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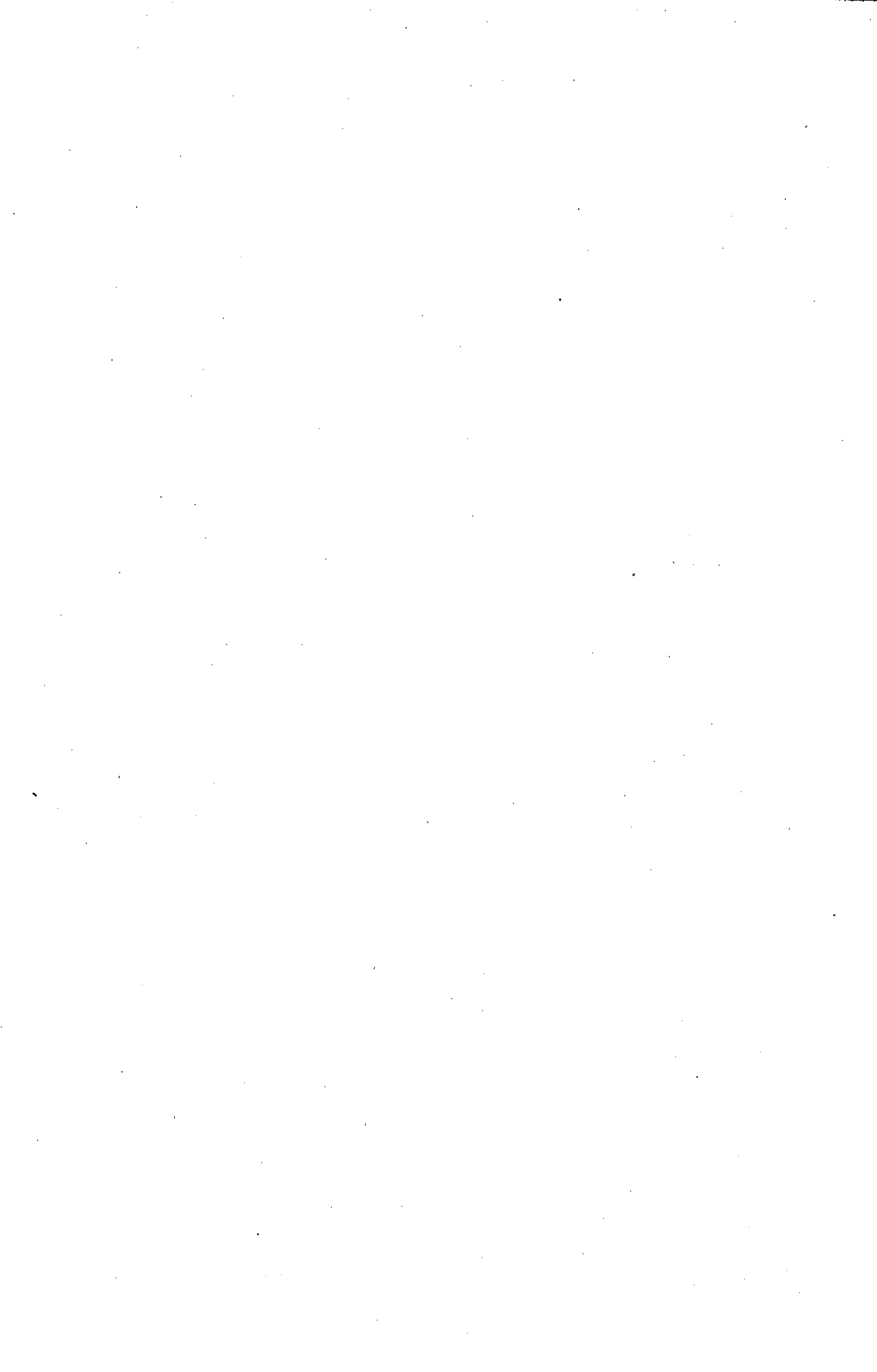
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PART IV

CHANGES OVER TIME IN TRANSPORTATION COSTS AND DISTRIBUTIVE MARGINS

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PART IV
CHANGES OVER TIME IN TRANSPORTATION COSTS AND
DISTRIBUTIVE MARGINS

PREFACE

PART IV surveys the movement of transportation charges and distributive margins over time, both expressed in percentages of the value of commodities either at the producing establishments or at the cost to ultimate consumers. Such a survey is of interest for two reasons. First, in view of the lack of data by which transportation and distributive charges for each year in the period could be measured directly, any assumptions to be made in order to derive these measures should follow upon an examination of all the evidence available for testing their validity. Such caution is especially advisable because of the relatively large magnitude of the items. Second, the analysis of temporal changes in transportation, and especially in distributive costs, is of interest for its own sake, as illuminating what has been a rather obscure area of the economic system.

The data on transportation charges are scanty, but those on distributive margins, while inadequate from the viewpoint of the analysis in this study, comprise several groups, each of which must be treated separately. First, the data reported by trade corporations to the Bureau of Internal Revenue may be so analyzed as to shed some light on changes in total margins over time. Second, some interesting conclusions may be derived from comparing operating expenses in retail and wholesale trade in 1929 and 1933, as reported by the *Census of Distribution* and the *Census of American Business*, respectively. Third, sample studies of operating expenses and gross margins for various branches of trade have been made by private agencies, such as the Bureaus of Business Research at the Universities of Harvard, Michigan, Nebraska, and Iowa, as well as by governmental agencies; and a survey of these sample studies yields results that bear directly upon the problem at hand. Finally, for a large number of department stores the Con-

trollers' Congress, attached to the National Retail Dry Goods Association, has for several years been collecting data on gross margins (among other items) by departments; and in view of the lack of comprehensive or even partial data on most branches of retail trade, these measures for separate departments of department stores provide some basis for judgment as to the variability of specific gross margins over time.

I TRANSPORTATION CHARGES

Transportation charges by specific groups of commodities are available for steam railroads alone, for 1928, 1930, 1933, and in much less detail for 1922. Expressed as percentages of the value of commodities at the point of production, these charges are assembled in Table IV-1. Note A to this table indicates the source of the data and describes how the various commodities covered by them were combined into the minor commodity groups of our classification.

For the three later years, i.e., 1928, 1930, and 1933, weighted average charges can be computed for each major commodity class. In our analysis in Part V the minor commodity groups are abandoned and the annual flow of commodities at the cost to consumers is estimated for the major commodity classes alone. It is, therefore, best at this stage of the discussion to emphasize the behavior of the various elements in the major divisions of the commodity classification.

The percentage transportation charges changed only slightly from 1928 to 1930, but rose appreciably from 1930 to 1933. True, in terms of the final values the total rise in the cost of commodities at the point of production, 2.5 per cent, is only two-thirds as large, since according to the analysis in Part III the values at the point of production account for only 64 per cent of the cost to

consumers. Still, the change shown in Table IV-1 is significant, and it is likely that, in such other years of the period as were characterized by marked movements in commodity prices, the relative burden of transportation charges has undergone equally or still more marked changes. The rise from 1930 to 1933 was obviously due largely to the appreciable decline in commodity prices, a decline that was not characteristic of freight charges themselves. When commodity price changes were equally violent, as in 1919, 1920, and 1921, transportation charges may also have changed accordingly.

Were freight charges constant in dollar terms, proper account could have been taken of them, by adding in each year to the value of commodities, at current producers' prices, the amount of transportation costs as estimated in 1929 but adjusted according to the change in the total volume of commodities shipped (at 1929 prices). This procedure can be followed, regardless of fluctuations in transportation rates, when the estimate is in 1929 prices. But when the aim is to measure the flow of commodities, at *current* cost to consumers, the fact that transportation charges do change, but not at the same rate as commodity prices, creates a problem. "Since the war there have been only three cases involving nation-wide changes in the level of rates. The first was in 1920, when an increase in freight rates amounting to approximately 33 per cent was granted; the second was in 1922, involving a reduction of 10 per cent; and the third was in 1931, when a compromise adjustment was effected in lieu of a horizontal increase of 15 per cent" (*The American Transportation Problem*, H. G. Moulton and Associates, Brookings Institution, 1933, p. 116). In addition there were numerous specific changes in rates resulting from shippers' complaints of unreasonable or unjustly discriminatory rates: and from requests by railroads for permanent or emergency changes in rates.

Hence in estimating the costs of commodities in current prices, neither constancy of freight rates nor a movement exactly parallel to the movement of commodity prices can be assumed. The difficulty is to be solved by using some measure of the annual level of freight rates, even if not for specific commodity groups. Such a measure is the average freight revenue per ton of revenue freight carried, available for several major groups of revenue freight. This average may be treated as an index representing annual changes in the absolute volume of freight rates, and thus applied to the

amounts estimated for 1929 in Part III. The result is an annual estimate of the current transportation costs, by major commodity classes, for each year of the period (see Part V).

This solution of the difficulty does not yield a precise measure, and of course takes no account of transportation charges other than freight charges on steam railroads. Unfortunately, no data are available on water and truck transportation, and the latter has grown in importance in the movement of perishable farm products since 1929. But it may be assumed that so far as separable transportation charges on the movement of finished products are concerned, the error in the annual estimate of transportation charges can hardly exceed one per cent of the final values in the major commodity classes.

2 DISTRIBUTIVE CHARGES

The main purpose of studying distributive charges is to make possible a transition from the cost of goods to distributors to the annual volume of distributors' sales to ultimate consumers. From this point of view, the most convenient measure of distributive margins is the item usually designated as gross margin, which is obtained as follows. The addition of the inventory at the beginning of the year to the cost of goods purchased during the year, and subtraction of the inventory at the end of the year, yield the cost of goods sold. The difference between the cost of goods sold and the volume of net sales is the absolute gross margin, and is usually converted to percentage gross margin, being expressed in percentages of the total volume of net sales. The spread as estimated for 1929 in Part III is identical with this gross margin, since the latter is equal to operating expenses plus net profits or minus net losses.

It is the variability of this gross margin over time that is studied in the survey of the evidence submitted below. If it is found that gross margins are fairly constant over time, or reveal measurable changes, the way will be open to pass from the annual flow of commodities to the distributive trade to the annual outflow of commodities from them to ultimate consumers. The only additional information needed to make this transition is data on the value of opening and closing inventories held by the distributive system in each year of the period under analysis.

a Corporate data

Corporations engaged in trade report on their income tax returns gross sales of merchandise and

the cost of goods sold. For recent years the classification of these returns makes possible distinction among five groups of trade corporations: wholesale, retail, wholesale and retail, commission houses, and other trade (including partly trading, partly service establishments, such as auto wreckers, film exchanges, storage garages). It is therefore possible to compute for each of these five types of trade the absolute and relative difference between cost of goods and volume of sales, i.e., gross distributive margins (Table IV-2).

The gross sales item, as called for on the corporate income tax return, corresponds exactly to net sales of trading establishments, since it is equal to sales already adjusted for returns and allowances. The cost of goods sold, as reported on the corporate income tax schedule, is computed in the fashion just mentioned. Inventory at the beginning of the year is added to the cost of goods purchased during the year, and from this total the inventory at the close of the year is subtracted. Theoretically, it would be possible for a trading corporation to enter operating expenses on Schedule A of the return, and thus add them also into the cost of goods sold. But Schedule A is entitled 'cost of manufacturing or producing goods', and the difference between cost of goods and gross sales definitely suggests that trading corporations do not include any of their operating expenses under the cost of goods sold. Thus Table IV-2 shows a relative gross margin for 1929 of 12.8 per cent for wholesale trade, 24.8 for retail trade, and 18.4 for commission houses. The gross margin for all wholesale trade in finished commodities was estimated for 1929 at 13.0 per cent of sales (Table III-3), and for all retail trade in finished commodities at 27.2 per cent (Table III-4); operating expenses for all agents and brokers were reported in the *Census of Wholesale Distribution* as 3.2 per cent of sales (see *U. S. Summary*, Table 4, p. 85). There is, therefore, little doubt that no significant part of operating expenses is included by trading corporations under the cost of goods sold; and that the difference between the cost of goods sold and gross sales does represent gross margin. The larger gross margin shown by commission houses in the corporate data, as compared with that suggested by the *Census of Distribution*, may well be due to underreporting of their volume of sales.¹

¹ This explanation is confirmed by the difficulty encountered by the *Census of Distribution* in obtaining volume of sales by brokers and agents. "In the case of brokers and agents operating on a commission basis, it was frequently necessary to compute net sales on the basis of average commission rates or fees

In spite of the drastic contraction in sales since 1929, changes in gross margin in each type of trade were relatively small (Table IV-2). From 1929 to 1932 the margin, expressed in percentages of total sales, rose for trade as a whole just one per cent; and the greatest increase occurred in the division that least belongs to our definition of trade, viz., the all other group. In the most important division, retail trade, the rise in gross margins was merely from 24.8 to 25.0 per cent. Only in 1933 did margins increase appreciably: 1.5 per cent in almost all types of trade—obviously a reflection of the sudden change in economic conditions and particularly of the striking reversal in the direction of price movements.

An attempt to carry through a similar analysis for years prior to 1929 is summarized in Table IV-3. For these years data on both the cost of goods sold and gross sales are available only for trade as a whole. Nevertheless, it is possible to estimate approximately the relative importance of the various types of trade in each year (except 1925), as judged by gross income or gross sales of each type (see Note A to Table IV-3). The classification by type is confined in Table IV-3 to four divisions of trade. The wholesale and retail group, which cannot be segregated prior to 1927, is combined with the retail, since the size of its gross margin in 1929 and later years indicated its close similarity to the purely retail trade division.

The fluctuations in the actual margins for trade as a whole, as shown in Table IV-3, column 2, may be due partly to a shift in relative importance of the different types of trade, and partly to genuine changes in the gross margins characterizing each type. The influence of the first factor is evident in column 7, in which the variation over time is due exclusively to the estimated change in the relative importance of the four types of trade. The differences in each year between the entries in columns 7 and 2 represent the cumulative result of changes in gross margins for each type of trade since 1929. In most years the differences are exceedingly small. Thus from 1922 through 1932, excluding 1925, for which the entry in column 7 could not be estimated, the differences between columns 7 and 2 do not exceed + 0.64 per cent of total sales and do not decline below - 0.68 per cent. Only in 1919, 1920, 1921, and 1933, all years marked by violent price changes and particularly

charged. . . . This method was necessitated by the fact that many brokers and agents maintain records only of commissions received and do not have actual sales figures" (*U. S. Summary*, p. 24).

by reversals in the direction of price movements, does the difference between actual gross margins and that based on the assumption of constant margins within specific types of trade become significant. Hence on the basis of Table IV-3 the following conclusion may be suggested: for trade as a whole, and for its major divisions by type, gross margins, taken as percentages of total sales, remained relatively constant from 1922 through 1932, and only during the first three years of the post-War period and in 1933 did they fluctuate significantly. Even these fluctuations were within 2 to 4 per cent of total sales.

b *Evidence of the Census of Distribution for 1929 and 1933*

The data from *Statistics of Income* cover corporations alone, and yield a measure of distributive margins only for trade as a whole, or during recent years for its major divisions by type. The *Census of Distribution* for 1929 and 1933 makes possible an approximate measurement of distributive charges for all trade establishments and also separately for various branches of trade.

Table IV-4 assembles the results of a comparison between 1929 and 1933. Both Censuses report operating expenses, and for retail trade they provide also an estimate of the compensation for proprietors' services. The method of estimating this item changed, however, from 1929 to 1933, and it was considered best to omit it from the comparison. Thus, the operating expenses, whose percentage to gross sales is shown in Table IV-4, differ from gross margins in that they exclude two items included in the latter: the compensation of proprietors, and the net profit or loss of the business unit (before payment of dividends, by corporations).

The comparison for wholesale trade, confined in this analysis to groups dealing largely in finished commodities, indicates that the ratio of operating expenses to sales did increase from 1929 to 1933 some 1.5 per cent. This rise was most conspicuous in consumers' and producers' durable commodities, groups whose volume of sales contracted most. In the perishable class the rise in the operating expense ratio was much less marked, and in the semidurable it declined slightly from 1929 to 1933.

In retail trade in finished commodities the increase in the operating expense ratio was absolutely, and even relatively, more appreciable than in wholesale trade. The percentage of operating expenses to sales rose from 21.5 in 1929 to 26.0 in

1933; the percentages in all three major commodity classes rose. Even in retail trade, however, the increase in the expense ratio was most appreciable for durable commodities, least appreciable in the semidurable class.

That the operating expense ratio in distributive trade increased from 1929 to 1933 is evident beyond doubt in Table IV-4. But the main interest here is in the course of gross margins, and we may attempt now to pass from changes in the expense ratio to those in the gross margin percentage. In order to do so, changes in the compensation of proprietors and in the net profit or loss of the business units must be allowed for. For these items data for corporations alone are available.

The corporate income tax returns report combined net profit and loss, after payment of tax before distribution of dividends. Although they indicate nothing directly concerning the compensation of proprietors, it may be assumed, for purposes of the present analysis, that the movement of corporate officers' compensation describes approximately changes in the amounts withdrawn by proprietors in compensation for their services.

In 1929 for corporations engaged in wholesale trade (including commission houses) the ratio to gross sales of officers' compensation and of combined net profit or loss, after payment of tax, amounted to 3.38 per cent; in 1933 it was 3.03. If these percentages are added to the operating expense ratios in Table IV-4, the estimated gross margin amounts in 1929 to 13.38 per cent and in 1933 to 14.53, a rise of 1.15 per cent. In Table IV-2 the rise in gross margins from 1929 to 1933 was 2.29 per cent for wholesale trade and 1.67 for commission houses. Table IV-4 thus confirms the evidence of Table IV-2.

For corporations in retail trade, and in wholesale and retail trade combined, the ratio of officers' compensation and of the combined net profit or loss to gross sales, after payment of taxes, amounted in 1929 to 4.15 per cent; in 1933 to only 1.94. Hence, the gross margins for 1929, based on Table IV-4, can be estimated for 1929 at 25.63 per cent of sales, for 1933 at 27.94, a rise of 2.29 per cent. In Table IV-2 the increase in gross margins from 1929 to 1933 was 2.13 per cent for retail trade, 1.58 for the wholesale and retail group. Thus again, Table IV-4 confirms the evidence of Table IV-2.

Of the two items added to operating expenses in order to obtain gross margins it is the profit or loss item that declined most from 1929 to 1933; the ratio of officers' compensation to gross sales

increased from the earlier to the later year. Thus in wholesale trade, including commission houses, the ratio of officers' compensation to gross sales was 1.99 per cent in 1929 and 2.45 per cent in 1933—a rise relatively more substantial than in the operating expense ratio. In retail trade, including the wholesale and retail group, the ratio of officers' compensation to gross sales was 2.33 per cent in 1929 and 2.53 in 1933, an increase somewhat less substantial than in the operating expense ratio. If, therefore, we assume that proprietors' compensation moved parallel not to officers' compensation but to all other operating expenses, the rise in gross margins of wholesale trade would be somewhat smaller, and that in gross margins of retail trade somewhat larger, than the increase of 1.2 and 2.3 per cent, respectively, indicated above.

Sample studies of gross margins

The data on distributive margins utilized so far were comprehensive in coverage but were for only two or three years. Scattered and partial samples provided by the studies of various branches of trade either by academic and other private agencies, or by the government, yield several measures of distributive margins available for the same branches of trade for longer periods. This information is summarized first in Table IV-5.

A large part of this information refers to chain stores, as studied by the Federal Trade Commission; the information for retail trade is much more abundant than for wholesale; in retail trade the branches dealing in perishable and semidurable commodities are more fully covered than those dealing in durable commodities; finally, the actual measures of the average gross margin for each sample have been diversely computed by the reporting agencies—some as weighted arithmetic means, others as medians, still others as common, representative or typical, signifying usually selected medians, and still others as derived from a comparison of costs paid and prices charged. All these peculiarities of the data impose some limitation upon their usefulness in the main task at hand, viz., the measurement of temporal changes in gross margins in wholesale and retail trade, by major commodity classes. Nevertheless, the data, when used in conjunction with the other series already studied, may serve to advance us further towards establishing the course of distributive margins over the period under consideration.

The first question is how variable are the margins over time, when studied for each branch of trade separately. Does this additional information

confirm the conclusion indicated above that, by and large, gross margins tend to be constant over time; that significant changes occur only during years marked by violent changes in commodity prices; and that even then the fluctuations in gross margins are within a narrow absolute and relative range? The answers to these questions are provided in Table IV-5, columns 5-7, by the measures of average deviation and range, set alongside the arithmetic mean of the gross margin for each sample for the period covered.

The average deviations and the ranges of gross margins around the arithmetic mean of each series are quite small, both absolutely and relatively. Of some 84 series in Table IV-5 the average deviation for fully 24 ranges from 0.0 to 0.5 (in percentages of sales); for 23, from 0.6 to 1.0; for 24, from 1.1 through 2.0; and only for 13 does the average deviation exceed 2.0. Since the gross margins run on the average close to 30, this demonstrates that in a preponderant number of the series the average deviation does not exceed 4 per cent of the mean. The ranges show, of course, an absolutely larger magnitude. However, if instead of varying gross margins, one assumed constant gross margins, equal to the arithmetic mean for the period, the average error would not, in the preponderant number of cases, exceed 1 per cent of sales, or about 3 per cent of the average gross margin itself; and the maximum error in any single year, either positive or negative, would not in the great majority of cases exceed 2.5 per cent of total sales, or about 8 per cent of the mean gross margin itself.

Since gross margins, at least in the corporate part of total trade, varied during 1919-21, and were in 1919 and 1921 significantly lower than in succeeding years, we have recomputed the averages and the measures of variability, excluding the years prior to 1922 (Table IV-5, columns 8-10). The exclusion of the first three years reduced materially the variability of almost all gross margins. Of the 33 series that cover these years, those with an average deviation of less than 0.6 (in percentage of sales) rose, upon the exclusion of these years, from 2 to 8; those with an average deviation from 0.6 to 1.0 rose from 8 to 12; those with an average deviation from 1.1 to 2.0 declined from 15 to 10; and those with an average deviation of over 2.0 declined from 8 to 3. Variability as shown by the ranges declined correspondingly.

Small as the temporal variations in gross margins appear to be according to the sample data, it is of interest to compare their course with the movement of margins shown in Tables IV-2 and

IV-3. For the purpose of carrying through the comparison the total period was divided into three parts: the first from 1919 through 1923, which is especially important since it includes the years in which, according to the corporate data, gross margins changed significantly; the second from 1923 through 1930, in which the corporate data indicate fair stability of margins, with those for 1925 and 1926 significantly lower than the average; and the third, for the years following 1929, in which, according to corporate reports, margins rose slowly to 1932 and then sharply from 1932 to 1933. The evidence of the sample studies for 1919-23 is brought together in Table IV-6; for 1923-30 in Table IV-7; and for the years after 1929 in Table IV-8.

In view of the large number of series covered in Table IV-5 it was thought best to obtain a measure of average movement, by major commodity classes. For this purpose, all the entries were divided into three large groups, the branches of trade dealing largely in: perishable commodities; semidurable commodities; durable commodities. A simple arithmetic average was then obtained of all the entries in each group, available continuously for the entire period, 1919-23, or only for the first three years, 1919-21. Finally, the averages for the three large divisions were again averaged, those for the perishable commodities being given a weight of 2.5, and those for the semidurable and durable groups each a weight of 1.0—the weights being suggested by the approximate relative magnitude of the commodity totals in these three major classes.

The averages thus obtained do not, of course, measure with any adequacy the absolute magnitude of the distributive spread in any group or in any year. But they do serve as a rough guide to the changes in gross margins from year to year. The average for all the groups indicates a decline from 27.6 in 1919 to 25.9 in 1920, a drop of 1.7 per cent of sales. This decline occurred in each of the three groups, but was most marked in the semidurable, where it amounted to 3.6 per cent. Looking back at Table IV-3 we find that the corporate data also declined from 1919 to 1920—3.6 per cent of gross sales. Also, as in the corporate data, the averages in Table IV-6 rose from 1920 to 1921, the level in the latter year still being below that in 1919; here again the movement of margins in the semidurable class follows most closely that of the corporate returns. Finally, in Table IV-6 the level of margins is by 1922 back to that of 1919, even exceeding it somewhat; in the corporate data, the

gross margins in 1922, also higher than those in 1921, are still somewhat below those in 1919.

In view of the difference in coverage of the two bodies of data, their agreement in the movement of distributive margins during 1919-22 is encouraging. And it may be suggested that the reason for the greater similarity in movement of margins in the semidurable than in the other classes is that corporations are most prevalent in that particular major group of retail trade. Hence, this group may dominate the corporate totals.

A similar analysis of the sample data, for purposes of comparison with the corporate data, can be carried through for 1923-30. In Table IV-7 the sample data are again brought together; and a set of averages, similar to those in Table IV-6, is struck. The result reveals a marked stability of the gross margins. The average for all the groups combined does not vary more than 0.74 during the period, an exceedingly small range when it is considered that the mean is about 30. And in the two major classes that are well represented, perishable and semidurable, the range of variation is no much greater than for the total.

Comparison with gross margins derived from corporate data (Table IV-3) indicates that their significantly lower level in 1925 and 1926 is not confirmed by the sample data. It is difficult to decide which of the two better represents the true situation, but the balance seems to be in favor of the sample data assembled in Table IV-7. There were neither important price changes nor marked changes in economic conditions between 1925 and 1926 and the preceding or succeeding years that would explain such departures of the gross margins from their average level as are indicated by the corporate data. On the other hand, in both years *Statistics of Income*, the source of our information on corporate gross margins, gives evidence of changes in industrial classification and in the manner of classifying various sources of corporate income—changes that might well have affected the comparability of the measures for these years with those for other years. Particularly significant is the unusually large relative volume, in 1925 and 1926, of income other than that reported as gross sales (in trade this other income is largely dominated by two entries—profits from operation other than sales and miscellaneous income) as compared with reported gross sales: the percentage of this additional income to gross sales amounted in 1925 to 4.5, and in 1926 to 3.9; the same percentages in 1922, 1923, and 1924 were 3.3, 3.2, and 3.0, respectively, and in 1927, 1928, and 1929

3.6, 3.5, and 3.1, respectively. It is quite possible that the shortage in the reporting of sales was relatively greater in 1925 and 1926 than in other years. And a small shortage in this item could have a noticeable effect on the gross margins in Table IV-3. On the whole, we are inclined to think that the movement of gross margins from 1923 to 1929 is as Table IV-7 indicates, i.e., we tend to disregard the lower levels shown by the corporate data for 1925 and 1926.

Finally, whatever scanty information is available for the years after 1929 is assembled in Table IV-8. In several instances the gross margins rise after 1929. But in such important branches as department stores, wholesale grocery, and retail hardware, gross margins declined. Only in 1933 did they rise significantly. The relative stability of margins from 1929 through 1932 is thus confirmed, at least for trade as a whole or for its major commodity divisions.

d Gross margins by departments of department stores

For the substantial sample of the larger department stores that have been reporting to the National Retail Dry Goods Association during the last decade, data are available on inventories, cost of goods sold, and gross margins for some sixty separate departments. The stores are subdivided into five groups, according to the annual volume of sales, and a 'representative' measure of gross margin is given for the stores in each group. In selecting this measure "no rigid statistical formula was followed in every case. Generally the figure chosen was the median. . . . Frequently the choice was influenced by the mode. . . . In making minor adjustments between related figures consideration was often given to the items one-fourth from the lowest and one-fourth from the highest, the interquartiles, and occasionally when the data were few but within a reasonable range, they were averaged arithmetically. Special care was taken to allow no extreme data to unduly influence the selection of a typical figure" (*Departmental Merchandising and Results for 1933*, p. 39).

These data allow us to observe once more the temporal changes in gross margins over a substantial part of the period under study. Table IV-9 presents a series of measures for those departments for which records are available continuously either since 1925 or since 1927. Some difficulty in obtaining those measures was occasioned by the change in the classification of department stores by volume of sales after 1927. Prior to that

year the group with largest sales was that with \$5,000,000 and over; after 1927 stores with the largest sales were divided into two groups: \$5,000,000 to \$10,000,000, and \$10,000,000 and over. In obtaining averages for these groups in Table IV-9 we treated all groups with sales of \$5,000,000 and over as one, obtained a single measure for it and then, in striking the average for a given department for all department stores, gave a double weight to this measure.

The first concern in Table IV-9 was to measure the variability in gross margins. Since the data already studied indicated that gross margins in 1933 and 1934 were appreciably higher than during the preceding decade, it was thought best to measure the variability of the new series only for those years for which relative stability of margins was indicated by all the other bits of evidence. For this reason, the arithmetic means, the average deviations, and the ranges were computed for each department within each size class for the period, excluding 1933 and 1934 (Table IV-9, columns 4, 5, and 6). The mean measure for each department was computed as a simple average of the means for each size class, except that, as indicated above, the measure for the combined size classes IV and V was given a double weight.

Departmental gross margins varied little from 1925 or 1927 through 1932. Even for the separate size classes average deviations exceeding 2 per cent of total sales are quite infrequent; and among the average deviations for each department (all groups) they are still more rare. Most of the ranges run below 5.0 per cent of total sales.

Table IV-10 presents a frequency distribution of arithmetic means of the gross margins, average deviations and ranges. Departments are classified by the period covered and by the type of commodity they represent, and their frequency established by the size of the variable. Arithmetic means are also presented for each measure in each department group.

The average gross margin for all departments is slightly over 33 per cent of total sales, and varies but little from one group of departments to another. Thus, distributive charges in department stores do not vary as much with the type of commodity handled as with stores that concentrate on commodities belonging to only one of the major classes of our commodity classification. This means that when a given department carries commodities of a type quite different from those of the semidurable class that account for the bulk of department store sales, it is inadvisable to generalize from the

size of its gross margins to the size of gross margins in stores dealing preponderantly in such commodities.

Of the 59 departments covered in Table IV-9 the gross margin series in fully 51 have an average deviation of less than 1.5 per cent of total sales; the mean average deviation for all departments is 1.2 per cent of sales. Similarly, in fully 47 of the 59 departments the gross margin series have a range below 5.0. Consequently, from 1925 or 1927 through 1932 one could assume constant margins (at the level of the arithmetic mean for the period) without committing an average error exceeding in the preponderant number of departments 0.6 per cent of sales, and a maximum error not exceeding 2.5 per cent of sales.

Groups of departments handling diverse commodities differ in variability of margins. In the small group of departments dealing in perishable commodities margins vary least; in the large group of departments dealing in semidurable commodities they vary slightly more, although the difference is perhaps not significant. In the ten departments dealing in durable commodities the margins, however, have a markedly larger average deviation and range than in the other two groups. The difference, if significant, is of importance for department stores alone, but it does lead to a surmise that also in retail stores dealing in durable commodities gross margins are more variable than in stores dealing in semidurable commodities. It is reasonable to suggest that in all distributive units that carry such durable commodities as furniture, major household appliances, oriental rugs and jewelry, margins are likely to be more variable because inventories are much larger relative to sales than in most other units; hence any price changes, such as occurred after 1929, would exercise a larger influence on the gross margins of durable commodity departments than on the margins in departments in which inventories are not so important. We shall find some confirmation of this suggestion in the other measures in Table IV-9.

These other measures are designed to bring out the course of changes in departmental gross margins over time. Comparison of the average margin for the first and second half of the period indicates the general direction of changes during the short period covered. Comparison of the average for the second half of the period (i.e., 1929-32 or 1930-32) with that for 1933-34 reveals the change in gross margins from a period of contraction and depression to a period of recovery. Changes from

1925 or 1927 to 1929 should indicate whether gross margins rise or decline during a period of cyclical expansion; and those from 1929 to 1932 should establish the course of gross margins during a depression in general business.

Table IV-11 summarizes all these measures and constitutes the basis for a few clear-cut conclusions. The changes from the first to the second half of the period were minor. The average change for the total of all 59 departments was -0.25 per cent of total sales, which on an annual basis would amount to a change of either 0.06 or 0.08 per annum—a truly insignificant change when the magnitude of the average gross margin is considered. However, gross margins of the large group of departments dealing in semidurable commodities rose slightly from the first to the second half of the period, and it is chiefly the appreciable decline in the gross margins of the durable group that accounts for the negative change in the total for all 59 departments.

From 1925 or 1927 to 1929 gross margins rose somewhat, most in the departments dealing in semidurable commodities. From 1929 to 1932 gross margins of the few departments dealing in perishable commodities and the large number carrying semidurable goods rose also, although less. But in durable commodities gross margins declined appreciably from 1929 to 1932. As a result the average for all 59 departments, which rose 0.51 per cent of total sales from 1925 or 1927 to 1929, rose only 0.17 per cent from 1929 to 1932.

Thus, for the movement from 1929 to 1932 the evidence for department stores is somewhat different from that of the corporate data in Table IV-2. In department stores (see also Table IV-8) the slight rise in gross margins revealed by corporate data is absent; and there is a suggestion of a decline in gross margins during the depression—in at least one group of departments. But for the changes after 1932, Table IV-11 confirms fully the significant rise in margins in 1933 suggested by all other evidence. This rise was experienced in all departments but one, and on the average was quite substantial, amounting to over 3 per cent of total sales, whether measured from 1932 to 1934 or from the average for the depression to the average for 1933 and 1934.

e Conclusions concerning the movement of distributive margins

The various items of evidence on the movement of distributive margins have yielded, with encouraging concision, two important conclusions.

CHANGES IN DISTRIBUTIVE COSTS

First, during the period under review, and in spite of drastic changes in price levels and volumes of sales, gross margins fluctuated within a rather narrow range, the greatest changes not exceeding 3 per cent of the volume of sales and in most years being within 1 per cent of it. Second, within this narrow range the most conspicuous changes were the decline from 1919 to 1920, the recovery to 1922-23, and the rise from 1932 to 1933. Thus conspicuous changes in margins were associated with marked reversals in the direction of price movements and in the tenor of business conditions.

The movement of gross margins over the period can be described approximately as follows. In 1919 their level was almost as high as in 1929, but from 1919 to 1920 they declined from 10 to 15 per cent. From 1920 to 1921, and from 1921 to 1922, they

recovered, making up in each year almost half of their loss from 1919 to 1920. From 1922 to 1929 they fluctuated little, rising slightly—in all about 2 per cent of the level of gross margins in 1929 (i.e., about 0.5 per cent of total sales). This gentle rise continued until 1932, with but a slight and insignificant acceleration. But from 1932 to 1933 a rather marked rise occurred, about 10 per cent of the 1932 level. Among the major commodity classes changes during the 1919-22 movement were most conspicuous in the semidurable; during the 1929-33 movement, in the durable groups.

This evidence on the movement of gross margins can now be applied directly in Part V in the derivation of annual estimates of the flow of commodities to ultimate consumers at the cost to them.

Table IV—1

FREIGHT REVENUE, CLASS I STEAM RAILROADS, IN
PERCENTAGES OF VALUE AT POINT OF PRODUCTION

This table shows the basic data for the estimates of transportation cost of finished commodities for 1929 and for the other years in the period. The estimate for 1929, utilized in Part III, is based on the rates reported for 1928, usually expressed as approximate percentages.

Note A following the table gives the classification by minor commodity groups of the commodities for which freight charges were reported by the Interstate Commerce Commission.

Comments on the table will be found in the Preface to Part IV, Section 1.

PART IV

Table IV—1

FREIGHT REVENUE IN PERCENTAGES OF VALUE AT POINT OF PRODUCTION

| MINOR COMMODITY GROUP | PERCENTAGES | | | |
|--|-------------|-----------------------------------|------|------|
| | 1922 | 1928 | 1930 | 1933 |
| 1 Food and kindred products | | | | |
| a Manufactured foods (except bakery products) | 5.7 | 4.3 | 4.7 | 7.7 |
| b Fruits and vegetables | 37.4 | 49.7 | 44.2 | 57.9 |
| c Poultry and eggs | 6.3 | 4.8 | 5.9 | 10.7 |
| d Fish | no data | 2.8 | 5.8 | 3.9 |
| e Dairy products (milk, etc.) | | no data, see Note A to Table IV-1 | | |
| 2 Cigars, cigarettes and tobacco | no data | .9 | 1.5 | 1.2 |
| 3 Drug, toilet and household preparations | no data | 4.8 | 4.7 | 4.8 |
| 4 Magazines, newspapers, stationery and supplies and misc. paper products (except newspapers and periodicals) | 2.4 | 3.1 | 1.8 | 3.7 |
| 5a Fuel and lighting products, mfd. and petroleum products | 15.1 | 15.9 | 15.4 | 20.7 |
| 6a Misc.: caskets and coffins | no data | 5.9 | 8.0 | 12.1 |
| Weighted Average, Perishable Commodities | | 7.9 | 7.7 | 10.4 |
| 7 Dry goods and notions | 2.4 | 1.6 | 1.7 | 1.9 |
| 9, 10a, 10b, 11, 12, 13 Clothing, shoes, misc. house furnishings and toys, games and sporting goods | 2.4 | 3.1 | 1.8 | 3.7 |
| 14 Tires and tubes | no data | 1.6 | 1.9 | 1.9 |
| Weighted Average, Semidurable Commodities | | 2.8 | 1.8 | 3.4 |
| 15 Household furniture | 6.1 | 4.8 | 6.1 | 10.5 |
| 16, 17 Stoves, ranges and heavy household appliances | 4.4 | 1.9 | 2.1 | 1.5 |
| 18 House furnishings (durable) | 2.4 | 3.1 | 1.8 | 3.7 |
| 19 China and household utensils | no data | 10.6 | 13.3 | 17.3 |
| 20 Portable household electric appliances and other appliances | 2.4 | 3.1 | 1.8 | 3.7 |
| 21, 22 Radio apparatus and musical instruments | 6.1 | 4.8 | 6.1 | 10.5 |
| 23, 24, 25 Jewelry, etc., books and luggage | 2.4 | 3.1 | 1.8 | 3.7 |
| 26 Passenger cars | 6.7 | 4.4 | 5.8 | 8.6 |
| 27 Auto-parts and accessories | no data | 1.3 | 1.9 | 2.9 |
| 28, 30 Motorcycles, etc. and ophthalmic products, etc. | 2.4 | 3.1 | 1.8 | 3.7 |
| 31 Monuments and tombstones | no data | 16.1 | 14.8 | 13.0 |
| Weighted Average, Consumers' Durable Commodities | | 4.2 | 4.8 | 7.0 |
| 32, 33 Industrial machinery and electrical appliances, industrial and commercial | 4.4 | 1.9 | 2.1 | 1.5 |
| 34a, c Farm machinery and wagons | 6.3 | 2.9 | 3.9 | 4.4 |
| 34b Tractors | 6.3 | 3.2 | 2.3 | 2.9 |
| 35a, b, d Office and store equipment, vending machines and soda-water apparatus | 4.4 | 1.9 | 2.1 | 1.5 |
| 36 Office and store furniture and fixtures | 6.1 | 4.8 | 6.1 | 10.5 |
| 39 Business motor vehicles | 6.7 | 3.2 | 4.0 | 8.5 |
| 41, 42, 44 Professional and scientific equipment, carpenters' and mechanics' tools, and misc. subsidiary equipment | 2.4 | 3.1 | 1.8 | 3.7 |
| Weighted Average, Producers' Durable Commodities | | 2.4 | 2.6 | 3.3 |
| Weighted Average, All Finished Commodities | | 5.4 | 5.3 | 7.8 |

CHANGES IN DISTRIBUTIVE COSTS

Note A to Table IV—1

METHODS OF ESTIMATING FREIGHT REVENUE CHARGES BY COMMODITY GROUPS

The percentages presented in Table IV—1 were derived from data reported in four mimeographed releases of the Interstate Commerce Commission:

1. *Comparison of Freight Revenue with Value of Commodities Transported, Class I Roads, 1922* (Statement No. 23351).
2. *Freight Revenue and Value of Commodities Transported in Class I Steam Railways in the United States, Calendar Year 1928* (Statement No. 29111).
3. Same for 1930 (Statement No. 3242).
4. Same for 1933 (Statement No. 3552).

In 1928, 1930 and 1933 data were provided for 157 commodity classes; in 1922 only 70 commodity classes were designated. The following notes indicate the commodity classification utilized in the preparation of the freight revenue percentages for the different commodity groups. The lack of detail in the 1922 release prevents the percentages derived for that year from being strictly comparable with those derived for later years.

MINOR COMMODITY GROUP

I.C.C. COMMODITY CLASSES

1a Manufactured foods (except bakery products)

1922 Flour and meal, other mill products, dried fruits and vegetables, fresh meats, other packing house products, butter and cheese, sugar, syrup, glucose and molasses, beverages, and canned goods

Other years Flour, corn meal, flour and meal, edible, n.o.s., cereal food preparations, mill products, n.o.s., fruits, dried or evaporated, fresh meats, n.o.s., meats, cured, dried, or smoked, butterine and margarine, packing house products, edible, n.o.s., butter, cheese, sugar (beet or cane), table syrups and edible molasses, beverages, ice, and canned food products, n.o.s.

b Fruits and vegetables

1922 Citrus fruits, other fresh fruits, potatoes, other fresh vegetables

Other years Oranges and grapefruits, lemons, limes and citrus fruits, n.o.s., apples, bananas, berries, cantaloupes and melons, n.o.s., grapes, peaches, watermelons, fruits, domestic, n.o.s., fruits, tropical, n.o.s., potatoes, other than sweet, cabbage, onions, tomatoes, and vegetables, fresh, n.o.s.

c Poultry and eggs

1922 Poultry and eggs

Other years Poultry, dressed, and eggs

d Fish

1922 No data

Other years Animals, live, n.o.s.

e Dairy products (milk, etc.)

No data reported by I.C.C. A percentage approximation of 18 was used on the basis of material contained in Cornell Extension Bulletin 308 (October 1934), *The Transportation of Milk to the N. Y. Market*, p. 4.

2

1922 No data

Other years Tobacco, manufactured products

3

1922 No data

Other years Soap and washing compounds

4

For this group (except newspapers and periodicals to which no transportation charge was added) the data for miscellaneous manufactures were used, no more comparable data having been available. A similar procedure had to be followed in several other commodity groups. The 1922 miscellaneous manufactures group is not strictly comparable with those for the later years.

5a

1922 Refined petroleum and its products, and coke

Other years Coke, wood (fuel), petroleum oils, refined, and all other gasolines, fuel, road, and petroleum residual oils, n.o.s., and lubricating oils and greases

6a

1922 No data

Other years Veneer and built-up wood

PART IV

MINOR COMMODITY GROUP

I.C.C. COMMODITY CLASSES

| | |
|-------------------------|---|
| 7 | 1922 Textiles <i>Other years</i> Cotton cloth and cotton fabrics, n.o.s. |
| 9, 10a, 10b, 11, 12, 13 | Miscellaneous manufactures |
| 14 | 1922 No data <i>Other years</i> Automobile and auto-truck tires |
| 15 | 1922 Furniture (new) <i>Other years</i> Furniture, metal, and furniture, other than metal |
| 16, 17 | 1922 Castings, machinery and boilers <i>Other years</i> Machinery and boilers |
| 18 | Miscellaneous manufactures |
| 19 | 1922 No data <i>Other years</i> Glass: bottles, jars, and jelly glasses |
| 20 | Miscellaneous manufactures |
| 21, 22 | Same as for group 15 |
| 23, 24, 25 | Miscellaneous manufactures |
| 26 | 1922 Automobiles and auto trucks <i>Other years</i> Automobiles (passenger) |
| 27 | 1922 No data <i>Other years</i> Automobiles and auto trucks, K. D. and parts, n.o.s. |
| 28, 30 | Miscellaneous manufactures |
| 31 | 1922 No data <i>Other years</i> Stone, finished, n.o.s. |
| 32, 33 | 1922 Castings, machinery and boilers <i>Other years</i> Machinery and boilers |
| 34a, c | 1922 Agricultural implements and vehicles other than automobiles <i>Other years</i> Agricultural implements and parts, n.o.s., and vehicles, horse-drawn and parts, n.o.s. |
| 34b | 1922 Agricultural implements and parts, n.o.s. <i>Other years</i> Tractors and parts |
| 35a, b, d | Same as for Groups 32 and 33 |
| 36 | 1922 Furniture (new) <i>Other years</i> Furniture, metal and furniture, other than metal |
| 39 | 1922 Automobiles and auto trucks <i>Other years</i> Auto trucks |
| 41, 42 | Miscellaneous manufactures |

The several commodity groups not included in the above tabulation were omitted for various reasons. Group 5b, Coal, did not require a transportation estimate because of the method utilized in obtaining retail value, viz., multiplication of tonnage by retail prices. In Group 29, Pleasure-craft, the transportation charge was included in the mark-up estimate. No transportation charge was thought necessary for Groups 35c, Signs; 37, Locomotives and railroad cars; and 38, Ships and boats. Finally an arbitrary transportation charge of 5 per cent was used for Groups 35e, Theatrical scenery and stage equipment, and 43, Durable containers.

Tables IV—2 and IV—3

GROSS MARGINS, CORPORATIONS ENGAGED IN TRADE,
1919-1933

The basic data in these tables are reported annually in *Statistics of Income*. The calculations needed to establish a comparable series of gross margins for the years prior to 1929 are described in Note A to Table IV—3.

Comments on these tables will be found in the Preface to Part IV, Section 2a.

PART IV

Table IV—2

GROSS MARGINS, CORPORATIONS ENGAGED IN TRADE, 1929-1933

| | 1929 | 1930 | 1931 | 1932 | 1933 |
|-----------------------------|--------|--------|------------------------------------|--------|--------|
| | | | <i>(dollar values in millions)</i> | | |
| Wholesale | | | | | |
| Gross sales | 14,956 | 12,489 | 10,091 | 7,756 | 8,560 |
| Cost of goods sold | 13,088 | 10,893 | 8,743 | 6,705 | 7,295 |
| Gross margin—dollars | 1,868 | 1,596 | 1,348 | 1,051 | 1,265 |
| Gross margin—per cent | 12.49 | 12.78 | 13.36 | 13.55 | 14.78 |
| Retail | | | | | |
| Gross sales | 18,880 | 16,602 | 14,165 | 10,658 | 11,339 |
| Cost of goods sold | 14,199 | 12,462 | 10,607 | 7,993 | 8,287 |
| Gross margin—dollars | 4,681 | 4,140 | 3,558 | 2,665 | 3,052 |
| Gross margin—per cent | 24.79 | 24.94 | 25.12 | 25.00 | 26.92 |
| Wholesale and Retail | | | | | |
| Gross sales | 4,578 | 4,137 | 3,290 | 2,346 | 2,254 |
| Cost of goods sold | 3,594 | 3,245 | 2,578 | 1,817 | 1,734 |
| Gross margin—dollars | 984 | 892 | 712 | 529 | 520 |
| Gross margin—per cent | 21.49 | 21.56 | 21.64 | 22.55 | 23.07 |
| Commission | | | | | |
| Gross sales | 1,836 | 1,597 | 904 | 533 | 534 |
| Cost of goods sold | 1,681 | 1,457 | 825 | 483 | 480 |
| Gross margin—dollars | 155 | 140 | 79 | 50 | 54 |
| Gross margin—per cent | 8.44 | 8.77 | 8.74 | 9.38 | 10.11 |
| All Other | | | | | |
| Gross sales | 1,941 | 1,259 | 1,054 | 809 | 505 |
| Cost of goods sold | 1,494 | 952 | 797 | 611 | 377 |
| Gross margin—dollars | 447 | 307 | 257 | 198 | 128 |
| Gross margin—per cent | 23.03 | 24.38 | 24.38 | 24.48 | 25.35 |
| Total Trade | | | | | |
| Gross sales | 42,190 | 36,084 | 29,504 | 22,102 | 23,192 |
| Cost of goods sold | 34,055 | 29,009 | 23,550 | 17,610 | 18,172 |
| Gross margin—dollars | 8,135 | 7,075 | 5,954 | 4,492 | 5,020 |
| Gross margin—per cent | 19.28 | 19.61 | 20.18 | 20.32 | 21.65 |

Source: For 1929-31, Senate Document 124, *National Income, 1929-1932*, Appendix B, Table 4, pp. 223-6; for 1932-33, unpublished tabulation of *Statistics of Income*.

CHANGES IN DISTRIBUTIVE COSTS

Table IV—3
GROSS MARGINS, CORPORATIONS ENGAGED IN TRADE, 1919–1933

| YEAR (1) | ESTIMATED PERCENTAGE DISTRIBUTION OF GROSS INCOME OR SALES AMONG TYPES OF TRADE | | | | | GROSS MARGIN ES- TIMATED ON BASIS OF SPECIFIC MARGINS FOR 1929 (7) | EXCESS OR DEFICIENCY OF (7) OVER (2) (8) | |
|-------------|--|-----------------------|--|------------------|----------------------------------|---|--|-----------------------|
| | GROSS MARGIN AS REPORTED (2) | WHOLE- SALE (3) | RETAIL AND RETAIL AND WHOLESALE (4) | | COMMIS- SION HOUSES (5) | | | OTHER TRADE (6) |
| | | | WHOLE- SALE (3) | WHOLESALE (4) | | | | |
| 1919 | 19.60 | 45.73 | 33.23 | 3.04 | 17.99 | 18.14 | -2.46 | |
| 1920 | 16.04 | 44.30 | 33.81 | 3.69 | 18.21 | 18.20 | +2.06 | |
| 1921 | 17.01 | 35.33 | 38.27 | 2.77 | 23.63 | 19.33 | +2.32 | |
| 1922 | 19.10 | 36.33 | 33.42 | 3.39 | 26.85 | 19.08 | -0.02 | |
| 1923 | 19.33 | 37.93 | 36.10 | 3.16 | 22.81 | 18.98 | -0.35 | |
| 1924 | 18.62 | 37.34 | 36.61 | 3.37 | 22.68 | 19.01 | +0.39 | |
| 1925 | 17.14 | | | NO DATA | | | | |
| 1926 | 17.78 | 40.73 | 39.47 | 5.17 | 14.63 | 18.42 | +0.64 | |
| 1927 | 18.42 | 38.41 | 51.23 | 4.97 | 5.39 | 18.83 | +0.41 | |
| 1928 | 18.89 | 36.49 | 53.43 | 4.72 | 5.36 | 19.09 | +0.20 | |
| 1929 | 19.28 | 35.45 | 55.60 | 4.35 | 4.60 | 19.28 | 0 | |
| 1930 | 19.61 | 34.61 | 57.47 | 4.43 | 3.49 | 19.38 | -0.23 | |
| 1931 | 20.18 | 34.20 | 59.16 | 3.06 | 3.57 | 19.64 | -0.54 | |
| 1932 | 20.32 | 35.09 | 58.83 | 2.41 | 3.66 | 19.64 | -0.68 | |
| 1933 | 21.65 | 36.91 | 58.61 | 2.30 | 2.18 | 19.46 | -2.19 | |

Note A to Table IV—3

DERIVATION OF DATA ON GROSS MARGINS FOR
CORPORATIONS ENGAGED IN TRADE, 1919–1928

The derivation of the entries for 1919–28 is explained column by column in the following summary.

Col. 2—*Gross Margin as Reported.* For all years in which both cost of goods sold and gross sales are given, this item is the difference between the two taken as a percentage of the gross sales. For 1919, 1920 and 1921 the cost of goods sold is given, but no data are available on gross sales. Instead, the item reported is gross income, i.e., gross sales plus income from operations other than sales, miscellaneous income, interest, rents and royalties. From 1922 to 1924 the average excess of gross income over gross sales was about 3.2 per cent of the latter; for 1917 the same excess amounted to 2.8 per cent of gross sales. It was therefore assumed that for each of the years 1919–21 gross income exceeded gross sales by 3 per cent of the latter. The comparison of the cost of goods sold with gross sales, thus derived for these years, makes possible the computation of gross margins.

Col. 3–6—*Estimated Percentage Distribution of Gross Income or Gross Sales.* From 1929 to 1933, gross sales were available for each branch of trade in the special tabulation of the corporate reports by the Statistical Division of the Income Tax Unit (utilized in Table IV—2). For 1926–28 gross income was given in *Statistics of Income* for each type of trade, except that the division entitled 'wholesale and retail' was not segregated in 1926. A comparison of the gross income items for 1926 with subsequent years indicated clearly that the 'wholesale and retail' group was in 1926 included with wholesale, while for the purposes of the table it should have been included with retail. The average ratio for 1927, 1928 and 1929 of gross income for the 'wholesale and retail' group to the 'retail' was therefore computed and a corresponding adjustment made for 1926.

For 1919 through 1924, only net income was reported by the following types of trade: (1) wholesalers, jobbers, including exporters, importers, etc; (2) department stores, either

wholesale or retail, or both; (3) retail stores, all other, etc; (4) commission merchants, purchasing and selling agents, etc; (5) all other trade, not precisely defined, etc. The first group corresponds to the one entitled in the table 'wholesale'; groups 2 and 3, to that entitled 'retail, and retail and wholesale'; group 4, to that entitled 'commission houses'; group 5, to that entitled 'all other trade.' The task was to estimate how gross sales were distributed in each year among the four types of trade distinguished in Table IV—3.

For this purpose the ratios of net income to gross income for 1927–33 were computed for each of these four types of trade for corporations reporting net income; and the ratio of net deficit to gross income for corporations reporting net deficit. Then on the basis of the ratio of total net income or deficit to total gross income for all trade for each year, 1919–24, ratios of net income-gross income or net deficit-gross income were selected as characteristic of the various types of trade for each year 1919–24. From these ratios, gross income for each type of trade for each year was estimated; and the percentage distribution of total gross income among the four types of trade computed. This distribution was assumed to be equivalent to that of gross sales.

Col. 6—*Gross Margin Estimated on Basis of Specific Margins for 1929.* This column shows what would have been the gross margin for all corporations engaged in trade, if the gross margin for each of four types of trade were exactly the same as in 1929. In other words, it is an estimate based on constancy of margin for specific types of trade but allowing for their shifting importance, as measured by their gross income or gross sales. The 1929 margins used (derived from Table IV—2) were: 12.49 for wholesale trade; 24.15 for retail, and retail and wholesale; 8.44 for commission houses; 23.03 for other trade. The changing weights are, of course, those entered in columns 3 through 6 of Table IV—3.

Table IV—4

SALES AND OPERATING EXPENSE RATIOS

WHOLESALE AND RETAIL TRADE

1929 AND 1933

Based on Census data from the U. S. Summaries of Wholesale and Retail Distribution in 1929, and the Census of American Business, 1933, Summary Volumes on Wholesale and Retail Distribution.

Comments on this table will be found in the Preface to Part IV, Section 2b.

PART IV

Table IV—4
SALES AND OPERATING EXPENSE RATIOS, 1929 AND 1933
(dollar values in thousands)

| LINE OF TRADE | NET SALES | | PERCENTAGE CHANGE | OPERATING EXPENSE AS PERCENTAGE OF NET SALES | | CHANGE IN EXPENSE RATIO |
|---|------------|------------|-------------------|--|------|-------------------------|
| | 1929 | 1933 | 1929-33 | 1929 | 1933 | 1929-33 |
| A Wholesale Trade | | | | | | |
| Perishable | | | | | | |
| Coal | 1,160,290 | 631,958 | -45.5 | 6.0 | 8.3 | +2.3 |
| Drugs and drug sundries | 844,419 | 523,392 | -38.0 | 17.9 | 17.2 | -.7 |
| Farm products—consumers' goods | 5,808,111 | 3,178,427 | -45.3 | 8.6 | 12.7 | +4.1 |
| Groceries and foods (excl. farm products) | 13,239,533 | 7,574,961 | -42.8 | 8.1 | 9.5 | +1.4 |
| Tobacco and its products (except leaf) | 1,691,173 | 1,263,418 | -25.3 | 6.9 | 5.8 | -1.1 |
| Total Perishable | 22,743,526 | 13,172,156 | -42.1 | 8.4 | 10.2 | +1.8 |
| Semidurable | | | | | | |
| Amusement and sporting goods | 485,400 | 271,888 | -44.0 | 17.9 | 18.0 | + .1 |
| Clothing and furnishings | 2,180,859 | 996,304 | -54.3 | 11.4 | 10.9 | -.5 |
| Dry goods | 3,802,868 | 2,242,392 | -41.0 | 8.0 | 7.6 | -.4 |
| General merchandise | 596,066 | 243,319 | -59.2 | 8.0 | 9.1 | +1.1 |
| Total Semidurable | 7,065,193 | 3,753,903 | -46.9 | 9.7 | 9.3 | -.4 |
| Consumers' Durable | | | | | | |
| Automotive products | 2,255,525 | 874,269 | -61.2 | 13.2 | 18.8 | +5.6 |
| Furniture and housefurnishings | 994,052 | 354,626 | -64.3 | 15.5 | 16.9 | +1.4 |
| Jewelry and optical goods | 494,581 | 148,752 | -69.9 | 17.7 | 23.6 | +5.9 |
| Total Consumers' Durable | 3,744,158 | 1,377,647 | -63.2 | 14.4 | 18.9 | +4.5 |
| Producers' Durable | | | | | | |
| Electrical goods | 2,435,149 | 705,411 | -71.0 | 11.4 | 17.3 | +5.9 |
| Machinery equipment and supplies (excl. electrical, farm and dairy, and professional) | 2,464,476 | 1,028,411 | -58.3 | 15.8 | 19.9 | +4.1 |
| Farm and dairy machinery and equipment | 385,838 | 117,178 | -69.6 | 14.2 | 28.3 | +14.1 |
| Professional equipment and supplies | 207,816 | 119,266 | -42.6 | 22.1 | 25.8 | +3.7 |
| Total Producers' Durable | 5,493,279 | 1,970,266 | -64.1 | 14.0 | 19.8 | +5.8 |
| Total Wholesale Trade | 39,046,156 | 20,273,972 | -48.1 | 10.0 | 11.5 | +1.5 |
| B Retail Trade | | | | | | |
| Perishable | | | | | | |
| Food groups (excl. bottled beer and liquor stores) | 10,837,421 | 6,776,280 | -37.5 | 14.6 | 19.4 | +4.8 |
| Restaurants and eating places (excl. drinking places) | 2,124,890 | 1,324,387 | -37.7 | 34.2 | 40.7 | +6.5 |
| Filling stations | 1,787,423 | 1,531,724 | -14.3 | 17.4 | 22.3 | +4.9 |
| Cigar stores and cigar stands | 410,064 | 189,756 | -53.7 | 21.5 | 23.0 | +1.5 |
| Coal and wood yards—ice dealers | 1,013,369 | 623,077 | -38.5 | 22.4 | 28.4 | +6.0 |
| Drugstores | 1,690,399 | 1,066,252 | -36.9 | 22.8 | 26.7 | +3.9 |
| Newsdealers | 149,866 | 58,071 | -61.3 | 21.8 | 27.2 | +5.4 |
| Total Perishable | 18,013,432 | 11,569,547 | -35.8 | 18.6 | 23.5 | +4.9 |
| Semidurable | | | | | | |
| Apparel group | 4,240,893 | 1,923,333 | -54.6 | 27.2 | 31.6 | +4.4 |
| General merchandise group | 6,444,101 | 3,891,272 | -39.6 | 26.0 | 30.3 | +4.3 |
| Total Semidurable | 10,684,994 | 5,814,605 | -45.6 | 26.5 | 30.7 | +4.2 |
| Consumers' Durable | | | | | | |
| Automotive group (excl. filling stations, and garages and repair shops) | 7,043,386 | 2,367,698 | -66.4 | 17.5 | 20.9 | +3.4 |
| Furniture and household group | 2,754,721 | 958,780 | -65.2 | 29.6 | 38.5 | +8.9 |
| Jewelry stores | 536,281 | 175,066 | -67.4 | 29.1 | 42.0 | +12.9 |
| Total Consumers' Durable | 10,334,388 | 3,501,544 | -66.1 | 21.3 | 26.7 | +5.4 |
| Total Retail Trade | 39,032,814 | 20,885,696 | -46.5 | 21.5 | 26.0 | +4.5 |

Table IV—5

AVERAGE GROSS MARGINS AND THEIR VARIABILITY
SAMPLE STUDIES OF WHOLESALE AND RETAIL TRADE
1919-1934

This table shows average margins and their variability by specific branches of trade. The sources of the data used are listed in detail in Note A following the table. The averages and average deviations in columns 6 and 7 are for the entire period indicated in column 4.

Comments on this table will be found in the Preface to Part IV, Section 2c.

Table IV-5

AVERAGE GROSS MARGINS AND THEIR VARIABILITY, SAMPLE STUDIES

| Entry Number | Branch of Trade | Source Number | Period Covered | Character of Average ¹ | Average Gross Margin | Average Deviation | Range | Excluding Years before 1922 | | |
|--------------|--|---------------|------------------|-----------------------------------|----------------------|-------------------|-------|-----------------------------|-------------------|-------|
| | | | | | | | | Average Gross Margin | Average Deviation | Range |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 1 | Wholesale grocery | 2 | 1919-23 | C | 10.4 | 1.1 | 3.1 | 11.4 | .2 | .3 |
| 2 | Wholesale grocery | 24 | 1924-27 | WA | 13.6 | .3 | .9 | | same | |
| 3 | Wholesale grocery | 1 | 1923-33 | A, 1923-29; WA, 1930-33 | 11.2 | .4 | 1.9 | 5.3 | same | .5 |
| 4 | Wholesale produce, N.Y., metropolitan district | 3 | 1919-25 | WA | 5.5 | .3 | 1.3 | 12.0 | .2 | .7 |
| 5 | Produce jobbing | 3 | 1919-24 | WA | 12.1 | .3 | 1.0 | | | |
| 6 | Wholesale produce, N.Y., Detroit and St. Louis | 3 | 1922-26 | WA | 5.5 | .3 | .9 | | same | 3.0 |
| 7 | Retail grocery chains | 8 | 1919-30 | WA | 19.1 | 1.4 | 6.8 | 20.0 | .7 | 2.9 |
| 8 | Retail grocery and meat chains | 8 | 1919-30 | WA | 19.3 | 1.2 | 6.2 | 20.0 | .7 | |
| 9 | Retail grocery | 7 | 1919 and 1922-24 | Mo | 18.8 | .9 | 2.8 | 19.4 | .3 | .7 |
| 10 | Retail grocery chains | 7 | 1929, 1931-32 | C, 1929; M, 1931-32 | 21.0 | 1.1 | 2.6 | | same | |
| 11 | Retail grocery; chain and individual | 9 | 1919-21 | not shown | 14.8 | 1.2 | 2.9 | | -- | |
| 12 | Retail grocery | 25 | 1919-21 | not shown | 18.4 | .9 | 2.1 | | -- | |
| 13 | Retail grocery | 24 | 1924-27 | WA | 20.6 | .4 | 1.1 | | same | |
| 14 | Retail grocery | 5 | 1920-29 | Mo, 1920-23; C, 1924-29 | 19.6 | 1.8 | 6.3 | 19.8 | 1.9 | 5.7 |
| 15 | Retail grocery | 6 | 1923-27 | R | 19.3 | .3 | 1.3 | 21.9 | same | 3.2 |
| 16 | Retail meat chains | 8 | 1919-30 | WA | 21.1 | 1.3 | 7.7 | | .7 | |
| 17 | Retail meat, chain and individual | 9 | 1919-21 | not shown | 21.3 | 2.3 | 5.5 | | -- | |
| 18 | Retail meat stores | 4 | 1928-32 | T | 25.5 | 2.6 | 6.8 | | same | 10.7 |
| 19 | Retail confectionery chains | 8 | 1919-30 | WA | 46.2 | 4.0 | 17.5 | 48.1 | 2.8 | 7.4 |
| 20 | Retail tobacco chains | 8 | 1919-30 | WA | 27.0 | 1.3 | 8.4 | 26.5 | 1.6 | |
| 21 | Wholesale drug | 13 | 1922-24 | C | 17.1 | 1.1 | .2 | | same | |
| 22 | Wholesale drug | 24 | 1924-27 | WA | 17.4 | .2 | .6 | | same | |
| 23 | Retail drug chains | 8 | 1919-30 | WA | 35.2 | .8 | 3.6 | 34.7 | same | 1.4 |
| 24 | Retail drug chains | 12 | 1929, 1931-32 | C, 1929; M, 1931-32 | 34.2 | .2 | .6 | | same | |
| 25 | Retail drug | 24 | 1924-27 | WA | 32.6 | .3 | .7 | | same | |
| 26 | Retail drug | 11 | 1924-28 | T | 35.0 | .6 | 2.1 | | same | |
| 27 | Retail stationery | 24 | 1924-27 | WA | 34.7 | .2 | .5 | | same | |
| 28 | Wholesale gasoline | 23 | 1925-32 | P | 16.5 | 4.5 | 14.5 | | same | |
| 29 | Retail gasoline | 23 | 1925-32 | P | 21.2 | 2.0 | 7.8 | | same | |
| 30 | Retail dry goods chains | 8 | 1919-30 | WA | 25.2 | 2.1 | 10.2 | 25.5 | 2.0 | 10.2 |
| 31 | Retail dry goods and apparel chains | 8 | 1919-30 | WA | 24.8 | 2.3 | 13.0 | 26.3 | .5 | 2.3 |
| 32 | Retail dry goods | 25 | 1919-21 | not shown | 32.0 | 1.0 | 2.7 | | -- | |

Table IV-5 (Continued)

| Entry Number | Branch of Trade | Source Number | Period Covered | Character of Average 1 | Average Gross Margin | Average Deviation | Range | Excluding Years before 1922 | | |
|--------------|--|---------------|---------------------|------------------------|----------------------|-------------------|-------|-----------------------------|-------------------|-------|
| | | | | | | | | Average Gross Margin | Average Deviation | Range |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 33 | Retail dry goods | 24 | 1924-27 | WA | 29.3 | .6 | 1.6 | | same | |
| 34 | Wholesale dry goods | 24 | 1924-27 | WA | 13.9 | .5 | 1.7 | | same | |
| 35 | Retail clothing chains: | | | | | | | | | |
| 36 | Men's ready-to-wear | 8 | 1919-30 | WA | 30.6 | 1.4 | 7.6 | 31.3 | 1.0 | 3.9 |
| 37 | Women's ready-to-wear | 8 | 1919-30 | WA | 31.3 | 1.0 | 4.0 | 31.6 | .8 | 3.5 |
| 38 | Men's and women's ready-to-wear | 8 | 1919-30 | WA | 39.8 | 3.6 | 16.0 | 41.8 | 2.2 | 6.2 |
| 39 | Men's furnishings | 8 | 1919-30 | WA | 34.6 | 1.8 | 7.9 | 35.5 | 1.2 | 5.5 |
| 40 | Women's accessories | 8 | 1919-30 | WA | 32.3 | 1.8 | 7.2 | 33.4 | 1.7 | 3.4 |
| 41 | Hats and caps | 8 | 1919-30 | WA | 38.2 | 3.0 | 11.1 | 40.1 | 1.7 | 5.2 |
| 42 | Millinery | 8 | 1919-30 | WA | 43.8 | .7 | 3.0 | 44.0 | .6 | 2.8 |
| 43 | Retail men's clothing | 25 | 1919-21 | not shown | 30.4 | .6 | 1.7 | | -- | |
| 44 | Retail men's furnishings | 25 | 1919-21 | not shown | 32.0 | .6 | 1.7 | | -- | |
| 45 | Retail men's and boys' clothing | 25 | 1919-21 | not shown | 28.8 | 2.4 | 6.7 | | -- | |
| 46 | Retail men's shoe chains | 8 | 1919-30 | WA | 28.8 | 2.7 | 12.0 | 28.8 | 3.2 | 12.0 |
| 47 | Retail women's shoe chains | 8 | 1919-30 | WA | 30.7 | 1.4 | 6.3 | 31.6 | .5 | 2.0 |
| 48 | Retail men's and women's shoe chains | 8 | 1919-30 | WA | 29.6 | 2.2 | 9.9 | | 1.5 | 5.3 |
| 49 | Retail shoe | 17 | 1919-23 | C | 28.7 | 1.9 | 7.2 | 30.7 | .5 | 1.0 |
| 50 | Retail shoe | 19 | 1930-32 | not shown | 30.5 | .9 | 2.1 | 28.6 | same | |
| 51 | Retail shoe | 25 | 1919-21 | not shown | 30.0 | 2.1 | 4.7 | | -- | |
| 52 | Department store chains | 18 | 1920-21 and 1924 | C | 25.7 | 1.9 | 5.3 | | -- | 3.9 |
| 53 | Department stores: | 8 | 1919-30 | WA | 32.3 | 1.3 | 5.3 | 32.3 | 1.1 | |
| 54 | Sales under \$1,000,000 | 26 | 1922-28 | C | 28.8 | .6 | 1.9 | | same | |
| 55 | Sales over \$1,000,000 | 26 | 1922-28 | C | 32.5 | .4 | 1.2 | | same | |
| 56 | Sales under \$500,000 (identical stores) | 26 | 1927-31 | C | 28.8 | .4 | 1.5 | | same | |
| 57 | Sales over \$500,000 (identical stores) | 26 | 1930-34 | C | 29.6 | 1.5 | 4.4 | | same | |
| 58 | Sales \$500,000-\$2,000,000 (identical stores) | 26 | 1927-31 | C | 31.6 | .1 | .4 | | same | |
| 59 | Sales over \$2,000,000 (identical stores) | 26 | 1930-34 | C | 32.0 | 1.3 | 3.3 | | same | |
| 60 | Sales over \$2,000,000 (identical stores) | 26 | 1927-31 | C | 33.6 | .1 | .6 | | same | |
| 61 | All stores. | 26 | 1930-34 | C | 34.4 | 1.2 | 2.9 | | same | |
| 62 | Department stores | 26 | 1920-21 and 1929-33 | C | 32.2 | 2.3 | 8.2 | | .9 | 2.9 |
| 63 | Specialty stores | 24 | 1924-27 | WA | 33.1 | .2 | .4 | | same | |
| 64 | Specialty stores | 26 | 1922-31 | C | 33.3 | .5 | 2.3 | | same | |
| | | 26 | 1929-33 | C | 34.8 | 1.0 | 3.2 | | same | |

Table IV-5 (Concluded)

| Entry Number | Branch of Trade | Source Number | Period Covered | Character of Average ¹ | Excluding Years before 1922 | | | | | |
|--------------|---|---------------|----------------|-----------------------------------|-----------------------------|-------------------|-------|----------------------|-------------------|-------|
| | | | | | Average Gross Margin | Average Deviation | Range | Average Gross Margin | Average Deviation | Range |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 65 | Retail variety chains | 8 | 1919-30 | WA | 34.9 | .8 | 3.2 | 35.0 | .8 | 3.1 |
| 66 | Retail general mdse. chains | 8 | 1919-30 | WA | 21.4 | 1.8 | 6.5 | 21.7 | 1.9 | 6.5 |
| 67 | Retail furniture chains | 8 | 1919-30 | WA | 47.6 | 1.4 | 10.3 | 46.8 | 1.2 | 6.1 |
| 68 | Retail musical instrument chains | 8 | 1919-30 | WA | 42.0 | 2.0 | 5.9 | 41.6 | 2.0 | 5.4 |
| 69 | Wholesale jewelry | 16 | 1928-30 | WA | 23.9 | .2 | .4 | | same | |
| 70 | Retail jewelry stores | 14 | 1919-27 | T | 39.3 | 1.0 | 4.0 | 39.6 | .8 | 2.6 |
| 71 | Retail jewelry stores | 14 | 1922-27 | T | 42.5 | 1.1 | 4.4 | | same | |
| 72 | Retail jewelry stores | 24 | 1924-27 | WA | 42.3 | .9 | 2.7 | | same | |
| 73 | Retail jewelry stores | 15 | 1925-27 | A | 45.8 | .6 | 1.6 | | same | |
| 74 | Retail hardware chains | 8 | 1919-30 | WA | 27.2 | .9 | 4.3 | 27.4 | .7 | 2.8 |
| 75 | Retail hardware | 20 | 1922-34 | A | 26.0 | .8 | 4.4 | | same | |
| 76 | Retail hardware | 25 | 1919-21 | not shown | 24.1 | .1 | .2 | | -- | |
| 77 | Retail hardware | 24 | 1924-27 | WA | 28.1 | .3 | .9 | | same | |
| | Building material dealers: | | | | | | | | | |
| 78 | Sales over 75% lumber | 21 | 1926-28 | C | 24.9 | .6 | 1.8 | | same | |
| 79 | Sales over 75% mason materials | 21 | 1926-28 | C | 23.6 | .3 | .7 | | same | |
| 80 | Sales over 75% lumber and mason materials | 21 | 1926-28 | C | 24.4 | .4 | 1.1 | | same | |
| 81 | Sales over 75% mason materials and coal | 21 | 1926-28 | C | 25.7 | .6 | 1.8 | | same | |
| 82 | Retail lumber yards | 22 | 1924-29 | A | 25.3 | 1.5 | 5.5 | | same | |
| 83 | Wholesale pipe and supplies | 10 | 1921-24 | not shown | 21.8 | .9 | 2.3 | 22.0 | 1.0 | 2.3 |
| 84 | Wholesale plumbing supplies | 24 | 1924-27 | WA | 21.8 | .6 | 1.7 | | same | |

¹The following key indicates the character of the averages used in the different samples. In all but three instances the reported averages were used. The averages for the wholesale produce, N.Y. metropolitan district; the produce jobbing; and the wholesale produce, N.Y., Detroit and St. Louis samples were computed.

A - Arithmetic mean
 WA - Weighted arithmetic mean
 M - Median
 Mo - Mode

C - Common
 R - Representative
 T - Typical
 P - Calculated from price differentials; i.e., the difference between quoted cost prices and quoted selling prices.

CHANGES IN DISTRIBUTIVE COSTS

Note A to Table IV—5

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Tables IV—6, IV—7 and IV—8

MOVEMENT OF GROSS MARGINS, VARIOUS PERIODS,
1919-1934

The basic data in these tables are taken from the sources listed in Note A to Table IV—5. The successive tables summarize the temporal changes in the distributive margins for different segments in the period 1919-34.

Comments on these tables will be found in the Preface to Part IV, Section 2c.

PART IV

Table IV—6
MOVEMENT OF GROSS MARGINS, SAMPLE STUDIES, 1919-1923

| ENTRY NO. OF TABLE IV—5 | BRANCH OF TRADE | 1919 | 1920 | 1921 | 1922 | 1923 |
|----------------------------------|--|-------|-------|-------|-------|------|
| Perishable | | | | | | |
| 1 | Wholesale grocery | 11.1 | 8.5 | 9.6 | 11.6 | 11.3 |
| 4 | Wholesale produce, N. Y. met. district | 5.7 | 6.3 | 5.0 | 5.6 | 5.1 |
| 5 | Produce jobbing | 12.7 | 12.1 | 11.9 | 12.4 | 11.7 |
| 7 | Retail grocery chains | 15.7 | 15.3 | 17.7 | 19.2 | 19.1 |
| 8 | Retail grocery and meat chains | 17.0 | 15.3 | 19.1 | 20.0 | 20.3 |
| 11 | Retail grocery, chain and individual | 14.2 | 13.7 | 16.6 | | |
| 12 | Retail grocery | 19.0 | 17.1 | 19.2 | | |
| 14 | Retail grocery, Nebraska | | 17.4 | 21.4 | 23.7 | 22.6 |
| 16 | Retail meat chains | 16.3 | 18.4 | 21.2 | 20.8 | 22.0 |
| 17 | Retail meat, chain and individual | 19.2 | 20.0 | 24.7 | | |
| 19 | Retail confectionery chains | 40.9 | 34.9 | 45.6 | 48.2 | 41.7 |
| 20 | Retail tobacco chains | 28.9 | 29.2 | 27.2 | 27.2 | 27.7 |
| 23 | Retail drug chains | 37.5 | 36.9 | 35.3 | 35.1 | 35.3 |
| Semidurable | | | | | | |
| 30 | Retail dry goods chains | 27.2 | 22.2 | 23.6 | 26.4 | 26.9 |
| 31 | Retail dry goods and apparel chains | 25.3 | 14.1 | 21.6 | 26.9 | 27.1 |
| 32 | Retail dry goods | 30.5 | 32.4 | 33.2 | | |
| 35 | Men's ready-to-wear chains | 31.2 | 26.3 | 27.6 | 30.0 | 30.4 |
| 36 | Women's ready-to-wear chains | 30.6 | 29.2 | 30.9 | 32.8 | 29.7 |
| 37 | Men's and women's ready-to-wear chains | 39.0 | 28.5 | 34.0 | 38.3 | 38.4 |
| 38 | Men's furnishings chains | 34.3 | 30.2 | 31.4 | 32.6 | 34.2 |
| 39 | Women's accessories chains | 27.8 | 28.7 | 30.0 | 33.1 | 35.0 |
| 40 | Hats and caps, chains | 33.3 | 33.3 | 31.5 | 38.7 | 37.4 |
| 41 | Millinery chains | 44.4 | 42.7 | 42.5 | 44.0 | 43.4 |
| 42 | Retail men's clothing | 31.4 | 30.2 | 29.7 | | |
| 43 | Retail men's furnishings | 32.8 | 31.1 | 32.0 | | |
| 44 | Retail men's and boys' clothing | 31.9 | 29.3 | 25.2 | | |
| 45 | Retail men's shoe chains | 29.7 | 29.8 | 27.0 | 24.2 | 23.2 |
| 46 | Retail women's shoe chains | 27.6 | 26.4 | 29.6 | 32.7 | 31.0 |
| 47 | Retail men's and women's shoe chains | 28.5 | 23.4 | 26.7 | 28.7 | 29.3 |
| 48 | Retail shoe stores | 33.1 | 27.2 | 25.9 | 28.1 | 29.1 |
| 50 | Retail shoe stores | 33.1 | 28.4 | 28.4 | | |
| 52 | Department store chains | 35.1 | 30.3 | 31.4 | 33.3 | 33.7 |
| 65 | Variety chains | 35.2 | 33.6 | 35.5 | 36.8 | 35.9 |
| 66 | General mdse. chains | 20.8 | 19.0 | 21.9 | 22.9 | 23.7 |
| Durable | | | | | | |
| 67 | Retail furniture chains | 52.5 | 48.8 | 48.6 | 46.7 | 47.4 |
| 68 | Musical instrument chains | 44.6 | 43.8 | 40.8 | 42.4 | 44.1 |
| 70 | Retail jewelry stores | 40.1 | 39.1 | 36.9 | 38.6 | 38.3 |
| 74 | Retail hardware chains | 28.3 | 26.4 | 24.6 | 26.5 | 27.2 |
| 76 | Retail hardware | 24.2 | 24.0 | 24.1 | | |
| AVERAGES | | | | | | |
| Perishable | | | | | | |
| | Continuous—1919-23 | 20.64 | 19.66 | 21.40 | 22.23 | 21.5 |
| | Continuous—1919-21 | 19.85 | 18.98 | 21.09 | | |
| Semidurable | | | | | | |
| | Continuous—1919-23 | 31.44 | 27.81 | 29.44 | 31.84 | 31.7 |
| | Continuous—1919-21 | 31.56 | 28.40 | 29.50 | | |
| Durable | | | | | | |
| | Continuous—1919-23 | 41.38 | 39.52 | 37.72 | 38.55 | 39.2 |
| | Continuous—1919-21 | 37.94 | 36.42 | 35.00 | | |
| Total | | | | | | |
| | Weights: { Perishable—2.5 | | | | | |
| | { Semidurable—1 | | | | | |
| | { Durable—1 | | | | | |
| | Continuous—1919-23 | 27.65 | 25.88 | 26.81 | 27.99 | 27.7 |
| | Continuous—1919-21 | 26.47 | 24.95 | 26.05 | | |

MOVEMENT OF GROSS MARGINS, SAMPLE STUDIES, 1923-1930

| Entry Number of Table IV-5 | Branch of Trade | 1923 | 1924 | 1925 | 1926 | 1927 | 1928 | 1929 | 1930 |
|-------------------------------|---|------|------|------|------|------|------|---------------------|---------------------|
| | Perishable | | | | | | | | |
| 2 | Wholesale grocery, U.S. | 11.3 | 14.2 | 13.7 | 13.3 | 13.4 | 11.2 | 12.2 | 11.1 |
| 3 | Wholesale grocery, Ohio | 5.1 | 11.5 | 11.4 | 10.8 | 11.4 | | | |
| 4 | Wholesale produce, N.Y. and met. district | | 5.5 | 5.1 | | | | | |
| 6 | Wholesale produce, N.Y., Detroit and St. Louis | 5.7 | 5.7 | 5.4 | 5.0 | | | | |
| 7 | Retail grocery chains | 19.1 | 19.3 | 19.9 | 19.4 | 20.2 | 20.7 | 20.4 | 22.1 |
| 8 | Retail grocery and meat chains | 20.3 | 21.5 | 21.1 | 20.2 | 19.4 | 19.0 | 18.6 | 19.7 |
| 13 | Retail grocery, U.S. | | 21.2 | 20.1 | 20.3 | 20.8 | | | |
| 14 | Retail grocery, Nebraska | 22.6 | 18.9 | 18.6 | 18.4 | 18.0 | 18.0 | 18.5 | (18.5) ¹ |
| 15 | Retail grocery, Colorado | 20.1 | 19.2 | 18.8 | 19.2 | 19.4 | 20.9 | 22.8 | 24.0 |
| 16 | Retail meat chains | 22.0 | 21.8 | 21.8 | 21.5 | 21.4 | 20.9 | 22.8 | 24.0 |
| 19 | Retail confectionery chains | 41.7 | 45.5 | 44.6 | 48.4 | 50.1 | 50.9 | 51.5 | 52.4 |
| 20 | Retail tobacco chains | 27.7 | 27.6 | 27.5 | 27.3 | 27.0 | 28.2 | 25.2 | 20.8 |
| 22 | Wholesale drug, U.S. | | 17.4 | 17.5 | 17.6 | 17.0 | 34.8 | 34.1 | 33.9 |
| 23 | Retail drug chains | 35.3 | 34.8 | 34.6 | 34.9 | 34.6 | | | |
| 25 | Retail drug, U.S. | | 32.2 | 32.9 | 32.4 | 32.8 | | | |
| 26 | Retail drug, Colorado | | 35.2 | 34.7 | 34.4 | 34.4 | 36.5 | | |
| 27 | Retail stationery | | 34.9 | 34.5 | 34.5 | 35.0 | | | |
| | Semidurable | | | | | | | | |
| 30 | Retail dry goods chains | 26.9 | 28.8 | 26.5 | 24.2 | 25.5 | 24.5 | 27.8 | 18.6 |
| 31 | Retail dry goods and apparel chains | 27.1 | 26.7 | 26.4 | 26.2 | 26.2 | 26.4 | 25.8 | 24.8 |
| 33 | Retail dry goods, U.S. | | 28.4 | 28.9 | 29.8 | 30.0 | | | |
| 34 | Wholesale dry goods, U.S. | | 14.1 | 13.7 | 13.1 | 14.8 | | | |
| 35 | Men's ready-to-wear chains | 30.4 | 31.4 | 30.6 | 30.3 | 32.5 | 31.9 | 33.9 | 30.9 |
| 36 | Women's ready-to-wear chains | 29.7 | 30.1 | 31.8 | 31.2 | 32.4 | 33.2 | 32.0 | 31.5 |
| 37 | Men's and women's ready-to-wear chains | 38.4 | 39.2 | 41.6 | 42.9 | 43.6 | 43.7 | 44.5 | 44.2 |
| 38 | Men's furnishings chains | 34.2 | 35.6 | 36.3 | 35.5 | 37.3 | 38.1 | 35.7 | 34.3 |
| 39 | Women's accessories chains | 35.0 | 34.0 | 31.6 | 32.9 | 33.1 | 33.9 | 33.3 | 33.7 |
| 40 | Hats and caps chains | 37.4 | 37.9 | 42.5 | 38.6 | 40.3 | 42.6 | 42.5 | 40.1 |
| 41 | Millinery chains | 43.4 | 42.9 | 44.1 | 43.3 | 44.5 | 44.4 | 45.7 | 44.1 |
| 45 | Men's shoe chains | 23.2 | 24.6 | 28.8 | 29.4 | 29.9 | 30.1 | 35.2 | 33.9 |
| 46 | Women's shoe chains | 29.3 | 30.7 | 31.4 | 31.4 | 31.5 | 32.0 | 32.5 | 31.5 |
| 47 | Men's and women's shoe chains | 33.7 | 28.0 | 30.1 | 30.7 | 31.9 | 31.8 | 32.6 | 33.3 |
| 52 | Department store chains | 28.2 | 28.5 | 28.6 | 28.9 | 32.6 | 32.1 | 30.0 | 29.8 |
| 53 | Department stores under \$1,000,000 | 32.0 | 32.1 | 32.2 | 32.6 | 33.1 | 29.6 | (29.4) ¹ | (29.2) ¹ |
| 54 | Department stores over \$1,000,000 | | 32.9 | 32.9 | 33.3 | 33.5 | 33.2 | (33.0) ¹ | (33.0) ¹ |
| 62 | Department stores | 32.9 | 33.0 | 33.0 | 34.2 | 33.2 | 33.9 | 33.8 | 33.7 |
| 63 | Specialty stores | 35.9 | 35.1 | 35.6 | 35.0 | 34.7 | 34.4 | 33.8 | 33.7 |
| 65 | Variety chains | 23.7 | 23.5 | 22.6 | 22.3 | 23.6 | 21.6 | 17.7 | 17.2 |
| 66 | General mdse. chains | | | | | | | | |
| | Durable | | | | | | | | |
| 67 | Furniture chains | 47.4 | 42.2 | 47.1 | 47.8 | 48.3 | 47.7 | 47.9 | 46.0 |
| 68 | Musical instrument chains | 44.1 | 43.6 | 43.8 | 43.2 | 40.9 | 39.1 | 38.9 | 38.7 |
| 70 | Retail jewelry | 38.3 | 39.5 | 39.6 | 40.9 | 40.9 | | | |
| 72 | Retail jewelry | | 40.9 | 41.9 | 42.7 | 43.6 | | | |

TABLE IV-7 (Concluded)

| Entry Number of Table IV-5 | Branch of Trade | 1923 | 1924 | 1925 | 1926 | 1927 | 1928 | 1929 | 1930 |
|----------------------------|---|-------|-------|-------|-------|-------|-------|-------|-------|
| 74 | Hardware chains | 27.2 | 26.1 | 27.6 | 28.4 | 28.9 | 27.9 | 27.1 | 27.0 |
| 75 | Retail hardware | 25.2 | 24.8 | 25.5 | 25.6 | 26.0 | 26.2 | 26.5 | 26.6 |
| 77 | Retail hardware | | 28.6 | 27.7 | 28.2 | 27.9 | | | |
| 82 | Retail lumber yards, Wyoming and Colorado | | 23.1 | 28.6 | 23.6 | 24.7 | 25.2 | 26.4 | |
| 84 | Wholesale plumbing supplies | | 21.4 | 22.9 | 21.2 | 21.9 | | | |
| | Arithmetic Average, Perishable | | | | | | | | |
| | Continuous - 1923-25 | 20.99 | 21.03 | 20.80 | | | | | |
| | Continuous - 1924-27 | | 25.01 | 24.78 | 24.84 | 24.99 | 25.46 | 25.41 | 25.31 |
| | Continuous - 1923-30 | 25.00 | 25.11 | 24.94 | 25.11 | 25.26 | | | |
| | Arithmetic Average, Semidurable | | | | | | | | |
| | Continuous - 1924-27 | 31.80 | 30.97 | 31.59 | 31.33 | 32.09 | 33.19 | 33.29 | 32.08 |
| | Continuous - 1923-30 | | 31.94 | 32.63 | 32.32 | 33.11 | | | |
| | Arithmetic Average, Durable | | | | | | | | |
| | Continuous - 1924-27 | 35.98 | 32.24 | 33.86 | 33.51 | 33.64 | 35.22 | 35.10 | 34.58 |
| | Continuous - 1923-30 | | 34.18 | 36.00 | 36.25 | 35.95 | | | |
| | Weighted Average, Total | | | | | | | | |
| | Weights: | | | | | | | | |
| | (Perishable - 2.5) | | | | | | | | |
| | (Semidurable - 1) | | | | | | | | |
| | (Durable - 1) | | | | | | | | |
| | Continuous - 1924-27 | 28.95 | 27.94 | 28.31 | 28.21 | 28.49 | 29.35 | 29.31 | 28.87 |
| | Continuous - 1923-30 | | 28.64 | 29.11 | 29.19 | 29.38 | | | |

¹Estimated.

CHANGES IN DISTRIBUTIVE COSTS

Table IV—8
MOVEMENT OF GROSS MARGINS, SAMPLE STUDIES, 1929-1934

| ENTRY NO. OF TABLE | BRANCH OF TRADE | 1929 | 1930 | 1931 | 1932 | 1933 | 1934 |
|--------------------------|---|------|------|------|-------------------|------|------|
| 3 | Wholesale grocery, Ohio | 12.2 | 11.1 | 10.7 | 10.3 | 11.6 | 10.9 |
| 10 | Retail grocery chains | 19.4 | | 21.7 | 22.0 | | |
| 18 | Retail meat stores, Chicago | 22.4 | 25.1 | 28.3 | 29.2 | | |
| 24 | Retail drug chains | 33.9 | | 34.5 | 34.2 | | |
| 28 | Wholesale gasoline, Minneapolis and St. Paul | 19.5 | 22.6 | 21.1 | 20.2 ¹ | | |
| 29 | Retail gasoline, Minneapolis and St. Paul | 20.4 | 21.5 | 24.9 | 22.1 ¹ | | |
| 49 | Retail shoe stores | | 31.8 | 29.7 | 30.0 | | |
| 56 | Department stores under \$500,000 | | 29.4 | 28.4 | 27.2 | 31.6 | 31.4 |
| 58 | Department stores \$500,000-\$2,000,000 | | 31.1 | 30.8 | 30.7 | 34.0 | 33.3 |
| 60 | Department stores over \$2,000,000 | | 33.7 | 33.3 | 33.2 | 36.1 | 35.9 |
| 61 | All department stores | 33.5 | 33.4 | 33.1 | 33.1 | 36.0 | |
| 64 | Specialty stores | 35.3 | 34.3 | 33.7 | 34.0 | 36.9 | |
| 75 | Retail hardware stores | 26.5 | 26.6 | 26.1 | 25.6 | 28.6 | 27.6 |

¹ Nine months.

Table IV—9

AVERAGE GROSS MARGINS AND THEIR VARIABILITY,
DEPARTMENT STORES, BY DEPARTMENTS AND
SIZE GROUPS

The data presented in this table and in Table IV—10 are derived from the annual compilations of *Departmental Merchandising and Operating Results of Department Stores and Specialty Stores* published by the Controllers' Congress of the National Retail Dry Goods Association.

The Roman numerals under each department indicate the grouping by size of annual volume of sales for the entire store. These store groups are as follows: I \$500,000 to \$1,000,000; II \$1,000,000 to \$2,000,000; III \$2,000,000 to \$5,000,000; IV \$5,000,000 to \$10,000,000; V Over \$10,000,000. The capital letter preceding the name of each department designates the period covered by the data, A indicating 1925–34, and B, 1927–34.

Comments on this table will be found in the Preface to Part IV, Section 2d.

Table IV-9

AVERAGE GROSS MARGINS AND THEIR VARIABILITY, DEPARTMENTS OF DEPARTMENT STORES

| Comparable Minor Commodity Group | (1) | (2) | (3) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | (5) | (6) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | (8) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | |
|---|-----|---|--------------------------------------|--|---------------------------------|--------------------------------------|--|--|--|--|---|-----------------|
| | | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| 1 | A | Candy (96) | 31.0 31.8 33.0 35.0 33.2 | .6 1.4 1.3 .8 1.0 | 3.0 6.9 3.6 3.4 4.1 | 31.4 32.9 32.7 34.6 33.2 | 30.6 30.6 33.3 33.5 37.4 33.1 | 32.1 32.3 33.8 36.6 37.4 34.4 | -2.0 -2.3 +.4 +.5 -.6 | +2.0 +1.3 +3.2 +3.9 +1.8 +2.4 | +1.8 -2 -1.9 +1.1 -1.2 -.1 | |
| 3 | A | Arith. average Toilet articles and drug sundries (24) | 31.8 31.3 31.3 30.0 30.9 | .4 .6 .7 .5 .5 | 2.2 2.8 2.7 1.7 2.2 | 32.1 31.0 32.0 30.4 31.2 | 31.6 31.6 30.6 28.8 30.4 30.6 | 32.2 31.8 30.2 30.4 32.3 31.4 | +1 +2.5 -.6 -.8 +.1 | -1.2 -1.0 -1.0 -1.1 -1.0 | +2.1 +.9 +1.1 +2.2 +3.1 +1.9 | |
| 4 | A | Arith. average Patterns (16) | 32.8 32.6 34.0 35.4 34.0 | .9 1.2 1.4 1.2 1.2 | 3.5 5.5 6.2 4.6 4.9 | 31.9 31.8 33.1 35.5 33.6 | 33.6 33.4 34.8 34.4 36.4 34.5 | 32.4 33.4 35.0 36.3 38.5 35.1 | +3.1 +5.5 +.5 +1.4 +2.4 | +4 -1.7 +1.1 +2.6 +3.1 +1.1 | -1.3 +.5 +.4 +1.0 -.5 less than-.1 | |
| 4 | B | Arith. average Stationery (28s) | 35.8 37.5 37.7 37.5 37.2 | 1.6 .8 .6 .6 .8 | 4.4 2.1 2.5 2.4 2.8 | 36.6 38.0 38.1 37.6 37.6 | 35.1 37.1 37.3 36.5 38.4 36.9 | 37.0 38.6 38.6 38.8 41.0 38.8 | +2 +1.9 -1.5 -2.3 -.8 | -4.4 -1.6 -1.0 +2.0 +.9 -.8 | +4.7 +1.4 +1.8 +2.4 +2.7 +2.6 | |
| 7 | A | Arith. average Silks and velvets (11) | 31.1 32.0 31.8 31.0 31.4 | .8 .9 .8 1.4 1.1 | 3.9 3.5 3.2 4.2 3.8 | 31.2 32.1 31.8 30.4 31.2 | 30.9 32.0 31.7 31.6 31.5 | 36.6 37.6 37.6 38.2 37.5 | +1.3 -1.0 -.4 -.6 | -1.1 +1.7 +2.4 +3.7 +1.2 | +6.0 +5.1 +4.4 +3.8 +4.9 | |

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | |
|----------------------------------|--------|---|--|---|-----------------------------|---|--|--|------------------------------|--------------|--------------|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| B | | Woolen dress goods (12) | | | | | | | | | |
| | | I | 31.3 | 2.1 | 6.0 | 33.4 | 29.2 | 36.0 | +4 | -4.7 | +6.4 |
| | | II | 31.7 | .9 | 4.2 | 31.9 | 31.5 | 36.4 | -4 | +1 | +4.2 |
| | | III | 32.9 | 1.0 | 3.7 | 32.1 | 33.8 | 38.2 | .0 | +3.7 | +1.6 |
| | | IV | 32.9 | 1.4 | 4.0 | 31.5 | 34.4 | 37.8 | +9 | +2.8 | +2.7 |
| | | V | 32.3 | 1.4 | 4.4 | 32.1 | 34.2 | 38.2 | +4 | +5.4 | +2.8 |
| | | Arith. average | 32.3 | 1.4 | 4.4 | 32.1 | 32.6 | 37.3 | +4 | +1.1 | +3.5 |
| A | | Linens (household) (14) | | | | | | | | | |
| | | I | 32.2 | 1.0 | 3.9 | 32.3 | 32.2 | 36.9 | +1.3 | .0 | +5.0 |
| | | II | 32.5 | .9 | 3.2 | 32.0 | 33.1 | 36.4 | +1.9 | +1.0 | +2.4 |
| | | III | 32.6 | .8 | 3.3 | 31.8 | 33.2 | 36.0 | +2.6 | +7 | +2.3 |
| | | IV | 32.5 | .7 | 1.8 | 32.7 | 32.0 | 37.0 | .0 | +1.6 | +3.6 |
| | | V | 32.5 | .8 | 2.8 | 32.3 | 32.7 | 39.3 | +1.2 | +1.9 | +4.9 |
| | | Arith. average | 32.5 | .8 | 2.8 | 32.3 | 32.6 | 37.1 | +1.2 | +1.0 | +3.6 |
| A | | Laces, trimmings and embroideries (21) | | | | | | | | | |
| | | I | 37.6 | 1.5 | 4.3 | 37.5 | 37.7 | 41.6 | -8 | +3.1 | +4.3 |
| | | II | 38.6 | 1.4 | 4.1 | 38.9 | 38.2 | 42.4 | -4 | +1.2 | +4.8 |
| | | III | 38.6 | 1.1 | 4.2 | 38.4 | 38.7 | 41.8 | +3 | +8 | +4.1 |
| | | IV | 38.2 | .9 | 4.1 | 37.5 | 38.1 | 42.1 | +3 | .0 | +5.5 |
| | | V | 38.2 | 1.2 | 4.2 | 38.0 | 39.9 | 43.8 | -1 | +2.1 | +3.2 |
| | | Arith. average | 38.2 | 1.2 | 4.2 | 38.0 | 38.5 | 42.3 | -1 | +1.4 | +4.4 |
| A | | Ribbons (22) | | | | | | | | | |
| | | I | 37.8 | 1.2 | 4.7 | 37.4 | 38.1 | 44.2 | -1.4 | +3.2 | +2.4 |
| | | II | 38.8 | 1.1 | 4.1 | 39.2 | 38.3 | 42.4 | -3 | +2.4 | +2.9 |
| | | III | 39.8 | 1.5 | 6.3 | 40.7 | 38.9 | 43.4 | -2.2 | +3.9 | +3.4 |
| | | IV | 38.0 | 1.4 | 4.6 | 37.3 | 38.4 | 43.8 | -1.1 | +5.0 | +2.3 |
| | | V | 38.5 | 1.3 | 4.9 | 38.4 | 39.2 | 46.2 | -1.2 | +4.1 | +6.1 |
| | | Arith. average | 38.5 | 1.3 | 4.9 | 38.4 | 38.6 | 44.0 | -1.2 | +3.7 | +3.4 |
| A | | Notions (23) | | | | | | | | | |
| | | I | 36.8 | .6 | 2.0 | 36.9 | 36.6 | 37.6 | +2 | .5 | +1.3 |
| | | II | 36.4 | .6 | 2.0 | 36.6 | 36.1 | 38.5 | -1.2 | +1.4 | +1.7 |
| | | III | 37.4 | .3 | 1.1 | 37.4 | 37.5 | 39.8 | -4 | +2 | +1.2 |
| | | IV | 37.0 | .9 | 4.0 | 36.4 | 36.8 | 39.8 | -3 | +3.3 | +1.0 |
| | | V | 36.9 | .7 | 2.6 | 36.7 | 38.4 | 41.0 | -3 | +3.4 | +3 |
| | | Arith. average | 36.9 | .7 | 2.6 | 36.7 | 37.1 | 39.1 | -4 | +1.6 | +1.1 |

Table IV-9 (Continued)

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | | |
|----------------------------------|------------------------------------|---|--|---|-----------------------------|---|--|--|------------------------------|--------------|--------------|------|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| A | Umbrellas, parasols and canes (26) | I | 33.7 | .6 | 1.8 | 33.6 | 33.9 | 35.6 | +1.0 | +3 | +1.0 | |
| | | II | 34.3 | .9 | 3.3 | 34.7 | 33.8 | 36.2 | +1.0 | +9 | +1.1 | |
| | | III | 33.7 | 1.0 | 4.2 | 33.1 | 34.4 | 37.6 | +1.0 | +3.2 | +3 | |
| | | IV | 34.2 | 1.1 | 4.2 | 33.4 | 34.0 | 37.6 | +9 | +3.5 | +1.2 | |
| | | V | 34.0 | .9 | 3.5 | 33.6 | 36.0 | 40.6 | +1.0 | +3.0 | +1.9 | |
| A | Arith. average | | 34.0 | .9 | 3.5 | 33.6 | 34.4 | 37.5 | +1.0 | +2.2 | +1.1 | |
| | | Art needlework and art goods (27) | I | 34.1 | .8 | 2.6 | 34.5 | 33.7 | 37.6 | +1.7 | -5 | +4.2 |
| | | | II | 34.0 | .8 | 2.5 | 34.5 | 33.5 | 37.6 | -1 | +1.3 | +3.8 |
| | | | III | 34.0 | .8 | 3.2 | 34.4 | 33.6 | 37.2 | -1.9 | +2.1 | +2.6 |
| | | | IV | 34.2 | .9 | 3.7 | 34.1 | 33.6 | 38.4 | +1.3 | +5 | +5.0 |
| V | 34.1 | | .8 | 3.1 | 34.3 | 35.0 | 40.4 | +5 | +2.2 | +3.8 | | |
| A | Arith. average | | 34.1 | .8 | 3.1 | 34.3 | 33.9 | 38.2 | +5 | +1.1 | +3.9 | |
| | | Handkerchiefs (33) | I | 35.3 | .9 | 3.6 | 35.6 | 35.0 | 38.8 | .0 | -1.0 | +3.7 |
| | | | II | 35.9 | .8 | 2.8 | 36.3 | 35.6 | 39.3 | .0 | +1.6 | +2.5 |
| | | | III | 35.8 | .3 | 1.6 | 35.6 | 36.0 | 38.9 | +2 | +1 | +2.8 |
| | | | IV | 35.7 | .6 | 2.5 | 34.7 | 34.7 | 39.4 | +7 | +4.3 | +4.3 |
| V | 35.7 | | .6 | 2.5 | 35.4 | 37.2 | 40.6 | +7 | .0 | +2.5 | | |
| A | Arith. average | | 35.7 | .6 | 2.6 | 35.7 | 35.7 | 39.4 | +3 | +2 | +3.2 | |
| | | Small leather goods (46) | I | 33.3 | 1.1 | 4.6 | 33.6 | 32.9 | 35.8 | +2.7 | -2.2 | +4.0 |
| | | | II | 33.5 | .9 | 3.2 | 34.4 | 32.6 | 35.6 | +2 | -7 | +2.1 |
| | | | III | 33.1 | 1.0 | 3.1 | 33.8 | 32.4 | 35.3 | -2 | +1.3 | +1.6 |
| | | | IV | 32.2 | .6 | 2.7 | 32.7 | 31.2 | 35.0 | -5 | +1.4 | +2.4 |
| V | 32.9 | | .8 | 3.3 | 33.4 | 32.4 | 36.0 | +3 | +8 | +2.7 | | |
| B | Arith. average | | 32.9 | .8 | 3.3 | 33.4 | 32.3 | 35.5 | +3 | +1 | +2.6 | |
| | | Piece goods, domestics, basement (110) | I | 28.4 | 1.8 | 6.5 | 29.8 | 27.1 | 30.4 | +5 | -6.5 | +5.4 |
| | | | II | 27.4 | .9 | 3.5 | 27.1 | 27.7 | 31.8 | -3.5 | +3.3 | +2.4 |
| | | | III | 28.7 | .6 | 2.3 | 29.3 | 28.1 | 32.4 | +6 | -2.2 | +4.2 |
| | | | IV | 28.2 | .6 | 2.4 | 28.6 | 28.3 | 32.0 | -4 | -5 | +2.0 |
| V | 28.2 | | .6 | 2.4 | 28.6 | 27.5 | 33.0 | -4 | +2.2 | +3.2 | | |
| A | Arith. average | | 28.2 | .9 | 3.4 | 28.7 | 27.7 | 31.9 | -6 | -7 | +3.4 | |

Table IV-9 (Continued)

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | |
|---|--------|--|--|--|-----------------------------------|--|---|--|--------------------------------------|---|--|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| | B | Men's and boys' wear, basement (160) | 29.3 30.7 30.6 30.3 | .7 .5 .8 .7 | 2.1 1.4 2.8 2.3 | 29.9 30.4 29.9 30.0 | 28.7 31.0 31.4 31.4 30.6 | 31.6 33.6 34.2 34.6 33.5 | -1.2 -1.1 +1.0 +.2 | -.9 +1.0 +.8 +2.7 +.9 | +2.0 +1.0 +1.5 +1.5 +1.5 |
| 9, 10a | A | Neckwear and scarfs (31) | 36.0 36.9 36.2 36.3 36.3 | 1.2 .7 .8 .6 .8 | 4.0 3.6 2.8 2.6 3.1 | 36.0 37.4 36.4 36.3 36.5 | 35.9 36.4 36.1 35.6 37.0 36.2 | 39.4 38.5 38.2 38.3 40.0 38.9 | -.1 +.7 -1.1 -.6 -1.1 | +1.9 -1.2 +.8 +2.4 +1.9 +1.2 | +2.8 +3.3 +1.5 +2.3 +1.1 +2.2 |
| | A | Gloves (35) | 33.0 33.6 34.1 32.8 33.3 | 1.0 1.0 1.0 .9 1.0 | 3.9 3.3 3.4 3.7 3.6 | 32.8 34.0 34.2 33.1 33.4 | 33.3 33.4 34.0 32.2 32.6 33.1 | 36.8 35.4 36.5 36.5 37.0 36.4 | +1.7 +2.7 +3.4 +2.3 +2.5 | -.6 -2.7 -3.4 -.9 -2.8 -2.1 | +4.9 +2.7 +4.1 +4.8 +5.6 +4.4 |
| | A | Hosiery (37) | 32.4 32.6 32.8 31.9 32.3 | .5 .6 .5 .7 .6 | 1.6 3.2 1.3 2.5 2.2 | 32.3 32.4 32.6 32.0 32.3 | 32.5 32.8 32.9 32.0 31.7 32.4 | 35.4 35.2 35.3 35.8 35.6 35.5 | +1.3 +1.3 +1.1 -1.0 +.3 | -1.1 +1.9 +.0 +2.6 +2.3 +1.2 | +2.7 +.1 +.6 +2.0 +1.1 +1.3 |
| | A | Knit underwear (all materials) (38) | 33.5 33.5 34.0 33.4 33.6 | .5 .8 .4 .8 .7 | 3.0 2.7 1.1 2.8 2.5 | 33.5 33.8 33.8 33.2 33.5 | 33.6 33.3 34.2 33.2 33.8 33.6 | 38.4 37.3 37.4 38.2 39.5 38.2 | +1.7 +1.8 +.1 .0 +.7 | +1.1 -1.1 +.9 +2.0 +1.8 +.7 | +4.6 +3.5 +2.4 +2.6 +3.3 +3.3 |

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | |
|---|--|--|--|--|-----------------------------------|--|---|--|------------------------------|-----------------|-----------------|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| A | Sports wear (incl. sweaters and knit apparel) (56) | I | 31.5 | 1.0 | 4.3 | 31.0 | 32.0 | 35.7 | +1.6 | +1.5 | +4.6 |
| | | II | 32.2 | 1.2 | 6.9 | 32.5 | 32.0 | 35.6 | +2.3 | +3 | +3.9 |
| | | III | 32.8 | 1.3 | 4.8 | 33.0 | 32.7 | 35.8 | +1.8 | +3 | +3.7 |
| | | IV | 32.0 | 1.3 | 5.6 | 31.4 | 32.3 | 35.8 | +4.4 | +4 | +3.3 |
| | | V | 32.1 | 1.2 | 5.4 | 31.9 | 32.8 | 36.2 | +2.9 | +4 | +2.4 |
| B | Hosiery, underwear and corsets, basement (130) | I | 29.4 | 1.8 | 6.9 | 30.1 | 28.7 | 32.2 | +5.2 | -6.9 | +5.3 |
| | | II | 30.7 | 1.0 | 3.5 | 29.7 | 31.6 | 32.8 | -2.2 | +3.5 | -3 |
| | | III | 31.0 | .7 | 2.6 | 31.3 | 30.8 | 33.4 | +1.1 | .0 | +1.7 |
| | | IV | 31.6 | .7 | 2.3 | 31.5 | 31.7 | 34.4 | -6 | +1.4 | +2.6 |
| | | V | 30.9 | 1.0 | 3.5 | 30.8 | 31.6 | 34.8 | +6 | +1.4 | +2.4 |
| A | Millinery (34) | I | 38.9 | 2.5 | 8.7 | 38.0 | 39.8 | 42.5 | +3.2 | +4.8 | +1 |
| | | II | 39.8 | 2.0 | 6.9 | 38.8 | 40.8 | 44.0 | +1.1 | +4.1 | +2.4 |
| | | III | 38.9 | 2.2 | 6.3 | 38.2 | 39.6 | 43.1 | -2.0 | +6.1 | +1.2 |
| | | IV | 37.7 | 1.8 | 6.9 | 36.2 | 39.2 | 43.4 | +2.9 | +5.6 | +3.3 |
| | | V | 38.6 | 2.1 | 7.1 | 37.5 | 39.3 | 42.2 | +1.6 | +2.1 | +2.3 |
| A | Corsets and brassieres (36) | I | 38.6 | 1.8 | 6.0 | 37.0 | 40.2 | 42.8 | +3.9 | +2.1 | +1.5 |
| | | II | 39.5 | 1.4 | 4.8 | 38.4 | 40.7 | 42.6 | +1.3 | +1.8 | +1.3 |
| | | III | 39.4 | 1.2 | 4.0 | 38.7 | 40.2 | 42.8 | .7 | +3.0 | +1.0 |
| | | IV | 39.3 | 1.7 | 5.2 | 37.7 | 40.9 | 43.2 | +2.4 | +1.5 | +1.7 |
| | | V | 39.2 | 1.6 | 5.0 | 37.9 | 41.2 | 43.8 | +2.1 | +3.5 | +1.3 |
| A | Silk and muslin under- wear (39) | I | 33.4 | .8 | 3.7 | 33.0 | 33.7 | 37.8 | +2.9 | -4 | +4.3 |
| | | II | 33.2 | .8 | 3.8 | 32.8 | 33.6 | 37.0 | +1.4 | +3 | +3.4 |
| | | III | 33.0 | .4 | 1.8 | 33.2 | 32.9 | 36.9 | -8 | +9 | +3.8 |
| | | IV | 31.9 | 1.4 | 4.8 | 31.3 | 32.6 | 37.3 | +8 | +3.9 | +2.6 |
| | | V | 32.7 | 1.0 | 3.8 | 32.3 | 32.4 | 37.1 | +1.0 | +4.1 | +2.4 |
| | | Arith. average | | | | 33.0 | 33.0 | 37.2 | +1.8 | +1.8 | +3.3 |

Table IV-9 (Continued)

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | | |
|----------------------------------|--------|---|--|---|-----------------------------|---|--|--|------------------------------|--------------|-------------------|--|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| A | | Petticoats and slips (41) | | | | Data not available for entire period | | | | | | |
| | | I | 33.1 | 1.7 | 5.0 | 32.4 | 34.0 | 37.6 | -9 | +4.3 | +1.1 | |
| | | II ² | 33.4 | 1.4 | 6.6 | 32.0 | 34.7 | 37.5 | +5.0 | -4 | +4.9 | |
| | | III | | | | | | | | | | |
| | | IV | 32.9 | 1.8 | 7.0 | 31.6 | 34.5 | 40.3 ³ | +2.4 | +4.5 | +3.4 ³ | |
| | | V | | | | | 33.9 | 38.0 | +2.4 | +4.7 | +1.3 | |
| | | Arith. average | 33.1 | 1.7 | 6.4 | 31.9 | 34.3 | 38.4 | +2.2 | +3.3 | +2.7 | |
| B | | Negligees (42) | | | | | | | | | | |
| | | I | 33.2 | 1.0 | 4.1 | 32.6 | 33.9 | 39.4 | -3.3 | +3.6 | +4.8 | |
| | | II | 34.0 | 1.5 | 4.5 | 33.0 | 35.0 | 38.8 | +1.3 | +3.2 | +3.2 | |
| | | III | 34.5 | .5 | 1.8 | 34.1 | 34.8 | 39.2 | +3.8 | +1.0 | +3.9 | |
| | | IV | 34.4 | 1.4 | 4.6 | 33.4 | 34.9 | 39.2 | +1.2 | +2.1 | +2.9 | |
| | | V | | | | | 36.0 | 38.9 | +4.7 | +4.7 | +1.2 | |
| | | Arith. average | 34.1 | 1.2 | 3.9 | 33.3 | 34.9 | 39.1 | +2 | +2.9 | +3.2 | |
| A | | Infants' wear (43) | | | | | | | | | | |
| | | I | 33.8 | 1.0 | 5.1 | 34.2 | 33.4 | 37.2 | +1.5 | -2.5 | +5.5 | |
| | | II | 34.2 | .8 | 2.3 | 34.7 | 33.7 | 37.2 | +1.1 | -1.2 | +4.0 | |
| | | III | 34.5 | .6 | 2.4 | 34.9 | 34.2 | 37.4 | -3 | -1.2 | +4.0 | |
| | | IV | 33.7 | 1.0 | 2.8 | 33.5 | 33.6 | 38.4 | +2 | +1.9 | +4.1 | |
| | | V | | | | | 34.4 | 38.4 | +2 | +1.9 | +2.8 | |
| | | Arith. average | 34.0 | .9 | 3.1 | 34.2 | 33.9 | 37.7 | +5 | -2 | +4.1 | |
| A | | Women's dresses (53) | | | | | | | | | | |
| | | I | 29.6 | 1.4 | 4.8 | 29.6 | 29.6 | 31.6 | +1.3 | -8 | +3.2 | |
| | | II | 28.6 | 1.1 | 3.7 | 29.7 | 27.5 | 33.0 | -5 | -1.5 | +6.0 | |
| | | III | 30.0 | 1.5 | 5.4 | 30.2 | 29.6 | 32.3 | +1.1 | +1.3 | +2.1 | |
| | | IV | 28.6 | .6 | 2.7 | 28.7 | 28.2 | 33.0 | -3 | +1.0 | +4.9 | |
| | | V | | | | | 28.8 | 33.8 | +4 | +4 | +6.0 | |
| | | Arith. average | 29.1 | 1.0 | 3.9 | 29.4 | 28.7 | 32.7 | +3 | +1 | +4.4 | |
| B | | Popular price dresses (53P) | | | | | | | | | | |
| | | I | 30.1 | .7 | 2.1 | 29.9 | 30.2 | 33.2 | -6 | +2.1 | +1.9 | |
| | | II | 32.0 | 1.9 | 6.1 | 31.6 | 32.4 | 34.2 | +3.1 | +7 | +1.4 | |
| | | III | 31.6 | 1.1 | 3.0 | 31.0 | 32.1 | 33.4 | -1.0 | +3.0 | +4 | |
| | | IV | 31.0 | 1.4 | 3.8 | 30.5 | 30.4 | 35.2 | -8 | +3.6 | +2.6 | |
| | | V | | | | | 32.6 | 36.0 | +4.0 | +4.0 | +2.2 | |
| | | Arith. average | 31.1 | 1.3 | 3.8 | 30.7 | 31.5 | 34.4 | less than-.1 | +2.7 | +1.7 | |

Table IV-9 (Continued)

| Comparable Minor Commodity Group | Period | Department (Congress Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | |
|---|--------|---|--|--|-----------------------------------|--|--|--|--------------------------------------|--|--|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| | B | Blouses and skirts (54) I II III IV V Arith. average | 32.2 33.3 33.3 32.1 32.6 | 1.0 .9 .9 1.3 1.1 | 3.2 3.4 3.1 4.2 3.6 | 31.8 33.0 33.0 31.1 32.0 | 32.6 33.6 33.7 33.2 33.0 33.2 | 35.0 35.9 35.4 36.0 36.4 35.7 | +6 -5 +9 +1 +2 | +2.6 +2.0 +1.5 +7.5 -2 +2.7 | +1.4 +2.0 +1.1 -1 +5.1 +1.9 |
| | B | Aprons and house- dresses (57A) I II III IV V Arith. average | 31.6 32.5 32.7 32.5 32.4 | 1.2 .9 1.0 1.4 1.2 | 3.9 3.2 2.8 3.5 3.4 | 31.2 32.5 32.5 31.8 32.0 | 32.1 32.6 32.9 32.6 33.7 32.8 | 36.6 35.0 35.2 36.2 35.9 35.8 | -2.3 +1.0 -3 +2 -2 | +1.1 -1 +1.4 +3.6 +2.0 +1.6 | +6.9 +2.5 +2.4 +3.2 +1.2 +3.2 |
| | B | Maids' and nurses' uni- forms (57U) I II III IV V Arith. average | 33.2 34.2 33.9 | 1.7 2.2 2.0 | 5.7 7.2 6.7 | 32.3 32.2 32.2 | Data not available for entire period Data not available for entire period 34.1 34.7 37.7 35.5 | 38.7 40.4 40.8 40.0 | -1.6 +5 -1 | +3.6 +7.5 +5.8 +5.4 | +4.4 +2.9 +9 +2.7 |
| 10b | A | Furs (59) I II III IV V Arith. average | 30.2 29.9 31.0 31.0 30.6 | 2.1 1.0 .9 .8 1.1 | 7.5 6.5 3.8 4.0 5.2 | 30.8 30.2 31.0 31.4 31.0 | 29.7 29.7 31.0 29.6 31.4 30.3 | 35.8 37.1 36.0 36.8 36.8 36.5 | +3.3 +2 +5 -2.7 -3 | .0 +2.4 +1.4 +4.0 +1.1 +1.8 | +4.1 +4.8 +3.2 +6.1 +4.1 +4.5 |
| 11 | B | Women's shoes (47) I II III IV V Arith. average | 31.5 32.7 33.7 33.1 32.8 | 1.6 .7 .9 1.2 1.1 | 5.4 4.2 4.2 4.3 4.5 | 31.0 32.6 34.1 32.4 32.5 | 32.0 32.8 33.4 34.2 33.6 33.2 | 37.0 37.0 36.9 36.7 37.4 37.0 | +2.2 +2.9 +1.8 +3.1 +2.6 | +1.7 +1 -5 -4 +2.7 +7 | +5.3 +3.6 +4.0 +2.5 +1.7 +3.4 |

Table IV-9 (Continued)

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Average Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | | |
|----------------------------------|--------|---|--|---|-------------------------------------|---|--|--|------------------------------|--------------|--------------|--|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| | B | Misc. house furnishings (78) | | | | | | | | | | |
| | | I | 33.0 | 1.6 | 4.8 | 34.7 | 31.4 | 34.8 | +1.5 | -3.9 | +3.6 | |
| | | II | 33.0 | .8 | 4.2 | 33.6 | 32.5 | 34.0 | -.2 | -2.2 | +3.6 | |
| | | III | 32.9 | 1.0 | 2.7 | 33.5 | 32.3 | 34.4 | -2.7 | .0 | +3.3 | |
| | | IV | 34.0 | .6 | 2.2 | 34.5 | 32.4 | 36.5 | -.6 | -2.5 | +5.1 | |
| | | V | 33.4 | .9 | 3.2 | 34.2 | 34.4 | 37.4 | -.5 | -1.8 | +2.7 | |
| | | Arith. average | | | | | 32.7 | 35.4 | | | +3.7 | |
| | B | Gift shop (79) | | | | | | | | | | |
| | | I | 36.2 | 2.2 | 6.5 | 38.3 | 34.0 | 39.1 | -1.1 | -5.4 | +8.3 | |
| | | II | 34.9 | 2.0 | 8.8 | 36.6 | 33.2 | 38.5 | -.2 | -4.7 | +8.7 | |
| | | III | 35.4 | 1.4 | 4.3 | 36.8 | 34.0 | 36.4 | -2.4 | -1.9 | +3.2 | |
| | | IV | 36.4 | 1.1 | 3.5 | 36.0 | 37.1 | 38.2 | +9 | +7.7 | +2.1 | |
| | | V | 35.9 | 1.6 | 5.3 | 36.7 | 36.7 | 37.9 | -.4 | -6.3 | +4.3 | |
| | | Arith. average | | | | | 35.0 | 38.0 | | -2.1 | +5.3 | |
| | B | Pictures, framing and mirrors (81) | | | | | | | | | | |
| | | I | | | | | | | | | | |
| | | II | | | | | | | | | | |
| | | III | 37.0 | 1.6 | 5.2 | 38.2 | 35.8 | 39.6 | -2.7 | +1.1 | +1.8 | |
| | | IV | 38.1 | .7 | 2.9 | 38.8 | 36.1 | 42.2 | -1.1 | -1.1 | +4.0 | |
| | | V | 37.7 | 1.0 | 3.7 | 38.6 | 38.8 | 40.8 | -1.6 | +2 | +1.9 | |
| | | Arith. average | | | | | 36.9 | 40.9 | | +1 | +2.6 | |
| 13 | B | Toys (91) | | | | | | | | | | |
| | | I | 33.1 | 2.6 | 7.1 | 35.3 | 30.9 | 34.3 | -3.7 | -3.4 | +6.1 | |
| | | II | 34.2 | 1.3 | 5.4 | 35.4 | 33.0 | 35.8 | -1.2 | -2.2 | +3.7 | |
| | | III | 34.8 | 1.3 | 4.0 | 35.8 | 33.9 | 35.3 | -3.2 | -.8 | +2.6 | |
| | | IV | 36.0 | .6 | 2.0 | 36.3 | 34.6 | 37.3 | -.7 | -3 | +2.5 | |
| | | V | 34.8 | 1.3 | 4.1 | 35.8 | 36.6 | 38.8 | -1.9 | +1.6 | .0 | |
| | | Arith. average | | | | | 33.8 | 36.3 | | -1.0 | +3.0 | |
| 15 | A | Furniture (incl. beds, mattresses and springs) (71) | | | | | | | | | | |
| | | I | 31.7 | 1.6 | 5.1 | 32.6 | 30.8 | 36.5 | -2.5 | -.6 | +7.6 | |
| | | II | 33.3 | 1.2 | 5.5 | 33.8 | 32.8 | 37.0 | -.6 | -3.8 | +6.1 | |
| | | III | 34.5 | 1.0 | 4.0 | 34.3 | 34.6 | 36.8 | +1.0 | -2.4 | +2.3 | |
| | | IV | 35.3 | 1.2 | 4.8 | 36.1 | 33.6 | 38.4 | +1.8 | -3.5 | +5.7 | |
| | | V | 34.0 | 1.2 | 4.8 | 34.6 | 35.4 | 39.4 | +3 | -1.9 | +3.8 | |
| | | Arith. average | | | | | 33.4 | 37.6 | | -2.4 | +5.1 | |

Table IV-9 (Continued)

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | |
|----------------------------------|--------|---|--|---|-----------------------------|---|--|--|------------------------------|--------------|--------------|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| 17, 20 | B | Major household appliances (electrical and other) (77) | | | | | | | | | |
| | | I | 31.3 | 2.3 | 7.2 | 33.6 | 29.1 | 30.6 | +4.5 | -6.3 | +1.6 |
| | | II | 29.2 | 3.3 | 9.4 | 31.6 | 26.8 | 30.7 | -4.4 | -4.6 | +8.5 |
| | | III | 30.7 | 1.3 | 4.1 | 31.3 | 30.0 | 30.8 | -3.7 | +1.7 | -1 |
| | | IV | 30.5 | 2.0 | 6.9 | 32.2 | 29.5 | 30.0 | +2 | -7.5 | +2.9 |
| | | V | 30.4 | 2.2 | 6.9 | 32.2 | 28.3 | 28.6 | +2 | .0 | -2.4 |
| | | Arith. average | 30.4 | 2.2 | 6.9 | 32.2 | 28.7 | 30.1 | -6 | -3.3 | +2.5 |
| 18 | A | Oriental rugs (72) | | | | | | | | | |
| | | I | | | | | | | | | |
| | | II | 28.0 | 4.2 | 16.9 | 31.0 | 24.9 | 30.6 | +1 | -13.4 | +16.4 |
| | | III | 30.5 | 3.9 | 12.4 | 33.5 | 26.8 | 28.1 | +2.8 | -13.4 | +7.4 |
| | | IV | 29.7 | 4.0 | 13.9 | 32.7 | 28.2 | 31.7 | +1.9 | -8.7 | +5.0 |
| | | V | | | | | | | | | |
| | | Arith. average | 29.7 | 4.0 | 13.9 | 32.7 | 26.6 | 30.1 | +1.9 | -11.8 | +9.6 |
| A | | Domestic floor coverings (73) | | | | | | | | | |
| | | I | 30.9 | 1.3 | 5.2 | 32.0 | 29.8 | 35.4 | .0 | -4.3 | +7.5 |
| | | II | 30.8 | 1.4 | 7.0 | 32.1 | 29.4 | 35.9 | -3 | -1.3 | +6.1 |
| | | III | 30.9 | 1.1 | 3.5 | 31.4 | 30.4 | 36.1 | -2 | +1.8 | +4.1 |
| | | IV | 31.6 | 1.3 | 5.9 | 31.4 | 31.1 | 37.1 | +4.0 | -9 | +6.5 |
| | | V | 31.2 | 1.3 | 5.5 | 31.7 | 32.2 | 38.2 | +1.5 | +4 | +5.8 |
| | | Arith. average | 31.2 | 1.3 | 5.5 | 31.7 | 30.6 | 36.5 | +1.5 | -9 | +6.0 |
| B | | Draperies, curtains and upholstery (74) | | | | | | | | | |
| | | I | 34.1 | .6 | 2.0 | 34.3 | 34.0 | 36.4 | -1.0 | -5 | +3.5 |
| | | II | 33.9 | 1.2 | 5.2 | 34.5 | 33.3 | 36.6 | +4 | -4.1 | +5.5 |
| | | III | 35.6 | 1.2 | 3.8 | 36.8 | 34.4 | 36.6 | -1.2 | -2.3 | +2.6 |
| | | IV | 34.6 | .4 | 1.6 | 35.1 | 34.5 | 37.2 | +6 | -2 | +2.5 |
| | | V | 34.6 | .8 | 2.8 | 35.2 | 33.9 | 39.0 | -1 | -2.5 | +5.3 |
| | | Arith. average | 34.6 | .8 | 2.8 | 35.2 | 34.0 | 37.2 | -1 | -1.9 | +3.9 |
| 19 | A | China and Glassware (76) | | | | | | | | | |
| | | I | 33.5 | 2.0 | 9.5 | 34.8 | 32.2 | 35.6 | +2.6 | -8.1 | +8.7 |
| | | II | 35.5 | 1.4 | 5.3 | 36.4 | 34.7 | 37.9 | +1.7 | -4.7 | +6.1 |
| | | III | 37.1 | 1.3 | 4.4 | 38.2 | 36.0 | 38.8 | -9 | -8 | +3.9 |
| | | IV | 38.2 | .7 | 4.3 | 39.0 | 37.5 | 39.8 | -6 | -2.6 | +3.3 |
| | | V | 38.2 | 1.2 | 5.6 | 37.5 | 37.6 | 41.7 | -6 | -1.3 | +5.3 |
| | | Arith. average | 36.5 | 1.2 | 5.6 | 37.5 | 35.6 | 38.8 | +4 | -3.5 | +5.5 |

| Comparable Minor Commodity Group | Period | Department (Controllers' Congress Department Number in Parentheses) | Average Gross Margin for Entire Period (excl. 1933 and 1934) | Average Deviation (excl. 1933 and 1934) | Range (excl. 1933 and 1934) | Average Gross Margin for First Half of Period (excl. 1933 and 1934) | Average Gross Margin for Second Half of Period (excl. 1933 and 1934) | Average Gross Margin for 1933 and 1934 | Changes in Gross Margin from | | | | |
|----------------------------------|--------|---|--|---|-----------------------------|---|--|--|------------------------------|-------------------|--------------|------|------|
| | | | | | | | | | 1925 or 1927 to 1929 | 1929 to 1932 | 1932 to 1934 | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | | |
| 23 | B | Jewelry (25J) | I | 35.8 | 1.4 | 3.6 | 35.8 | 35.9 | 37.0 | -1.1 | +7 | +2.0 | |
| | | | II | 36.1 | 1.7 | 5.5 | 37.8 | 34.4 | 37.1 | -5 | -2.3 | +2.0 | |
| | | | III | 37.0 | 1.2 | 4.2 | 37.9 | 36.2 | 36.8 | +1.7 | -2.0 | +1.0 | |
| | | | IV | 36.4 | 1.2 | 4.7 | 37.4 | 34.8 | 37.6 | +1.1 | -4 | +1.7 | |
| | | | V | 36.3 | 1.3 | 4.5 | 37.3 | 35.9 | 37.6 | +7 | -3.3 | +1.6 | |
| 24 | B | Arith. average | | 36.3 | 1.3 | 4.5 | 37.3 | 35.4 | 37.2 | +7 | -1.5 | +1.7 | |
| | | | Silverware (25S) | I | 34.8 | .8 | 3.9 | 35.5 | 34.1 | 38.3 ⁵ | -3 | -2 | +3.5 |
| | | | | II | 34.6 | 1.0 | 3.1 | 34.6 | 34.6 | 37.0 | +2.2 | -2 | +1.3 |
| | | | | III | 36.0 | 2.1 | 5.6 | 37.2 | 34.8 | 37.8 | +5.6 | -5.3 | +4.3 |
| | | | | IV | 35.0 | 1.3 | 4.0 | 36.2 | 33.7 | 35.7 | -7 | -6 | +3.0 |
| V | 35.1 | 1.3 | | 4.1 | 35.9 | 34.2 | 36.4 | +1.2 | -3.5 | +2.2 | | | |
| 25 | A | Arith. average | | 35.1 | 1.3 | 4.1 | 35.9 | 34.3 | 37.0 | +1.2 | -2.0 | +2.9 | |
| | | | Books and magazines (28B) | I | 31.4 | 3.7 | 11.6 | 35.1 | 27.7 | 34.6 | -5.9 | -1.6 | +5.0 |
| | | | | II | 32.4 | 1.7 | 4.2 | 34.0 | 30.7 | 30.3 | +4 | -3.7 | +3 |
| | | | | III | 31.0 | 1.4 | 4.3 | 32.4 | 29.6 | 29.8 | -1.2 | -2.4 | +2.3 |
| | | | | IV | 31.8 | 1.3 | 3.8 | 32.6 | 30.7 | 31.6 | -3.8 | +1.5 | +1.1 |
| V | 31.7 | 1.9 | | 5.5 | 33.3 | 31.1 | 33.0 | -2.9 | -1.1 | +1.9 | | | |
| Luggage (93) | I | 33.7 | 1.4 | 4.5 | 33.5 | 33.9 | 38.4 | +1.2 | -1.2 | +6.6 | | | |
| | II | 33.4 | .8 | 4.0 | 34.0 | 32.6 | 36.4 | .0 | -1 | +3.4 | | | |
| | III | 32.8 | 1.0 | 3.8 | 33.6 | 32.1 | 36.4 | +1.1 | -2.7 | +6.9 | | | |
| | IV | 34.3 | .6 | 2.6 | 34.2 | 33.6 | 36.6 | +1.6 | +3 | +2.4 | | | |
| | V | 33.7 | .9 | 3.5 | 33.9 | 35.2 | 39.0 | +1.1 | +6 | +3.3 | | | |
| Arith. average | | 33.7 | .9 | 3.5 | 33.9 | 33.5 | 37.4 | +1.1 | -6 | +4.5 | | | |

¹No data for 1926.²No figure for 1931.³1933 only.⁴1929 estimated.⁵1933 only.

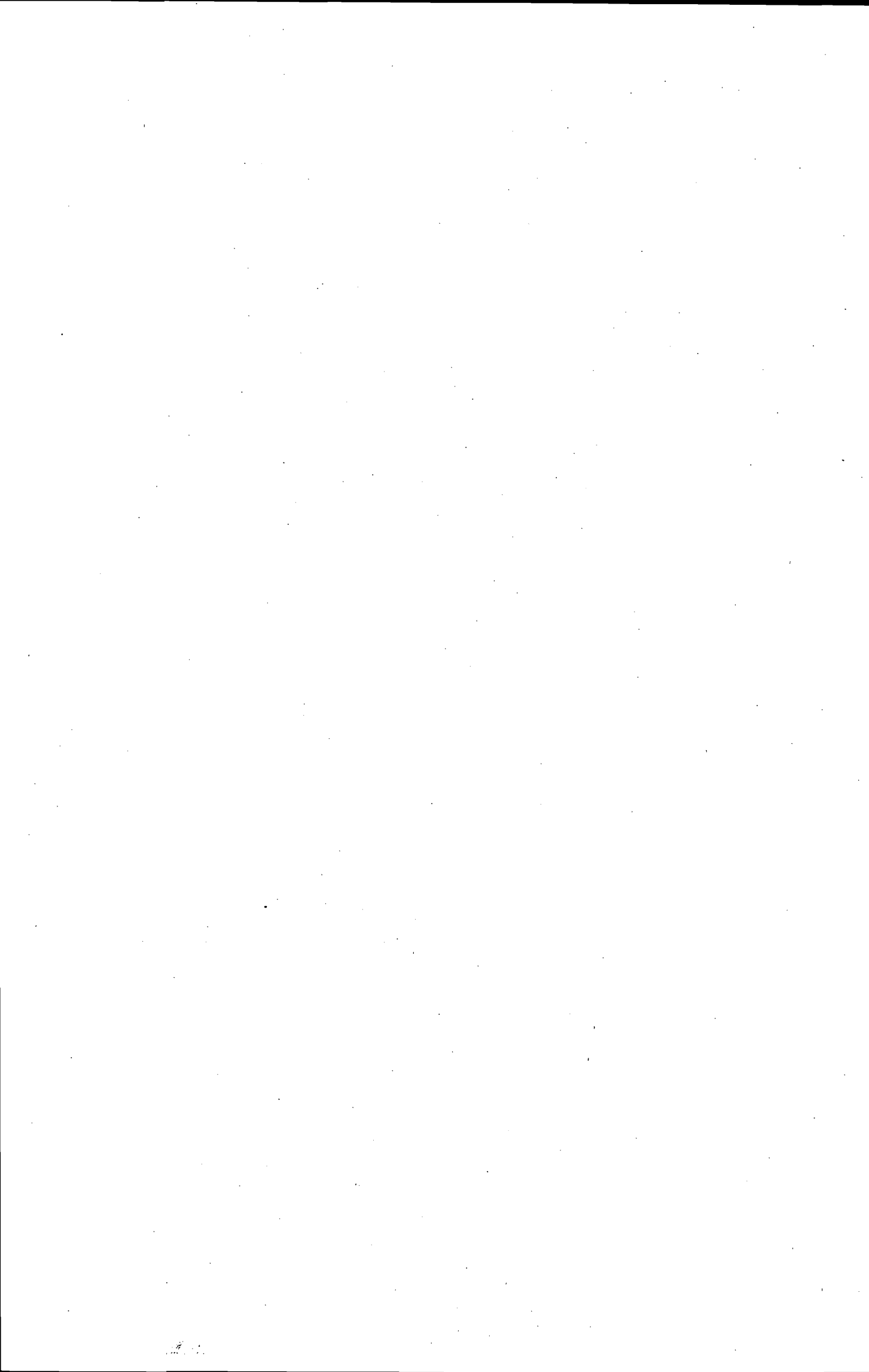


Table IV—10

FREQUENCY DISTRIBUTIONS OF ARITHMETIC MEANS
AND OTHER MEASURES OF GROSS MARGINS,
DEPARTMENTS OF DEPARTMENT STORES

This Table is based on data assembled in Table IV—9. The measures used are those for each department regardless of size of store.

Comments on this table will be found in the Preface to Part IV, Section 2d.

PART IV

Table IV—10
 FREQUENCY DISTRIBUTIONS OF MEASURES OF GROSS MARGINS,
 DEPARTMENTS OF DEPARTMENT STORES

| CLASS LIMITS | NUMBER OF DEPARTMENTS | | | | | TOTAL |
|---|-----------------------------|---------|--------------------------------|-------------|---------|-------|
| | DIVISIONS BY PERIOD COVERED | | DIVISIONS BY TYPE OF COMMODITY | | | |
| | 1925-32 | 1927-32 | PERISHABLE | SEMIDURABLE | DURABLE | |
| Gross Margin | | | | | | |
| 28.0 - 29.9 | 4 | 1 | 0 | 4 | 1 | 5 |
| 30.0 - 31.9 | 4 | 7 | 1 | 7 | 3 | 11 |
| 32.0 - 33.9 | 14 | 6 | 1 | 18 | 1 | 20 |
| 34.0 - 35.9 | 7 | 5 | 1 | 8 | 3 | 12 |
| 36.0 - 37.9 | 3 | 4 | 1 | 4 | 2 | 7 |
| 38.0 - 39.9 | 4 | 0 | 0 | 4 | 0 | 4 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | 33.51 | 33.27 | 33.82 | 33.40 | 33.32 | 33.42 |
| Average deviation | | | | | | |
| 0.5 - 0.9 | 15 | 6 | 2 | 17 | 2 | 21 |
| 1.0 - 1.4 | 17 | 13 | 2 | 23 | 5 | 20 |
| 1.5 - 1.9 | 2 | 2 | 0 | 3 | 1 | 4 |
| 2.0 - 2.4 | 1 | 2 | 0 | 2 | 1 | 3 |
| 2.5 and over | 1 | 0 | 0 | 0 | 1 | 1 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | 1.11 | 1.23 | 0.88 | 1.08 | 1.61 | 1.11 |
| Range | | | | | | |
| 2.0 - 2.9 | 7 | 4 | 2 | 8 | 1 | 11 |
| 3.0 - 3.9 | 14 | 10 | 0 | 23 | 1 | 24 |
| 4.0 - 4.9 | 7 | 5 | 2 | 7 | 3 | 12 |
| 5.0 - 5.9 | 5 | 2 | 0 | 4 | 3 | 7 |
| 6.0 - 6.9 | 1 | 2 | 0 | 2 | 1 | 3 |
| 7.0 - 7.9 | 1 | 0 | 0 | 1 | 0 | 1 |
| 8.0 or more | 1 | 0 | 0 | 0 | 1 | 1 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | 4.25 | 4.03 | 3.50 | 3.88 | 5.71 | 4.11 |
| Change from 1st to 2d half of period | | | | | | |
| -2.0 and less | 1 | 3 | 0 | 1 | 3 | 4 |
| -1.9 - -1.0 | 4 | 9 | 0 | 7 | 6 | 13 |
| -0.9 - 0.0 | 12 | 1 | 3 | 9 | 1 | 13 |
| 0.0 - 0.9 | 14 | 7 | 1 | 20 | 0 | 21 |
| 1.0 - 1.9 | 2 | 2 | 0 | 4 | 0 | 4 |
| 2.0 - 2.9 | 3 | 0 | 0 | 3 | 0 | 3 |
| 3.0 - 3.9 | 0 | 1 | 0 | 1 | 0 | 1 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | -0.04 | -0.57 | -0.12 | +0.18 | -2.22 | -0.22 |
| Change from 2d half of period to av. for 1933-1934 | | | | | | |
| 0.0 - 1.9 | 3 | 4 | 4 | 0 | 3 | 7 |
| 2.0 - 3.9 | 17 | 13 | 0 | 25 | 5 | 30 |
| 4.0 - 5.9 | 14 | 6 | 0 | 18 | 2 | 20 |
| 6.0 - 7.9 | 2 | 0 | 0 | 2 | 0 | 2 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | +3.69 | +3.13 | +1.15 | +3.74 | +3.17 | +3.17 |

CHANGES IN DISTRIBUTIVE COSTS

Table IV—10 (continued)

| CLASS LIMITS | NUMBER OF DEPARTMENTS | | | | | TOTAL |
|----------------------------------|-----------------------------|---------|--------------------------------|-------------|---------|-------|
| | DIVISIONS BY PERIOD COVERED | | DIVISIONS BY TYPE OF COMMODITY | | | |
| | 1925-32 | 1927-32 | PERISHABLE | SEMIDURABLE | DURABLE | |
| Change from 1925 or 1927 to 1929 | | | | | | |
| -2.9 - -2.0 | 0 | 1 | 0 | 0 | 1 | 1 |
| -1.9 - -1.0 | 2 | 2 | 0 | 4 | 0 | 4 |
| -0.9 - 0.0 | 7 | 10 | 2 | 13 | 2 | 17 |
| 0.0 - 0.9 | 12 | 6 | 1 | 14 | 3 | 18 |
| 1.0 - 1.9 | 8 | 2 | 0 | 6 | 4 | 10 |
| 2.0 - 2.9 | 5 | 1 | 1 | 5 | 0 | 6 |
| 3.0 - 3.9 | 2 | 1 | 0 | 3 | 0 | 3 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | +0.83 | +0.02 | +0.28 | +0.57 | +0.35 | +0.51 |
| Change from 1929 to 1932 | | | | | | |
| -4.0 and less | 1 | 0 | 0 | 0 | 1 | 1 |
| -3.9 - -2.0 | 3 | 4 | 0 | 3 | 4 | 7 |
| -1.9 - 0.0 | 8 | 10 | 2 | 11 | 5 | 18 |
| 0.0 - 1.9 | 17 | 5 | 1 | 21 | 0 | 22 |
| 2.0 - 3.9 | 6 | 3 | 1 | 8 | 0 | 9 |
| 4.0 - 5.9 | 1 | 1 | 0 | 2 | 0 | 2 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | +0.38 | -0.17 | +0.42 | +0.84 | -2.94 | +0.17 |
| Change from 1932 to 1934 | | | | | | |
| -1.9 - 0.0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 0.0 - 1.9 | 7 | 4 | 2 | 8 | 1 | 11 |
| 2.0 - 3.9 | 16 | 17 | 1 | 28 | 4 | 33 |
| 4.0 - 5.9 | 10 | 2 | 0 | 9 | 3 | 12 |
| 6.0 - 7.9 | 1 | 0 | 0 | 0 | 1 | 1 |
| 8.0 - 9.9 | 1 | 0 | 0 | 0 | 1 | 1 |
| Total | 36 | 23 | 4 | 45 | 10 | 59 |
| Arith. mean | +3.35 | +2.98 | +1.10 | +3.13 | +4.38 | +3.21 |

