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GOVERNMENT OF CANADA

D.B.S.



RETAIL CHAINS

IN

CANADA

1948

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DEFINITIONS.

Chains

For the purpose of this survey, a retail chain is an organization operating four or more retail stores under the same ownership.

Classification by Kind of Business

A chain is classified according to the kind of business carried on by the majority of its stores. Due to this broader classification, some chains may operate a store of a type different from the chain as a whole. In a few instances where a chain operated several stores of two distinct types, separate reports were submitted and each type tabulated in its proper classification.

Classification by type of organization

Local chains are those operated within one city or locality. Provincial, as the name implies, are those confined to one province yet broader in field of operation than the local chains. Sectional chains cover more than one province, yet are confined to a region such as the Maritimes or Prairies while national chains operate stores in most if not all provinces.

Stores - average

The average number of stores operated is obtained by averaging the number in operation at January 1st, June 30 and December 31st.

- Maximum

The maximum number is the total number of stores operated throughout the year, whether continuous or part year.

Sales

Net retail sales are gross sales less any returns and allowances. Sales at wholesale are not included.

Salaries and Wages

Salaries and wages shown in this report are those paid to store employees only, as comparable to store sales. Salaries and wages paid to head office and warehouse employees are not included.

Accounts Outstanding

This represents the amounts owing on charge, instalment or open accounts at the end of the year. It does not include accounts written off.

Stocks

The inventory of stocks on hand at the end of the year in both stores and warehouses is at cost or invoice value.

RETAIL CHAINS IN CANADA, 1948.

Introduction

This annual survey on Retail Chains contains information by kind of business on the number of stores operated, net retail sales, salaries and wages paid to store employees, accounts outstanding, and store and warehouse inventories at the end of the year. Reports were received from all known firms coming within the definition of a chain, giving this study complete coverage.

Separate reports have been published on Food Chains, Variety Chains and Drug Chains, 1948, showing more detail than presented in this bulletin. Department stores which might be considered as belonging to the chain field are not included.

SUMMARY

The growth of retail chains is clearly portrayed in table 1. The dollar volume of sales in 1948 was more than four times the amount of business transacted in 1933. During this interval the number of chains was lessened and the number of stores in operation were reduced from 7,900 to 6,821.

In 1948 all phases of chain store operation presented in this bulletin increased in dollar volume over the previous year. The greatest increase was in accounts outstanding at the end of the year where there was a gain of 28.2 per cent. Salaries increased more than sales (17.7 per cent to 13.5 per cent). Stock held in stores increased in the same proportion as sales but warehouse stocks showed only a moderate gain of 6.4 per cent over the 1947 level. The growth toward large stores is evidenced in average sales per store which were at a low of \$41,633 in 1933 but have since expanded to a high of \$195,827 in 1948. (Table 1, page 7).

All provinces except Prince Edward Island shared in the greater volume of sales made during 1948. Alberta and Ontario held the greatest gains at 17 per cent above 1947 while other increases ranged downward to one of 2.9 in British Columbia. Chain sales in Prince Edward Island were one half of one per cent below the 1947 figure. (Table 4, page 12).

Chain firms which were sectional or national in scope increased their proportion of total sales at the expense of chains which confined their business within provincial boundaries. From a ratio of 43.5 in 1947 sectional and national chains increased their business to account for 45.6 per cent of total chain sales in 1948, a figure identical with their 1941 proportion. Local chains showed little change in percentage of sales transacted - 7.9 per cent in 1947 and 7.8 per cent in 1948. (Table 5, page 13).

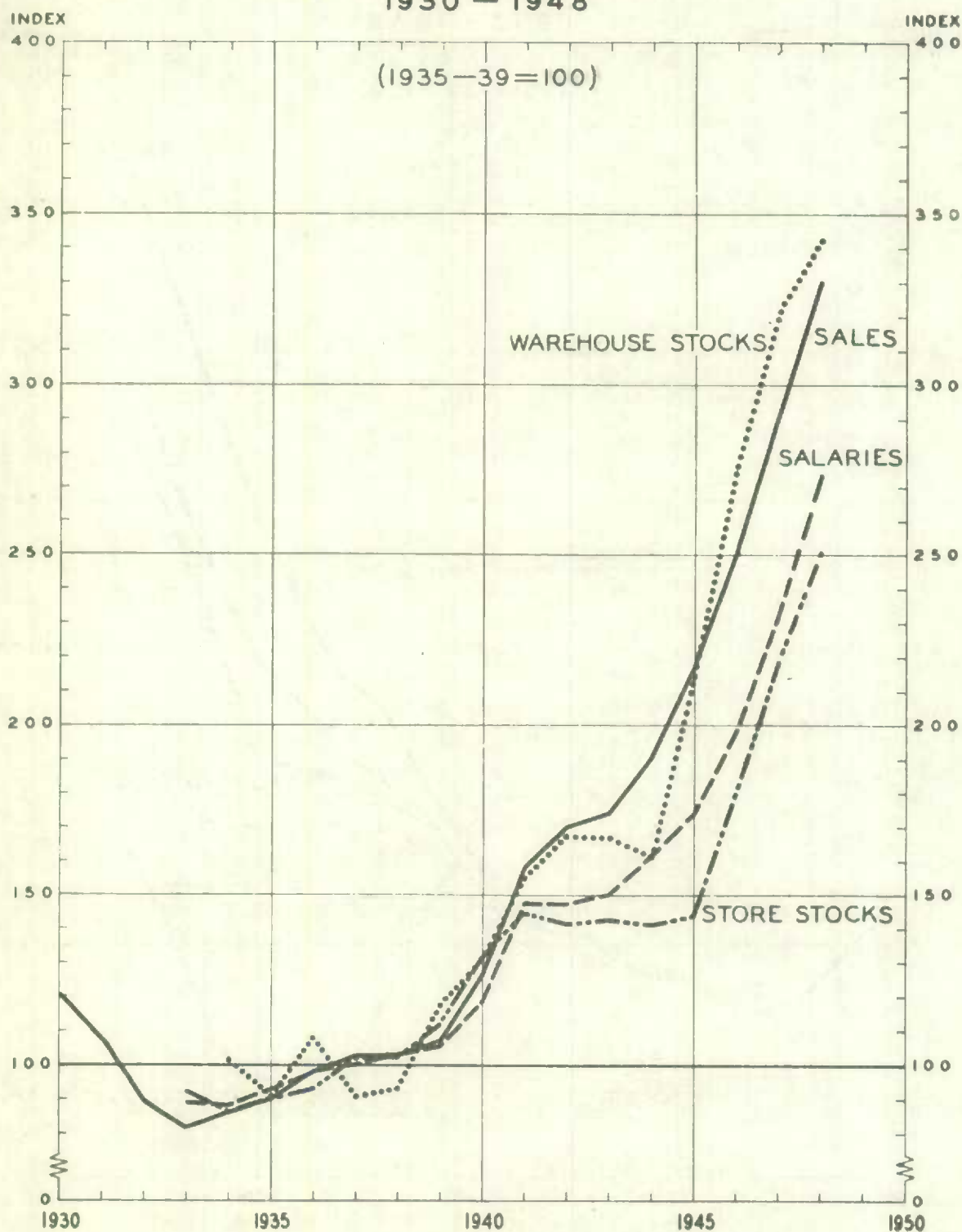
Elimination of a firm from the chain classification occurs most frequently by the reduction in the number of units in a small unit - number chain through sale, to bring the number of stores below 4. The trend toward the elimination of some small chains and the growth of others to larger chains is seen in table 6. In 1941 there were 386 firms having 10 or less units. By 1947 the number was reduced to 289 and in 1948 there were only 263 firms in this class. On the other hand firms with 11 or more units in 1948 exceeded the number of firms in the same category in 1947 by seven. This movement of chains naturally caused a shift toward greater proportions of business carried on by firms having the greater number of units in operation. In 1941, firms with more than 10 units accounted for 76.5 per cent of the total chain store business, in 1947 this ratio was 81.7 per cent and in 1948, 84.0 per cent. (Table 6, page 14).

Coincident with the growth of chains to more units is the growth to larger sales volume per chain with increasing proportions of business being transacted by the larger categories. Firms of over \$1,000,000 annual net sales accounted for 79.5 per cent of total sales in 1941, 90.7 per cent in 1947 and 92.3 per cent in 1948. (Table 7, page 15).

RETAIL CHAINS IN CANADA TOTAL SALES, SALARIES, STORE AND WAREHOUSE STOCKS

CHART NO. 1

1930 - 1948



RETAIL CHAINS IN CANADA AVERAGE SALES, SALARIES, STOCKS AND ACCOUNTS OUTSTANDING PER STORE

1930 - 1948

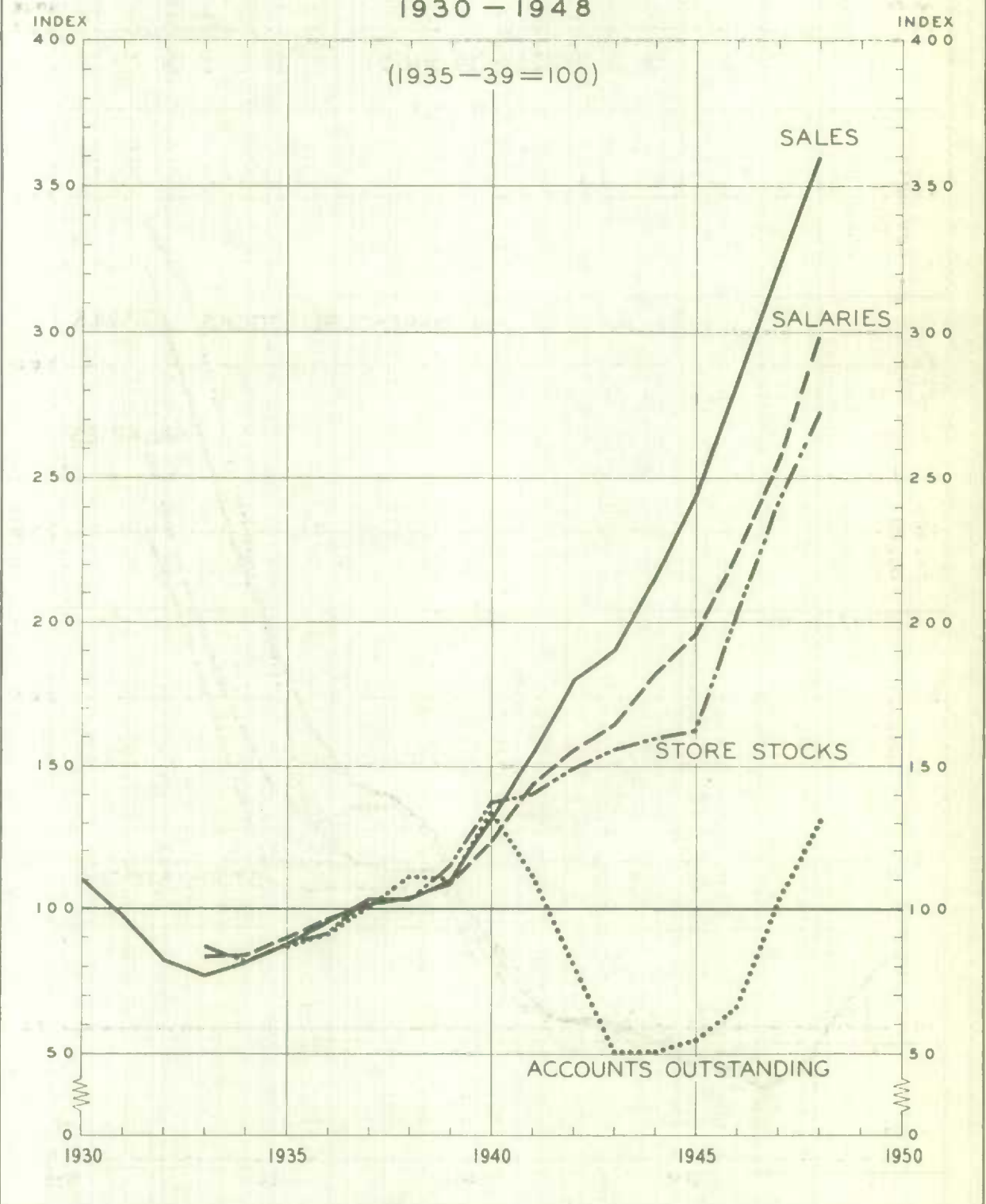


Table 1. -- Summary of Retail Chains in Canada, 1930 - 1948

Year	Number of Chains	Stores		Retail Sales	Average Sales Per Store	Salaries and Wages Paid to Store Employees	Accounts Outstanding	Stocks on Hand End of Year	
		Average(1)	Maximum					Stores	Warehouses
				\$	\$	\$	\$	\$	\$
1930 .	518	8,097	8,504	487,336,000	60,187	50,404,900	(a)	60,457,200	(a)
1931 .	506	8,188	8,557	434,199,700	53,029	(a)	(a)	(a)	(a)
1932 .	486	8,066	8,398	360,806,200	44,732	(a)	(a)	(a)	(a)
1933 .	461	7,900	8,230	328,902,600	41,633	34,820,600	(a)	43,995,100	(a)
1934 .	445	7,804	8,210	347,186,100	44,488	34,510,900	(a)	40,962,600	13,768,100
1935 .	445	7,666	8,022	364,129,800	47,499	36,382,000	30,188,700	42,796,200	12,265,900
1936 .	457	7,588	8,124	394,935,000	52,047	38,603,000	31,430,400	44,258,000	14,631,500
1937 .	447	7,346	7,815	414,133,300	56,375	39,289,500	33,526,200	48,550,700	12,280,000
1938 .	457	7,356	7,692	414,448,300	56,342	40,368,400	37,073,700	48,617,300	12,623,200
1939 .	446	7,215	7,595	432,026,100	59,879	41,427,800	35,942,800	53,167,700	15,915,600
1940 .	451	7,131	7,522	508,553,900	71,316	46,462,300	43,229,700	62,634,500	17,621,700
1941 .	529	7,622	7,969	639,210,400	83,864	57,777,200	38,376,100	68,619,200	20,975,600
1942 .	455	7,010	7,139	687,447,400	98,067	57,653,700	(a)	66,939,700	22,633,400
1943 .	444	6,780	7,021	703,950,000	103,827	58,804,000	15,526,900	67,628,000	22,602,500
1944 .	431	6,560	6,774	769,643,200	117,324	63,299,700	15,093,000	66,943,500	21,854,900
1945 .	429	6,580	6,705	876,209,000	133,162	68,196,400	16,368,500	68,246,800	29,013,100
1946 .	422	6,559	6,743	1,014,846,700	154,725	77,474,400	19,642,600	85,345,200	37,436,400
1947 .	422	6,716	6,962	1,177,322,700	175,301	91,265,800	31,492,500	105,040,500	43,546,000
1948 .	403	6,821	7,152	1,335,735,100	195,827	107,450,200	40,378,300	119,132,000	46,330,200

(1) Obtained by averaging the number at the beginning, middle and end of year.

(a) Not available.

Table 2.--Principal Statistics of Retail Chains in Canada, 1948
by Kinds of Business

Kind of Business	Number of Chains	Number of Stores	
		Average	Maximum
Total, All Chains	403	6,821	7,152
Food Group, Total	82	1,601	1,684
Bakery product dealers	11	167	180
Candy and confectionery stores	8	158	171
Grocery stores	16	266	279
Combination stores	32	909	947
Meat markets	11	75	80
Other food stores	4	26	27
Country General Store Group	18	135	139
General Merchandise Group, Total	26	613	632
Dry goods and general merchandise stores	10	86	92
Variety, 5-10-15¢ to-a-dollar stores	16	527	540
Automotive Group, Total	14	129	141
Motor vehicle dealers	4	26	28
Filling stations	7	77	86
Other automotive accessories stores	3	26	27
Apparel Group, Total	97	1,141	1,226
Men's and boys' clothing and furnishings stores	11	115	120
Family clothing stores	20	128	139
Women's apparel and accessories stores	37	380	424
Shoe stores	29	518	543
Building Materials Group, Total	37	770	781
Hardware stores	7	40	40
Lumber and building material dealers	25	690	699
Paint, varnish and wallpaper stores	5	40	42
Furniture-Household-Radio Group, Total	35	409	440
Furniture stores	18	160	175
Household appliance, radio and music stores	17	249	265
Restaurant Group, Total	17	223	247
Other Retail Stores, Total	77	1,800	1,862
Drug stores	25	301	316
Jewellery stores	4	42	46
Office store and school furniture equipment and supplies dealers	13	164	167
Opticians and optometrists	3	13	14
Tobacco stores	5	208	219
Government liquor stores	8	559	574
Wine stores	5	30	30
Miscellaneous kinds of business	14	483	496

Table 2.--Principal Statistics of Retail Chains in Canada, 1948
by Kinds of Business

Sales (Retail)		Salaries and Wages	Customer's Accounts Outstanding, December 31, 1948	Stocks on hand, December 31, 1948	
Amount	% of total chain sales			Stores	Warehouses
\$		\$	\$	\$	\$
1,335,735,100	100.0	107,450,200	40,378,300	119,132,000	46,330,200
408,556,600	30.6	25,346,300	1,214,900	12,499,300	13,655,100
6,919,900	0.5	1,037,300	63,800	44,000	127,900
5,761,200	0.4	663,900	12,000	89,500	112,200
25,596,600	1.9	1,822,600	127,100	1,703,100	701,900
361,540,000	27.1	20,999,900	920,800	10,453,900	12,426,400
6,586,500	0.5	618,800	55,200	149,200	30,900
2,152,400	0.2	203,800	36,000	59,600	255,800
15,123,300	1.1	1,316,400	926,500	3,822,500	16,800
146,546,200	11.0	18,541,300	773,300	17,402,200	3,428,400
12,639,300	1.0	1,378,600	769,300	2,306,000	21,200
133,906,900	10.0	17,162,700	4,000	15,096,200	3,407,200
23,283,500	1.7	2,518,500	2,368,000	2,515,800	1,104,700
16,417,100	1.2	1,646,000	2,073,600	1,852,500	1,033,700
4,350,800	0.3	496,800	17,000	228,700	71,000
2,515,600	0.2	375,700	277,400	434,600	-
117,948,000	8.8	12,219,800	3,408,000	21,037,500	3,378,600
17,919,200	1.3	2,044,600	219,900	3,188,800	185,100
33,816,600	2.5	3,643,900	2,376,600	6,681,000	523,100
34,834,400	2.6	2,725,500	780,500	3,875,100	846,700
31,377,800	2.4	3,805,800	31,000	7,292,600	1,823,700
67,190,200	5.0	5,118,600	3,923,700	15,630,100	318,700
7,927,300	0.6	800,300	270,200	1,661,000	6,800
56,285,400	4.2	3,979,500	3,403,900	13,287,200	43,100
2,977,500	0.2	338,800	249,600	681,900	268,200
62,952,300	4.7	7,272,400	13,420,100	10,508,100	2,902,300
35,678,900	2.7	3,633,800	9,169,100	6,292,900	2,457,600
27,273,400	2.0	3,638,600	4,251,000	4,215,200	444,700
21,898,800	1.7	5,707,300	22,400	329,400	460,800
472,236,200	35.4	29,409,600	14,321,400	35,387,100	21,064,800
27,458,100	2.1	3,929,600	160,700	3,859,600	996,300
21,391,900	1.6	2,421,800	3,474,500	2,731,000	9,800
40,580,900	3.1	9,792,500	7,231,400	3,869,200	220,100
248,400	(a)	78,000	7,200	33,600	2,700
15,944,900	1.2	1,445,500	86,400	1,198,600	404,500
267,492,100	20.0	6,198,000	10,000	14,024,500	16,296,700
2,940,700	0.2	215,700	-	190,400	203,700
96,179,200	7.2	5,328,500	3,351,100	9,480,200	2,931,000

(a) Less than 0.05 per cent.

Table 3.--Chains, Stores and Sales for Selected Kinds
of Business, 1941, 1947, 1948

Kind of Business	1941	1947	1948
Total, All Chains --			
Chains (number)	529	422	403
Stores (maximum)	7,969	6,962	7,152
Chain sales	\$ 639,210,400	1,177,322,700	1,335,735,100
Grocery and combination stores --			
Chains (number)	62	51	48
Stores (maximum)	1,541	1,204	1,226
Chain sales	\$ 172,317,400	301,796,300	387,136,600
Meat markets --			
Chains (number)	17	13	11
Stores (maximum)	166	114	80
Chain sales	\$ 5,088,500	7,893,500	6,586,500
Variety stores --			
Chains (number)	20	18	16
Stores (maximum)	532	536	540
Chain sales	\$ 74,179,100	117,925,300	133,906,900
Men's and boys' clothing and furnishings stores (including custom tailors) --			
Chains (number)	18	12	11
Stores (maximum)	147	122	120
Chain sales	\$ 9,498,700	16,504,000	17,919,200
Family clothing stores --			
Chains (number)	19	20	20
Stores (maximum)	115	125	139
Chain sales	\$ 13,943,500	30,453,600	33,816,600
Women's apparel and accessories stores --			
Chains (number)	38	38	37
Stores (maximum)	318	374	424
Chain sales	\$ 12,438,300	29,023,700	34,834,400
Shoe stores --			
Chains (number)	35	30	29
Stores (maximum)	452	515	543
Chain sales	\$ 16,312,600	28,731,500	31,377,800

Table 3.--Chains, Stores and Sales for Selected Kinds
of Business, 1941, 1947, 1948 - (Concl'd)

Kind of Business	1941	1947	1948
Hardware stores --			
Chains (number)	7	6	7
Stores (maximum)	38	34	40
Chain sales	\$ 3,849,700	6,381,000	7,927,300
Lumber and building material dealers --			
Chains (number)	30	26	25
Stores (maximum)	732	706	699
Chain sales	\$ 19,979,000	51,239,200	56,285,400
Furniture stores --			
Chains (number)	16	18	18
Stores (maximum)	127	154	175
Chain sales	\$ 15,484,200	32,891,300	35,678,900
Household appliance, radio and music stores --			
Chains (number)	27	17	17
Stores (maximum)	410	252	265
Chain sales	\$ 18,655,600	22,657,900	27,273,400
Restaurants --			
Chains (number)	27	19	17
Stores (maximum)	256	256	247
Chain sales	\$ 11,918,800	20,726,400	21,898,800
Drug stores --			
Chains (number)	35	26	25
Stores (maximum)	363	314	316
Chain sales	\$ 18,944,500	26,868,800	27,458,100
Office, school and store supplies and equipment dealers --			
Chains (number)	13	13	13
Stores (maximum)	147	159	167
Chain sales	\$ 20,192,600	35,724,900	40,580,900
Tobacco stores and stands --			
Chains (number)	6	5	5
Stores (maximum)	217	207	219
Chain sales	\$ 7,185,800	14,954,100	15,944,900
Liquor stores --			
Chains (number)	9	8	8
Stores (maximum)	615	553	574
Chain sales	\$ 112,397,800	264,490,500	267,492,100

Table 4.--Chains, Stores and Sales by Provinces, 1941, 1947, 1948

	1941	1947	1948	Per cent change 1947-1948
Canada Total, All Chains --				
Chains (number)	529	422	403	
Stores (maximum)	7,969	6,962	7,152	
Chain sales \$	639,210,400	1,177,322,700	1,335,735,100	+13.5
N.W.T. and Yukon --				
Chains (number)	5	4	4	
Stores (maximum)	62	54	59	
Chain sales \$	1,493,600	5,107,300	5,254,100	+ 2.9
British Columbia --				
Chains (number)	91	90	88	
Stores (maximum)	765	769	770	
Chain sales \$	63,925,100	130,555,100	149,220,000	+14.3
Alberta --				
Chains (number)	88	72	70	
Stores (maximum)	576	539	530	
Chain sales \$	36,071,200	72,888,600	85,383,200	+17.1
Saskatchewan --				
Chains (number)	76	64	66	
Stores (maximum)	880	663	680	
Chain sales \$	32,458,600	63,026,500	67,198,000	+ 6.6
Manitoba --				
Chains (number)	68	64	70	
Stores (maximum)	334	320	343	
Chain sales \$	27,377,400	56,137,700	63,327,100	+12.8
Ontario --				
Chains (number)	281	220	212	
Stores (maximum)	3,368	2,896	3,008	
Chain sales \$	293,671,300	509,078,800	595,545,600	+17.0
Quebec --				
Chains (number)	161	133	129	
Stores (maximum)	1,428	1,252	1,286	
Chain sales \$	131,225,900	247,093,800	271,306,800	+ 9.8
New Brunswick --				
Chains (number)	46	38	39	
Stores (maximum)	215	173	181	
Chain sales \$	19,762,100	41,295,900	42,747,300	+ 3.5
Nova Scotia --				
Chains (number)	56	49	49	
Stores (maximum)	325	283	287	
Chain sales \$	32,214,400	51,063,600	54,682,500	+ 7.1
Prince Edward Island --				
Chains (number)	9	8	7	
Stores (maximum)	16	13	8	
Chain sales \$	1,010,800	1,075,400	1,070,500	- 0.5

Table 5.--Retail Chains Classified According to Type of Operation,
1941, 1947, 1948

Type of Operation	Number of Chains	Number of Stores	Chain Sales	
			Amount	Per cent of total
	1 9 4 1			
			\$	
Total, All Chains	529	7,969	639,210,400	100.0
Local chains	175	1,084	60,308,700	9.4
Provincial chains	234	3,160	287,495,000	45.0
Sectional and National chains .	120	3,725	291,406,700	45.6
	1 9 4 7			
			\$	
Total, All Chains	422	6,962	1,177,322,700	100.0
Local chains	133	891	93,348,200	7.9
Provincial chains	191	2,863	571,453,000	48.6
Sectional and National chains .	98	3,208	512,521,500	43.5
	1 9 4 8			
			\$	
Total, All Chains	403	7,152	1,335,735,100	100.0
Local chains	116	831	104,526,900	7.8
Provincial chains	184	2,967	622,162,600	46.6
Sectional and National chains .	103	3,354	609,045,600	45.6

Table 6.--Retail Chains Classified According to Number of Units Operated
1941, 1947, 1948

	Number of Chains	Number of Stores	Chain Sales	
			Amount	Per cent of total
	1 9 4 1			
			\$	
Total, All Chains	529	7,969	639,210,400	100.0
Less than 6 units	223	968	71,938,200	11.3
6-10 units	163	1,237	77,860,200	12.2
11-25 units	78	1,260	81,787,700	12.8
26-50 units	36	1,272	80,859,700	12.6
51-100 units	16	1,155	77,879,500	12.2
More than 100 units	13	2,077	248,885,100	38.9
	1 9 4 7			
			\$	
Total, All Chains	422	6,962	1,177,322,700	100.0
Less than 6 units	145	626	85,234,200	7.2
6-10 units	144	1,060	129,466,900	11.1
11-25 units	69	1,127	154,561,500	13.1
26-50 units	36	1,233	160,451,500	13.6
51-100 units	16	1,135	148,525,100	12.6
More than 100 units	12	1,781	499,083,500	42.4
	1 9 4 8			
			\$	
Total, All Chains	403	7,152	1,335,735,100	100.0
Less than 6 units	126	554	73,220,100	5.5
6-10 units	137	1,018	140,236,700	10.5
11-25 units	73	1,168	161,969,800	12.1
26-50 units	38	1,346	210,166,800	15.7
51-100 units	17	1,214	166,769,000	12.5
More than 100 units	12	1,852	583,372,700	43.7

Table 7.--Retail Chains Classified According to Amount of Annual Retail Sales,
1941, 1947, 1948

Annual Sales Volume of Chain	Number of Chains	Number of Stores	Chain Sales	
			Amount	Per cent of total
1 9 4 1				
			\$	
Total, All Chains	529	7,969	639,210,400	100.0
Under \$100,000	83	447	5,588,800	0.9
\$100,000 - \$199,999	104	607	15,290,900	2.4
\$200,000 - \$499,999	159	1,277	50,175,500	7.9
\$500,000 - \$999,999	82	993	59,574,600	9.3
\$1,000,000 - \$4,999,999	78	2,399	158,032,200	24.7
\$5,000,000 and over	23	2,246	350,548,400	54.8
1 9 4 7				
			\$	
Total, All Chains	422	6,962	1,177,322,700	100.0
Under \$100,000	19	107	1,448,300	0.1
\$100,000 - \$199,999	42	237	6,822,900	0.6
\$200,000 - \$499,999	110	685	37,450,800	3.2
\$500,000 - \$999,999	93	775	63,116,000	5.4
\$1,000,000 - \$4,999,999	122	2,397	276,128,900	23.4
\$5,000,000 and over	36	2,761	792,355,800	67.3
1 9 4 8				
			\$	
Total, All Chains	403	7,152	1,335,735,100	100.0
Under \$100,000	12	75	791,900	0.1
\$100,000 - \$199,999	35	195	5,580,300	0.4
\$200,000 - \$499,999	105	706	36,953,200	2.8
\$500,000 - \$999,999	85	720	58,975,800	4.4
\$1,000,000 - \$4,999,999	121	2,270	270,755,200	20.3
\$5,000,000 and over	45	3,186	962,678,700	72.0

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