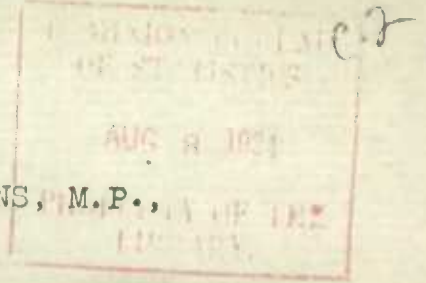


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CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS, 1933.

Food Chains in Canada, 1930 - 1933

This report is the first of a series presenting preliminary figures for the Census of Merchandising and Service Establishments, 1933. The basic figures for the year 1930 were secured from the Census taken in 1931, and the data for the period 1931 to 1933 have been furnished for the Census just concluded.

These preliminary figures of the retail sales of food chains relate only to chain store organizations and cannot be taken as a true indication of the trend of business for all food stores until the figures for independent stores have been prepared and compared with chain store sales. It is also necessary to point out that the entrance of new chain store organizations into this field, either through the expansion of single or multiple stores into chains or the formation of new companies and the disappearance of chain store organizations through ceasing to do business or retaining less than four units, affect the volume of trade handled by chains from year to year.

The food chains covered in this report are grocery chains, combination store chains (those selling both groceries and meats), and meat market and fish market chains. Separate details are given for each of the three classifications mentioned. Due to the development of units of the straight grocery type into combination stores selling both groceries and meats, it has been necessary to make a number of changes in classification of the various chains, and a better comparison of the trends in business of these food chains is therefore obtained from a consideration of the combined figures for the three classifications.

A group of stores has been considered as a chain only when four or more stores are under the same ownership or management and carry on the same or similar kinds of business. In 1930, there were 88 of these food chains operating in Canada. The maximum number of stores in operation during that year was 2,353, and these stores did a total business of \$128,291,800. In 1933, there were 87 food chains operating a maximum of 2,348 stores and having sales amounting to \$102,940,200. Representing the sales of food chains in 1930 by 100, the relative sales for the three succeeding years may be represented by 97.16, 85.50 and 80.24 respectively.

In Table II these food chains have been classified geographically, giving figures by provinces for each of the years 1930 and 1933. In order to avoid disclosing the operations of individual companies, it has been necessary to give combined figures for the Maritime Provinces, while data for the Yukon and Northwest Territories are not shown but are included in the grand totals. The Maritime Provinces showed an increase in chain store business of 2.14 per cent over the amount reported in 1930, but this increase is due to the increase in the number of chain units from 99 in 1930 to 141 in 1933. Decreases in chain store business were reported in the other geographic divisions. The greatest reduction is noted in Saskatchewan, where food chain sales in 1933 were 59.94 per cent of the 1930 figure, while British Columbia showed the smallest decrease, the 1933 figure amounting to 92.59 per cent of the 1930 business.

Grocery Chains.--In 1930, there were 44 grocery chains in Canada. These operated 749 stores and had total retail sales of \$45,043,800. In 1933, there were 42 chains of this type which operated 805 stores and had total sales of \$36,519,600.



Combination Store Chains.--These organizations differ from

grocery chains in that they operate at least a substantial proportion of units having meat departments. Later reports will be issued showing the number of straight grocery and combination stores operated by these chains, but at present total figures only are given. In 1930, there were 23 combination store chains in Canada which operated 1,379 stores and had total sales of \$74,800,200. In 1933, the number of chains had increased to 27, while the number of units had decreased to 1,357, and total retail sales amounted to \$60,758,100.

Meat Market Chains.--During 1930, there were 21 meat market

chains operating and these had 225 stores with total retail sales of \$8,447,800. An analysis of the sales of these stores, obtained in connection with the 1931 Census, showed that, of their total business, the sale of meats and poultry amounted to almost 85 per cent, while sales of butter, cheese and eggs made up the greater part of the remainder. In 1933, there were 18 meat market chains having 186 stores and doing a total retail business of \$5,662,500 or 67.03 per cent of the 1930 turnover.

Voluntary Chains

For the purposes of this Census, groups of independent retailers formed into organizations for buying and/or advertising purposes have been classified as voluntary chains. While a number of these chains have been formed by dealers in drugs, hardware and shoes, they have developed chiefly for the purchasing of groceries and allied products. Only chains of this latter type are included in this report.

Two types of voluntary chains have developed in Canada during recent years. The first, known as the "wholesaler retailer" type, consists of a group of stores more or less closely connected with a single wholesaler or group of wholesalers who service the individual members. The store fronts are uniform in design and all the individual units are known by the name of the group to which they belong. Chains of this type are here designated "Type A".

The second type, known as "retailer wholesaler", consists of independent retailers who have formed group buying organizations in order to secure some of the benefits of bulk purchasing. In some cases, orders are placed through a secretary appointed by the organization, while in other instances one of the members becomes responsible for the purchase of a consignment of goods. These goods are then distributed among the members of the group. This type is referred to in this bulletin as "Type B".

The wholesalers servicing these voluntary chains deal largely in foodstuffs, but the retail stores may sell a wide range of commodities and their co-operative buying activities may function only for particular lines such as groceries. Trends in the total sales of these chains would not, therefore, be a true indication of the growth of the voluntary chain system in Canada. A better idea of the development of these chains would be obtained from a comparison of the yearly purchases made upon a co-operative basis by the different members.

In connection with the latest Census of Merchandising, schedules were sent to each of the wholesalers servicing voluntary chains, requesting that they indicate the maximum number of members in their group during each of the years 1930 to 1933. Data regarding the value of sales made to members were also asked. For those groups which had no particular wholesaler (Type B), schedules were sent to the secretaries or to one of the members, requesting the number of members and data regarding the value of purchases made during the same years.

In 1930, there were altogether 23 voluntary chains with a maximum number of 4,545 members, and purchases made by these members (at wholesale prices) amounted to \$23,006,881. By 1933, the number of organizations had increased to 27, the number of members to 6,170, and purchases at wholesale prices amounted to \$26,740,188. Or, representing by 100 the purchases made by these voluntary chains in 1930, the value of purchases made during the three succeeding years may be represented by 104.7, 111.5 and 116.2 respectively.



Of the 27 voluntary chains operating in 1933, 18 were of Type A and 9 were of Type B. Those of Type A had a maximum of 5,625 members in 1933, and purchases by these members, or sales by the wholesalers, amounted to \$24,569,878. The 9 chains of Type B had 545 members and purchases made by these members amounted to \$2,170,310.

Figures regarding number of chains, stores and purchases for all voluntary chains are given for each of the years 1930 to 1933 inclusive in Table VII. In Tables VIII and IX, these figures are divided, giving separate details for each of the two types.

Food Chains in Canada, 1930 - 1933

Grocery, Combination and Meat Store Chains Combined

Table I.--Number of Chains, Stores and Total Sales, by Years, 1930 - 1933.

	1930	1931	1932	1933
Number of chains ...	88	87	85	87
Number of stores (maximum) .....	2,353	2,418	2,395	2,348
Total Sales .....	\$128,291,800	\$124,642,400	\$109,693,300	\$102,940,200
Index of chain sales (1930=100) .....	100.00	97.16	85.50	80.24

Table II.--Number of Food Chains, Stores and Sales by Provinces, 1930 and 1933 Compared.

		1930	1933
CANADA, TOTAL -	Chains	88	87
	Stores	2,353	2,348
	Sales.	\$128,291,800	\$102,940,200
	Index of chain sales (1930=100)	100.00	80.24
British Columbia -	Chains	19	17
	Stores	244	281
	Sales.	\$ 10,117,100	\$ 9,367,200
	Index of chain sales (1930=100)	100.00	92.59
Alberta -	Chains	8	11
	Stores	120	126
	Sales.	\$ 5,587,000	\$ 4,519,100
	Index of chain sales (1930=100)	100.00	80.89
Saskatchewan -	Chains	10	8
	Stores	165	140
	Sales.	\$ 6,969,300	\$ 4,177,600
	Index of chain sales (1930=100)	100.00	59.94
Manitoba -	Chains	8	6
	Stores	121	110
	Sales.	\$ 5,689,100	\$ 4,697,600
	Index of chain sales (1930=100)	100.00	82.57
Ontario -	Chains	37	36
	Stores	1,107	1,087
	Sales.	\$ 71,133,200	\$ 54,989,500
	Index of chain sales (1930=100)	100.00	77.30
Quebec -	Chains	13	10
	Stores	495	463
	Sales.	\$ 23,708,400	\$ 20,071,900
	Index of chain sales (1930=100)	100.00	84.66
Maritime Provinces -	Chains	13	15
	Stores	99	141
	Sales.	\$ 5,009,900	\$ 5,117,300
	Index of chain sales (1930=100)	100.00	102.14



Table III.--Number of Chains, Stores, Employment and Wage Facts, Sales and Stocks, 1933.

Number of chains .....		87
Number of stores .....		2,348
Employees and wages (including part-time) -		
Male .....		9,474
Female .....		1,840
Wages .....	\$	7,897,900
Total Sales, 1933 .....	\$	102,940,200
Stocks on hand in stores, end of year, at cost .....	\$	6,138,000

Grocery Chains in Canada

Table IV.--Chains, Stores and Total Sales, by Years, 1930 - 1933.

	1930	1931	1932	1933
Number of chains .....	44	41	40	42
Number of stores .....	749	758	780	805
Total Sales .....	\$45,043,800	\$40,051,300	\$36,678,400	\$36,519,600
Index of chain sales (1930=100) .....	100.00	88.92	81.43	81.08

Combination Store Chains in Canada

Table V.--Chains, Stores and Total Sales, by Years, 1930 - 1933.

	1930	1931	1932	1933
Number of chains .....	23	26	26	27
Number of stores .....	1,379	1,447	1,416	1,357
Total Sales .....	\$74,800,200	\$76,988,600	\$67,006,300	\$60,758,100
Index of chain sales (1930=100) .....	100.00	102.93	89.58	81.13

Meat Market Chains in Canada

Table VI.--Chains, Stores and Total Sales, by Years, 1930 - 1933.

	1930	1931	1932	1933
Number of chains .....	21	20	19	18
Number of stores .....	225	213	199	186
Total Sales .....	\$ 8,447,800	\$ 7,602,500	\$ 6,008,600	\$ 5,662,500
Index of chain sales (1930=100) .....	100.00	89.99	71.13	67.03

Voluntary Chains in Canada, 1930 - 1933

Table VII.--All Voluntary Chains - Chains, Stores and Purchases by Members from Wholesalers, by Years.

Year	Number of chains	Number of stores	Total Purchases (at wholesale prices)	Index of purchases
1930 ....	23	4,545	\$ 23,006,881	100.00
1931 ....	26	5,345	24,076,795	104.65
1932 ....	26	5,899	25,657,597	111.52
1933 ....	27	6,170	26,740,188	116.23

Table VIII.--Type A - Voluntary Chains.

Year	Number of chains	Number of stores	Total Purchases (at wholesale prices)	Index of purchases
			\$	
1930 .....	15	4,198	21,661,272	100.00
1931 .....	17	4,890	22,154,414	102.28
1932 .....	17	5,399	23,575,490	108.84
1933 .....	18	5,625	24,569,878	113.43

Table IX.--Type B - Voluntary Chains.

Year	Number of chains	Number of stores	Total Purchases (at wholesale prices)	Index of purchases
			\$	
1930 .....	8	347	1,345,609	100.00
1931 .....	9	455	1,922,381	142.87
1932 .....	9	500	2,082,107	154.73
1933 .....	9	545	2,170,310	161.29



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