

CATALOGUE No.

63-406

TRIENNIAL

c.3



CANADA

DOMINION BUREAU  
OF STATISTICS

NOV 24 1967

PROPERTY OF THE  
LIBRARY

# CLOTHING AND PIECE GOODS STORES

(Independent)

OPERATING RESULTS

1964

The last issue of this report, formerly known as Operating Results and Financial Structure - Retail clothing stores (Independent), was for 1960. Previously Biennial, it is now Triennial.

*Published by Authority of*  
The Minister of Trade and Commerce

**DOMINION BUREAU OF STATISTICS**

Merchandising and Services Division

November 1967  
6403-555

Price: 50 cents



## TABLE OF CONTENTS

	Page
Introduction .....	5
Summaries and Tables by Trades:	
Men's and Boys' Clothing Stores .....	6
Women's Ready-to-Wear Stores .....	9
Lingerie and Hosiery Stores .....	12
Millinery Stores .....	14
Furriers and Fur Stores .....	15
Children's and Infants' Wear Store .....	17
Family Clothing and Furnishing Stores .....	18
Children's and Infants' Shoe Stores .....	21
Family Shoe Stores .....	22
Custom Tailors .....	24
Piece Goods Stores .....	26
Miscellaneous Apparel and Accessories Stores .....	27
Definitions .....	28



# CLOTHING AND PIECE GOODS STORES

(Independent)

## OPERATING RESULTS

1964

### INTRODUCTION

This report is the first of its kind since 1960. During the 1961 Census of Merchandising and Service Establishments, data were collected on gross profit ratios for retail trades and these are published in Table 20, Volume VI, Part 1, of the Census of Canada, 1961; the small bulletin containing Table 20 bears Catalogue No. 97-505. These publications are obtainable from the Queen's Printer, Ottawa.

It is the intention to survey the trades reported on by the present bulletin every three years.

The figures in this report are published primarily as a guide for retailers. The averages and ratios that are shown can be used as a standard against which business men can compare their own operating experience. Data are provided for various types and sizes of operations. However, it is well to keep in mind that the averages and ratios published here do not represent the ideal situation to be aimed for. They are merely the observed results of a range of operational efficiencies. Where averages and ratios are given for a number of size categories or a number of types of operation, a weighting procedure has been applied to such data. These ratios are "weighted" according to the Census weights of the different sales sizes for independent stores. Data on financial structure are no longer collected.

For the next report, in addition to the type of data being made available now, it is intended to produce averages and ratios for stores engaged entirely, or almost entirely, in dealing in certain key commodities such as groceries, meat, confectionery, vegetables and so forth. The information on the cost of retailing specific commodities, as distinguished from the cost of retailing a combination of commodities generally handled by an identifiable trade, will then be available. This information is often required when the costs of marketing various commodities are under study.

**Note:** Definitions are given at the end of this report.

# MEN'S AND BOYS' CLOTHING STORES, INDEPENDENT

Stores in this category are primarily engaged in selling men's and boys' ready-made clothing such as overcoats, top coats, suits and work clothing. As a subsidiary line, accessories and furnishings such as hats, shoes, underwear, shirts, gloves, hosiery, etc., may be carried.

Over 200 usable reports were received from unincorporated businesses and incorporated companies. The gross profit for independent, unincorporated businesses was 30.48 per cent of net sales in 1964 compared with 28.84 per cent in 1960. For 1961, the Census of Merchandising produced a figure of 33.5 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, in 1964, excluding the pay for delivery employees, were 6.58 per cent of net sales compared with 6.85 per cent in 1960. Delivery expense was 0.46 per cent (0.48 per cent in 1960), occupancy expenses 6.73 per cent (6.66 per cent), office and store supplies 0.53 per cent (0.55 per cent) and all other expenses were 5.23 per cent (4.84 per cent) making total operating expenses 19.53 per cent in 1964 as against 19.38 per cent of net sales in 1960. Net operating profit, before deduction of proprietors' salaries, withdrawals and income tax and addition

of net non-trading income, was 10.95 per cent (9.46 per cent). Taking account of non-trading income and expense, net profit was 11.52 per cent of net sales compared with 10.01 per cent in 1960. In the detailed tables, there is a distinction made between stores with owned premises and stores with rented premises.

In the incorporated sector of the trade, for all stores the gross profit was 31.09 per cent of net sales compared with 31.47 per cent in 1960. Salaries and wages, excluding the pay for delivery employees were 15.28 per cent (16.13 per cent in 1960), delivery expense 0.54 per cent (0.30 per cent), occupancy expenses 6.87 per cent (6.28 per cent), office and store supplies 0.70 per cent (0.98 per cent) and all other expenses were 6.03 per cent (6.28 per cent), making total operating expenses 29.42 per cent of net sales in 1964 compared with 29.97 per cent in 1960. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 1.67 per cent (1.50 per cent in 1960). Taking account of non-trading income and expense, net profit was 2.75 per cent as against 2.01 per cent in 1960. A distinction is also made in this category between stores with owned premises and stores with rented premises.

TABLE 1. Operating Results of Independent Men's and Boys' Clothing Stores, 1954 - 64

Item	Unincorporated businesses					Incorporated				
	1954	1956	1958	1960	1964	1954	1956	1958	1960	1964
	per cent of net sales									
Gross profit .....	27.02	28.17	28.55	28.84	30.48	29.83	30.76	30.89	31.47	31.09
Operating expenses:										
Employees' salaries and wages .....	6.43	6.20	6.62	6.85	6.58	15.75	14.90	15.55	16.13	15.28
Occupancy expenses .....	5.74	5.92	5.90	6.66	6.73	6.09	5.85	6.01	6.28	6.87
Office and store supplies .....	0.58	0.60	0.56	0.55	0.53	0.67	0.64	0.65	0.98	0.70
Advertising .....	1.41	1.43	1.36	1.31	1.31	2.14	2.06	2.31	2.34	2.02
All other expenses .....	3.42	3.16	3.72	4.01	4.38	3.44	3.69	3.70	4.24	4.55
Total operating expenses .....	17.58	17.31	18.16	19.38	19.53	28.09	27.14	28.22	29.97	29.42
Net operating profit before deduction of proprietors' salaries or withdrawals (in the case of unincorporated businesses) and income tax and addition of net non-trading income .....	9.44	10.86	10.39	9.46	10.95	1.74	3.62	2.67	1.50	1.67

Note: These ratios are "weighted" according to the Census weights of the different sales sizes for independent stores.



TABLE 2. Men's and Boy's Clothing Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964

Item	Owned premises with annual net sales of				Total			
	\$10,000- 19,999	\$30,000- 49,999	\$50,000- 99,999	\$100,000- 199,999				
Number of businesses reporting .....	3	6	11	5	25			
Average net sales per business .....	14,944	38,644	72,408	122,554	73,748			
Average beginning inventory .....	10,062	17,464	26,935	43,922	28,018			
Average inventory, end of year .....	10,839	17,014	26,401	48,687	28,941			
Average cost of goods sold .....	10,691	28,329	53,182	87,161	53,404			
Stock turnover (times per year) .....	1.02	1.64	1.99	1.88	1.88			
<b>Profit and loss data</b> (Per cent of net sales)								
Gross Profit .....	28.46	26.69	26.55	28.88	27.29			
Operating expenses:								
Employees' salaries and wages (except delivery) .....	—	5.89	6.38	9.41	6.67			
Delivery expenses (including salaries and wages) .....	—	.18	.13	.32	.18			
Occupancy expenses:								
Taxes .....	3.72	1.58	1.00	.57	1.19			
Insurance .....	1.06	1.34	.66	.79	.88			
Rent .....	—	—	—	—	—			
Heat, light and power .....	1.44	.91	.86	.63	.85			
Repairs and maintenance .....	.50	.58	.56	.81	.63			
Depreciation allowances .....	.46	1.29	1.31	.91	1.15			
Total occupancy expenses .....	7.18	5.70	4.39	3.71	4.70			
Office and store supplies .....	.66	.34	.54	.48	.48			
Advertising .....	1.27	1.25	.96	1.38	1.16			
Net loss on bad debts .....	.43	.15	.43	.30	.33			
All other expenses .....	1.35	4.43	4.29	1.52	3.44			
Total operating expenses .....	10.89	17.94	17.12	17.12	16.96			
Net operating profit .....	17.57	8.75	9.43	11.76	10.33			
Non-trading income .....	2.95	.58	.96	.22	.79			
Non-trading expense .....	—	—	—	.02	.01			
Net profit before deduction of proprietors' salaries, with- drawals and income tax .....	20.52	9.33	10.39	11.96	11.11			
<b>Rented premises with annual net sales of</b>								
	\$10,000- 19,999	\$20,000- 29,999	\$30,000- 49,999	\$50,000- 99,999	\$100,000- 199,999	\$200,000- 499,999	Total	Total owned and rented
Number of businesses reporting .....	11	10	7	35	16	6	85	110
Average net sales per business .....	16,125	24,417	39,476	75,636	132,152	290,646	81,163	79,186
Average beginning inventory .....	4,943	9,559	13,237	22,037	36,724	51,503	22,531	23,993
Average inventory, end of year .....	4,863	10,413	12,796	22,251	38,335	61,403	23,313	24,812
Average cost of goods sold .....	9,556	15,479	26,849	52,875	91,611	200,933	56,136	55,406
Stock turnover (times per year) .....	1.95	1.55	2.06	2.39	2.44	3.56	2.45	2.27
<b>Profit and loss data</b> (Per cent of net sales)								
Gross profit .....	40.74	36.61	31.99	30.09	30.68	30.87	31.63	30.48
Operating expenses:								
Employees' salaries and wages (except delivery) .....	6.32	4.52	4.53	6.65	6.39	11.11	6.55	6.58
Delivery expenses (including salaries and wages) .....	.33	.68	.61	.29	.91	.49	.56	.46
Occupancy expenses:								
Taxes .....	.93	1.13	1.07	.42	.44	.69	.65	.79
Insurance .....	.81	.88	.91	.58	.50	.52	.66	.72
Rent .....	7.13	5.68	5.41	3.79	3.42	2.56	4.30	3.16
Heat, light and power .....	.92	1.03	1.04	.60	.55	.40	.72	.76
Repairs and maintenance .....	.55	.47	.34	.57	.39	.25	.47	.51
Depreciation allowances .....	.30	.51	.63	.79	.58	.56	.66	.79
Total occupancy expenses .....	10.64	9.70	9.40	6.75	5.88	4.98	7.46	6.73
Office and store supplies .....	.76	.70	.46	.47	.70	.49	.55	.53
Advertising .....	1.09	.75	.80	1.52	1.81	2.19	1.37	1.31
Net loss on bad debts .....	.18	.51	.16	.26	.52	.26	.31	.32
All other expenses .....	2.98	3.83	3.38	4.00	3.04	4.82	3.66	3.60
Total operating expenses .....	22.30	20.69	19.56	19.94	21.25	24.34	20.46	19.53
Net operating profit .....	18.44	15.92	12.43	10.13	9.43	6.53	11.17	10.95
Non-trading income .....	1.94	2.12	.29	.56	.42	.18	.65	.68
Non-trading expense .....	—	.19	—	.15	.34	—	.15	.11
Net profit before deduction of proprietors' salaries, with- drawals and income tax .....	20.38	17.85	12.72	10.56	9.51	6.71	11.67	11.52

TABLE 3. Men's and Boy's Clothing Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964

Item	Owned premises total all sizes	Rented premises with annual net sales of					Total owned and rented
		\$50,000-99,999	\$100,000-199,999	\$200,000-499,999	\$500,000-999,999	Total	
Number of businesses reporting .....	5	12	38	40	7	98	103
Average net sales per business .....	1,106,555	74,856	147,655	290,852	703,184	212,831	332,367
Average beginning inventory .....	152,840	20,631	42,240	72,342	164,731	53,703	66,963
Average inventory, end of year .....	204,768	23,810	44,870	77,767	180,775	57,757	77,420
Average cost of goods sold .....	778,388	55,507	95,409	198,875	471,198	141,898	227,029
Stock turnover (times per year) .....	4.35	2.50	2.19	2.65	2.73	2.55	3.14
<b>Profit and loss data</b> (Per cent of net sales)							
<b>Gross profit</b> .....	25.48	25.85	35.38	31.62	32.99	31.95	31.09
Operating expenses:							
Employees' salaries and wages (except delivery) .....	16.03	12.12	17.33	14.43	15.53	15.16	15.28
Delivery expenses (including salaries and wages) .....	.89	.53	.28	.83	.09	.49	.54
Occupancy expenses:							
Taxes .....	1.35	.44	.46	.37	.57	.43	.55
Insurance .....	.66	.73	.53	.56	.46	.59	.60
Rent .....	—	4.39	4.38	3.63	3.79	4.15	3.59
Heat, light and power .....	.53	.76	.71	.53	.54	.66	.64
Repairs and maintenance .....	.76	.57	.38	.55	.54	.48	.52
Depreciation allowances .....	1.41	1.02	.77	.88	.99	.90	.97
<b>Total occupancy expenses</b> .....	<b>4.71</b>	<b>7.91</b>	<b>7.21</b>	<b>6.52</b>	<b>6.89</b>	<b>7.21</b>	<b>6.87</b>
Office and store supplies .....	.75	.50	.77	.75	.73	.69	.70
Advertising .....	2.19	1.50	2.11	2.20	2.08	1.99	2.02
Net loss on bad debts .....	.19	.15	.42	.34	.37	.33	.31
All other expenses .....	3.28	4.34	3.90	3.17	2.93	3.76	3.70
<b>Total operating expenses</b> .....	<b>28.04</b>	<b>27.05</b>	<b>32.02</b>	<b>28.24</b>	<b>28.62</b>	<b>29.63</b>	<b>29.42</b>
<b>Net operating profit</b> .....	<b>- 2.56</b>	<b>- 1.20</b>	<b>3.36</b>	<b>3.38</b>	<b>4.37</b>	<b>2.32</b>	<b>1.67</b>
Non-trading income .....	3.24	1.51	1.39	.34	.16	1.05	1.34
Non-trading expense .....	1.77	—	.01	.07	.18	.03	.26
<b>Net profit before allowances for income tax</b> .....	<b>- 1.09</b>	<b>.31</b>	<b>4.74</b>	<b>3.65</b>	<b>4.35</b>	<b>3.34</b>	<b>2.75</b>



# WOMEN'S READY-TO-WEAR STORES, INDEPENDENT

Stores in this category are primarily engaged in selling women's ready-to-wear coats, suits and dresses, with or without women's accessories, such as hosiery, lingerie, millinery, etc.

The operating results for this trade are presented under two main categories—unincorporated businesses and incorporated companies. Over 220 usable reports were received. In the unincorporated sector, the gross profit of women's ready-to-wear stores decreased in 1964 to 29.60 per cent of net sales from 29.92 per cent in 1960. For 1961, the Census of Merchandising produced a figure of 33.2 per cent but this calculation included the data from incorporated companies and chain stores. Operating expenses in 1964 declined by one percentage point to 20.82 from 21.82 per cent of net sales in 1960. All items recorded slight declines. The net operating profit before deduction of proprietors' salaries, withdrawals and income tax and addition of net non-trading income increased to 8.78 per cent of net sales from 8.10 per cent registered in 1960. In

the detailed tables, a distinction is made between stores with owned premises and stores with rented premises.

In the incorporated sector, the gross profit of women's ready-to-wear stores rose to 33.05 per cent of net sales from 32.51 per cent in 1960. Operating expenses also increased from 30.61 per cent in 1960 to 31.14 per cent in 1964. Employees' salaries and wages were, in 1964, 16.18 per cent of net sales compared with 16.75 per cent in 1960. Occupancy expenses were 7.86 per cent (7.21 per cent in 1960), office and store supplies 0.75 per cent (0.87 per cent), advertising expense 1.80 per cent (1.86 per cent) and all other expenses 4.55 per cent (3.92 per cent). The net operating profit for the incorporated women's ready-to-wear stores remained virtually unchanged reaching 1.91 per cent of net sales in 1964 compared to 1.90 per cent in 1960. In the detailed tables, in this sector a distinction is also made between stores with owned premises and stores with rented premises.

TABLE 4. Operating Results of Independent Women's Ready-to-Wear Stores, 1954-64

Item	Unincorporated businesses					Incorporated				
	1954	1956	1958	1960	1964	1954	1956	1958	1960	1964
	per cent of net sales									
Gross profit .....	27.38	28.29	28.78	29.92	29.60	31.23	31.78	31.91	32.51	33.05
Operating expenses:										
Employees' salaries and wages .....	8.09	7.78	7.54	8.49	7.91	16.57	15.85	17.02	16.75	16.18
Occupancy expenses .....	6.44	6.49	7.15	7.55	7.43	7.08	7.02	6.94	7.21	7.86
Office and store supplies .....	0.66	0.69	0.73	0.71	0.68	0.77	0.83	0.88	0.87	0.75
Advertising .....	1.10	1.05	0.97	1.06	0.95	1.63	1.62	1.76	1.86	1.80
All other expenses .....	3.49	3.55	3.87	4.01	3.85	3.18	3.29	3.83	3.92	4.55
Total operating expenses .....	19.78	19.56	20.26	21.82	20.82	29.23	28.61	30.43	30.61	31.14
Net operating profit before deduction of proprietors' salaries or withdrawals (in the case of unincorporated businesses) and income tax and addition of net non-trading income .....	7.60	8.73	8.52	8.10	8.78	2.00	3.17	1.48	1.90	1.91

Note: These ratios are "weighted" according to the Census weights of the different sales sizes for independent stores.

**TABLE 5. Women's Ready-to-Wear Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964**

Item	Owned premises with annual net sales of		Total
	Under \$50,000	\$ 50,000-199,999	
Number of businesses reporting .....	16	7	23
Averages net sales per business .....	28,745	84,033	54,904
Average beginning inventory .....	9,573	21,083	15,019
Average inventory, end of year .....	10,245	22,882	16,224
Average cost of goods sold .....	19,741	62,117	39,791
Stock turnover (times per year) .....	1.99	2.83	2.55
<b>Profit and loss data</b> (Per cent of net sales)			
Gross profit .....	30.81	26.39	28.72
Operating expenses:			
Employees' salaries and wages (except delivery) .....	7.94	8.75	8.32
Delivery expenses (including salaries and wages) .....	.46	.40	.43
Occupancy expenses:			
Taxes .....	2.27	1.29	1.81
Insurance .....	1.10	.79	.96
Rent .....	—	—	—
Heat, light and power .....	1.98	.78	1.41
Repairs and maintenance .....	.94	.31	.64
Depreciation allowances .....	1.91	1.87	1.89
Total occupancy expenses .....	8.20	5.04	6.71
Office and store supplies .....	.85	.67	.77
Advertising .....	.59	1.13	.84
Net loss on bad debts .....	.08	.16	.12
All other expenses .....	3.80	2.77	3.31
Total operating expenses .....	21.92	18.92	20.50
Net operating profit .....	8.89	7.47	8.22
Non-trading income .....	.89	.23	.56
Non-trading expense .....	.12	—	.08
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	9.66	7.70	8.74

	Rented premises with annual net sales of							Total owned and rented
	Under \$20,000	\$20,000-29,999	\$30,000-49,999	\$50,000-99,999	\$100,000-199,999	\$200,000-499,999	Total	
Number of businesses reporting .....	6	12	15	30	19	8	90	113
Average net sales per business .....	14,670	26,118	37,524	72,225	139,218	287,872	77,060	71,981
Average beginning inventory .....	5,603	7,248	10,802	16,273	24,621	35,813	15,681	15,529
Average inventory, end of year .....	5,081	7,453	10,965	16,132	28,453	49,039	16,956	16,788
Average cost of goods sold .....	10,419	18,618	25,223	52,624	95,914	195,413	53,906	50,671
Stock turnover (times per year) .....	1.95	2.53	2.32	3.25	3.61	4.61	3.30	3.14
<b>Profit and loss data</b> (Per cent of net sales)								
Gross profit .....	30.40	28.71	32.78	27.14	31.10	32.12	29.86	29.60
Operating expenses:								
Employees' salaries and wages (except delivery) .....	4.18	4.16	8.20	7.52	9.92	13.11	7.79	7.91
Delivery expenses (including salaries and wages) .....	.07	.56	.46	.28	.31	.41	.35	.37
Occupancy expenses .....	1.34	.62	.53	.45	.49	.23	.55	.84
Insurance .....	1.31	.65	.55	.55	.58	.54	.62	.70
Rent .....	7.66	6.23	5.06	3.50	4.29	3.67	4.63	3.57
Heat, light and power .....	1.67	1.01	.67	.55	.56	.64	.72	.87
Repairs and maintenance .....	.55	.36	.33	.38	.55	.63	.42	.47
Depreciation allowances .....	.25	.58	.45	.83	.96	1.14	.71	.98
Total occupancy expenses .....	12.78	9.45	7.59	6.26	7.43	6.85	7.65	7.43
Office and store supplies .....	.62	.43	.56	.65	.82	1.17	.66	.68
Advertising .....	.77	.30	.79	1.16	1.09	2.08	.98	.95
Net loss on bad debts .....	.53	.26	.38	.13	.15	.62	.26	.23
All other expenses .....	3.08	3.01	3.62	3.18	3.09	2.97	3.23	3.25
Total operating expenses .....	22.03	18.17	21.60	19.18	22.81	27.21	20.92	20.82
Net operating profit .....	8.37	10.54	11.18	7.96	8.29	4.91	8.94	8.78
Non-trading income .....	.47	.74	.05	.49	.33	1.97	.44	.47
Non-trading expense .....	—	—	.05	.12	—	.45	.07	.07
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	8.84	11.28	11.18	8.33	8.62	6.43	9.31	9.18

TABLE 6. Women's Ready-to-Wear Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964

Item	Owned premises with annual net sales of \$50,000 and over	Rented premises with annual net sales of						Total owned and rented
		\$30,000 - 49,999	\$50,000 - 99,999	\$100,000 - 199,999	\$200,000 - 499,999	\$500,000 and over	Total	
Number of businesses reporting.....	3	11	19	35	39	9	113	116
Average net sales per business.....	192,863	44,366	80,437	147,032	294,998	983,694	287,837	283,355
Average beginning inventory .....	35,882	13,104	16,284	28,173	48,959	179,370	52,072	51,308
Average inventory, end of year .....	40,045	12,916	17,267	29,596	51,021	155,865	50,103	49,628
Average cost of goods sold .....	126,890	29,394	53,781	101,749	191,920	643,416	190,033	187,053
Stock turnover (times per year) .....	3.34	2.26	3.21	3.52	3.84	3.84	3.72	3.71
<b>Profit and loss data</b> (Per cent of net sales)								
Gross profit.....	32.96	33.75	33.14	30.80	34.94	34.03	33.05	33.05
Operating expenses:								
Employees' salaries and wages (except delivery) .....	16.47	16.33	17.40	15.30	16.07	16.53	16.16	16.18
Delivery expenses (including salaries and wages).....	.34	.13	.19	.54	1.13	.66	.64	.63
Occupancy expenses:								
Taxes .....	1.19	.68	.48	.54	.73	.42	.57	.60
Insurance .....	.72	.69	.77	.61	.48	.43	.58	.59
Rent.....	—	6.46	5.39	4.11	5.21	4.26	4.81	4.58
Heat, light and power .....	.71	.92	.70	.71	.64	.57	.68	.68
Repairs and maintenance .....	1.34	.65	.54	.65	.57	.66	.61	.65
Depreciation allowances .....	1.65	.95	.69	.49	.69	1.32	.72	.76
Total occupancy expenses .....	5.61	10.35	8.57	7.11	8.32	7.66	7.97	7.86
Office and store supplies .....	.41	.72	.82	.74	.70	.93	.77	.75
Advertising .....	3.79	1.09	1.20	1.73	1.60	2.73	1.70	1.80
Net loss on bad debts .....	.10	.37	.25	.15	.28	.23	.23	.22
All other expenses .....	3.19	5.54	4.20	3.97	3.08	3.26	3.73	3.70
Total operating expenses .....	29.91	34.53	32.63	29.54	31.18	32.00	31.20	31.14
Net operating profit .....	3.05	— .78	.51	1.26	3.76	2.03	1.85	1.91
Non-trading income .....	.55	.06	.84	1.25	.63	1.01	.90	.88
Non-trading expenses .....	—	.35	—	.01	—	.14	.04	.04
Net profit before allowances for income tax .....	3.60	— 1.07	1.35	2.50	4.39	2.90	2.71	2.75



# LINGERIE AND HOSIERY STORES, INDEPENDENT

Stores in this category are primarily engaged in the sale of any or all of the following lines: women's corsets, girdles, negligees, slips, brassieres, underwear, blouses, nightgowns, hosiery, etc. They may also sell such accessories as gloves, handbags, knitted goods, etc.

For the first time data were collected from independent stores operated by unincorporated businesses and incorporated companies. Less than 20 usable reports were received. The gross profit for independent, unincorporated businesses was 31.81 per cent of net sales in 1964. For 1961, the Census of Merchandising produced a figure of 33.6 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, excluding the pay for delivery employees, in 1964, were 6.85 per cent, delivery expense was 0.26 per cent, occupancy expenses were 9.77 per cent,

office and store supplies 0.46 per cent, all other expenses 3.95 per cent, making total operating expenses 21.29 per cent of net sales. Net operating profit before deduction of proprietors' salaries, withdrawals and income tax, was 10.52 per cent of net sales.

In the incorporated sector, the gross profit for all stores was 35.49 per cent of net sales in 1964. Salaries and wages, excluding the pay for delivery employees were 17.95 per cent. Delivery expense was 0.36 per cent, occupancy expenses were 10.15 per cent, office and store supplies 0.95 per cent, all other expenses 2.86 per cent, making total operating expenses 32.27 per cent of net sales. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 3.22 per cent of net sales. The addition of net non-trading income was 0.43 per cent.

**TABLE 7. Lingerie and Hosiery Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964**

Item	Rented stores with annual net sales of		
	Under \$50,000	\$50,000-499,999	Total
Number of businesses reporting .....	7	8	15
Average net sales per business .....	25,200	102,272	53,794
Average beginning inventory .....	6,545	19,926	11,509
Average inventory, end of year .....	6,560	20,035	11,559
Average cost of goods sold .....	16,935	72,151	37,420
Stock turnover (times per year) .....	2.58	3.61	3.24
<b>Profit and loss data</b> (Per cent of net sales)			
<b>Gross profit</b> .....	<b>32.13</b>	<b>31.28</b>	<b>31.81</b>
Operating expenses:			
Employees' salaries and wages (except delivery) .....	6.31	7.77	6.85
Delivery expenses (including salaries and wages) .....	.29	.21	.26
Occupancy expenses:			
Taxes .....	.54	.47	.50
Insurance .....	.88	.54	.75
Rent .....	7.87	4.57	6.65
Heat, light and power .....	.72	.63	.69
Repairs and maintenance .....	.66	.69	.67
Depreciation allowances .....	.44	.61	.51
<b>Total occupancy expenses</b> .....	<b>11.11</b>	<b>7.51</b>	<b>9.77</b>
Office and store supplies .....	.37	.61	.46
Advertising .....	.85	1.88	1.23
Net loss on bad debts .....	—	.05	.02
All other expenses .....	2.52	3.00	2.70
<b>Total operating expenses</b> .....	<b>21.45</b>	<b>21.03</b>	<b>21.29</b>
<b>Net operating profit</b> .....	<b>10.68</b>	<b>10.25</b>	<b>10.52</b>
Non-trading income .....	—	.01	--
Non-trading expense .....	—	—	—
<b>Net profit before deduction of proprietors' salaries, withdrawals and income tax</b> .....	<b>10.68</b>	<b>10.26</b>	<b>10.52</b>

**TABLE 8. Lingerie and Hosiery Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated companies), 1964**

Item	Rented premises, total all sizes
Number of businesses reporting .....	4
Average net sales per business .....	78,112
Average beginning inventory .....	26,841
Average inventory, end of year .....	27,802
Average cost of goods sold .....	50,416
Stock turnover (times per year) .....	1.85
<b>Profit and loss data</b> (Per cent of net sales)	
<b>Gross profit</b> .....	<b>35.49</b>
Operating expenses:	
Employees' salaries and wages (except delivery) .....	17.95
Delivery expenses (including salaries and wages) .....	.36
Occupancy expenses:	
Taxes .....	.66
Insurance .....	.89
Rent .....	5.27
Heat, light and power .....	1.78
Repairs and maintenance .....	.78
Depreciation allowances .....	.77
<b>Total occupancy expenses</b> .....	<b>10.15</b>
Office and store supplies .....	.95
Advertising .....	1.34
Net loss on bad debts .....	—
All other expenses .....	1.52
<b>Total operating expenses</b> .....	<b>32.27</b>
<b>Net operating profit</b> .....	<b>3.22</b>
Non-trading income .....	.43
Non-trading expense .....	—
<b>Net profit before allowances for income tax</b> .....	<b>3.65</b>

#### MILLINERY STORES, INDEPENDENT

Stores in this category are primarily engaged in the sale of women's ready-made and/or custom-made hats including hat frames and trimmings. Sales may include a limited amount of other accessories.

For the first time data were collected from independent stores operated by unincorporated businesses and incorporated companies. Over 20 usable reports were received. The gross profit for independent, unincorporated businesses was 44.15 per cent of net sales in 1964. Data were not received on this feature of the trade from this category of store by the 1961 Census of Merchandising. Salaries and wages, in 1964, excluding the pay for delivery employees, were 14.47 per cent of net sales, delivery expense was 0.35 per cent, occupancy expenses were 15.16 per cent, office and store supplies 1.91 per cent, all other expenses 5.34 per cent, making total

operating expenses 37.23 per cent of net sales. Net operating profit before deduction of proprietors' salaries, withdrawals and income tax, and addition of net non-trading income, was 6.92 per cent. Taking account of non-trading income and expense, net profit was 6.99 per cent of net sales.

In the incorporated sector, the gross profit for all stores was 42.28 per cent of net sales in 1964. Salaries and wages were 24.47 per cent, occupancy expenses were 10.65 per cent, office and store supplies 1.55 per cent, all other expenses 5.02 per cent, making total operating expenses 41.69 per cent of net sales. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 0.59 per cent of net sales. The addition of net non-trading income was 1.15 per cent.

TABLE 9. Millinery Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964

Item	Rented premises with annual net sales of			
	Under \$19,999	\$20,000-49,999	\$50,000-99,999	Total
Number of businesses reporting .....	5	7	5	17
Average net sales per business .....	11,896	29,746	79,194	26,588
Average beginning inventory .....	5,322	4,162	6,474	4,901
Average inventory, end of year .....	5,381	4,214	7,207	5,022
Average cost of goods sold .....	6,837	16,168	46,958	14,995
Stock turnover (times per year) .....	1.28	3.86	6.86	3.02
<b>Profit and loss data</b> (Per cent of net sales)				
Gross profit .....	43.65	45.35	40.70	44.15
Operating expenses:				
Employees' salaries and wages (except delivery) .....	12.84	15.95	14.96	14.47
Delivery expenses (including salaries and wages) .....	.39	.24	.64	.35
Occupancy expenses:				
Taxes .....	1.56	1.08	.23	1.21
Insurance .....	1.38	.89	.49	1.07
Rent .....	10.49	10.49	4.64	9.92
Heat, light and power .....	1.17	1.21	.66	1.14
Repairs and maintenance .....	1.03	1.86	.62	1.37
Depreciation allowances .....	.40	.29	1.42	.45
Total occupancy expenses .....	16.03	15.82	8.06	15.16
Office and store supplies .....	2.78	1.22	1.11	1.91
Advertising .....	1.07	.99	1.46	1.07
Net loss on bad debts .....	—	—	—	—
All other expenses .....	4.89	3.92	3.12	4.27
Total operating expenses .....	38.00	38.14	29.35	37.23
Net operating profit .....	5.65	7.21	11.35	6.92
Non-trading income .....	—	.21	.05	.12
Non-trading expense .....	.01	.06	—	.03
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	5.64	7.36	11.40	6.99

TABLE 10. Millinery Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated companies), 1964

Item	Rented premises, total all sizes
Number of businesses reporting .....	4
Average net sales per business .....	96,297
Average beginning inventory .....	25,829
Average inventory, end of year .....	24,516
Average cost of goods sold .....	55,180
Stock turnover (times per year) .....	2.19
<b>Profit and loss data</b> (Per cent of net sales)	
Gross profit .....	42.28
Operating expenses:	
Employees' salaries and wages (except delivery) .....	24.47
Delivery expenses (including salaries and wages) .....	—
Occupancy expenses:	
Taxes .....	.77
Insurance .....	.44
Rent .....	7.39
Heat, light and power .....	.92
Repairs and maintenance .....	.41
Depreciation allowances .....	.72
Total occupancy expenses .....	10.65
Office and store supplies .....	1.55
Advertising .....	.83
Net loss on bad debts .....	.22
All other expenses .....	3.97
Total operating expenses .....	41.69
Net operating profit .....	.59
Non-trading income .....	1.11
Non-trading expense .....	—
Net profit before allowances for income tax .....	1.74



# FURRIERS AND FUR STORES, INDEPENDENT

This classification contains retail establishments selling mainly ready-made and/or custom-made fur coats and other fur apparel. Repairing, remodelling and storing of furs and fur apparel may be included as part of the business of stores in this category.

For the first time data were collected from independent stores operated by unincorporated businesses and incorporated companies. Forty-six usable reports were received. The gross profit for independent, unincorporated businesses was 46.30 per cent of net sales in 1964. For 1961, the Census of Merchandising produced a figure of 40.9 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, in 1964, excluding the pay for delivery employees, were 13.29 per cent of net sales. Delivery expense was 2.66 per cent, occupancy expenses were 11.19 per cent, office and store supplies 0.72 per cent and all other expenses 7.23 per cent, making total operating expenses 35.09 per cent of net sales. Net operating profit, before deduction of proprietors' salaries, with-

drawals and income tax and addition of net non-trading income, was 11.21 per cent. Taking account of non-trading income and expense, net profit was 12.20 per cent of net sales. In the detailed tables, there is a distinction made between stores with owned premises and stores with rented premises.

For incorporated companies, the gross profit for all stores was 40.41 per cent of net sales in 1964. Salaries and wages, excluding the pay for delivery employees, were 19.11 per cent of net sales. Delivery expense was 2.04 per cent, occupancy expenses were 8.46 per cent, office and store supplies 0.71 per cent and all other expenses 7.38 per cent, making total operating expenses 37.70 per cent of net sales. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 2.71 per cent. Taking account of non-trading income and expense, net profit was 3.72 per cent of net sales. In the detailed tables, there is a distinction made between stores with owned premises and stores with rented premises.

**TABLE 11. Furriers and Fur Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964**

Item	Owned premises with annual net sales of \$10,000-19,999	Rented premises with annual net sales of			Total owned and rented
		\$20,000-49,999	\$ 50,000-199,999	Total	
Number of businesses reporting .....	6	6	6	15	21
Average net sales per business .....	99,584	33,952	94,815	64,938	75,998
Average beginning inventory .....	33,546	9,492	25,011	17,821	22,841
Average inventory, end of year .....	32,246	9,530	26,451	18,389	22,812
Average cost of goods sold .....	54,978	17,636	54,878	36,542	42,427
Stock turnover (times per year) .....	1.67	1.85	2.13	2.02	1.86
<b>Profit and loss data</b> (Per cent of net sales)					
Gross profit .....	43.03	49.24	44.17	47.84	46.30
Operating expenses:					
Employees' salaries and wages (except delivery) .....	16.66	12.20	13.26	11.71	13.29
Delivery expenses (including salaries and wages) .....	2.26	1.63	2.93	2.85	2.66
Occupancy expenses:					
Taxes .....	2.37	.91	.85	.94	1.40
Insurance .....	2.05	2.83	3.19	3.05	2.73
Rent .....	—	7.57	4.66	6.76	4.60
Heat, light and power .....	1.35	1.11	.65	1.03	1.13
Repairs and maintenance .....	.56	1.08	.70	.75	.69
Depreciation allowances .....	.75	.15	.46	.58	.64
<b>Total occupancy expenses .....</b>	<b>7.08</b>	<b>13.65</b>	<b>10.51</b>	<b>13.11</b>	<b>11.19</b>
Office and store supplies .....	.64	.42	.79	.76	.72
Advertising .....	1.93	1.33	1.43	1.57	1.69
Net loss on bad debts .....	.08	.15	.13	.16	.13
All other expenses .....	3.43	6.02	5.74	6.34	5.41
<b>Total operating expenses .....</b>	<b>32.08</b>	<b>35.40</b>	<b>34.79</b>	<b>36.50</b>	<b>35.09</b>
<b>Net operating profit .....</b>	<b>10.95</b>	<b>13.84</b>	<b>9.38</b>	<b>11.34</b>	<b>11.21</b>
Non-trading income .....	2.55	2.63	.84	1.42	1.78
Non-trading expense .....	.27	1.98	.67	1.04	.79
<b>Net profit before deduction of proprietors' salaries, with-</b> <b>drawals and income tax .....</b>	<b>13.23</b>	<b>14.49</b>	<b>9.55</b>	<b>11.72</b>	<b>12.20</b>

**TABLE 12. Furriers and Fur Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964**

Item	Owned premises, total all sizes	Rented premises with annual net sales of				Total owned and rented
		\$50,000-99,999	\$100,000-199,999	\$200,000-499,999	Total	
Number of businesses reporting .....	3	6	6	6	22	25
Average net sales per business .....	183,982	84,882	141,695	241,898	214,107	210,468
Average beginning inventory .....	51,584	36,022	50,256	92,287	88,105	83,693
Average inventory, end of year .....	54,392	34,357	61,838	95,811	91,789	87,271
Average cost of goods sold .....	121,536	50,096	80,042	147,883	125,523	125,041
Stock turnover (times per year) .....	2.29	1.42	1.43	1.57	1.40	1.46
<b>Profit and loss data</b> (Per cent of net sales)						
<b>Gross profit</b> .....	<b>35.53</b>	<b>40.98</b>	<b>43.51</b>	<b>38.87</b>	<b>41.08</b>	<b>40.41</b>
Operating expenses:						
Employees' salaries and wages (except delivery) .....	14.61	17.72	23.64	17.06	19.73	19.11
Delivery expenses (including salaries and wages) .....	.96	1.52	1.84	1.87	2.19	2.04
Occupancy expenses:						
Taxes .....	1.08	.73	.84	1.09	.85	.88
Insurance .....	2.93	3.47	1.59	2.05	2.17	2.26
Rent .....	—	3.71	4.76	4.76	4.18	3.67
Heat, light and power .....	.42	.51	.60	.42	.50	.49
Repairs and maintenance .....	.14	.39	.29	.49	.40	.37
Depreciation allowances .....	1.59	1.05	.33	.48	.68	.79
<b>Total occupancy expenses</b> .....	<b>6.16</b>	<b>9.86</b>	<b>8.41</b>	<b>9.29</b>	<b>8.78</b>	<b>8.46</b>
Office and store supplies .....	.61	1.09	.66	.66	.72	.71
Advertising .....	2.22	2.54	2.56	3.38	3.12	3.01
Net loss on bad debts .....	.18	.30	.20	.42	.28	.27
All other expenses .....	1.32	5.09	5.33	3.74	4.48	4.10
<b>Total operating expenses</b> .....	<b>26.06</b>	<b>38.12</b>	<b>42.64</b>	<b>36.42</b>	<b>39.30</b>	<b>37.70</b>
<b>Net operating profit</b> .....	<b>9.47</b>	<b>2.86</b>	<b>.87</b>	<b>2.45</b>	<b>1.78</b>	<b>2.71</b>
Non-trading income .....	.97	.25	2.53	.70	1.19	1.16
Non-trading expense .....	—	.09	.45	.02	.17	.15
<b>Net profit before allowances for income tax</b> .....	<b>10.44</b>	<b>3.02</b>	<b>2.95</b>	<b>3.13</b>	<b>2.80</b>	<b>3.72</b>

#### CHILDREN'S AND INFANTS' WEAR STORES, INDEPENDENT

Stores in this category are retail establishments specializing in the sale of children's and/or infants' clothing, furnishings and accessories.

For the first time data were collected from independent stores operated by unincorporated businesses and incorporated companies. Thirty-five usable reports were received. The gross profit for independent, unincorporated businesses was 27.67 per cent of net sales in 1964. For 1961, the Census of Merchandising produced a figure of 30.6 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, in 1964, excluding the pay for delivery employees, were 4.93 per cent of net sales. Delivery expense was 0.31 per cent, occupancy expenses were 7.49 per cent, office and store supplies 0.88 per cent and all other expenses 4.22 per cent, making total operating expenses 17.83 per cent of net sales. Net operating profit, before deduction of proprietors'

salaries, withdrawals and income tax and addition of net non-trading income, was 9.84 per cent. The addition of net non-trading income was 0.11 per cent. In the detailed tables, for unincorporated businesses, there is a distinction made between stores with owned premises and stores with rented premises.

In the incorporated sector, the gross profit of children's and infants' wear stores was 30.58 per cent of net sales in 1964. Salaries and wages, excluding the pay for delivery employees were 12.81 per cent. Delivery expense was 0.21 per cent, occupancy expenses were 9.73 per cent, office and store supplies 0.67 per cent, all other expenses 4.62 per cent, making total operating expenses 28.04 per cent of net sales. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 2.54 per cent of net sales. The addition of net non-trading income was 0.14 per cent.



# FAMILY CLOTHING AND FURNISHING STORES, INDEPENDENT

This classification contains retail establishments selling mainly men's, women's, children's and infants' clothing and furnishings. Other items may include piece goods, notions, house furnishings, footwear, etc.

Slightly less than 200 usable reports were received from unincorporated businesses and incorporated companies. The gross profit for independent, unincorporated businesses was 26.67 per cent of net sales in 1964 compared with 26.56 per cent in 1960. For 1961, the Census of Merchandising produced a figure of 30.4 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, in 1964, excluding the pay for delivery employees, were 6.28 per cent of net sales compared with 6.95 per cent in 1960. Delivery expense was 0.38 per cent (0.40 per cent in 1960). Occupancy expenses were 5.97 per cent, (6.02 per cent), office and store supplies 0.53 per cent (0.49 per cent), all other expenses 4.32 per cent (4.18 per cent). Total operating expenses were 17.48 per cent (18.04 per cent) and net operating profit, before deduction of proprietors' salaries, withdrawals and income tax, and addition of net non-trading income, was 9.19 per cent (8.52 per cent).

Taking account of non-trading income and expense, net profit was 9.50 per cent of net sales compared with 9.28 per cent in 1960. In the detailed tables, there is a distinction made between stores with owned premises and stores with rented premises.

In the incorporated sector of the trade, the gross profit registered for 1964 was 30.04 per cent of net sales as compared to 30.48 per cent in 1960. Salaries and wages, in 1964, were 15.53 per cent (15.92 per cent in 1960), delivery expense was 0.33 per cent (0.27 per cent), occupancy expenses 6.11 per cent (4.84 per cent), office and store supplies 0.66 per cent (0.80 per cent), all other expenses 5.54 per cent (6.54 per cent). Total operating expenses were 28.17 per cent, in 1964, against 28.37 per cent in 1960. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 1.87 per cent versus 2.11 per cent in 1960. The addition of net non-trading income was 0.93 per cent, making net profit before provision for income tax of 2.80 per cent (3.47 per cent in 1960). A distinction is also made in this category between stores with owned premises and stores with rented premises.

TABLE 15. Operating Results of Independent Family Clothing and Furnishing Stores, 1954-64

Item	Unincorporated businesses					Incorporated				
	1954	1956	1958	1960	1964	1954	1956	1958	1960	1964
	per cent of net sales									
Gross profit .....	25.88	26.54	27.12	26.56	26.67	29.45	30.32	30.55	30.48	30.04
Operating expenses:										
Employees' salaries and wages .....	7.27	7.14	7.41	6.95	6.28	15.73	15.71	15.30	15.92	15.53
Occupancy expenses .....	5.38	5.50	6.01	6.02	5.97	4.97	4.78	5.09	4.84	6.11
Office and store supplies .....	0.55	0.55	0.54	0.49	0.53	0.89	0.81	0.90	0.80	0.66
Advertising .....	1.17	1.27	1.21	1.02	1.10	2.46	2.56	2.60	2.41	1.83
All other expenses .....	2.85	3.06	3.50	3.56	3.60	3.07	3.19	4.18	4.40	4.04
Total operating expenses .....	17.22	17.52	18.67	18.04	17.48	27.12	27.05	28.07	28.37	28.17
Net operating profit before deduction of proprietors' salaries or withdrawals (in the case of unincorporated businesses) and income tax and addition of net non-trading income .....	8.66	9.02	8.45	8.52	9.19	2.33	3.27	2.48	2.11	1.87

Note: These ratios are "weighted" according to the Census weights of the different sales sizes for independent stores.

**TABLE 13. Children's and Infants' Wear Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964**

Item	Owned premises with annual net sales of \$10,000 - 49,999	Rented premises with annual net sales of			Total owned and rented
		Under \$50,000	\$ 50,000 - 199,999	Total	
Number of businesses reporting .....	6	8	9	17	23
Average net sales per business .....	30,581	29,902	82,095	55,071	52,026
Average beginning inventory .....	10,977	13,018	23,537	18,090	17,206
Average inventory, end of year .....	11,063	12,967	24,571	18,563	17,631
Average cost of goods sold .....	22,674	21,673	56,324	39,347	37,274
Stock turnover (times per year) .....	2.06	1.67	2.42	2.15	2.14
<b>Profit and loss data</b> (Per cent of net sales)					
Gross profit .....	26.15	26.71	29.13	27.88	27.67
Operating expenses:					
Employees' salaries and wages (except delivery) .....	1.31	3.57	7.44	5.44	4.93
Delivery expenses (including salaries and wages) .....	—	.05	.66	.35	.31
Occupancy expenses:					
Taxes .....	1.29	.56	.63	.59	.68
Insurance .....	.60	.61	.47	.54	.55
Rent .....	—	4.80	5.29	5.04	4.41
Heat, light and power .....	.88	.91	.64	.78	.79
Repairs and maintenance .....	.28	.25	.28	.26	.26
Depreciation allowances .....	.91	.82	.73	.78	.80
Total occupancy expenses .....	3.96	7.95	8.04	7.99	7.49
Office and store supplies .....	.50	.86	1.02	.94	.88
Advertising .....	.54	.51	1.45	.96	.91
Net loss on bad debts .....	.19	—	.01	—	.02
All other expenses .....	2.73	2.71	4.08	3.37	3.29
Total operating expenses .....	9.23	15.65	22.70	19.05	17.83
Net operating profit .....	16.92	11.06	6.43	8.83	9.84
Non-trading income .....	—	.24	.02	.13	.11
Non-trading expense .....	—	—	—	—	—
Net profit before deduction of proprietors' salaries, with- drawals and income tax .....	16.92	11.30	6.45	8.96	9.95

**TABLE 14. Children's and Infants' Wear Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964**

Item	Rented stores with annual sales of		
	\$ 50,000 - 199,999	\$200,000 - and over	Total
Number of businesses reporting .....	9	3	12
Average net sales per business .....	112,650	395,176	192,104
Average beginning inventory .....	31,552	90,367	48,093
Average inventory, end of year .....	29,811	103,212	50,454
Average cost of goods sold .....	77,890	276,981	133,880
Stock turnover (times per year) .....	2.54	2.86	2.72
<b>Profit and loss data</b> (Per cent of net sales)			
Gross profit .....	31.07	29.32	30.58
Operating expenses:			
Employees' salaries and wages (except delivery) .....	12.71	13.06	12.81
Delivery expenses (including salaries and wages) .....	.19	.25	.21
Occupancy expenses:			
Taxes .....	.69	.33	.59
Insurance .....	.67	.49	.62
Rent .....	6.02	5.62	5.91
Heat, light and power .....	.57	.71	.61
Repairs and maintenance .....	.42	.28	.38
Depreciation allowances .....	1.88	.97	1.62
Total occupancy expenses .....	10.25	8.40	9.73
Office and store supplies .....	.68	.63	.67
Advertising .....	1.82	.81	1.53
Net loss on bad debts .....	.01	—	.01
All other expenses .....	3.49	2.05	3.08
Total operating expenses .....	29.15	25.20	28.04
Net operating profit .....	1.92	4.12	2.54
Non-trading income .....	.07	.31	.14
Non-trading expense .....	—	—	—
Net profit before allowances for income tax .....	1.99	4.43	2.68

**TABLE 16. Family Clothing and Furnishing Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964**

Item	Owned premises with annual net sales at					Total
	Under \$30,000	\$30,000 - 49,999	\$50,000 - 99,999	\$100,000 - 199,999	\$200,000 - 499,999	
Number of businesses reporting .....	13	13	25	9	3	63
Average net sales per business .....	20,136	41,674	73,468	123,029	258,873	88,275
Average beginning inventory .....	13,413	17,490	26,289	51,977	81,259	33,511
Average inventory, end of year .....	13,177	18,375	26,591	50,475	96,763	35,094
Average cost of goods sold .....	14,400	29,693	55,670	94,870	182,467	65,260
Stock turnover (times per year) .....	1.08	1.66	2.11	1.85	2.05	1.90
<b>Profit and loss data</b> (Per cent of net sales)						
Gross profit .....	29.06	28.75	24.22	22.89	29.51	26.18
Operating expenses:						
Employees' salaries and wages (except delivery) .....	2.84	6.06	5.54	6.82	12.79	6.20
Delivery expenses (including salaries and wages) .....	.65	.49	.31	.55	.23	.44
Occupancy expenses:						
Taxes .....	2.04	1.28	.83	.83	.48	1.08
Insurance .....	1.75	.92	.82	1.00	.46	1.00
Rent .....	—	—	—	—	—	—
Heat, light and power .....	1.77	1.45	.77	.68	.74	1.05
Repairs and maintenance .....	.64	.62	.60	.50	.72	.60
Depreciation allowances .....	2.25	1.17	1.45	1.54	.56	1.46
Total occupancy expenses .....	8.45	5.44	4.47	4.55	2.96	5.19
Office and store supplies .....	.69	.39	.44	.29	.58	.46
Advertising .....	.95	.79	.71	.76	1.29	.84
Net loss on bad debts .....	.23	.56	.17	.25	—	.25
All other expenses .....	3.68	3.82	3.04	2.47	2.29	3.10
Total operating expenses .....	17.49	17.55	14.68	15.69	20.14	16.48
Net operating profit .....	11.57	11.20	9.54	7.20	9.37	9.70
Non-trading income .....	1.29	.48	.78	.76	1.13	.85
Non-trading expense .....	.07	.25	.18	.11	.37	.18
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	12.79	11.43	10.14	7.85	10.13	10.37
Rented premises with annual net sales of						Total owned and rented
	\$10,000 - 49,999	\$50,000 - 99,999	\$100,000 - 199,999	\$200,000 - 499,999	Total	
Number of businesses reporting .....	12	15	8	3	38	10.1
Average net sales per business .....	29,531	68,558	152,838	247,821	88,557	88,407
Average beginning inventory .....	13,463	25,275	50,766	41,819	28,485	31,156
Average inventory, end of year .....	13,310	26,651	49,419	47,386	29,088	32,280
Average cost of goods sold .....	21,011	51,112	109,753	179,178	64,325	64,822
Stock turnover (times per year) .....	1.57	1.97	2.19	4.02	2.23	2.04
<b>Profit and loss data</b> (Per cent of net sales)						
Gross profit .....	28.50	25.55	28.19	27.70	27.22	26.67
Operating expenses:						
Employees' salaries and wages (except delivery) .....	2.96	5.94	9.72	12.90	6.37	6.28
Delivery expenses (including salaries and wages) .....	.31	.46	.22	—	.32	.38
Occupancy expenses:						
Taxes .....	.58	.49	.27	.51	.47	.79
Insurance .....	1.32	.77	.73	.50	.91	.96
Rent .....	4.76	2.68	2.69	2.65	3.33	1.56
Heat, light and power .....	.94	.68	.60	.72	.75	.91
Repairs and maintenance .....	.36	.31	.87	.37	.46	.54
Depreciation allowances .....	1.16	.63	1.23	.57	.93	1.21
Total occupancy expenses .....	9.12	5.56	6.39	5.32	6.85	5.97
Office and store supplies .....	.54	.64	.53	.91	.60	.53
Advertising .....	1.46	1.59	.94	1.48	1.40	1.10
Net loss on bad debts .....	.01	.21	.17	—	.12	.19
All other expenses .....	3.32	2.31	4.07	1.56	2.96	3.03
Total operating expenses .....	17.72	16.71	22.04	22.16	18.62	17.48
Net operating profit .....	10.78	6.84	6.15	5.54	8.60	9.19
Non-trading income .....	.11	.06	.03	.03	.07	.48
Non-trading expense .....	.41	.05	—	.08	.16	.17
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	10.48	8.85	6.18	5.49	8.51	9.50



**TABLE 17. Family Clothing and Furnishing Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964**

Item	Owned premises with annual net sales of								
	\$50,000- 199,999		\$200,000- 499,999		Total				
Number of businesses reporting.....	10		10		20				
Average net sales per business.....	131,796		261,757		191,045				
Average beginning inventory.....	43,026		70,158		55,395				
Average inventory, end of year.....	45,114		73,936		58,254				
Average cost of goods sold.....	91,747		193,870		138,305				
Stock turnover (times per year).....	2.08		2.69		2.43				
<b>Profit and Loss data</b> (Per cent of net sales)									
<b>Gross profit</b> .....	<b>29.85</b>		<b>25.93</b>		<b>28.06</b>				
Operating expenses:									
Employees' salaries and wages (except delivery).....	15.60		12.80		14.32				
Delivery expenses (including salaries and wages).....	.50		.54		.52				
Occupancy expenses:									
Taxes.....	.75		.77		.76				
Insurance.....	.60		.90		.74				
Rent.....	—		—		—				
Heat, light and power.....	.85		.69		.78				
Repairs and maintenance.....	.55		.66		.60				
Depreciation allowances.....	1.53		1.27		1.41				
<b>Total occupancy expenses</b> .....	<b>4.28</b>		<b>4.29</b>		<b>4.29</b>				
Office and store supplies.....	.58		.72		.64				
Advertising.....	1.46		1.22		1.35				
Net loss on bad debts.....	.23		.67		.43				
All other expenses.....	3.72		2.09		2.98				
<b>Total operating expenses</b> .....	<b>26.37</b>		<b>22.33</b>		<b>24.53</b>				
<b>Net operating profit</b> .....	<b>3.48</b>		<b>3.60</b>		<b>3.53</b>				
Non-trading income.....	.47		1.46		.92				
Non-trading expense.....	.51		—		.25				
<b>Net profit before allowances for income tax</b> .....	<b>3.44</b>		<b>5.06</b>		<b>4.17</b>				
Rented premises with annual net sales of							Total owned and rented		
	\$30,000- 99,999	\$100,000- 199,999	\$200,000- 499,999	\$500,000- 999,999	\$1,000,000 and over	Total			
Number of businesses reporting.....	13	14	24	10	4	65		85	
Average net sales per business.....	67,912	137,709	308,905	659,093	1,978,724	489,414		424,868	
Average beginning inventory.....	28,903	52,655	81,438	169,400	310,312	111,334		99,233	
Average inventory, end of year.....	30,142	52,718	87,849	177,230	409,486	125,522		110,970	
Average cost of goods sold.....	47,246	98,317	214,668	453,399	1,305,265	332,539		290,520	
Stock turnover (times per year).....	1.60	1.87	2.54	2.62	3.63	2.81		2.76	
<b>Profit and Loss data</b> (Per cent of net sales)									
<b>Gross profit</b> .....	<b>30.13</b>	<b>28.61</b>	<b>30.51</b>	<b>31.21</b>	<b>34.03</b>	<b>30.59</b>		<b>30.04</b>	
Operating expenses:									
Employees' salaries and wages (except delivery).....	16.40	15.14	15.97	15.50	16.99	15.86		15.53	
Delivery expenses (including salaries and wages).....	.63	.24	.32	.04	.26	.28		.33	
Occupancy expenses:									
Taxes.....	.64	.45	.57	.60	.44	.55		.60	
Insurance.....	.65	.83	.51	.57	.35	.59		.62	
Rent.....	4.58	3.62	3.38	3.98	2.67	3.64		2.85	
Heat, light and power.....	1.15	.70	.58	.78	.47	.71		.72	
Repairs and maintenance.....	.37	.38	.44	.45	.54	.43		.47	
Depreciation allowances.....	.71	.49	.53	.62	1.79	.69		.85	
<b>Total occupancy expenses</b> .....	<b>8.10</b>	<b>6.47</b>	<b>6.01</b>	<b>7.00</b>	<b>6.26</b>	<b>6.61</b>		<b>6.11</b>	
Office and store supplies.....	.40	.53	.56	1.02	.91	.67		.66	
Advertising.....	1.08	1.01	1.78	2.56	4.27	1.96		1.83	
Net loss on bad debts.....	.36	.36	.77	.75	.15	.57		.54	
All other expenses.....	3.76	3.34	2.74	3.05	4.38	3.23		3.17	
<b>Total operating expenses</b> .....	<b>30.73</b>	<b>27.09</b>	<b>28.15</b>	<b>29.92</b>	<b>33.22</b>	<b>29.18</b>		<b>28.17</b>	
<b>Net operating profit</b> .....	<b>- .60</b>	<b>1.52</b>	<b>2.36</b>	<b>1.29</b>	<b>.81</b>	<b>1.41</b>		<b>1.87</b>	
Non-trading income.....	.39	.19	.85	2.28	2.48	1.14		1.09	
Non-trading expense.....	.05	.09	.13	.10	.34	.13		.16	
<b>Net profit before allowances for income tax</b> .....	<b>- .26</b>	<b>1.62</b>	<b>3.08</b>	<b>3.47</b>	<b>2.95</b>	<b>2.42</b>		<b>2.80</b>	



# CHILDREN'S AND INFANTS' SHOE STORES, INDEPENDENT

Stores in this category are primarily engaged in selling children's and infants' footwear and frequently carry hosiery and other children's accessories. A limited amount of repair work may be done.

For the first time data were collected from independent stores operated by unincorporated businesses and incorporated companies. For all children's and infants' shoe stores the gross profit, in 1964, was 36.88 per cent of net sales. For 1961, the Census of Merchandising produced a figure of 36.1 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and

wages, in 1964, excluding the pay for delivery employees, were 20.90 per cent of net sales. Delivery expense was 1.28 per cent, occupancy expenses were 7.19 per cent, office and store supplies 0.79 per cent, all other expenses 5.06 per cent. Total operating expenses were 35.22 per cent and net operating profit, before deduction of proprietors' salaries, withdrawals and income tax or allowances for income tax in the case of incorporated companies reached 1.66 per cent of net sales. Taking account of non-trading income and expense, net profit was 1.67 per cent of net sales in 1964.

**TABLE 18. Children's and Infants' Shoe Stores, Independent, Operating Results of Unincorporated Businesses and Incorporated Companies, 1964**

Item	Owned and rented premises, total all sizes
Number of businesses reporting.....	4
Average net sales per business.....	77,672
Average beginning inventory.....	32,561
Average inventory, end of year.....	31,995
Average cost of goods sold.....	50,288
Stock turnover (times per year).....	1.56
<b>Profit and loss data</b> (Per cent of net sales)	
<b>Gross profit</b> .....	<b>36.88</b>
Operating expenses:	
Employees' salaries and wages (except delivery).....	20.90
Delivery expenses (including salaries and wages).....	1.28
Occupancy expenses:	
Taxes.....	.56
Insurance.....	.54
Rent.....	3.08
Heat, light and power.....	.93
Repairs and maintenance.....	.39
Depreciation allowances.....	1.69
<b>Total occupancy expenses</b> .....	<b>7.19</b>
Office and store supplies.....	.79
Advertising.....	1.99
Net loss on bad debts.....	.05
All other expenses.....	3.02
<b>Total operating expenses</b> .....	<b>35.22</b>
<b>Net operating profit</b> .....	<b>1.66</b>
Non-trading income.....	.01
Non-trading expense.....	-
<b>Net profit before deduction of proprietors' salaries, withdrawals (in the case of unincorporated businesses) and income tax</b> .....	<b>1.67</b>

# FAMILY SHOE STORES, INDEPENDENT

This classification includes retail establishments selling mainly a combined line of men's and boys', women's and misses' and children's and infants' footwear and frequently carrying hosiery, gloves, handbags, other accessories, luggage and other leather goods. A limited amount of repair work may be included.

Over 130 usable reports were received from unincorporated businesses and incorporated companies. The gross profit for independent, unincorporated businesses was 30.48 per cent of net sales in 1964 compared with 30.05 per cent in 1960. For 1961, the Census of Merchandising produced a figure of 34.1 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, in 1964, excluding the pay for delivery employees, were 8.61 per cent (7.69 per cent in 1960). Delivery expense was 0.43 per cent (0.28 per cent), occupancy expenses were 6.66 per cent (6.49 per cent), office and store supplies 0.64 per cent (0.48 per cent), all other expenses 4.55 per cent (4.13 per cent), making total operating expenses 20.89 per cent of net sales, as against 19.07 per cent in 1960. Net operating profit before

deduction of proprietors' salaries, withdrawals and income tax and addition of net non-trading income was 9.59 per cent (10.98 per cent). The addition of net non-trading income and non-trading expense was 0.65 per cent in 1964 versus 0.77 per cent in 1960. In the detailed tables, a distinction is made between stores with owned premises and stores with rented premises.

In the incorporated sector of the trade, gross profit was 34.13 per cent of total net sales, as compared to 34.08 per cent in 1960. Salaries and wages were, in 1964, 16.89 per cent (19.07 per cent in 1964), delivery expense was 0.33 per cent (0.20 per cent), occupancy expenses 8.15 per cent (6.13 per cent), office and store supplies 0.52 per cent (0.48 per cent) and all other expenses were 5.05 (5.19 per cent). Operating expenses decreased to 30.94 per cent in 1964 from 31.07 in 1960. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 3.19 per cent of net sales compared with 3.01 per cent in 1960. Taking account of non-trading income and expense, net profit was 3.35 per cent of net sales (3.12 per cent in 1960).

TABLE 19. Operating Results of Independent Family Shoe Stores, 1954-64

Item	Unincorporated businesses					Incorporated				
	1954	1956	1958	1960	1964	1954	1956	1958	1960	1964
	per cent of net sales									
Gross profit.....	27.77	29.43	29.31	30.05	30.48	31.49	33.49	33.21	34.08	34.13
Operating expenses:										
Employees' salaries and wages.....	7.74	7.46	7.52	7.69	8.61	16.98	18.13	17.29	19.07	16.89
Occupancy expenses.....	5.76	6.42	6.12	6.49	6.66	6.54	6.55	6.68	6.13	8.15
Office and store supplies.....	0.47	0.53	0.49	0.48	0.64	0.59	0.56	0.52	0.48	0.52
Advertising.....	1.10	1.31	1.30	1.38	1.50	1.99	2.16	2.07	1.99	1.72
All other expenses.....	2.48	2.46	2.69	3.03	3.48	2.90	3.00	3.28	3.40	3.66
Total operating expenses.....	17.55	18.18	18.12	19.07	20.89	29.00	30.40	29.84	31.07	30.94
Net operating profit before deduction of proprietors' salaries or withdrawals (in the case of unincorporated businesses) and income tax and addition of net non-trading income.....	10.22	11.25	11.19	10.98	9.59	2.49	3.09	3.37	3.01	3.19

Note: These ratios are "weighted" according to the Census weights of the different sales sizes for independent stores.

**TABLE 20. Family Shoe Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964**

Item	Owned premises with annual net sales of			Rented premises with annual net sales of					Total owned and rented
	\$30,000 - 49,999	\$50,000 - 99,999	Total	\$20,000 - 29,999	\$30,000 - 49,999	\$50,000 - 99,999	\$100,000 - 199,999	Total	
Number of businesses reporting .....	3	7	18	7	12	27	7	55	73
Average net sales per business .....	34,971	68,224	62,439	23,959	39,776	72,400	140,760	84,418	76,556
Average beginning inventory .....	23,844	25,162	26,531	13,184	15,851	23,510	36,642	24,911	25,490
Average inventory, end of year .....	23,363	25,665	26,714	11,834	16,833	25,979	37,020	26,244	26,412
Average cost of goods sold .....	27,031	48,851	43,208	15,844	27,896	49,341	91,333	56,337	51,641
Stock turnover (times per year) .....	1.15	1.92	1.62	1.27	1.71	1.99	2.48	2.20	1.99
<b>Profit and loss data</b> (Per cent of net sales)									
Gross profit .....	22.70	28.40	27.13	33.87	29.87	31.85	35.11	32.34	30.48
Operating expenses:									
Employees' salaries and wages (except delivery) .....	5.64	9.64	8.77	5.67	5.23	8.14	13.11	8.52	8.61
Delivery expenses (including salaries and wages) .....	.31	.29	.52	.54	.45	.45	.15	.39	.43
Occupancy expenses:									
Taxes .....	1.26	1.08	1.56	.83	.76	.48	.29	.53	.90
Insurance .....	.47	.83	.91	.94	.78	.62	.41	.63	.73
Rent .....	—	—	—	5.64	4.70	4.66	3.52	4.45	2.86
Heat, light and power .....	.94	1.12	1.17	.70	.73	.62	.71	.65	.84
Repairs and maintenance .....	.54	.69	.77	.13	.35	.44	.45	.39	.53
Depreciation allowances .....	1.58	.91	1.04	.42	.82	.68	.66	.68	.80
Total occupancy expenses .....	4.79	4.63	5.45	8.66	8.14	7.50	6.04	7.33	6.66
Office and store supplies .....	1.32	.55	.67	.67	.40	.55	.96	.62	.64
Advertising .....	.56	1.87	1.23	.35	1.65	1.32	2.94	1.65	1.50
Net loss on bad debts .....	—	.04	.19	.06	—	.02	.24	.07	.11
All other expenses .....	3.05	3.01	2.77	4.41	2.82	2.58	2.87	3.03	2.94
Total operating expenses .....	15.67	20.03	19.60	20.36	18.69	20.56	26.31	21.61	20.89
Net operating profit .....	7.03	8.37	7.53	13.51	11.18	11.29	8.80	10.73	9.59
Non-trading income .....	.77	3.39	1.80	4.66	.01	.09	.39	.57	1.00
Non-trading expense .....	—	—	—	5.48	—	.04	—	.55	.35
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	7.80	11.76	9.33	12.69	11.19	11.34	9.19	10.75	10.24

**TABLE 21. Family Shoe Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964**

Item	Rented premises with annual net sales of				
	\$30,000 - 49,999	\$50,000 - 99,999	\$100,000 - 199,999	\$200,000 - 499,999	Total
Number of businesses reporting .....	4	15	23	14	58
Average net sales per business .....	43,668	75,395	148,996	290,200	171,449
Average beginning inventory .....	19,580	34,812	43,731	82,575	51,542
Average inventory, end of year .....	18,468	31,786	45,660	90,017	54,335
Average cost of goods sold .....	25,653	50,975	98,680	192,746	112,098
Stock turnover (times per year) .....	1.35	1.53	2.21	2.23	2.12
<b>Profit and loss data</b> (Per cent of net sales)					
Gross profit .....	41.25	32.39	33.77	33.58	34.13
Operating expenses:					
Employees' salaries and wages (except delivery) .....	12.60	16.64	17.56	16.56	16.89
Delivery expenses (including salaries and wages) .....	—	.64	.22	.12	.33
Occupancy expenses:					
Taxes .....	.87	.30	.59	.53	.54
Insurance .....	.98	.74	.63	.55	.68
Rent .....	7.90	5.04	4.99	4.25	5.03
Heat, light and power .....	.70	.82	.62	.52	.66
Repairs and maintenance .....	.57	.50	.28	.39	.41
Depreciation allowances .....	.90	.98	.86	.63	.83
Total occupancy expenses .....	11.92	8.38	7.97	6.87	8.15
Office and store supplies .....	.63	.57	.60	.40	.52
Advertising .....	1.27	1.36	1.56	2.19	1.72
Net loss on bad debts .....	.02	.05	.10	.03	.06
All other expenses .....	4.34	3.43	2.84	3.54	3.27
Total operating expenses .....	30.78	31.07	30.85	29.71	30.94
Net operating profit .....	10.47	1.32	2.92	3.87	3.19
Non-trading income .....	.11	.01	.49	.23	.29
Non-trading expense .....	—	—	—	.45	.13
Net profit before allowances for income tax .....	10.58	1.33	3.41	3.65	3.35



# CUSTOM TAILORS, INDEPENDENT

This classification contains retail establishments selling mainly suits and other clothing for men and/or women (excluding fur apparel) made-to-measure on the premises to individual order.

For the first time data were collected from independent custom tailors. Over forty usable reports were received from unincorporated businesses and incorporated companies. The gross profit for independent, unincorporated businesses was 53.99 per cent of net sales in 1964. For 1961, the Census of Merchandising produced a figure of 52.1 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, excluding the pay for delivery employees, were 14.14 per cent of net sales, delivery expense was 0.96 per cent occupancy expenses were 11.16 per cent, office and store supplies 0.39 per cent, all other expenses 6.60 per cent, making total operating expenses 33.25 per cent of net sales. Net operating pro-

fit, before deduction of proprietors' salaries, withdrawals and income tax and addition of net non-trading income, was 20.74 per cent. Taking account of non-trading income and expense, net profit was 22.52 per cent of net sales. In the detailed tables a distinction is made between stores with owned premises and stores with rented premises.

In the incorporated sector of the trade, for all stores the gross profit was 48.72 per cent of net sales. Salaries and wages, excluding the pay for delivery employees, were 32.24 per cent, delivery expense was 0.45 per cent, occupancy expenses 5.77 per cent, office and store supplies 0.29 per cent and all other expenses 4.58 per cent, making total operating expenses 43.33 per cent. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 5.39 per cent of net sales. The addition of net non-trading income was 1.43 per cent of net sales.

TABLE 22. Custom Tailors, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964

Item	Owned premises with annual net sales of		Rented premises with annual net sales of						Total owned and rented
	\$10,000-19,999	Total	Under \$10,000	\$10,000-19,999	\$20,000-29,999	\$30,000-49,999	\$50,000-99,000	Total	
Number of businesses reporting .....	5	8	11	7	6	5	5	34	42
Average net sales per business .....	16,057	12,458	7,391	15,204	24,493	38,027	55,848	30,539	28,501
Average beginning inventory .....	1,686	1,329	920	1,714	2,997	7,291	11,459	5,385	4,928
Average inventory, end of year .....	1,833	1,537	1,233	1,684	3,632	7,553	12,371	5,840	5,355
Average cost of goods sold .....	6,229	4,932	2,490	7,118	13,320	19,984	24,701	14,509	13,429
Stock turnover (times per year) .....	3.54	3.44	2.31	4.19	4.02	2.69	2.07	2.58	2.61
<b>Profit and loss data</b> (Per cent of net sales)									
Gross profit .....	61.20	58.79	66.31	53.18	45.62	47.45	55.77	53.38	53.99
Operating expenses:									
Employees' salaries and wages (except delivery) .....	13.42	9.38	8.33	13.77	8.98	14.07	24.00	14.75	14.14
Delivery expenses (including salaries and wages) .....	1.60	1.12	.75	1.78	.88	1.21	.26	.94	.96
Occupancy expenses:									
Taxes .....	2.36	2.32	1.00	.70	.89	.50	.33	.65	.84
Insurance .....	1.48	1.12	.86	.83	1.06	.94	.37	.78	.82
Rent .....	—	—	12.88	5.59	6.91	4.18	6.21	6.88	6.11
Heat, light and power .....	3.15	3.35	1.38	1.26	.85	1.01	1.70	1.27	1.50
Repairs and maintenance .....	.41	.61	1.01	.92	1.07	.40	1.69	1.08	1.02
Depreciation allowances .....	2.43	1.98	1.30	.20	.44	.57	1.13	.73	.87
Total occupancy expenses .....	9.83	9.38	18.43	9.50	11.22	7.60	11.43	11.39	11.16
Office and store supplies .....	.71	.59	.63	.18	.21	.55	.34	.36	.39
Advertising .....	.35	.36	.33	.89	1.51	1.46	1.45	1.18	1.09
Net loss on bad debts .....	—	—	.25	.05	.10	—	.24	.13	.12
All other expenses .....	6.57	6.66	5.98	7.00	3.49	4.68	5.06	5.23	5.39
Total operating expenses .....	32.48	27.49	34.70	33.17	26.39	29.57	42.78	33.98	33.25
Net operating profit .....	28.72	31.30	31.61	20.01	19.23	17.88	12.99	19.40	20.74
Non-trading income .....	7.56	6.09	.76	5.31	.73	—	1.72	1.84	2.32
Non-trading expense .....	3.04	2.12	—	.48	—	—	.91	.34	.54
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	33.24	35.27	32.37	24.84	19.96	17.88	13.80	20.90	22.52

**TABLE 23. Custom Tailors, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964**

Item	Rented premises, total all sizes
Number of businesses reporting .....	4
Average net sales per business .....	109,473
Average beginning inventory .....	9,687
Average inventory, end of year .....	12,471
Average cost of goods sold .....	55,270
Stock turnover (times per year) .....	4.99
<b>Profit and loss data</b> (Per cent of net sales)	
<b>Gross profit</b> .....	<b>48.72</b>
Operating expenses:	
Employees' salaries and wages (except delivery) .....	32.24
Delivery expenses (including salaries and wages) .....	.45
Occupancy expenses:	
Taxes .....	.31
Insurance .....	.36
Rent .....	2.62
Heat, light and power .....	.51
Repairs and maintenance .....	.69
Depreciation allowances .....	1.28
<b>Total occupancy expenses</b> .....	<b>5.77</b>
Office and store supplies .....	.29
Advertising .....	.49
Net loss on bad debts .....	1.30
All other expenses .....	2.79
<b>Total operating expenses</b> .....	<b>43.33</b>
<b>Net operating profit</b> .....	<b>5.39</b>
Non-trading income .....	1.43
Non-trading expense .....	—
<b>Net profit before allowances for income tax</b> .....	<b>6.82</b>

### PIECE GOODS STORES, INDEPENDENT

Stores in this category are primarily engaged in selling piece goods and other textile material intended for making into apparel. They may also sell fabrics for making into curtains, cushions, upholstery, etc., but this should be a minor quantity.

For the first time data were collected from independent piece goods stores. Over fifty usable reports were received from unincorporated businesses and incorporated companies. The gross profit for independent, unincorporated businesses was 29.95 per cent of net sales in 1964. For 1961, the Census of Merchandising produced a figure of 31.0 per cent but this calculation included the data from incorporated companies and chain stores. Salaries and wages, in 1964, excluding the pay for delivery employees, were 6.00 per cent of net sales, delivery expenses were 0.46 per cent, occupancy expenses 7.60 per cent, office and store supplies 0.48 per cent, all other expenses 4.17 per cent, making total operating expenses 18.71 per cent of net sales. Net operating profit, before deduction of proprietors'

salaries, withdrawals and income tax and addition of net non-trading income, was 11.24 per cent. Taking account of non-trading income and expense, net profit was 11.90 per cent of net sales. In the detailed tables, there is a distinction made between stores with owned premises and stores with rented premises.

In the incorporated sector of the trade, gross profit was 37.77 per cent of net sales. Salaries and wages, in 1964, excluding the pay for delivery employees, were 16.16 per cent, delivery expenses were 0.46 per cent, occupancy expenses 8.71 per cent, office and store supplies 0.76 per cent, all other expenses 4.82 per cent, making total operating expenses 30.91 per cent of net sales in 1964. Net operating profit, before adding net non-trading income and before making allowance for income tax, was 6.86 per cent. Taking account of non-trading income and expense, net profit was 6.89 per cent of net sales in 1964.

**TABLE 24. Piece Goods Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses), 1964**

Item	Owned premises with annual net sales of under \$100,000	Rented premises with annual net sales of			Total owned and rented
		\$30,000 - 49,999	\$50,000 - 99,999	Total	
Number of businesses reporting .....	16	6	13	25	41
Average net sales per business .....	37,970	40,850	75,090	54,325	47,362
Average beginning inventory .....	13,156	11,461	22,549	14,634	14,005
Average inventory, end of year .....	12,750	12,334	23,309	15,558	14,363
Average cost of goods sold .....	28,270	28,374	52,100	37,800	33,743
Stock turnover (times per year) .....	2.18	2.38	2.27	2.50	2.38
<b>Profit and loss data</b> (Per cent of net sales)					
Gross profit .....	27.91	30.54	30.62	31.46	29.95
Operating expenses:					
Employees' salaries and wages (except delivery) .....	4.92	5.90	8.33	6.80	6.00
Delivery expenses (including salaries and wages) .....	.45	.28	.67	.47	.46
Occupancy expenses:					
Taxes .....	1.67	.45	.51	.78	1.15
Insurance .....	1.25	.66	.78	.71	.94
Rent .....	—	5.26	4.11	5.78	3.32
Heat, light and power .....	1.35	.78	.63	.84	1.06
Repairs and maintenance .....	.53	.26	.45	.40	.46
Depreciation allowances .....	.81	1.02	.45	.56	.67
Total occupancy expenses .....	5.61	8.43	6.93	9.07	7.60
Office and store supplies .....	.37	.44	.62	.56	.48
Advertising .....	.47	1.08	1.11	.96	.75
Net loss on bad debts .....	.18	—	.05	.02	.09
All other expenses .....	4.31	2.35	2.35	2.61	3.33
Total operating expenses .....	16.31	18.48	20.06	20.49	18.71
Net operating profit .....	11.60	12.06	10.56	10.97	11.24
Non-trading income .....	2.27	.79	.01	.32	1.15
Non-trading expense .....	.81	—	.66	.25	.49
Net profit before deduction of proprietors' salaries, withdrawals and income tax .....	13.06	12.85	9.91	11.04	11.90

**TABLE 25. Piece Goods Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Incorporated Companies), 1964**

Item	Rented premises with annual net sales of		
	\$50,000 - 99,999	\$200,000 - 499,999	Total
Number of businesses reporting .....	4	3	12
Average net sales per business .....	65,146	318,946	186,863
Average beginning inventory .....	17,531	94,434	49,579
Average inventory, end of year .....	20,143	101,764	50,770
Average cost of goods sold .....	39,846	204,480	116,003
Stock turnover (times per year) .....	2.12	2.08	2.31
<b>Profit and loss data</b> (Per cent of net sales)			
Gross profit .....	38.84	35.89	37.77
Operating expenses:			
Employees' salaries and wages (except delivery) .....	14.65	14.70	16.16
Delivery expenses (including salaries and wages) .....	.92	.26	.46
Occupancy expenses:			
Taxes .....	.55	.38	.46
Insurance .....	.88	.60	.65
Rent .....	5.85	4.01	4.99
Heat, light and power .....	1.00	.52	.91
Repairs and maintenance .....	.38	.23	.36
Depreciation allowances .....	.65	.89	1.34
Total occupancy expenses .....	9.31	6.63	8.71
Office and store supplies .....	.62	1.30	.76
Advertising .....	2.41	1.77	1.91
Net loss on bad debts .....	.05	—	.05
All other expenses .....	2.77	2.65	2.86
Total operating expenses .....	30.73	27.31	30.91
Net operating profit .....	8.11	8.58	6.86
Non-trading income .....	.05	.04	.08
Non-trading expense .....	.06	.13	.05
Net profit before allowances for income tax .....	8.10	8.49	6.89



# MISCELLANEOUS APPAREL AND ACCESSORIES STORES, INDEPENDENT

This classification contains retail establishments selling mainly lines of apparel and accessories not specifically defined elsewhere such as bathing suits, play-suits and other beachwear, riding apparel and other sports wear, raincoats and umbrellas, etc.

Usable reports were received from four businesses. The gross profit for independent unincorporated businesses and incorporated companies combined was 36.67 per cent of net sales. Data of this nature were not received from this category of store by the 1961 Census of Merchandising and this

is the first time an attempt has been made to obtain data for the operating results survey. Salaries and wages were 8.25 per cent of net sales. Total occupancy expenses amounted to 9.89 per cent, office and store supplies were 1.08 per cent and all other expenses were 3.26 per cent in 1964. Total operating expenses were 22.48 per cent leaving net operating profit of 14.19 per cent. Taking account of non-trading income and non-trading expense, net profit before deduction of proprietors' salaries and withdrawals (in the case of unincorporated businesses) and income tax was 12.72 per cent of net sales in 1964.

**TABLE 26. Miscellaneous Apparel and Accessories Stores, Independent, Operating Results by Annual Sales Volume and Type of Occupancy (Unincorporated Businesses and Incorporated Companies), 1964**

Item	Rented premises	
	Unincorporated	Unincorporated and incorporated
Number of businesses reporting .....	3	4
Average net sales per business .....	51,673	60,698
Average beginning inventory .....	14,288	21,330
Average inventory, end of year .....	20,760	25,067
Average cost of goods sold .....	30,535	38,003
Stock turnover (times per year) .....	1.74	1.64
Profit and loss data (Per cent of net sales)		
Gross profit .....	38.31	36.67
Operating expenses:		
Employees' salaries and wages (except delivery) .....	5.84	8.25
Delivery expenses (including salaries and wages) .....	—	—
Occupancy expenses:		
Taxes .....	.43	.42
Insurance .....	.29	.33
Rent .....	6.14	6.78
Heat, light and power .....	.85	.90
Repairs and maintenance .....	1.20	1.13
Depreciation allowances .....	.40	.33
Total occupancy expenses .....	9.31	9.89
Office and store supplies .....	1.23	1.08
Advertising .....	1.24	1.24
Net loss on bad debts .....	.17	.14
All other expenses .....	1.55	1.88
Total operating expenses .....	19.34	22.48
Net operating profit .....	18.97	14.19
Non-trading income .....	—	.03
Non-trading expense .....	1.84	1.50
Net profit before allowances for income tax .....	17.13	12.72



1010738288

## DEFINITIONS

### PROFIT AND LOSS

#### Items

**Net sales**—the dollar volume of business done. Allowances and discounts granted to customers and value of goods returned by customers are deducted from gross sales, but sales of meals or lunches provided employees and any goods withdrawn by the proprietor for personal use are included.

**Purchases**—are taken at invoice value less returns and allowances, cash and trade discounts. Added to the cost of merchandise are the following expenses: duty, inward freight, express and trucking, alterations, etc.

**Cost of goods sold**—determined by adding the beginning inventory to net purchases and deducting the ending inventory.

**Gross profit**—the difference between "cost of goods sold" and "net sales".

**Operating expenses**—all costs incurred in the year's operation of a business, except the cost of merchandise. These include:

**Salaries and wages** (except for delivery employees)—payments to employees (wages, salaries, bonuses, payments for leave, payments in kind) before deduction of income tax or unemployment insurance. Proprietors' salaries or withdrawals are included in "net operating profit" in unincorporated store operations.

**Delivery**—includes salaries paid to delivery men, truck repairs and maintenance, depreciation, licences and insurance on delivery equipment and supplies used in connection with delivery (gas, oil, etc.)

**Taxes**—business, property and water taxes and licenses. Taxes collected for remittance to governmental bodies and income tax are not included.

**Insurance**—annual proportion of premiums for insurance policies carried to protect the business.

**Rent**—payments for use of business premises.

**Heat, light and power**—cost applicable to year's operations.

**Repairs and maintenance**—costs incurred to keep fixed store assets operating efficiently (excludes capital expenditure).

**Depreciation**—Write-offs for the year of fixed assets used in the business only, or rates authorized by the Income Tax Department.

**Store supplies**—wrapping paper, office supplies, etc.

**Advertising**—displays, window dressing and sales promotion.

**Net bad debt loss**—estimated amount of uncollectable customers' accounts receivable less the amount recovered from former bad debts.

**Other expenses**—telephone, telegraph, postage, bank charges, legal, auditing and collection fees, etc.

**Net operating profit**—is the difference between "total operating expenses" and "gross profit" and in the case of unincorporated businesses includes proprietors' salaries and withdrawals before income tax deductions.

**Occupancy**—the cost of maintaining and occupying a place of business and includes: rent, business and property taxes, insurance, heat, light and power, repairs and maintenance and depreciation.

**Non-trading income**—interest earned, revenues from rentals, other activities, carrying charges and investments.

**Non-trading expense**—interest expense, rental expense, any other expense not pertaining to the business.

#### Ratios

**Stock turnover**—the number of times in a year that the average merchandise inventory is sold and replaced. The average of the beginning and ending inventories is divided into the cost of goods sold.

Note: Each of the following ratios are expressed as a percentage of "net sales". Consequently, it is permissible to make direct comparisons between these ratios. Each ratio represents a portion of the average net sales' dollar.

**Gross profit ratio**—sometimes referred to as the "gross margin ratio" or "mark-up" represents the difference between "cost of goods sold" and "net sales". It is the portion of the average sales' dollar from which the merchant meets his operating expenses and obtains his net operating profit.

**Operating expense ratios**—each item of expense, as well as "total operating expenses" when expressed as a percentage of "net sales" shows the amounts of the average sales' dollar required to operate the average business.

**Net operating profit ratio**—the remaining proportion of the average sales' dollar after "cost of goods sold" and "total operating expenses" have been deducted. From this amount, the percentage allowances for both proprietors' salaries and income tax should be deducted, in order to determine the percentage to sales of net returns on capital investment.