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# DOMINION BUREAU OF STATISTICS

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## ADVERTISING AGENCIES

1954

DOMINION BUREAU  
 OF STATISTICS  
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In 1954 there were 91 advertising agencies operating 165 offices in Canada. This is an increase of 3 agencies and 12 offices over the previous year. These firms arranged for advertising and provided other services in an amount of \$156,163,289 which was 8.2% higher than the 1953 figure of \$144,339,308. Revenue from market surveys and other services not commissionable amounted to \$1,696,261 in 1954 compared with \$1,381,332 in 1953.

total billings of \$5,000,000 and over in 1954 and these accounted for about 52% of the total business of all firms.

Gross revenue on commissionable billings was \$23,229,612 in 1954, or 15.0% of all commissionable billings. Net revenue or profit before deductions for income tax was \$2,337,648 in 1954 compared with \$2,959,389 in 1953. Net revenue in 1954 was 9.5% of gross revenue. In 1953 the comparable ratio was 13.1%.

Table 3 shows the percentage distribution of commissionable billings by type of media and for various sizes of business. Billings for advertising in all types of publications dropped from 59.1% of all commissionable billings in 1953 to 56.4% in the subsequent year. Commissionable billings for advertising through the media of radio and television accounted for 20.9% of total commissionable billings in 1954 compared with 18.7% in the previous year. It has been possible to separate these two categories for the first time in this memorandum.

Table 2 reveals there has been little change in the distribution of advertising agencies according to the amount of annual billings. Eight firms had

During 1954 there were 3,173 persons employed by advertising agencies across Canada. This is an increase of about 10% over 1953. Salaries and wages amounted to \$15,220,278 which represented 61.9% of total gross revenue. The following table gives the numbers of male and female employees and comparable figures for several previous years.

| Year       | Number of firms | Gross revenue | Employees |        |       | Total amount paid to employees | Percent of gross revenue |
|------------|-----------------|---------------|-----------|--------|-------|--------------------------------|--------------------------|
|            |                 |               | Male      | Female | Total |                                |                          |
|            |                 | \$            | No.       | No.    | No.   | \$                             | %                        |
| 1941 ..... | 49              | 4,823,900     | 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                     |
| 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                     |
| 1954 ..... | 91              | 24,579,169    | 1,682     | 1,491  | 3,173 | 15,220,278                     | 61.9                     |

1. Not available.

## MERCHANDISING AND SERVICES

TABLE 1. Summary Statistics, Advertising Agencies in Canada, 1941, 1946-48 and 1950-54

| 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                      | 1,370,406                                      |
| 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              | 142,957,918             | 345,178                           | 1,036,154  | 144,339,308 | 21,558,551              | 15.1                | 1,033,187  | 22,591,718 | 15.7                      | 2,959,389                                      |
| 1954 ..... | 91              | 154,467,028             | 328,231                           | 1,368,030  | 156,163,289 | 23,229,612              | 15.0                | 1,349,557  | 24,579,169 | 15.7                      | 2,337,648                                      |

1. Not available.

TABLE 2. Advertising Agencies Classified According to Amount of Billings, 1941, 1946-48 and 1950-54

| 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 <sup>2</sup> 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 <sup>1</sup>             | 18,361,500 <sup>1</sup> | 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 |                      |            | 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  |
| 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                                      | 36,527,932 | 5                    | 47,061,150 | 88               | 121,666,983 |
| 1953 ..... | 13                  | 689,272   | 32                     | 9,578,657 | 11                     | 7,085,790  | 16                         | 22,603,832              | 9                                       | 35,544,950 | 7                    | 68,836,807 | 88               | 144,339,308 |
| 1954 ..... | 16                  | 869,090   | 29                     | 7,898,264 | 12                     | 7,795,684  | 19                         | 28,406,184              | 7                                       | 29,596,073 | 8                    | 81,597,994 | 91               | 156,163,289 |

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, 1953 and 1954**  
(Agencies Classified by Amount of Annual Billings)

| Year and amount of annual billings | Number of firms | Total commissionable billings <sup>1</sup> | Distribution of commissionable billings |              |                                     |             |             |            |            |              |
|------------------------------------|-----------------|--|---|--------------|-------------------------------------|-------------|-------------|------------|------------|--------------|
|                                    |                 |  | Publications                            | Other visual | Production, artwork, printing, etc. | Radio       | Television  | Other      | Total      |              |
|                                    |                 | \$   | %                                       | %            | %                                   | %           | %           | %          | %          |              |
| <b>1953</b>                        |                 |  |   |              |                                     |             |             |            |            |              |
| 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        |            | -          | 100.0        |
| <b>All sizes, total .....</b>      | <b>88</b>       | <b>142,957,916</b>                         | <b>59.1</b>                             | <b>4.2</b>   | <b>17.4</b>                         |             | <b>18.7</b> |            | <b>0.6</b> | <b>100.0</b> |
| <b>1954</b>                        |                 |  |   |              |                                     |             |             |            |            |              |
| Less than \$100,000 .....          | 16              | 707,606                                    | 52.4                                    | 4.2          | 24.8                                | 18.1        | 0.5         | 2          |            | 100.0        |
| \$100,000- \$499,999.....          | 29              | 7,707,869                                  | 57.3                                    | 3.4          | 14.5                                | 19.0        | 5.0         | 0.8        |            | 100.0        |
| \$500,000- \$999,999.....          | 12              | 7,717,718                                  | 59.3                                    | 5.2          | 17.9                                | 12.8        | 2.7         | 2.1        |            | 100.0        |
| \$1,000,000-\$2,499,999.....       | 19              | 28,009,026                                 | 61.3                                    | 4.8          | 18.3                                | 13.3        | 1.7         | 0.6        |            | 100.0        |
| \$2,500,000-\$4,999,999.....       | 7               | 29,356,260                                 | 56.3                                    | 3.6          | 12.9                                | 17.3        | 6.4         | 3.5        |            | 100.0        |
| \$5,000,000 and over.....          | 8               | 80,968,549                                 | 54.4                                    | 4.8          | 18.6                                | 15.2        | 7.0         | -          |            | 100.0        |
| <b>All sizes, total .....</b>      | <b>91</b>       | <b>154,467,028</b>                         | <b>56.4</b>                             | <b>4.5</b>   | <b>17.3</b>                         | <b>15.4</b> | <b>5.5</b>  | <b>0.9</b> |            | <b>100.0</b> |

1. Excluding billings for market surveys and other services not commissionable.  
2. Less than 0.05%.

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