

DEPARTMENT OF TRADE AND COMMERCE  
DOMINION BUREAU OF STATISTICS  
MERCHANDISING AND SERVICES BRANCH  
OTTAWA, CANADA

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DRUG CHAINS IN CANADA, 1943

SUMMARY

Results of a recent survey of the retail drug chains compiled by the Merchandising and Services Branch of the Dominion Bureau of Statistics indicate a continued expansion in their total sales volume from the previous all-time high attained in 1941. This was accompanied by a moderate decline in the number of stores operated in the two recent years and by a moderate decline in the number of companies which by definition must operate a minimum of four outlets to qualify as a retail chain. Total sales made by the 343 chain drug stores in 1942 amounted to \$19,711,700, an increase of 4.0 per cent over the 1941 dollar volume, while in 1943 the 336 outlets made sales of \$21,511,600, a gain of 9.1 per cent over the turnover of the preceding year. The drug chains were also able to maintain a comparatively stable inventory position, the valuation of their stocks at cost prices amounting to \$2,732,900 at the end of 1942 and to \$2,913,900 at the end of 1943 which compares with total inventories of \$2,936,100 shown by such systems at the end of 1941.

Continuation of the trend to larger sales-size stores was also apparent in the two years under review, average sales of \$57,469 per store in 1942 exceeding by 10.1 per cent the comparable average of \$52,189 obtained in 1941, while average sales of \$64,023 per store in 1943 were 11.4 per cent greater than the average for the preceding calendar year. These increases were of course indicative of upward shifts in chain outlets from lower to higher sales-size categories. Thus in 1941, 153 stores with sales in excess of \$50,000 per outlet accounted for 63.2 per cent of the sales of all drug chains; in 1942, 184 stores were classified in this group whose turnover comprised 73.5 per cent of the total, while in 1943 the 193 units included in this classification contributed 76.5 per cent of the sales of all drug chains. Most of the remaining business of all drug chains was provided by stores in two of the five smaller sales-size categories, that is, outlets having sales between \$20,000 and \$29,999 and between \$30,000 and \$49,999 per store. These two groups comprised 185 units in 1941 which provided 34.9 per cent of all drug chain sales. In 1942 the 140 stores found here accounted for 25.2 per cent of all sales while in 1943 a total of 134 outlets transacted 22.9 per cent of the total volume of business.

No marked and consistent differences in the rates of increase in the sales of chain drug stores in 1942 and 1943 over immediately preceding years were revealed when such stores were classified between those operating soda fountains and those not so equipped. Chain drug stores with soda fountains showed an expansion of

11.0 per cent in total sales for 1942 over their 1941 volume and an increase of only 11.6 per cent in 1943 over the preceding year. Chain outlets without soda fountains, however, recorded in 1942 the greater gain of 15.2 per cent over 1941 but in 1943 this rate of expansion dropped to 10.8 per cent. It should be noted that no data were collected in the two recent years by kinds of stores operated. Figures shown in Table IX are therefore based on those continuing units which provided sales information for 1941 according to these sub-divisions.

British Columbia, Ontario and the Maritime Provinces were the only regional areas in which the drug chains showed consistent increases in sales volume in 1942 and 1943 over the immediately preceding years. Drug chains in British Columbia were particularly outstanding in this respect recording gains of 20.9 per cent in 1942 and 18.9 per cent in 1943 which compares with increases of 3.4 per cent and 6.1 per cent shown for such systems in Ontario and 17.8 per cent and 5.4 per cent for the Maritime Provinces. Drug chains in both the Prairie Provinces and Quebec experienced declines of 10.0 per cent and 4.2 per cent in 1942 and increases of 4.1 per cent and 14.2 per cent in sales in 1943 over volumes obtained in the earlier year. Due to these disparities in the rate of change, drug chains operating in British Columbia in 1942 moved into second place in amount of business transacted replacing in this respect the drug chains operating in the province of Quebec.

Activities of the drug chains remained pre-eminently concentrated in the larger urban centers having 100,000 or more people. Overall, 64.7 per cent of the total sales of the drug chains were made in such places in 1941, the ratio rising slightly to 65.5 per cent in 1942 and to 66.0 per cent in 1943. The distribution of sales by provinces or economic regions, however, varied somewhat from the Dominion totals. Thus in 1943 slightly over 86 per cent of the sales of drug chains operating in the province of Quebec was transacted in places of 100,000 or more people, and in Ontario 68.0 per cent of the sales of drug chains operating in that province were transacted in these larger urban centers.

Stability for the most part characterized the distributions of sales when the drug chains were classified according to size factors and according to types of operation. Concerns operating 10 or more stores obtained 63.3 per cent of total chain sales in 1941, 65.9 per cent in 1942 and 65.4 per cent in 1943. Eight chain systems reported company sales of \$500,000 or over in all three periods, together accounting for 65.7 per cent, 68.5 per cent and 68.8 per cent of aggregate turnover in the respective years. Medium-sized chains with annual sales between \$300,000 and \$499,999 gained relatively from the smallest group with annual sales between \$200,000 and \$299,999 per company, obtaining 16.9 per cent of total sales in 1941, 17.5 per cent in 1942 and 20.7 per cent in 1943. The final classification by types of chain indicated that provincial and national chains, that is those operating in one or more provinces, contributed 62.8 per cent of the total sales in 1941, 63.5 per cent in 1942 and 63.1 per cent in 1943, the balance of the business being accounted for by local chain systems.



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Table 1.--Number of Drug Chains, Stores and Sales for Selected Years.

	1930	1937	1941	1942	1943
Number of chains .....	31	31	35	31	31
Number of stores (maximum) .....	292	332	363	343	336
Total Sales (retail) .....	\$13,971,300	\$14,163,300	\$18,944,500	\$19,711,700	\$21,511,600
Chain sales index (1930=100) .....	100.0	101.4	135.6	141.1	154.0
Percentage change in sales from preceding calendar year .....	-	+ 10.0	+ 21.3	+ 4.0	+ 9.1

Table 2.--Principal Statistics of Drug Chains, 1941, 1942 and 1943.

	1941	1942	1943
Number of chains .....	35	31	31
Number of stores (maximum) .....	363	343	336
Total sales (retail) .....	\$18,944,500	\$19,711,700	\$21,511,600
Average sales per store .....	\$ 52,189	\$ 57,469	\$ 64,023
Per cent change from preceding calendar year	+ 18.3	+ 10.1	+ 11.4
Salaries and wages (Store employees) .....	\$ 2,645,100	\$ 2,579,700	\$ 2,849,900
Stocks on hand end of year, at cost .....			
In retail stores .....	\$ 2,936,100	\$ 2,732,900	\$ 2,913,900
In warehouses .....	\$ 792,000	\$ 699,400	\$ 734,100
Total stocks on hand .....	\$ 3,728,000	\$ 3,432,300	\$ 3,648,000
Customer's accounts outstanding at December 31 .....	\$ 159,800	(1)	\$ 93,300

(1) Not reported.

Table 3.--Number of Drug Chains, Stores, Retail and Sales, by Provinces, 1941, 1942 and 1943.

		1941	1942	1943
CANADA	No. of chains .....	35	31	31
	No. of stores .....	363	343	336
	Sales .....	(1) \$18,944,500	\$19,711,700	\$21,511,600
	Index 1930=100 .....	135.6	141.1	154.0
	% change from preceding year .....	+ 21.3	+ 4.0	+ 9.1
	Average sales per store .....	\$ 52,189	\$ 57,469	\$ 64,023
British Columbia	No. of chains .....	3	3	3
	No. of stores .....	49	49	48
	Sales .....	\$ 2,575,900	\$ 3,113,300	\$ 3,703,200
	Index 1930=100.C .....	126.1	152.4	181.3
	% change from preceding year .....	+ 15.7	+ 20.9	+ 18.9
	Average sales per store .....	\$ 52,569	\$ 63,537	\$ 77,150
Prairie Provinces	No. of chains .....	6	4	4
	No. of stores .....	37	27	26
	Sales .....	\$ 1,827,900	\$ 1,645,600	\$ 1,712,700
	Index 1930=100.0 .....	102.8	92.5	96.3
	% change from preceding year .....	+ 11.9	- 10.0	+ 4.1
	Average sales per store .....	\$ 49,402	\$ 60,948	\$ 65,873
Ontario	No. of chains .....	17	16	16
	No. of stores .....	198	189	186
	Sales .....	\$10,332,400	\$10,678,800	\$11,328,100
	Index 1930=100.0 .....	147.8	152.8	162.1
	% change from preceding year .....	+ 22.4	+ 3.4	+ 6.1
	Average sales per store .....	\$ 52,184	\$ 56,502	\$ 60,904
Quebec	No. of chains .....	8	7	7
	No. of stores .....	55	51	51
	Sales .....	\$ 3,106,100	\$ 2,975,200	\$ 3,398,400
	Index 1930=100.0 .....	131.2	125.6	143.5
	% change from preceding year .....	+ 26.4	- 4.2	+ 14.2
	Average sales per store .....	\$ 56,475	\$ 58,239	\$ 66,635
Maritime Provinces	No. of chains .....	3	3	3
	No. of stores .....	24	24	24
	Sales .....	(1) \$ 1,102,200	\$ 1,298,800	\$ 1,369,200
	Index 1930=100.0 .....	127.0	163.8	172.6
	% change from preceding year .....	+ 28.6	+ 17.8	+ 5.4
	Average sales per store .....	\$ 45,925	\$ 54,117	\$ 57,050

(1) Revised



Table 4.--Drug Chains Classified according to Number of Stores Operated, 1941, 1942 and 1943.

Number of Units	1941				1942			
	Number of Chains	Number of Stores	Total Sales		Number of Chains	Number of Stores	Total Sales	
			Amount	Per cent of total			Amount	Per cent of total
All drug chains, Total .....	35	363	\$ 18,944,500	100.0	31	343	\$ 19,711,700	100.0
Less than 6 units .....	14	58	3,282,900	17.3	12	51	2,926,200	14.8
6 - 9 units .....	13	90	3,669,400	19.4	11	75	3,798,000	19.3
10 units and over .....	8	215	11,992,200	63.3	8	217	12,987,500	65.9

Number of Units	1943			
	Number of Chains	Number of Stores	Total Sales	
			Amount	Per cent of total
All drug chains, Total .....	31	336	\$ 21,511,600	100.0
Less than 6 units .....	13	56	3,451,400	16.1
6 - 9 units .....	10	69	3,982,300	18.5
10 units and over .....	8	211	14,077,900	65.4

Table 5.--Drug Chains Classified According to Amount of Annual Sales, 1941, 1942, 1943.

Annual Sales	1941				1942			
	Number of Chains	Number of Stores	Total Sales		Number of Chains	Number of Stores	Total Sales	
			Amount	Per cent of total			Amount	Per cent of total
All drug chains, Total .....	35	363	\$18,944,500	100.0	31	343	\$19,711,700	100.0
\$500,000 and over .....	8	207	12,443,000	65.7	8	209	13,504,000	68.5
\$300,000 - \$499,999 .....	9	61	3,206,100	16.9	9	61	3,442,200	17.5
\$200,000 - \$299,999 .....	7	42	1,625,400	8.6	6	39	1,500,100	7.6
Less than \$200,000 .....	11	53	1,670,000	8.8	8	34	1,265,400	6.4

Annual Sales	1943			
	Number of Chains	Number of Stores	Total Sales	
			Amount	Per cent of total
All drug chains, Total .....	31	336	\$21,511,600	100.0
\$500,000 and over .....	8	203	14,804,500	68.8
\$300,000 - \$499,999 .....	11	73	4,453,200	20.7
\$200,000 - \$299,999 .....	5	29	1,151,300	5.4
Less than \$200,000 .....	7	31	1,102,600	5.1

Table 6.--Drug Chains Classified According to Type of Operation, 1941, 1942 and 1943.

	1 9 4 1				1 9 4 2			
	Number of Chains	Number of Stores	Total Sales		Number of Chains	Number of Stores	Total Sales	
			Amount	Per cent of total			Amount	Per cent of total
All drug chains, Total .....	35	363	\$ 18,944,500	100.0	31	343	\$ 19,711,700	100.0
Local chains .....	25	157	7,053,300	37.2	23	145	7,187,800	36.5
Provincial & national chains	10	206	11,891,200	62.8	8	198	12,523,900	63.5

	1 9 4 3			
	Number of Chains	Number of Stores	Total Sales	
			Amount	Per cent of total
All drug chains, Total .....	31	336	\$ 21,511,600	100.0
Local chains .....	23	144	7,933,400	36.9
Provincial & national chains .	8	192	13,578,200	63.1



Table 7.--Drug Chains - Chain Units Classified According to Amount of Annual Sales.

Annual Sales	1 9 4 1				1 9 4 2			
	Number	Sales	Per cent of total	Cumulative per cent	Number	Sales	Per cent of total	Cumulative per cent
CANADA, Total .....	363	\$ 18,944,500	100.0	-	343	\$ 19,711,700	100.0	-
\$1,000,000 and over .....	-	-	-	-	-	-	-	-
\$500,000 - \$999,999 .....	-	-	-	-	-	-	-	-
\$300,000 - \$499,999 .....	-	-	-	-	-	-	-	-
\$200,000 - \$299,999 .....	2)	-	-	-	-	-	-	-
\$100,000 - \$199,999 .....	25)	3,543,000	18.6	18.6	39	5,057,600	25.7	25.7
\$50,000 - \$99,999 .....	126	8,439,900	44.6	63.2	145	9,421,800	47.8	73.5
\$30,000 - \$49,999 .....	131	5,241,900	27.7	90.9	93	3,764,200	19.1	92.6
\$20,000 - \$29,999 .....	54	1,355,400	7.2	98.1	47	1,211,700	6.1	98.7
\$10,000 - \$19,999 .....	21	346,400	1.8	99.9	16	251,400	1.3	100.0
\$5,000 - \$9,999 .....	1	6,200	*	-	-	-	-	-
Less than \$5,000 .....	3	11,100	0.1	100.0	3	5,000	*	100.0

Annual Sales	1 9 4 3			
	Number	Sales	Per cent of total	Cumulative per cent
CANADA, Total .....	336	\$ 21,511,600	100.0	-
\$1,000,000 and over .....	-	-	-	-
\$500,000 - \$999,999 .....	-	-	-	-
\$300,000 - \$499,999 .....	-	-	-	-
\$200,000 - \$299,999 .....	2)	-	-	-
\$100,000 - \$199,999 .....	41)	6,076,900	28.2	28.2
\$50,000 - \$99,999 .....	150	10,386,100	48.3	76.5
\$30,000 - \$49,999 .....	98	4,005,100	18.6	95.1
\$20,000 - \$29,999 .....	36	925,300	4.3	99.4
\$10,000 - \$19,999 .....	6	97,400	0.5	99.9
\$5,000 - \$9,999 .....	3	20,800	0.1	100.0
Less than \$5,000 .....	-	-	-	-

\* Less than one per cent.

Table 8.-- Drug Chains, 1941, 1942 and 1943.  
Stores and Sales Classified According to Economic Regions and Size of Locality.

	All localities			Stores and sales in places having populations of					
	No. of Stores	Sales		Over 100,000			30,000 - 100,000		
		Value	%	Stores	Sales	Per cent of total	Stores	Sales	Per cent of total
		\$			\$			\$	
					1 9 4 1				
CANADA, Total .....	363	18,944,500	100.0	227	12,262,100	64.7	73	3,851,900	20.3
British Columbia .....	49	2,575,900	100.0	42	(x)	(x)	3	(x)	(x)
Prairie Provinces .....	37	1,827,900	100.0	9	(x)	(x)	18	1,022,100	55.9
Ontario .....	198	10,332,400	100.0	129	6,965,200	67.4	30	1,582,800	15.3
Quebec .....	55	3,106,100	100.0	47	2,705,800	87.1	5	(x)	(x)
Maritime Provinces .....	24	1,102,200	100.0	-	-	-	17	752,200	68.2
1 9 4 2									
CANADA, Total .....	343	19,711,700	100.0	222	12,915,000	65.5	64	3,866,500	19.6
British Columbia .....	49	3,113,300	100.0	42	(x)	(x)	3	(x)	(x)
Prairie Provinces .....	27	1,645,600	100.0	9	(x)	(x)	12	828,200	50.3
Ontario .....	192	10,678,800	100.0	127	7,267,200	68.0	28	1,570,000	14.7
Quebec .....	51	2,975,200	100.0	44	2,574,200	86.5	4	(x)	(x)
Maritime Provinces .....	24	1,298,800	100.0	-	-	-	17	935,900	72.1
1 9 4 3									
CANADA, Total .....	336	21,511,600	100.0	216	14,199,800	66.0	64	4,175,700	19.4
British Columbia .....	48	3,703,200	100.0	41	(x)	(x)	3	(x)	(x)
Prairie Provinces .....	26	1,712,700	100.0	8	(x)	(x)	12	875,100	51.1
Ontario .....	187	11,328,100	100.0	123	7,697,700	68.0	28	1,736,900	15.3
Quebec .....	51	3,398,400	100.0	44	2,934,300	86.3	4	(x)	(x)
Maritime Provinces .....	24	1,369,200	100.0	-	-	-	17	955,800	69.8



Table 8.--Drug Chains, 1941, 1942 and 1943  
Stores and Sales Classified According to Economic Regions and Size of Locality (Concl'd)

	Stores and sales in places having populations of --					
	10,000 - 30,000			Under 10,000		
	Stores	Sales	Per cent of total	Stores	Sales	Per cent of total
		\$	1 9 4 1		\$	
CANADA, Total .....	35	1,947,400	10.3	28	883,100	4.7
British Columbia .....	1	(x)	(x)	3	(x)	(x)
Prairie Provinces .....	1	(x)	(x)	9	(x)	(x)
Ontario .....	28	1,402,800	13.6	11	381,600	3.7
Quebec .....	3	(x)	(x)	-	-	-
Maritime Provinces .....	2	(x)	(x)	5	(x)	(x)

1 9 4 2

CANADA, Total .....	35	2,031,300	10.3	22	898,900	4.6
British Columbia .....	1	(x)	(x)	3	(x)	(x)
Prairie Provinces .....	1	(x)	(x)	5	(x)	(x)
Ontario .....	28	1,451,500	13.6	9	389,900	3.7
Quebec .....	3	(x)	(x)	-	-	-
Maritime Provinces .....	2	(x)	(x)	5	(x)	(x)

1 9 4 3

CANADA, Total .....	35	2,204,700	10.2	21	931,400	4.4
British Columbia .....	1	(x)	(x)	3	(x)	(x)
Prairie Provinces .....	1	(x)	(x)	5	(x)	(x)
Ontario .....	28	1,543,800	13.6	8	349,700	3.1
Quebec .....	3	(x)	(x)	-	-	-
Maritime Provinces .....	2	(x)	(x)	5	(x)	(x)

An (x) indicates that figures are withheld to avoid disclosing individual operations.

Table 9.--Drug Chain Stores and Sales Classified According to Kinds of Stores Operated.

(Based on continuing stores)

(1941 - 1943 inclusive)

Kinds of Stores Operated	Number of Stores	S A L E S \$				
		1941	1942	Per cent change 1942/1941	1943	Per cent change 1943/1942
<u>TOTAL, ALL DRUG CHAIN STORES .....</u>	363	18,944,500	19,711,700	+ 4.0	21,511,600	+ 9.1
<u>Total continuing drug chain stores .....</u>	307	16,227,500	18,391,800	+ 13.5	20,435,200	+ 11.1
Drug chain stores with soda fountain .....	120	7,177,000	7,969,900	+ 11.0	8,892,200	+ 11.6
Drug chain stores without soda fountain ...	187	9,050,500	10,421,900	+ 15.2	11,543,000	+ 10.8

Note: No data were collected for 1942 and 1943 by kinds of stores operated, that is, those with soda fountains and those without. This table is based on the 307 chain drug stores which in 1941 provided this information, it being assumed that no extensive changes of this nature have occurred since that time.



LIST OF DRUG CHAINS IN CANADA, 1943.

American Drug Stores, The	1187 St. Catherine St. W.,	Montreal, Que.
Barne's Drug Company	2 Queen St. E.,	Sault Ste Marie, Ont.
Buckley's Ltd.,	161 Spring Garden Rd.,	Halifax, N.S.
Cairncross and Lawrence Ltd.,	216 Dundas St.,	London, Ont.
Cunningham Drug Stores, Ltd.,	456 Broadway St., W.,	Vancouver, B.C.
Gray's Super Value Drug Stores Reg'd	417 St. James St. W.,	Montreal, Que.
Isaacson, Wilfred	3056 Yonge St.,	Toronto, Ont.
Lanspeary's Ltd.,	1394 Ouellette Ave.,	Windsor, Ont.
Leduc Pharmacies	1416 Bleury St.,	Montreal, Que.
Liggett, Louis K. Co. Ltd.,	579 Richmond St. W.,	Toronto, Ont.
Macy's Drug Stores, Reg'd	1411 Stanley St.,	Montreal, Que.
MacLeod-Balcom Ltd.,	55 Argyle St.,	Halifax, N.S.
McNally, E. C., Estate	357 Queen St.,	Niagara Falls, Ont.
Marshall's Drug Stores	542 Queen St. W.,	Toronto, Ont.
Martineau Pharmacies, The	857 rue St. Maurice,	Montreal, Que.
Merrick Drug Stores, Ltd.,	208 Birks Bldg.,	Edmonton, Alta.
Owl Drug Stores Ltd.,	251 Carlton St.,	Toronto, Ont.
Owl Drug Co., Ltd.,	301-6, 193 East Hastings,	Vancouver, B.C.
Paterson's Drug Stores, Ltd.,	3206 Sandwich St., W.,	Windsor, Ont.
Pharmacies Melrose	5639 Verdun Ave.,	Verdun, Que.
Pond's Drug Stores, Ltd.,	301 Ouellette Ave.,	Windsor, Ont.
Reliable Drug Store	1850 Commercial Drive,	Vancouver, B.C.
Robert's Drug Stores, Ltd.,	645 Logan Ave.,	Winnipeg, Man.
Ross Drug Co. Ltd. & Ross Drug United, Ltd.,	66 King St.,	Woodstock, N.B.
Rutherford's Drug Stores	248 Bay St.,	Toronto, Ont.
Sloane Drug Stores, Ltd.,	9434-111th Ave.,	Edmonton, Alta.
Sonley's Drug Stores,	1023 Pape Ave.,	Toronto, Ont.
Standard Drug Ltd., The	105 Stanley St.,	London, Ont.
Tamblyn, G., Ltd.,	225 Jarvis St.,	Toronto, Ont.
Walker Drug Co., Ltd.,	1879 Ferry St.,	Niagara Falls, Ont.
Ward and Hamilton Drugs, Ltd.,	400 Princess St.,	Kingston, Ont.

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