

Petroleum and Petroleum Products Merchant Wholesalers: 2020

By John Dougherty and Ian Thomas

Released March 2022
E20-AWTS



BACKGROUND INFORMATION

The Petroleum and Petroleum Products Merchant Wholesalers industry group, which is 2012 North American Industry Classification System (NAICS) code 4247, comprises establishments primarily engaged in the merchant wholesale distribution of petroleum and petroleum products, including liquefied petroleum gas. Business-to-business electronic markets, agents, and brokers primarily engaged in wholesaling petroleum and petroleum products, generally on a commission or fee basis, are excluded. Merchant wholesalers are establishments that sell goods on their own account. Manufacturers' sales branches and offices (MSBOs) fall under the "merchant wholesalers" category as well. MSBOs are establishments maintained by manufacturing, refining, or mining enterprises apart from their plants or mines for the purpose of marketing their products. On December 15, 2021, the 2020 Annual Wholesale Trade Survey (AWTS) released estimates about Petroleum and Petroleum Products Merchant Wholesalers in the United States.

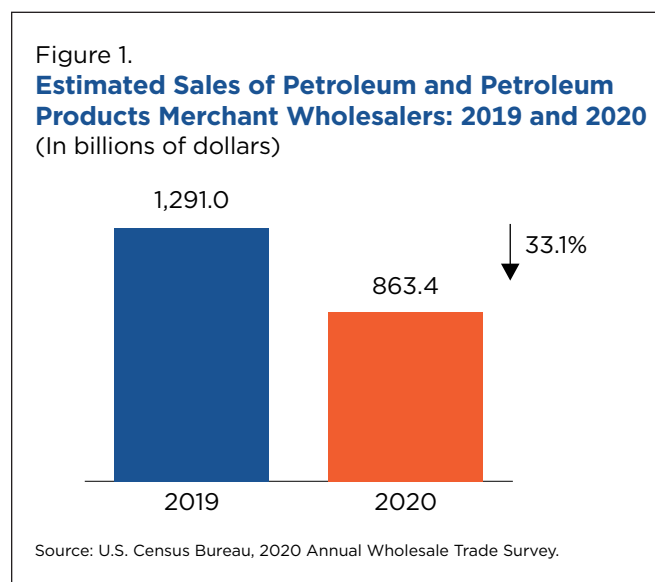
The data tables containing the estimates can be found at <www.census.gov/data/tables/2020/econ/awts/annual-reports.html>, and a detailed description of the AWTS methodology is located at <www.census.gov/programs-surveys/awts/technical-documentation/methodology.html>. The subsequent sections highlight the Petroleum and Petroleum Products Merchant Wholesalers estimates published in the 2020 AWTS data tables.

SALES

Sales are the dollar value of transactions between the reporting firm and its customers. Sales include transactions to foreign affiliates. Transactions among domestic affiliates are excluded, except for the value of transfers (billings) to the reporting firm’s own retail service stations, retail fuel oil dealers, and retail liquefied petroleum gas dealers. E-commerce sales are also included.

Merchant Wholesalers

Petroleum and Petroleum Products Merchant Wholesalers had sales of \$863.4 billion in 2020, a decrease of 33.1 percent from \$1,291.0 billion in 2019 (Figure 1).



Merchant Wholesalers, Except MSBOs

Excluding MSBOs, Petroleum and Petroleum Products Merchant Wholesalers sales were \$505.7 billion in 2020, down 29.6 percent from \$718.7 billion in 2019. These firms accounted for 58.6 percent of the sales in the Petroleum and Petroleum Products Merchant Wholesalers industry group in 2020.

MSBOs

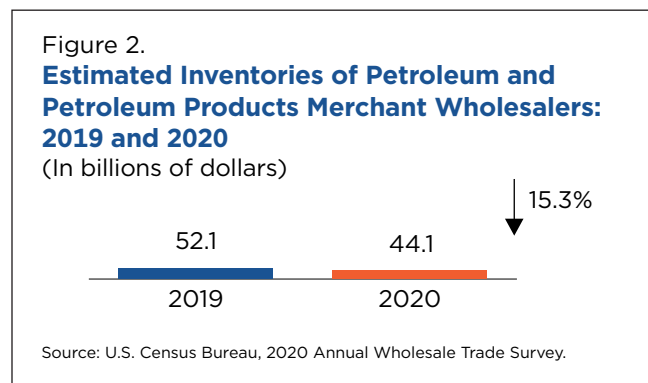
For MSBOs in the Petroleum and Petroleum Products Merchant Wholesalers industry group, sales decreased 37.5 percent, from \$572.3 billion in 2019 to \$357.8 billion in 2020. In 2020, MSBOs accounted for 41.4 percent of the sales generated by establishments primarily engaged in the merchant wholesale distribution of petroleum and petroleum products.

INVENTORIES

Inventories are the value, at cost, of merchandise on hand and available for sale at the end of the reference year. All goods owned by a firm, regardless of location, are included. Items (such as fixtures, equipment, and supplies) that are not held for resale are excluded. The value of goods on a firm’s premises that are not owned by the firm is also excluded.

Merchant Wholesalers

Petroleum and Petroleum Products Merchant Wholesalers had inventories of \$44.1 billion in 2020, a decrease of 15.3 percent from \$52.1 billion in 2019 (Figure 2).



Merchant Wholesalers, Except MSBOs

Excluding MSBOs, Petroleum and Petroleum Products Merchant Wholesalers inventories were \$21.0 billion in 2020, down 12.5 percent from \$24.0 billion in 2019.

MSBOs

For MSBOs in the Petroleum and Petroleum Products Merchant Wholesalers industry group, inventories decreased 17.7 percent, from \$28.1 billion in 2019 to \$23.1 billion in 2020.

OPERATING EXPENSES

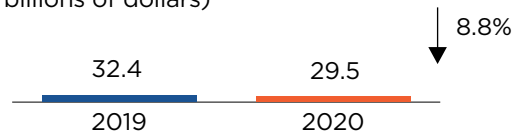
Operating expenses are the dollar value of expenses that arose from the normal course of business during the reference year. Payroll expenses are included. Bad debt, interest expense, purchases of goods for resale (and cost of goods sold), income taxes, impairment, and transfers made within the company are excluded.

Merchant Wholesalers

Petroleum and Petroleum Products Merchant Wholesalers had operating expenses of \$29.5 billion in 2020, a decrease of 8.8 percent from \$32.4 billion in 2019 (Figure 3).¹

¹Operating expenses estimates for 2019 and 2020 are not statistically different at the 90 percent confidence level.

Figure 3.
Estimated Operating Expenses of Petroleum and Petroleum Products Merchant Wholesalers: 2019 and 2020
(In billions of dollars)



Note: Operating expenses estimates for 2019 and 2020 are not statistically different at the 90 percent confidence level.
Source: U.S. Census Bureau, 2020 Annual Wholesale Trade Survey.

Merchant Wholesalers, Except MSBOs

Excluding MSBOs, Petroleum and Petroleum Products Merchant Wholesalers operating expenses were \$17.0 billion in 2020, down 14.0 percent from \$19.8 billion in 2019.²

MSBOs

In 2019 and 2020, MSBOs in the Petroleum and Petroleum Products Merchant Wholesalers industry group had operating expenses of \$12.6 billion.

² Ibid.