



Wholesale Trade Statistics

Introduction

The Wholesale Trade sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The wholesaling process is an intermediate step in the distribution of merchandise. Wholesalers are organized to sell or arrange the purchase or sale of (1) goods for resale (i.e., goods sold to other wholesalers or retailers), (2) capital or durable nonconsumer goods, and (3) raw and intermediate materials and supplies used in production.

Wholesale trade statistics for the conterminous United States have been collected in periodic censuses since 1929, as well as in various surveys from 1937 to the present. Census data for Puerto Rico, Alaska, and Hawaii were added in 1939; for Guam and the Virgin Islands of the United States, in 1958; and for the Commonwealth of the Northern Mariana Islands, in 1982.

The economic census, of which wholesale trade is a part, is now taken every 5 years for years ending in "2" and "7." Sales and other figures reported refer to business transacted during the stated reference years;

the data are collected in the following year. The economic census is authorized by Title 13, United States Code—Census. Response to census inquiries is mandatory. The periodic surveys are taken under the same authority, but response to surveys conducted more frequently than once a year is on a voluntary basis. In all cases, the information supplied is confidential, by law, and is presented in summary form only. The Census Bureau makes certain that no individual firm's operations can be identified from the figures in the published reports or public-use computer files. There are heavy penalties for violating the confidentiality provisions of the law.

The economic census and surveys usually are conducted by mail. The wholesale trade census data are collected from all firms with paid employees, while survey data generally are obtained from a sample of merchant-wholesaler firms only. The economic census unit of enumeration is the establishment, usually defined as a physical location at which business is conducted, while the unit of enumeration for the monthly and annual surveys is the firm. The principal types of establishments covered are (1) merchant wholesalers, (2) manufacturers' sales branches and sales offices, and (3) agents and brokers.

The 1997 Economic Census saw the introduction of the North American Industry Classification System (NAICS), which replaced the Standard Industrial Classification (SIC) code used by the Census Bureau since the 1940s. The NAICS assigned classification based on the primary activity of an establishment—determined by the production function of the establishment. Wholesale trade is identified as NAICS sector 42. For example, an establishment primarily engaged in the wholesale distribution of new and used passenger automobiles, trucks, and other motor vehicles, such as motorcycles, motor homes, and snowmobiles, is coded NAICS 421110.

The Census Bureau used the NAICS for the 1997 Economic Census (except for the Outlying Areas, the Commodity Flow Survey, and the Vehicle Inventory and Use Survey). The annual wholesale trade survey implemented the NAICS in its 1999 program, while the monthly program will begin using the NAICS in 2001.

For tabulation purposes, all wholesale establishments are grouped into one of three major categories of operations—

- Merchant wholesalers are establishments that sell goods on their own account. They typically maintain their own warehouse where they receive and handle goods for their customers. Goods generally are sold without transformation, but these establishments may sort, package, label, and provide other marketing services.
- Manufacturers' sales branches and offices.
- Agents, brokers, and commission merchants. These establishments arrange for the sale or purchase of goods owned by others or purchase goods on a commission basis. They generally operate from offices and do not own or handle the goods they sell.

Census Geography

Census data on wholesale trade are available for the United States, each state, the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, selected metropolitan areas (MAs), counties, and incorporated places with 2,500 or more inhabitants. Survey data are published at the national level only.

What Subjects Are Covered in the Censuses and Surveys?

The economic census covers such items as—

- The NAICS industry (includes the following major categories): **durable**

goods (motor vehicles and motor vehicle parts and supplies; furniture and home furnishings; lumber and other construction materials; professional and commercial equipment and supplies; metals and minerals (except petroleum); electrical goods; hardware and plumbing and heating equipment and supplies; machinery, equipment, and supplies; miscellaneous durable goods) and **nondurable goods** (paper and paper products; drugs and druggists' sundries; apparel, piece goods, and notions; grocery and related products; farm products raw material; chemical and allied products; petroleum and petroleum products; beer, wine, and distilled alcoholic beverages; miscellaneous nondurable goods).

- Sales
- Payroll
- Employment
- Operating expenses
- Inventories
- Legal form of organization
- Type of operation
- Other specialized data (e.g., storage capacity of petroleum bulk stations and terminals, sales by class of customer, sales by commodity lines, purchases, etc.)

During the census reference year, a separate survey of merchant wholesalers collects data on measures of value produced, capital expenditures, and operating expenses; the results are published as part of the census in the *Company Statistics Series* (see p. 3).

The surveys concentrate on monthly and annual sales, end-of-month/year

inventories, and stock-sales and sales-inventory ratios.

Who Uses Wholesale Trade Statistics?

The economic census statistics provide benchmark data for compiling the national income accounts and for forecasting future trends. Accordingly, they are of concern to government at all levels. Business managers use the information to gauge potential markets, project and analyze sales, assign territories, allocate advertising, and plan new outlets. Trade and professional organizations, market researchers, and chambers of commerce use the data to study economic conditions. Finally, the establishments in any of the businesses covered by the census can compare their operations with those tabulated for their own or for other geographic areas.

How the Data Are Published

Most of the wholesale trade statistics are issued on CD-ROM and online through the Census Bureau's American Factfinder and in PDF format at www.census.gov.

Printed products may be ordered by mail, telephone, or by Internet from—

Superintendent of Documents
 U.S. Government Printing Office
 P.O. Box 371954
 Pittsburgh, PA 15250-7954
 Telephone: 202-512-1800
 Fax: 202-512-2250
 Internet: www.GPO.gov

Electronic products may be purchased by mail from—

U.S. Department of Commerce
U.S. Census Bureau (MS1921)
P.O. Box 277943
Atlanta, GA 30384-7943

Electronic products may be ordered by telephone or fax from—

Administrative and Customer Services Division
Customer Services Branch
Census Bureau
Washington, DC 20233
Telephone: 301-457-4100
Fax (inquiries): 301-457-3842

Customer Services can print and bind any PDF report on demand, priced at \$25 or more per report, depending on the number of pages. (A list of the reports with page counts is available via the Census Bureau's Internet site (www.census.gov), in the Economic Census section of the *Catalog: Publications*.)

Most of the statistics described herein can also be obtained from the Census Bureau by fax at 1-888-249-7295.

Other sources are listed under "Other Aids and Sources of Data" and "Data User Services" below.

Censuses

(The dates shown in parentheses reflect scheduled release times for the reports in each series.)

Data collected in the 1997 Economic Census are published in several

nationwide, economy-wide reports between 1999 and 2001. The reports are as follows:

- *Core Business Statistics:*
 - *Advance Report* (March 1999). This report contains the first data ever published on a NAICS basis and contains national data at the sector and subsector levels. The NAICS table was limited to 1997 data, but a separate SIC code-based table shows 1992 and 1997 figures at the two-digit SIC level to permit calculation of percentage changes in sales or employment over the 5-year period.
 - *Comparative Statistics* (June 2000). This report supersedes the *Advance Report* two-digit SIC statistics, showing two-, three-, and four-digit SIC summaries.
 - *Bridge Between NAICS and SIC* (June 2000). The *Bridge Between NAICS and SIC* presents 1997 data cross-tabulated by the old and new classification systems identifying the lowest common denominator between the two systems.
- *Nonemployer Statistics*. This report summarizes the number of establishments and sales and receipts of companies with no paid employees.
- *Company Statistics*, series EC97CS-1 to -8 (3rd - 4th Qtr., 2000). This series shows data from the 1997 Economic Census for minority- and women-owned businesses; and for business expenses. The series consists of a *Company Summary*, individual reports displaying data for

firms owned by women and for four specific racial or ethnic groups—Black, Hispanic, Asian and Pacific Islander, and American Indian and Alaska Native; a general *Survey of Minority-Owned Business Enterprises Summary*, and the *Business Expenses* report (EC97CS-8, available online and print only). The data are shown by SIC for the United States, states, the District of Columbia, and for selected MAs, counties, and places. Information displayed includes size of firm (employment and receipts) and legal form of organization. The *Business Expenses* report includes national-level data on operating expenses for SIC-based merchant wholesale trade, retail trade, service industries, communications industries, transportation and warehousing, and travel industries. NAICS-based data are presented for manufacturing, mineral industries, and construction industries.

Extensive final census data for the Wholesale Trade sector appear in the following major report series:

- *Geographic Area Series*, series EC97W42A-AL to -WY (May 1999-March 2000). A separate report for the United States, states, and the District of Columbia display data for establishments with payroll. Each report presents general statistics on the number of establishments, sales, payroll, employment, operating expenses, and inventories. At the state level, data also are provided separately for the following types of wholesale operations: merchant wholesalers; manufacturers' sales branches and

offices; and agents, brokers, commission merchants, and auction companies. (Less type-of-operation detail is shown below the state level.) For states, selected MAs, counties, and places, statistics are shown by NAICS industry.

- *Subject Series* consists of three principal reports, as follows:
 - *Commodity Line Sales* (2nd Qtr., 2000). This report presents data on major categories of commodities sold by NAICS wholesale industries for the United States, selected states, and selected MAs. Tables show statistics by NAICS industry and, for each commodity line, the number of establishments handling the line and their sales of the line; the percentage of total sales by NAICS industry accounted for by each of the lines carried, and, for establishments actually handling a specific line, the percentage of total sales represented by sales of that line. Summary statistics are provided on broad commodity line categories, including counts of establishments and the amount and percentage of the line sold by various NAICS industries.
 - *Establishment and Firm Size* (3rd Qtr., 2000). This report presents national-level data for establishments with payroll, based on size of establishment, size of company or firm, and legal form of organization. Establishment statistics are shown by sales size and by employment size; statistics for firms by sales size (including concentration by largest firms), by employment

size, and by number of establishments operated (single- and multiestablishments). Statistics by NAICS industry are presented on the number of establishments, sales, payroll, operating expenses, inventories, and employment.

- *Miscellaneous Subjects* (4th Qtr., 2000). The *Miscellaneous Subjects* report displays data on employment by principal activity; sales by class of customer; inventory valuation methods; commissions and gross selling value of business conducted for others by agents and brokers; gross margins, gross profits, and their components; and on petroleum bulk stations and their terminals. Data are presented for the United States as a whole and, for petroleum bulk stations and terminals, for states.
- *Summary* (2001). After the publication of the industry, geographic area, and subject reports, a single volume will be published that summarizes the most widely used statistics about that sector from all of the previously issued reports.
- *Economic Census of the Outlying Areas:*
 - *Puerto Rico*. Wholesale data for Puerto Rico are published in the following two reports:
 - *Geographic Area Statistics*. This report contains general statistics for industry groups by the municipios and commercial region level.
 - *Subject Series*. This report contains data on merchandise and commodity lines sales by SIC kinds of business.

- *Virgin Islands of the United States*. This report presents data by kinds of business for wholesale trade (also for retail trade, construction industries, manufactures, and service industries), for the Virgin Islands, for St. Thomas and St. John islands, St. Croix, and for the towns of Charlotte Amalie, Christiansted, and Fredericksted.
- *Guam*. This report presents data by kinds of business for wholesale trade (as well as retail trade, construction industries, manufactures, and service industries) for Guam and for election districts.
- *Northern Mariana Islands*. This report presents data by kinds of business for wholesale trade (also for retail trade, construction industries, manufactures, and service industries) for the Northern Mariana Islands and for four municipalities.

Surveys

- *Monthly Wholesale Trade: Sales and Inventories*, series BW/YR-MO. A monthly report providing data at the national level showing estimates of sales, inventories on a non-LIFO (last in-first out) basis, and stock-sales ratios for merchant wholesalers, by major kind-of-business groups for the current month, previous month, and current month previous year estimates. The data are adjusted for seasonal variations and, in the case of sales, for trading-day differences. The report also includes percent changes, seasonal adjustment factors, and estimated sampling variability of sales and inventories of

merchant wholesalers by three-digit kind of business.

- *Annual Benchmark Report for Wholesale Trade*, series BW/YR-A. This report presents revised seasonally adjusted and unadjusted estimates of monthly merchant wholesalers' sales, inventories on a non-LIFO (last in-first out) basis, and stock-sales ratios, by kind-of-business groups. It also provides unadjusted annual sales, annual purchases, gross margin, and gross-margin-to-sales ratios. The report is limited to merchant wholesalers. Statistics are provided for the United States and show three-digit kinds of business data.

Other Aids and Sources of Data

- Unpublished wholesale sales and inventory data are available for the United States, with more detail for the various kinds of business than are covered in the published reports. The data are issued in four numbered categories—(1) current series (annual subscription) comprises a single sheet each for sales and inventories for the most recent 12 months; (2) historical series (annual subscription) consists of single sheets of data for each year (12 separately identified months) from 1980 to the most recent available month of the current year; (3) current series (one-time requests) provides the same data as in the current series subscription for the most recent year or portion of year available; and (4) annual data series (one-time requests) will show data from 1980 forward for sales and inventories, and from 1988 forward for purchases, gross margin, and gross-margin-to-sales ratios.
- The data represent six-digit NAICS wholesale industries.
- *County Business Patterns*, series CBR. Annual intercensal data on employment, number and employment size of establishments (including wholesalers), and payrolls by NAICS industries for states and counties for 1998 and succeeding years. Separate reports are issued for the United States, each state, the District of Columbia, and Puerto Rico. (The Puerto Rico report for 1998 will be published based on the SIC code, but the NAICS will be used for the 1999 and succeeding publications.)
- *Quarterly Financial Report*, series QFR. This series provides current statistics on the financial performance and conditions of domestic manufacturing, mining, and trade corporations (including wholesale trades). Corporations provide standard income and balance sheet data consolidated for all majority-owned domestic enterprises. Information collected includes sales, depreciation, before- and after-tax income, retained earnings, cash, investments, receivables, inventories, fixed assets, short- and long-term debt, accounts payable, and stockholders' equity. National data are based on a sample of approximately 8,300 firms, plus periodic reporting by corporations to determine and update business classification.
- Wholesale trade data also are presented in convenient digest form in several Census Bureau publications, the annual *Statistical Abstract of the United States*, *Historical Statistics of the United States*, *Colonial Times to 1970* (available commercially), the periodic *County and City Data Book* (latest available 1994), and the *State and Metropolitan Area Data Book* (latest 1997-1998). Census and survey data also appear in trade journals, textbooks, and other secondary sources.
- *USA Counties 1998* provides a wide variety of data items from the Census Bureau, including 1992 Economic Census information, and other Federal agencies, including the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and the U.S. Social Security Administration, as well as several private organizations.
- *City Reference File, 1992* presents a listing of post office names, state abbreviations, and ZIP Codes, with their associated state, MA, county, and place codes. It also contains spelling variations of post office names. This computer file provides

the capability of assigning census geographic codes (state, MA, county, and place) to records containing ZIP Code, post office name, and state abbreviation.

- *Geographic Reference Manual*, series EC92-R-1 is a set of geographic codes to which data were tabulated in the 1992 Economic Census. This report contains such areas as state, MAs, counties, incorporated places of 2,500 or more inhabitants, and, in eight northeastern states, selected towns, and townships with populations of 10,000 or more. As of this writing, the 1992 version is the latest complete *Geographic Reference Manual* in print. The online version includes some updated material at the Census Bureau's Web site www.census.gov.

Data User Services

The Census Bureau and other Federal agencies furnish economic data and related assistance and training to aid business and industry data centers (BIDCs—list on request) in furthering economic development in their states. The program currently includes 25 BIDCs and may be expanded to include all states.

The Census Bureau also assists its data users in other ways. It publishes an annual *Catalog and Guide*, and the monthly *Census and You* newsletter. Free aids include the *Factfinder* for

the Nation series of brochures (such as this one); the *Monthly Product Announcement*; *Product Profiles* are available for some computer tape, CD-ROM, and online products; the small brochure *Key Findings of the 1997 Economic Census*, and the larger *Guide to the 1997 Economic Census*. The Census Bureau also conducts workshops on the availability and use of statistics and offers exhibits and resources for conventions or interested national organizations.

- Published reports from the censuses and surveys of wholesale trade, as well as the other materials mentioned above, are available for use in over 1,400 government and Census Bureau depository libraries across the country. (List available on request.) These are mainly college, university, and large public libraries, but many smaller libraries also have Census Bureau publications. Recent reports are available for reference and/or order at International Trade Administration district offices and Census Bureau regional offices.
- Special tabulations of census or survey results can be ordered from the Census Bureau at the address shown at the end of this brochure.
- State data centers and their affiliates are located in all states, the District of Columbia, Puerto Rico, the Virgin Islands of the United States, and Guam. The data centers assist users with printed and computerized data. There are also

organizations registered with the Census Bureau's National Clearinghouse for Census Data Services that offer tape printouts and other services to their customers. (List available on request.)

- Through its network of Regional Data Centers (RDCs) and the Suitland, MD, research facility, the Census Bureau offers qualified researchers restricted access, in secure environments, to data collected in the Census Bureau's surveys and censuses that are not part of the agency's regular publication program. Researchers must submit research proposals to the RDCs and the Census Bureau for review and approval, and, if their proposal is approved, are subject to the confidentiality restrictions of Title 13, United States Code-Census.

Factfinder for the Nation

General information about the Census Bureau's various statistical programs is contained in the publications in this series entitled *Bureau Programs and Products*, CFF-18.

Inquiries and suggests about the service industries statistics program and other Census Bureau activities are invited. Write—

Director
U.S. Census Bureau
Washington, DC 20233