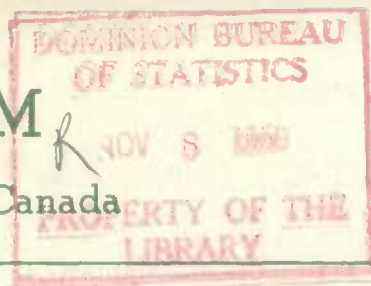


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D.B.S. MEMORANDUM

Dominion Bureau of Statistics, Ottawa, Canada



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Vol. 4--Part III--P-1

ADVERTISING AGENCIES

1947, 1948 and 1949

Advertising agencies in Canada handled advertising and provided other services to the extent of \$86,742,470 in 1949 compared with \$73,762,213 in 1948, and \$64,594,674 in 1947. The 1949 total was an increase of 18% over 1948, while increases for the two previous years were 14% (1948 over 1947) and 24% (1947 over 1946). Billings for market surveys and other services not considered advertising constituted a small but increasing proportion of the total billings of advertising agencies. In 1949, these services accounted for \$291,502, as compared with \$218,447 in 1948 and \$171,897 in 1947.

Gross revenues amounted to \$13,526,336 in 1949, \$11,553,459 in 1948, and \$10,091,772 in 1947, forming practically the same percentage of total billings in each of the three years. Net revenue was relatively higher in 1949 than in 1948, but formed about the same percentage of gross billings as was the case in 1947.

Advertising agencies employed 2,340 persons in 1949 and these received \$8,136,472 in salaries. Of these 2,340 persons, 22 were proprietors of unincorporated companies whose salaries were estimated at \$126,365. Table 2 gives employment figures by sex, as well as a breakdown of salaries between executives and other employees.

The distribution of agencies according to amount of annual billings is shown in Table 3. Of the 74 agencies in Canada, 9 had billings in 1949 amounting to \$2,500,000 or over and these accounted for 55% of total billings of all agencies. Thirteen agencies with 1949 billings of between \$1,000,000 and \$2,500,000 were responsible for 26% of all billings, while 39 agencies whose annual billings were less than \$500,000 handled 8% of the business. The remaining 11% was received by 13 agencies with billings in 1949 of between \$500,000 and \$1,000,000.

Table 4 shows the percentage distribution of advertising billings by type of media and for various sizes of business. For each of the three years, billings for advertising in publications constituted between 60% and 62% of all billings, other visual advertising was responsible for 4%, while radio advertising accounted for between 15% and 18% of all advertising billings. Mechanical charges amounted to 16% of the gross billings.

The inclusion of several agencies handling only radio advertising in the "Less than \$100,000" class resulted in a higher proportion of billings for radio advertising and a lower proportion for publication advertising in this class than in other size classes. With the exception of this group, the percentage of billings for advertising in publications varied inversely with the size of business.

TABLE 1. Summary Statistics, Advertising Agencies in Canada, 1941 and 1945-1949

Year	Number of firms	Amount of Billings			Gross Revenue		Net Revenue
		Advertising	Market Research and Other Services	Total	Amount	% of Billings	
		\$	\$	\$	\$		\$
1941.....	49	1	1	29,224,400	4,823,900	16.5	1
1945.....	56	1	1	43,696,376	7,175,924	16.4	1
1946.....	57	52,079,347	90,114	52,169,461	8,458,430	16.2	1
1947.....	67	64,422,777	171,897	64,594,674	10,091,772	15.6	1,462,792
1948.....	75	73,543,766	218,447	73,762,213	11,553,459	15.7	1,370,408
1949.....	74	86,450,968	291,502	86,742,470	13,526,336	15.6	1,948,453

1. Not available.

MERCHANDISING AND SERVICES

TABLE 2. Employment Statistics, Advertising Agencies in Canada, 1941 and 1945-1949

Year	Number of firms	Gross Revenue	Proprietors		Employees			Salaries			
			No.	Estimated Salaries	Male	Female	Total	Executive Amount	Other Amount	Total Amount	% of Gross Revenue
		\$		\$	No.	No.	No.	\$	\$	\$	
1941.....	49	4,823,900	1	1	1	1	1,237	1	1	2,793,200	57.9
1945.....	56	7,175,924	14	45,101	753	808	1,561	1	1	4,101,283	57.2
1946.....	57	8,458,430	16	65,222	926	890	1,816	1	1	5,003,265	59.2
1947.....	67	10,091,772	24	91,395	1,099	957	2,056	1,542,390	4,665,767	6,208,157	61.5
1948.....	75	11,553,459	22	120,578	1,225	1,013	2,238	1,700,745	5,407,995	7,108,740	61.5
1949.....	74	13,526,336	22	126,365	1,279	1,039	2,318	1,887,430	6,122,677	8,010,107	59.2

1. Not available.

TABLE 3. Advertising Agencies Classified According to Amount of Billings, 1941 and 1945-1949

Year	Amount of Billings											
	Less than \$100,000		\$100,000 to \$499,999		\$500,000 to \$999,999		\$1,000,000 to \$2,499,999		\$2,500,000 and over		All Sizes, Total	
	No. of firms	Amount	No. of firms	Amount	No. of firms	Amount	No. of firms	Amount	No. of firms	Amount	No. of firms	Amount
	\$		\$		\$		\$		\$		\$	
1941.....	14	585,000	19	5,371,400	7	4,906,500	9 ¹	18,361,500 ¹	2	2	49	29,224,400
1945.....	11	523,588	18	4,008,832	10	5,872,446	12	14,555,389	5	18,756,121	56	43,696,376
1946.....	11	609,609	19	4,791,603	10	6,882,379	12	17,264,018	5	22,621,852	57	52,169,461
1947.....	19	974,946	20	5,814,459	9	6,244,509	13	21,050,456	6	30,510,304	67	64,594,674
1948.....	22	1,099,036	21	6,061,868	11	7,457,002	14	22,976,801	7	36,167,506	75	73,762,213
1949.....	18	996,526	21	6,060,979	13	9,100,373	13	22,919,165	9	47,665,427	74	86,742,470

1. Includes firms with billings of \$2,500,000 and over.

2. Included with \$1,000,000 to \$2,499,999.

Note. Firms classified each year according to billings in that year.

ADVERTISING AGENCIES

TABLE 4. Percentage Distribution of Advertising Billings by Media, 1947, 1948 and 1949
(Agencies Classified by Amount of Annual Billings)

Year and Amount of Annual Billings	Number of firms	Total Advertising Billings ¹	Distribution of Advertising Billings					Total
			Publications	Other Visual	Mechanical	Radio	Other	
		\$	%	%	%	%	%	%
1947								
Less than \$100,000.....	19	969,756	56.4	5.0	7.3	22.4	8.9	100.0
\$100,000- \$499,999.....	20	5,803,920	64.5	3.5	15.5	15.1	1.4	100.0
\$500,000- \$999,999.....	9	6,239,041	63.0	3.6	16.0	17.4	—	100.0
\$1,000,000- \$2,499,999.....	13	21,032,690	61.9	3.6	17.0	17.0	0.5	100.0
\$2,500,000 and over.....	6	30,377,370	61.2	5.2	16.3	14.6	2.7	100.0
All sizes, total.....	67	64,422,777	61.8	4.4	16.3	15.8	1.7	100.0
1948								
Less than \$100,000.....	22	1,090,526	52.5	6.3	11.2	21.0	9.0	100.0
\$100,000- \$499,999.....	21	6,056,004	66.5	2.2	13.9	15.5	1.9	100.0
\$500,000- \$999,999.....	11	7,443,371	61.5	7.0	17.7	13.5	0.3	100.0
\$1,000,000- \$2,499,999.....	14	22,959,466	60.1	2.8	16.4	19.2	1.5	100.0
\$2,500,000 and over.....	7	35,994,399	59.5	5.5	16.1	15.8	3.1	100.0
All sizes, total.....	75	73,543,766	60.4	4.5	16.1	16.7	2.3	100.0
1949								
Less than \$100,000.....	18	993,451	53.4	8.4	12.6	16.7	8.9	100.0
\$100,000- \$499,999.....	21	6,050,313	67.4	2.3	14.0	14.4	1.9	100.0
\$500,000- \$999,999.....	13	9,084,255	68.0	4.7	16.3	10.9	0.1	100.0
\$1,000,000- \$2,499,999.....	13	22,858,568	58.7	4.2	15.7	19.8	1.6	100.0
\$2,500,000 and over.....	9	47,464,381	60.6	4.5	17.2	14.8	2.9	100.0
All sizes, total.....	74	86,450,968	61.2	4.4	16.4	15.7	2.3	100.0

1. Excluding billings for market research and other services not considered advertising.

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Table with multiple columns and rows, containing statistical data. The text is very faint and difficult to read, but appears to be a standard data table layout.