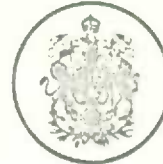


73-201 0.7

DOMINION BUREAU OF STATISTICS

OTTAWA - CANADA

Published by Authority of the Rt. Hon. C. D. Howe, Minister of Trade and Commerce



Memorandum

JUL 21 1954

Vol. 3—Part III—W-1

6505-512
8-7-54

Price 10 cents

ADVERTISING AGENCIES 1953

During 1953 there were 88 advertising agencies operating in Canada and through their 153 offices they handled advertising and provided other services to the extent of \$144,339,308. This amount was 12% higher than the 1952 volume of \$121,666,983. Billings for market surveys and other services not commissionable amounted to \$1,381,332 in 1953 compared with \$1,038,156 in 1952.

Gross revenue on commissionable billings totalled \$21,558,551 in 1953, slightly over 15% of all commissionable billings. In 1953 advertising agencies reported net revenue, before deductions for income tax, as \$2,959,389 compared with \$2,535,195 in 1952. The 1953 net revenue was 13.1% of gross revenue, slightly below the 1952 proportion of 13.3%.

Table 2 shows distribution of advertising agencies according to the amount of annual billings. With the exception of an increase in the number of firms in the \$1,000,000 to \$2,499,999 classification in 1953 the number of firms included in other size groups remained much the same as in 1952. Seven of the 88 agencies in Canada had billings of

\$5,000,000 and over in 1953 but these accounted for almost 48% of the total business of all agencies.

Percentage distribution of commissionable billings by type of media and for various sizes of business is shown in Table 3. Billings for advertising in all types of publications constituted almost 60% of all commissionable billings. Radio and television advertising accounted for almost 19%, and other visual for 4%. Mechanical charges amounted to 17%. Although there was little variation between 1952 and 1953 in the proportions of total commissionable billings allocated to the various media, the greatest increase was in radio and television advertising.

During 1953 there were 2,880 persons employed by advertising agencies across Canada and they received \$13,630,975 in salaries and wages. This amount represented 60.3% of total gross revenue, only slightly higher than the 1952 proportion of 60.2%. The following table gives employment figures and shows total payroll and the percent of gross revenue which it represents.

Year	Number of firms	Gross revenue	Employees			Total amount paid to employees	Percent of gross revenue
			Male	Female	Total		
		\$	No.	No.	No.	\$	%
1941	49	4,323,900	1	1	1,237	2,793,200	57.9
1946	57	8,458,430	926	890	1,816	5,003,265	59.2
1947	67	10,091,772	1,099	957	2,056	6,208,157	61.5
1948	75	11,553,459	1,225	1,013	2,238	7,108,740	61.5
1949	74	13,526,336	1,279	1,039	2,318	8,010,107	59.2
1950	75	15,012,672	1	1	2,472	8,989,657	59.9
1951	83	17,015,496	1	1	2,552	10,128,050	59.5
1952	88	19,060,261	1,431	1,267	2,698	11,482,910	60.2
1953	88	22,591,718	1,502	1,378	2,880	13,630,975	60.3

1. Not available.

11

1878

MERCHANDISING AND SERVICES

TABLE 1. Summary Statistics, Advertising Agencies in Canada, 1941 and 1946-53

Year	Number of firms	Amount of billings				Gross revenue on					Net revenue (Before deductions for income tax)
		Commissionable billings	Market surveys and other research	Other fees	Total	Commissionable billings		Market surveys and other research and other fees	Total		
						Amount	Percent of billings		Amount	Percent of total billings	
		\$	\$	\$	\$	%	\$	\$	%	\$	
1941	49	1	1	1	29,224,400	1	1	1	4,823,900	16.5	1
1946	57	52,079,347	90,114		52,169,461	1	1	1	8,458,430	16.2	1
1947	67	64,422,777	171,897		64,594,674	1	1	1	10,091,772	15.6	1,462,792
1948	75	73,543,766	218,447		73,762,213	1	1	1	11,553,459	15.7	1,370,408
1949	74	86,450,968	291,502		86,742,470	1	1	1	13,526,336	15.6	1,948,453
1950	75	95,566,600	141,354	512,590	96,220,544	14,443,707	15.1	568,965	15,012,672	15.6	2,075,563
1951	83	107,461,752	133,936	817,897	108,413,585	16,255,059	15.1	760,437	17,015,496	15.7	2,328,015
1952	88	120,628,827	150,616	887,540	121,666,983	18,246,232	15.1	814,029	19,060,261	15.7	2,535,195
1953	88	142,957,916	345,178	1,006,154	144,339,308	21,558,551	15.1	1,033,167	22,591,718	15.7	2,959,389

1. Not available.

TABLE 2. Advertising Agencies Classified According to Amount of Billings, 1941 and 1946-53

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 ² to \$4,999,999		\$5,000,000 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	No. of firms	Amount
		\$		\$		\$		\$		\$		\$		\$
1941	14	585,000	19	5,371,400	7	4,906,500	9 ¹	18,361,500 ¹	3	3			49	29,224,400
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	2	2	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
1950	14	708,660	23	5,787,920	15	10,446,604	10	15,175,795	9	27,872,440	4	36,229,125	75	96,220,544
1951	21	1,098,882	23	6,304,221	14	9,946,454	10	14,498,909	11	37,681,187	4	38,883,932	83	108,413,585
1952	15	687,550	33	7,959,510	15	11,807,010	10	15,623,831	10	38,527,932	5	47,061,150	88	121,666,983
1953	13	689,272	32	9,573,657	11	7,085,790	16	22,603,832	9	35,544,950	7	68,836,807	88	144,339,308

1. Includes firms with billings of \$2,500,000 and over.
2. Prior to 1950 this column included billings of \$2,500,000 and over.
3. Included with \$1,000,000 to \$2,499,999.

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

TABLE 3. Percentage Distribution of Commissionable Billings by Media, 1952 and 1953
(Agencies Classified by Amount of Annual Billings)

Year and amount of annual billings	Number of firms	Total commissionable billings ¹	Distribution of commissionable billings					Total
			Publications	Other visual	Production, artwork, printing, etc.	Radio and T.V.	Other	
		\$	%	%	%	%	%	%
1952								
Less than \$100,000	15	562,973	57.4	2.3	20.5	15.4	4.4	100.0
\$100,000- \$499,999	33	7,768,510	61.7	2.9	17.9	16.9	0.6	100.0
\$500,000- \$999,999	15	11,674,401	64.7	5.2	15.6	14.3	0.2	100.0
\$1,000,000-\$2,499,999	10	15,467,681	62.6	2.2	16.4	18.4	0.4	100.0
\$2,500,000-\$4,999,999	10	38,330,589	61.7	4.6	15.6	19.1	2.0	100.0
\$5,000,000 and over	5	46,824,673	58.7	5.3	18.8	17.0	0.2	100.0
All sizes, total	88	120,628,827	59.9	4.5	17.1	17.6	0.9	100.0
1953								
Less than \$100,000	13	560,704	56.7	4.8	14.4	24.0	0.1	100.0
\$100,000- \$499,999	32	9,322,265	65.2	2.6	15.9	15.7	0.6	100.0
\$500,000- \$999,999	11	7,026,426	57.2	5.2	19.2	17.8	0.6	100.0
\$1,000,000-\$2,499,999	16	22,430,311	61.7	3.8	17.8	16.3	0.4	100.0
\$2,500,000-\$4,999,999	9	35,350,200	57.8	3.5	15.7	21.2	1.8	100.0
\$5,000,000 and over	7	68,268,010	58.4	4.8	18.2	18.6	0.0	100.0
All sizes, total	88	142,957,916	59.1	4.2	17.4	18.7	0.6	100.0

1. Excluding billings for market surveys and other services not commissionable.

C. 7

STATISTICS CANADA LIBRARY
BIBLIOTHEQUE STATISTIQUE CANADA



1010651190