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DRUG RETAILING

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DRUG RETAILING

By CHARLES F. BEACH

INTRODUCTION

This report is one of a series of special trade studies prepared from data assembled in the first nation-wide Census of Distribution. It brings together, in one bulletin, much of the available information on the operation of drug stores and in addition is supplemented by certain pertinent facts about competing stores.

This report was prepared under the general supervision of Robert J. McFall, Chief Statistician for Distribution, and John Guernsey, in charge of Retail Distribution.

Scope of the report.—The census material contained herein deals primarily with drug stores and is largely a collection of statistics of national scope. State and city totals appear only incidentally and constant reference should be made to the United States Summary of Retail Distribution and to the separate State reports for complete analyses of drug-store operations in different sections of the country, and in different States and cities.¹

Chapter 1 of this report contains a description of drug-store operations for the calendar year 1929. It supplies, in addition to data on the number of stores and total annual sales, an analysis of sales by size of business (annual sales per store), available data on credit, operating expense information, both for the United States as a whole and for three sizes of city groups, together with a brief discussion of the operation of drug stores by the chains.

Chapter 2 consists largely of a discussion of the various commodity lines sold by drug stores and by their competitors. It also contains data showing the relative importance of each of these commodity lines in drug stores.

Chapter 3 is confined to a comparison of the expense ratios of drug stores and other kinds of stores with which they compete.

Chapter 4 deals with the sale of related merchandise, pointing out some of the different groups to which these data are valuable and supplying some suggested uses for published data on related merchandise.

Chapter 5 is devoted to a discussion of the drug store as a potential market. This chapter has a variety of uses, among which is its value to manufacturers and wholesalers as an effective gauge of the market for any given commodity or line of commodities. It provides the basis for planning sales-promotion campaigns and in developing sales quotas.

Chapter 6 is a special chapter devoted exclusively to the presentation of data on the drug stores located in the 22 counties comprising the Chicago-Milwaukee Area. It contains a detailed analysis of the 3,053 drug stores operating in that area.

¹ Copies of these reports are obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C. A nominal charge is made for each copy to defray the cost of printing. The amount of the charge varies from 5 cents to 25 cents each, depending upon the number of pages.