and not holding a franchise for the sale of new cars.

**Auto and Home Supply Stores (SIC 553)**—Establishments primarily engaged in the retail sale of automobile tires, batteries, and other automobile parts and accessories. These establishments frequently sell additional lines of merchandise such as household appliances, radios and television sets, sporting goods, housewares, and hardware.

**Boat Dealers (SIC 555)<sup>1</sup>**—Establishments primarily engaged in the retail sale of new and used motorboats and other watercraft, including parts, accessories, marine supplies, and outboard motors.

**Recreational and Utility Trailer Dealers (SIC 556)<sup>1</sup>**—Establishments primarily engaged in the retail sale of new and used recreational trailers, campers (pickup coaches), utility

See footnotes on page 26.

trailers, and other trailers for passenger automobiles, and motor homes, including parts and accessories.

**Motorcycle Dealers (SIC 557)<sup>1</sup>**—Establishments primarily engaged in the retail sale of new and used motorcycles and motor scooters, including parts and accessories.

**Automotive Dealers, Not Elsewhere Classified (SIC 559)<sup>1</sup>**—Establishments primarily engaged in the retail sale of new and used automotive vehicles, such as snowmobiles, dunebuggies, and go-carts, and new automotive equipment and supplies, not elsewhere classified.

**FURNITURE, HOME FURNISHINGS, AND  
EQUIPMENT STORES**  
(SIC Major Group 57)

This major group includes retail stores selling goods used for furnishing the home, such as furniture, floor coverings, draperies, glass and chinaware, domestic stoves, refrigerators, and other household electrical and gas appliances.

**Furniture Stores (SIC 5712)**—Establishments primarily selling household furniture, beds, mattresses, springs, and other sleep equipment. Also included in this classification are establishments selling household appliances, phonographs, radio and TV sets, and floor coverings provided the receipts from sales of furniture and sleep equipment exceed those from sales of other merchandise.

**Floor Covering Stores (SIC 5713)<sup>1</sup>**—Establishments primarily engaged in the retail sale of floor coverings and related products.

**Drapery, Curtain, and Upholstery Stores (SIC 5714)<sup>1</sup>**—Establishments primarily selling draperies, curtains, slipcovers, and upholstery materials. Establishments primarily selling custom-made draperies and slipcovers for household use also are included.

**Miscellaneous Home Furnishing Stores (SIC 5719)<sup>1</sup>**—Establishments primarily engaged in the retail sale of miscellaneous home furnishings, such as china, glassware, and metalware for kitchen and table use, bedding and linen, brooms, brushes, lamps and shades, mirrors and pictures, venetian blinds, and window shades.

**Household Appliance Stores (SIC 5722)**—Establishments primarily engaged in the retail sale of electric and gas refrigerators, stoves, and other household appliances, such as electric irons, percolators, hot plates, and vacuum cleaners. Many such stores also sell radio and television sets. Retail stores operated by public utility companies and primarily engaged in the sale of electric and gas appliances for household use are classified here.

**Radio and Television Stores (SIC 5732)<sup>1</sup>**—Establishments primarily engaged in the retail sale and installation of radios, television sets, record players, high fidelity (hi-fi), and sound-reproducing equipment. Such establishments also may sell additional lines, such as household appliances, musical instruments, or records.

**Music Stores (SIC 5733)<sup>1</sup>**—Establishments primarily engaged in the retail sale of musical instruments, phonograph records and albums, sheet music, and similar musical supplies.

**MISCELLANEOUS DURABLE GOODS STORES**  
(SIC Major Group 59, part)

This includes all retail goods stores not elsewhere classified.

**Used Merchandise Stores (SIC 593)<sup>2</sup>**—This industry includes stores primarily engaged in the retail sale of used merchandise, antiques, and secondhand goods such as clothing and shoes; furniture; books and rare manuscripts; automobile parts, accessories, tires, batteries; musical instruments; office furniture; phonographs and phonograph records; and store fixtures and equipment. This industry also includes pawnshops.

**Sporting Goods Stores and Bicycle Shops (SIC 5941)<sup>2</sup>**—Establishments primarily selling a general or a specialized line of sporting goods and equipment for hunting, camping, fishing, skiing, riding, tennis, golf, and other sports; bicycles, bicycle parts and accessories; and gymnasium and playground equipment.

**Book Stores (SIC 5942)<sup>2</sup>**—Establishments primarily selling new books and periodicals. Stationery and related items may also be sold.

**Jewelry Stores (SIC 5944)<sup>2</sup>**—Establishments primarily engaged in the retail sale of any combination of the lines of jewelry, such as diamonds and other precious stones; rings, bracelets, and brooches; sterling and plated silverware; and watches and clocks.

**Hobby, Toy, and Game Shops (SIC 5945)<sup>2</sup>**—Establishments primarily engaged in the retail sale of toys, games, and hobby kits and supplies.

**Camera and Photographic Supply Stores (SIC 5946)<sup>2</sup>**—Establishments primarily engaged in the retail sale of cameras, film, and other photographic supplies and equipment. Excluded are establishments primarily engaged in finishing films.

**Gift, Novelty, and Souvenir Shops (SIC 5947)<sup>2</sup>**—Establishments primarily engaged in the retail sale of combined lines of gifts and novelty merchandise, souvenirs, and miscellaneous small art goods such as greeting cards and holiday decorations.

**Luggage and Leather Goods Stores (SIC 5948)<sup>2</sup>**—Establishments primarily engaged in the retail sale of luggage, trunks, and leather goods.

**Optical Goods Stores (SIC 5999 pt.)<sup>2</sup>**—Establishments primarily engaged in the retail sale of eyeglasses and related optical goods. Excluded are establishments whose receipts are primarily from examining eyes and prescribing eyeglasses or contact lenses.

**Miscellaneous Retail Stores Not Elsewhere Classified (SIC 5999 pt.)<sup>2</sup>**—Establishments primarily engaged in the retail sale of specialized lines of merchandise such as collectors' items and supplies, artists' supplies, orthopedic and artificial limbs, drafting materials, typewriters, pets, religious goods, hearing aids, rubber stamps, monuments and tombstones, and other merchandise not elsewhere classified.

## NONDURABLE GOODS

### GENERAL MERCHANDISE GROUP STORES (SIC Major Group 53)

This major group includes retail stores which sell a number of lines of merchandise, such as dry goods, apparel and accessories, furniture and home furnishings, small wares, hardware, and food. The stores included in this group are known as department stores, variety stores, general merchandise stores, general stores, etc.

Nonstore retailers (mail-order houses, merchandising machine operators, and direct-selling establishments), dry goods stores, and sewing and needlework stores, previously classified in SIC major group 53, are classified in major group 59.

**Department Stores (SIC 531)**—Establishments normally employing 25 people or more, having sales of apparel and softgoods combined amounting to 20 percent or more of total sales, and engaged in selling each of the following lines of merchandise:

1. *Furniture, home furnishings, appliances, radio and TV sets.*
2. *A general line of apparel for the family.*
3. *Household linens and dry goods.*

To qualify as a department store, sales of each of the lines listed above must be less than 80 percent of total sales. An establishment with total sales of \$5 million or more is classified as a department store even if sales of one of the merchandise lines listed above exceed the maximum percent of total sales, provided that the combined sales of the other two groups is \$500,000 or more. So-called discount stores are included as department stores, provided they meet the criteria described above.

**Variety Stores (SIC 533)**—Establishments primarily engaged in the retail sale of a variety of merchandise in the low and popular price ranges. Sales usually are made on a cash-and-carry basis with the open selling method of display and customer selection of merchandise. These stores generally do not carry a complete line of merchandise, are not departmentalized, do not carry their own charge service, and do not deliver merchandise.

**Miscellaneous General Merchandise Stores (SIC 539)**—Establishments primarily engaged in the retail sale of a general line of apparel, dry goods, hardware, homewares or home furnishings, groceries, and other lines in limited amounts. Stores selling commodities covered in the definition for department stores, but normally having less than 25 employees, and stores usually known as country general stores are included here.

Also included in this classification are establishments whose sales of apparel or of furniture and home furnishings exceed half of their total sales providing that sales of the smaller of the two lines in combination with dry goods and household linens account for 20 percent or more of total sales.

### FOOD STORES (SIC Major Group 54)

This major group includes retail stores primarily engaged in selling food for home preparation and consumption.

**Grocery Stores (SIC 541)**—Establishments primarily selling (1) a wide variety of canned or frozen foods, such as vegetables, fruits, and soups; (2) dry groceries, either packaged or in bulk, such as tea, coffee, cocoa, dried fruits, spices, sugar, flour, and crackers; and (3) other processed food and nonedible grocery items. In addition, these establishments often sell smoked and prepared meats, fresh fish and poultry, fresh vegetables and fruits, and fresh or frozen meats.

Establishments commonly known as supermarkets, food stores, and delicatessens are included in this classification if receipts from sales of groceries and food items for off-premise preparation and consumption are 50 percent or more of total sales.

**Meat and Fish (Seafood) Markets, Including Freezer Provisioners (SIC 542)<sup>1</sup>**—Establishments primarily engaged in the retail sale of fresh, frozen, or cured meats, fish, shellfish, and other seafood. Frequently these establishments also sell poultry, dairy products, eggs, some groceries, and items commonly used in preparing seafood or consumed with seafood.

**Fruit Stores and Vegetable Markets (SIC 543)<sup>1</sup>**—Establishments primarily selling fresh fruits and fresh vegetables. These establishments frequently carry a limited line of grocery items.

Roadside stands of farmers selling only their own produce are not included.

**Candy, Nut, and Confectionery Stores (SIC 544)<sup>1</sup>**—Establishments primarily selling candy, nuts, sweetmeats, and other confections. A soda fountain or lunch counter is frequently operated in these stores. Also included are candy and popcorn stands located in motion picture theaters.

**Dairy Products Stores (SIC 545)<sup>1</sup>**—Establishments primarily engaged in the retail sale of dairy products, such as milk, cream, butter, cheese, and related products, to over-the-counter customers.

**Retail Bakeries (SIC 546)**—Establishments primarily engaged in the over-the-counter retail sale of bakery products such as bread, cakes, pies, or cookies, all or some of which may be baked on the premises.

**Other Miscellaneous Food Stores (SIC 549)<sup>1</sup>**—Establishments primarily engaged in the retail sale of specialized foods, not elsewhere classified, such as eggs and poultry, health foods, spices, herbs, coffee, and tea. The poultry stores may sell live poultry, slaughter and clean poultry for their own account and sell dressed fowls, or sell fowl cleaned and dressed by others.

**Gasoline Service Stations (SIC 554)**—Establishments primarily selling gasoline and automotive lubricants. Usually these establishments also sell tires, batteries, and accessories, and perform minor repair work and services. Establishments called garages but deriving more than half of their receipts from the sale of gasoline and automotive lubricants are included.

#### APPAREL AND ACCESSORY STORES (SIC Major Group 56)

Establishments in this major group are primarily engaged in selling clothing of all kinds and related articles for personal wear and adornment.

**Men's and Boys' Clothing and Furnishing Stores (SIC 561)**—Establishments primarily selling men's and boys' ready-to-wear clothing and furnishings.

**Women's Ready-to-Wear Stores (SIC 562)**—Establishments primarily selling women's and girls' ready-to-wear apparel.

**Women's Accessory and Specialty Stores (SIC 563)<sup>1</sup>**—Establishments primarily selling a specialized line of women's and girls' apparel, such as sportswear, beachwear, blouses, hosiery, millinery, foundation garments, lingerie, robes, and other intimate wear.

**Children's and Infants' Wear Stores (SIC 564)<sup>1</sup>**—Establishments primarily engaged in the retail sale of children's

and infants' clothing, furnishings, and accessories. Such establishments may specialize in either children's or infants' wear or they may sell a combination of children's and infants' wear.

**Family Clothing Stores (SIC 565)**—Establishments primarily selling clothing, furnishings, and accessories for men, women, and children, without specializing in any one line.

**Shoe Stores (SIC 566)**—Establishments primarily engaged in the retail sale of any one line, or a combination of the lines, of men's, women's, and children's footwear. These establishments frequently carry accessory lines such as hosiery, gloves, and handbags.

**Furriers and Fur Shops (SIC 568)<sup>1</sup>**—Retail establishments primarily engaged in selling fur coats and other fur apparel, including fur apparel made in the same establishment to custom order.

**Miscellaneous Apparel and Accessory Stores (SIC 569)<sup>1</sup>**—Establishments primarily engaged in the retail sale of specialized lines of apparel and accessories not elsewhere classified, such as uniforms, bathing suits, raincoats, riding apparel, sports apparel, umbrellas, wigs, and toupees. This industry also includes custom tailors primarily engaged in making and selling men's and women's clothing (except fur apparel SIC 568) to individual order.

#### EATING AND DRINKING PLACES (SIC Major Group 58)

This major group includes establishments primarily engaged in selling prepared foods and drinks for consumption on or near the premises, and lunch counters and refreshment stands selling prepared foods and drinks for immediate consumption. Also included are social caterers who sell prepared foods which are served on the premises or elsewhere, and in-plant feeding contractors. Eating and drinking places operated as leased concessions in theaters, hotels, motels, and places of amusement are included here, although candy and popcorn stands located in theaters are not.

**Restaurants and Lunchrooms (SIC 5812 pt.)<sup>3</sup>**—Establishments engaged in serving prepared food and beverages selected by the patron from a full menu. Waiter or waitress service is provided and the establishment has seating facilities for at least 15 patrons. These establishments often serve alcoholic beverages, but receipts from the sale of alcoholic beverages may not exceed the receipts from prepared foods.

**Social Caterers (SIC 5812 pt.)<sup>4</sup>**—Establishments primarily engaged in serving prepared food and beverages for weddings, banquets, etc., at a hall or similar place rather than at a fixed

business location. Such establishments also may arrange for some entertainment but this should be a minor part of the business.

**Cafeterias (SIC 5812 pt.)<sup>3</sup>**—Establishments engaged in serving prepared food and beverages primarily through the use of a cafeteria line where the customer serves himself from displayed selections. Some limited waiter or waitress service may be provided. Table and/or booth seating facilities are usually provided.

**Refreshment Places (SIC 5812 pt.)<sup>4</sup>**—Establishments primarily selling limited lines of refreshments and prepared food items. Included in this group are establishments which prepare refreshment items such as pizza, barbecued chicken, and hamburgers for consumption either on or near the premises or for "take-home" consumption.

**Contract Feeding (SIC 5812 pt.)<sup>3</sup>**—Establishments primarily engaged in providing food service under contract to another company; hospital; or governmental, penal, or educational institution. The facilities and personnel of these establishments may be provided by the contracting company, institution, etc.; however, the management is always supplied by the contractor.

**Ice Cream and Frozen Custard Stands (SIC 5812 pt.)<sup>4</sup>**—Establishments primarily engaged in selling ice cream, frozen custard, or other frozen ices for consumption either on or near premises. "Take-home" packages also may be provided for ice cream sold in bulk.

**Drinking Places (SIC 5813)**—Establishments primarily engaged in the retail sale of drinks such as beer, ale, wine, liquor, and other alcoholic beverages for consumption on the premises. Prepared foods are frequently sold at these establishments, but receipts from the sale of prepared foods may not exceed receipts from sales of alcoholic beverages.

**Drug Stores and Proprietary Stores, (SIC 591)**—Establishments engaged in the retail sale of prescription drugs and patent medicines, and which may carry a number of related lines such as cosmetics, toiletries, tobacco, and novelty merchandise. Included are drug stores which also have a soda fountain or lunch counter.

These stores are included on the basis of their usual trade designation rather than on the more strict interpretation of commodities handled.

**Liquor Stores (SIC 592)**—Establishments primarily selling packaged alcoholic beverages, such as ale, beer, wine, and whiskey, for consumption off the premises. Liquor stores operated by States, counties, and municipalities are included.

## MISCELLANEOUS NONDURABLE GOODS STORES (SIC Major Group 59, part)

**Stationery Stores (SIC 5943)<sup>5</sup>**—Establishments primarily engaged in the retail sale of stationery, such as paper and paper products (including printing and engraving), post cards, novelties, and school and office supplies.

**Sewing, Needlework, and Piece Goods Stores (SIC 5949)<sup>5</sup>**—Establishments primarily engaged in the retail sale of sewing supplies, fabrics, patterns, and other needlework accessories.

**Mail-Order Houses (Department Store Merchandise) (5961, pt.)<sup>6</sup>**—Establishments with normally 25 or more employees primarily engaged in the retail sale by catalog and mail order of a general line of merchandise similar to that sold by department stores.

**Other Mail-Order Houses (SIC 5961 pt.)<sup>7</sup>**—Establishments primarily engaged in the retail sale of a specialized or limited line of merchandise such as food, automotive merchandise, apparel, books, stationery, etc., by catalog and mail order.

**Automatic Merchandising Machine Operators (SIC 5962)<sup>7</sup>**—Establishments primarily engaged in the retail sale of products by means of automatic merchandising units (vending machines) which are generally located on the premises of other businesses. Those products include candy, nut, and confectionery; milk and ice cream; other beverages; and tobacco products.

**Direct Selling Establishments (SIC 5963)<sup>7</sup>**—Establishments primarily selling merchandise by house-to-house canvass, by party plan, by telephone, or from a truck. The merchandise includes building materials, hardware, and garden supplies; general merchandise; milk; other foods; apparel and accessories; furniture, home furnishings, and equipment; mobile food service; and books and stationery.

**Fuel and Ice Dealers, Not Elsewhere Classified (SIC 5982)<sup>5</sup>**—Establishments primarily engaged in the retail sale of coal, coke, charcoal, wood, ice, or any combination of these lines.

**Fuel Oil Dealers (SIC 5983)<sup>5</sup>**—Establishments primarily engaged in the retail sale of fuel oil.

**Liquefied Petroleum Gas Dealers (SIC 5984)<sup>5</sup>**—Establishments primarily engaged in the retail sale of liquefied petroleum (LP) gas (bottled gas or in bulk.)

<sup>3</sup> e footnotes on page 26.

**Florists (SIC 5992)**<sup>5</sup>—Establishments primarily engaged in the retail sale of cut flowers and growing plants. Greenhouses and nurseries are included if receipts are primarily from the sale of products not grown on the premises.

**Cigar Stores and Stands (SIC 5993)**<sup>5</sup>—Establishments primarily engaged in the retail sale of cigars, cigarettes, tobacco, and smokers' supplies. Many of the establishments included in

---

<sup>1</sup> Data for this kind of business are not shown separately but are included in the major group totals.

<sup>2</sup> Data for this kind of business are not shown separately but are included in the durable goods stores total.

<sup>3</sup> Data for this kind of business are not shown separately, but are included in the larger group, "Restaurants, lunchrooms, cafeterias."

this classification are operated as concessions in places of amusement, railway stations, airports, and other public places.

**News Dealers and Newsstands (SIC 5994)**<sup>5</sup>—Establishments primarily engaged in the retail sale of newspapers, magazines, and other periodicals.

---

<sup>4</sup> Data for this kind of business are not shown separately but are included in the larger group "Eating Places," (SIC 5812).

<sup>5</sup> Data for this kind of business are not shown separately but are included in the nondurable goods stores total.

<sup>6</sup> Sales made by mail-order catalog desks located within department stores of mail-order firms and the free-standing catalog-order stores of department store firms are included here.

<sup>7</sup> Data for this kind of business are not shown separately but are included in the larger group "Nonstore Retailers," (SIC 596).



Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Official Business

FIRST-CLASS MAIL  
POSTAGE & FEES PAID  
CENSUS  
PERMIT No. G-58

