

2018 Retail Trade Analysis Report



Washington County, Minnesota

University of Minnesota Extension's Center for Community Vitality

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Washington County Retail Trade Overview

Total Taxable and Gross Retail Sales

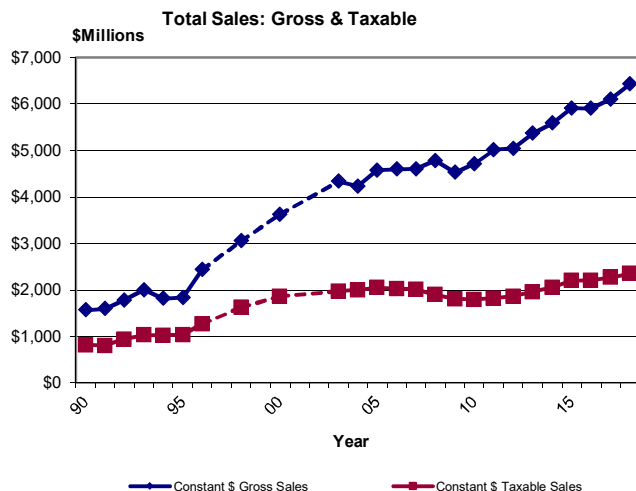
The table below presents gross and taxable retail and services sales for Stillwater from 2003 through 2018. Without inflation adjustments, taxable sales in Stillwater increased 38.6 percent from 2011 to 2018, while the number of firms rose 13.1 percent. Statewide, taxable sales increased 9.4 percent over the same time period and the number of firms fell 3.4 percent. The per capita sales and pull factor data in this table are based on taxable sales, the more verified sales measure.

The table also presents sales data in constant 2018 dollars. These figures have been adjusted for inflation to reflect their value in 2018. For example, in 2008, taxable sales in Stillwater totaled \$1665.69 million, an amount worth \$1892.83 million in 2018 dollars. In constant dollars, gross sales grew 28.3 percent between 2011 and 2018. Constant dollar taxable sales increased 28.9 percent over the same time period.

Year	Estimated Population	Current Dollars		Constant 2017 Dollars		Number of Firms	Per Capita Sales	Pull Factor
		Gross Sales* (\$millions)	Taxable Sales (\$millions)	Gross Sales* (\$millions)	Taxable Sales (\$millions)			
2003	213,564	\$3,246.88	\$1,474.48	\$4,329.17	\$1,965.98	3,800	\$6,904	0.77
2004	216,660	\$3,257.72	\$1,539.54	\$4,230.80	\$1,999.41	3,977	\$7,106	0.77
2005	220,426	\$3,656.27	\$1,634.52	\$4,570.33	\$2,043.15	4,165	\$7,415	0.78
2006	225,000	\$3,763.58	\$1,661.06	\$4,589.73	\$2,025.68	4,142	\$7,382	0.77
2007	226,475	\$3,905.56	\$1,708.46	\$4,594.78	\$2,009.96	4,216	\$7,544	0.78
2008	229,173	\$4,203.13	\$1,665.69	\$4,776.28	\$1,892.83	4,297	\$7,268	0.76
2009	231,958	\$3,980.08	\$1,583.91	\$4,522.82	\$1,799.89	4,343	\$6,828	0.76
2010	238,844	\$4,190.81	\$1,590.71	\$4,708.78	\$1,787.31	4,338	\$6,660	0.74
2011	240,640	\$4,655.49	\$1,691.42	\$5,005.91	\$1,818.73	4,198	\$7,029	0.75
2012	243,313	\$4,789.00	\$1,768.17	\$5,041.05	\$1,861.23	4,181	\$7,267	0.75
2013	248,095	\$5,147.97	\$1,876.95	\$5,362.47	\$1,955.16	4,462	\$7,565	0.88
2014	249,109	\$5,414.45	\$1,991.49	\$5,581.91	\$2,053.08	4,504	\$7,994	0.91
2015	251,015	\$5,727.62	\$2,127.84	\$5,904.76	\$2,193.65	4,553	\$8,477	0.94
2016	253,128	\$5,781.50	\$2,155.65	\$5,899.49	\$2,199.65	4,648	\$8,516	0.94
2017	256,905	\$6,098.84	\$2,263.18	\$6,098.84	\$2,263.18	4,687	\$8,809	0.95
2018	261,512	\$6,423.20	\$2,344.77	\$6,423.20	\$2,344.77	4,748	\$8,966	0.94
7 yr Change '11 to '18	8.7%	38.0%	38.6%	28.3%	28.9%	13.1%	27.6%	24.2%
3 yr Change '15 to '18	4.2%	12.1%	10.2%	8.8%	6.9%	4.3%	5.8%	-0.2%

*Gross sales figures are self-reported by firms and not audited by the Dept. of Revenue for accuracy.

Washington County: Retail/Service Sales in Constant Dollars



Washington County Selected Components of Change*, 2015 to 2018

Category	Taxable Sales 2015	Taxable Sales 2018	Dollar Change	Percent Change
Vehicles & Parts	\$82,197,728	\$110,021,378	+\$27,823,650	+33.85%
Furniture	\$79,170,525	\$77,761,237	-\$1,409,288	-1.78%
Electronics	\$68,730,419	\$82,994,558	+\$14,264,139	+20.75%
Building Materials	\$347,279,183	\$360,878,810	+\$13,599,627	+3.92%
Food, Groceries	\$155,155,311	\$226,982,855	+\$71,827,544	+46.29%
Health, Personal Stores	\$30,396,793	\$31,220,364	+\$823,571	+2.71%
Gas/Convenience Store	\$44,905,411	\$50,574,649	+\$5,669,238	+12.62%
Clothing	\$44,368,591	\$54,838,063	+\$10,469,472	+23.60%
Leisure Goods	\$86,432,435	\$72,883,824	-\$13,548,611	-15.68%
General Merchandise Stores	\$365,921,746	\$369,531,639	+\$3,609,893	+0.99%
Miscellaneous Retail	\$86,056,946	\$86,336,892	+\$279,946	+0.33%
Accommodations	\$38,963,323	\$50,848,004	+\$11,884,681	+30.50%
Eating & Drinking Places	\$370,382,858	\$409,279,306	+\$38,896,448	+10.50%
Total Retail and Services Sales	\$2,127,837,394	\$2,344,771,327	+\$216,933,933	+10.20%

* Figures not adjusted for inflation.

Dollar Changes by Category (in Millions) 2015 - 2018

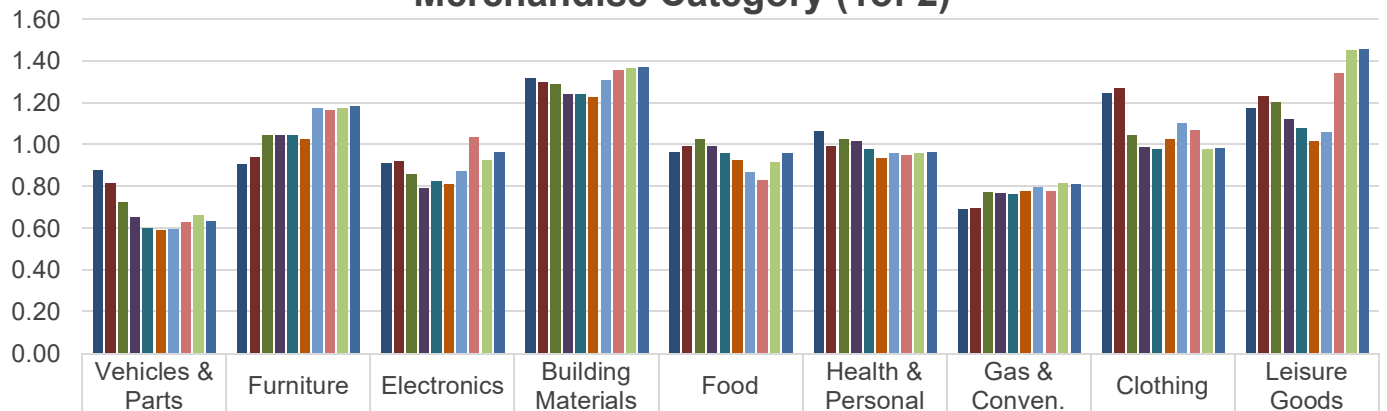


Pull Factors By Merchandise Category

Washington County

The following tables and charts depict pull factors in Washington County from 2003 to 2017* by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of changes over time because they account for changes in population and state-wide industry trends.

**Pull Factors by NAICS
Merchandise Category (1 of 2)**



Year	Vehicles & Parts	Furniture	Electronics	Building Materials	Food	Health & Personal	Gas & Conven.	Clothing	Leisure Goods
2009	0.88	0.91	0.91	1.32	0.96	1.06	0.69	1.25	1.18
2010	0.81	0.94	0.92	1.30	0.99	0.99	0.70	1.27	1.23
2011	0.73	1.04	0.86	1.29	1.03	1.03	0.77	1.05	1.20
2012	0.65	1.04	0.79	1.24	0.99	1.02	0.77	0.99	1.12
2013	0.60	1.05	0.83	1.24	0.96	0.98	0.76	0.98	1.08
2014	0.59	1.02	0.81	1.23	0.93	0.94	0.78	1.03	1.01
2015	0.59	1.18	0.87	1.31	0.87	0.96	0.80	1.10	1.06
2016	0.63	1.16	1.03	1.36	0.83	0.95	0.78	1.07	1.34
2017	0.66	1.17	0.93	1.37	0.92	0.96	0.82	0.98	1.45
2018	0.64	1.18	0.96	1.37	0.96	0.96	0.81	0.98	1.46

NAICS Category Descriptions

Motor Vehicles & Parts: Establishments that sell new & used autos, boats, motorcycles, golf carts, RV's, campers, snowmobiles, trailers, tires, and parts.

Furniture: Stores that sell furniture, beds, carpeting, window coverings, lamps, china, kitchenware, & woodburning stoves.

Electronics: Establishments primarily engaged in retailing household-type appliances, sewing machines, cameras, computers, and other electronic goods.

Building Materials: Establishments that sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden centers.

Food: Grocery stores, deli's, bakery, & butcher shops that sell food to be prepared at home. Liquor stores.

Health & Personal: Pharmacies, food supplements, vision supplies, cosmetics, & hearing aid stores.

Gas and Convenience Store: Retailers that sell fuel along with convenience store items.

Clothing: New clothing and accessories, jewelry, shoes, bridal shops, clock shops, and luggage stores.

Leisure Goods: Sporting goods, books, music, hobby stores, fabric shops, and toy stores.

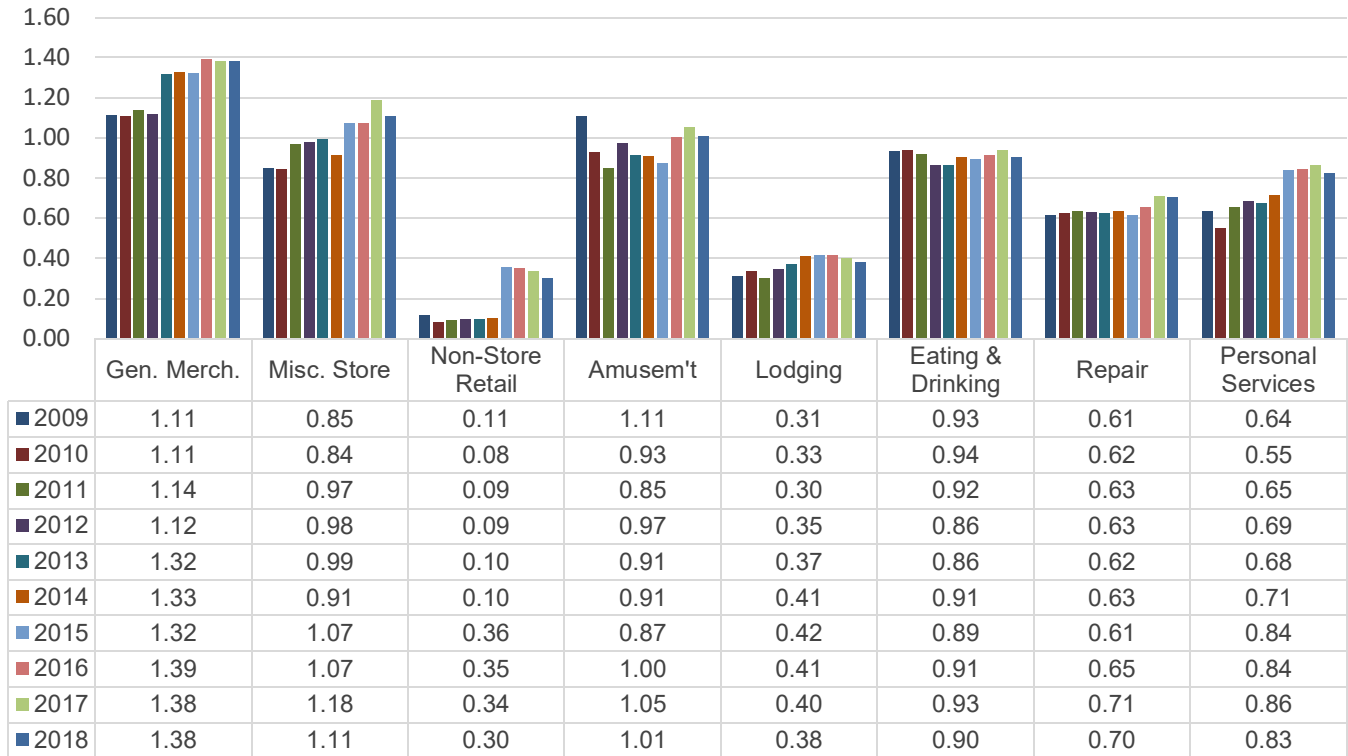
*Caution should be used when comparing pull factors before 2003 to those in later years due to the switch from SIC to NAICS.

Recent Trends By Merchandise Category

Washington County

The following tables and charts depict pull factors in Washington County from 2009 to 2018* by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of changes over time because they account for changes in population and state-wide industry trends.

Pull Factor by NAICS
Merchandise Category (2 of 2)



NAICS Category Descriptions

General Merchandise: Establishments that sell a mixed line of goods. Examples are department stores, supercenters, and dollar stores.

Miscellaneous Store Retailers: Stores not covered in other categories such as florists, office supplies, pets, antiques, tobacco, art, used merchandise, and trophies.

Non-Store Retail: Retailers that do not use stores. This includes mail order, internet selling, bazaars, vending machines, fuel oil dealers, firewood dealers, door-to-door sales, and produce stands.

Amusement: Establishments such as golf courses, bowling lanes, marinas, amusement parks, water parks, shooting ranges, pool halls, horseback riding, ballrooms, health club facilities, ski hills, and casinos.

Lodging: Seasonal resorts, hotels, boarding houses, bed & breakfast, campgrounds, and RV parks.

Eating & Drinking: Restaurants, donut shops, coffee house, cafeteria, caterers, taverns, and nightclubs.

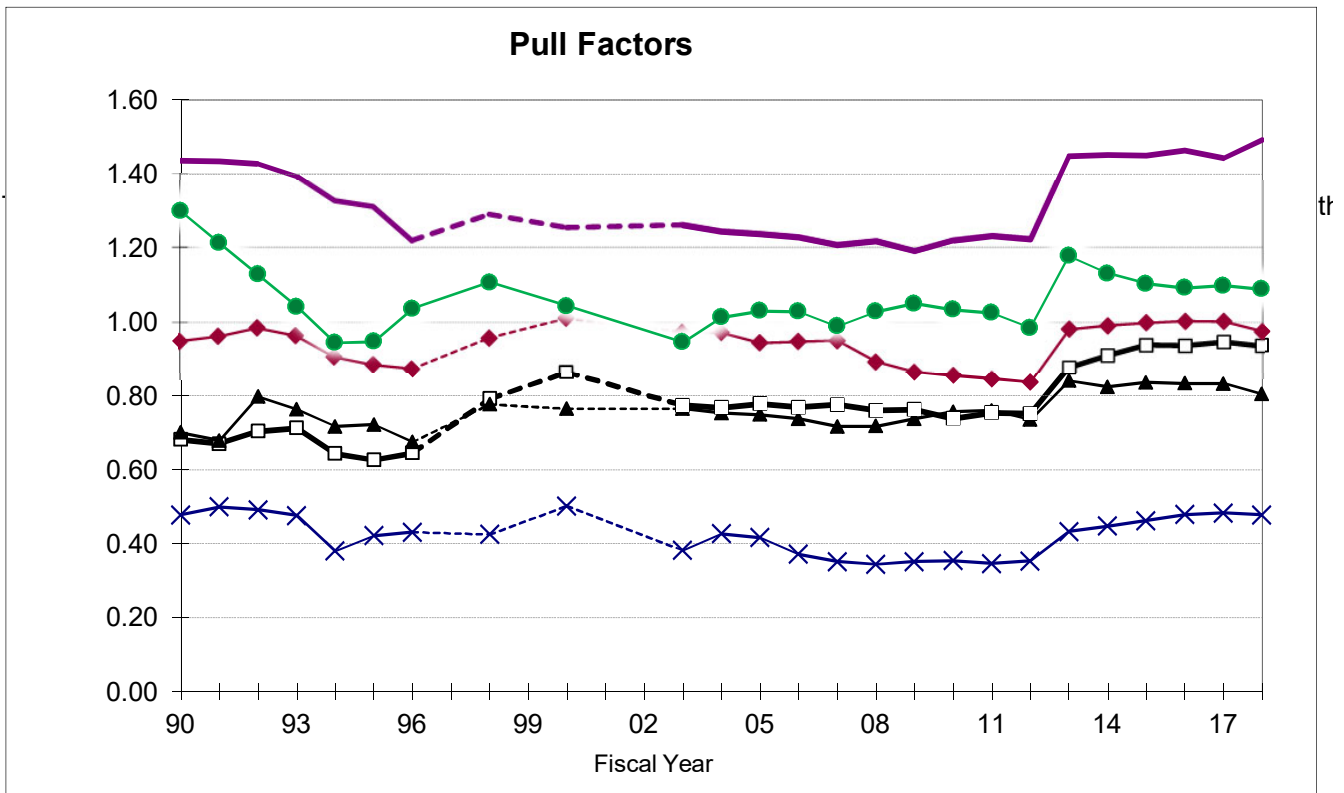
Repair: Businesses that return equipment to working order. Examples: cars, lawnmowers, small engines, knives, shoes, computers, furniture, and appliances.

Personal Services: Barbers, beauty salons, tanning facilities, funeral homes, laundromats, dry cleaners, pet groomers, and kennels

*Caution should be used when comparing pull factors before 2003 to those in later years due to the switch from SIC to NAICS.

Comparison with Neighboring Counties

Washington County



- Washington County
- △— Anoka County
- ×— Chisago County
- ◇— Dakota County
- Hennepin County
- Ramsey County

Comparison with Neighboring Counties, 2018

Town	Population	Gross Sales (\$millions)	Taxable Sales (\$millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
Washington County	261,512	\$6,423.20	\$2,344.77	4,748	\$8,966	0.94
Anoka County	357,851	\$8,065.34	\$2,755.78	5,947	\$7,701	0.80
Chisago County	55,955	\$760.94	\$256.01	1,054	\$4,575	0.48
Dakota County	428,558	\$11,939.60	\$4,002.42	7,769	\$9,339	0.98
Hennepin County	1,261,104	\$54,054.03	\$18,021.73	28,877	\$14,290	1.49
Ramsey County	552,232	\$20,748.49	\$5,756.46	10,321	\$10,424	1.09

Trade Area Analysis of Retail Sales

Washington County

The following tables provide information on retail sales by merchandise category. "Potential sales" is a standard to which actual performance is compared. In calculating potential sales, population and income characteristics are taken into account. Potential sales can be used as a guideline or "par value" in analyzing retail strength.

Deviations from these norms can be analyzed to first judge whether they should be considered relevant. If the differences appear to be significant (whether in dollar amounts or relatively with percentages), additional consideration is merited. Categories with undesirable performance may be further examined for potential corrective action. It is also important to determine whether or not the situation is relatively uncontrollable due to external or extenuating circumstances. In cases of favorable differences from expectations, the positive aspects should be identified and built upon.

Trade Area Analysis by Merchandise Category, 2018

Merchandise Group	Potential Sales (\$millions)	Actual Sales (\$millions)	Variance Between Actual & Potential		Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
			In Dollars (millions)	As % of Potential			
Vehicles & Parts	\$169.59	\$110.02	-\$59.57	-35.1%	-90,235	105	4.7%
Furniture Stores	\$83.97	\$77.76	-\$6.20	-7.4%	-18,985	83	3.3%
Electronics	\$98.48	\$82.99	-\$15.49	-15.7%	-40,398	57	3.5%
Building Materials	\$323.17	\$360.88	+\$37.71	+11.7%	29,979	60	15.4%
Food, Groceries	\$224.64	\$226.98	+\$2.34	+1.0%	2,681	116	9.7%
Health, Personal Stores	\$38.66	\$31.22	-\$7.44	-19.2%	-49,427	79	1.3%
Gas/Convenience Store	\$75.57	\$50.57	-\$24.99	-33.1%	-84,972	61	2.2%
Clothing	\$46.59	\$54.84	+\$8.25	+17.7%	45,492	153	2.3%
Leisure Goods	\$60.29	\$72.88	+\$12.60	+20.9%	53,674	111	3.1%
General Merchandise Stores	\$320.81	\$369.53	+\$48.72	+15.2%	39,013	38	15.8%
Miscellaneous Retail	\$86.08	\$86.34	+\$0.25	+0.3%	756	377	3.7%
Amusement & Recreation	\$98.34	\$82.75	-\$15.59	-15.9%	-40,725	121	3.5%
Accommodations	\$132.12	\$50.85	-\$81.28	-61.5%	-158,035	52	2.2%
Eating & Drinking Places	\$525.14	\$409.28	-\$115.86	-22.1%	-56,681	439	17.5%
Repair, Maintenance	\$82.02	\$47.39	-\$34.63	-42.2%	-108,467	237	2.0%
Personal Services, Laundry	\$51.22	\$38.00	-\$13.22	-25.8%	-66,291	389	1.6%
Total Taxable Retail & Service*	\$2,941.18	\$2,344.77	-\$596.40	-20.3%	-52,095	4,748	100.0%

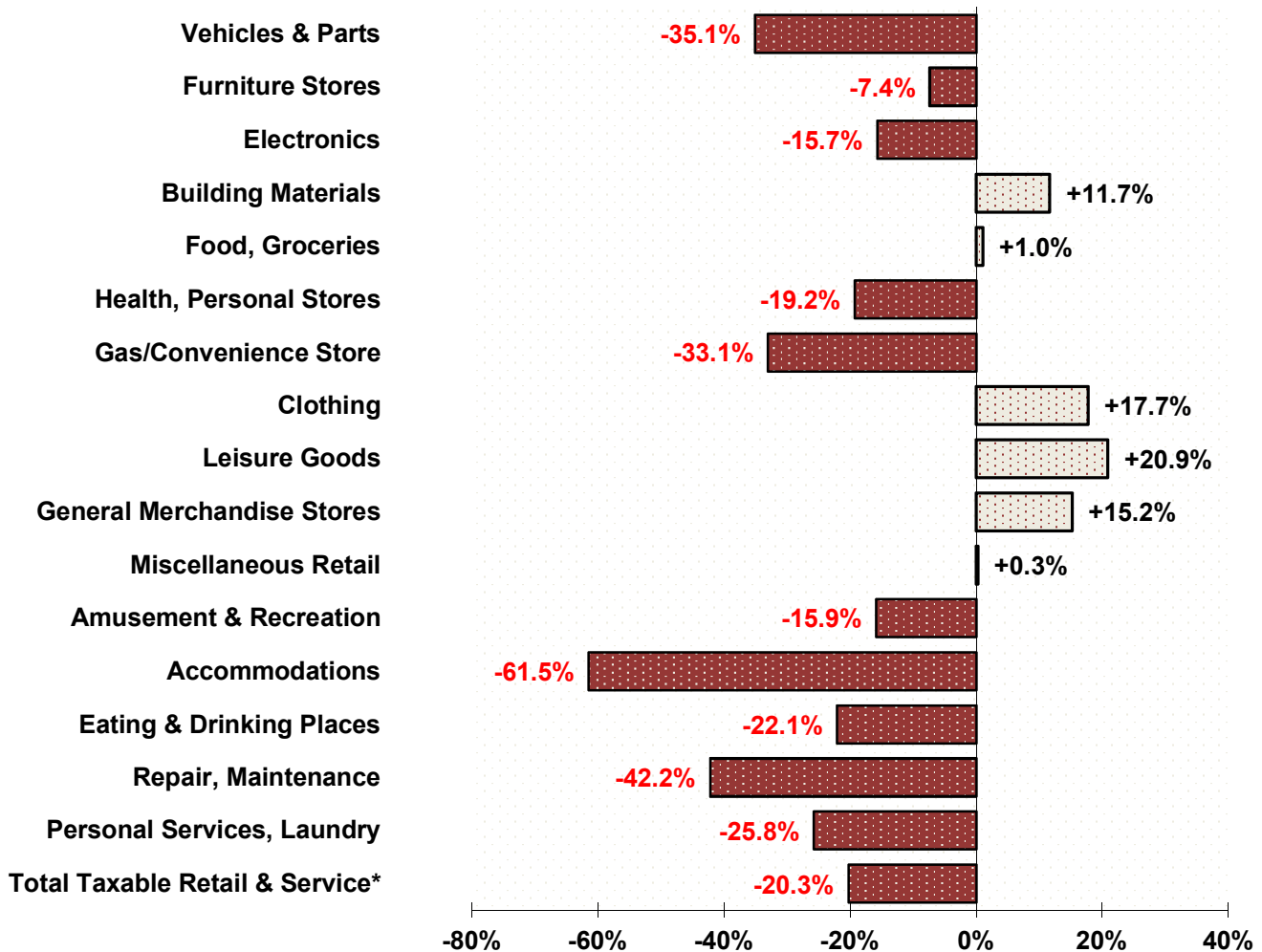
*All retail and service categories are included in Total Sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to Total Sales.

Washington County Retail Trade Performance in Percentages

The chart below depicts the percentage amount Washington County's actual sales were above or below potential sales in 2018 by merchandise group. Of the 16 merchandise categories with reported data, sales in 6 of the categories were above what would be expected based on the county's population and income characteristics as well as statewide spending patterns. The strongest merchandise group by this standard is the Leisure Goods category, which has a 20.9 percent surplus. Overall, Washington County had a retail sales leakage of 20.3 percent.

It is important to note that variations in a county's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers and transportation patterns, as well as the individual retailer's management and marketing, can cause the retail sales of a particular county to deviate substantially from potential sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.

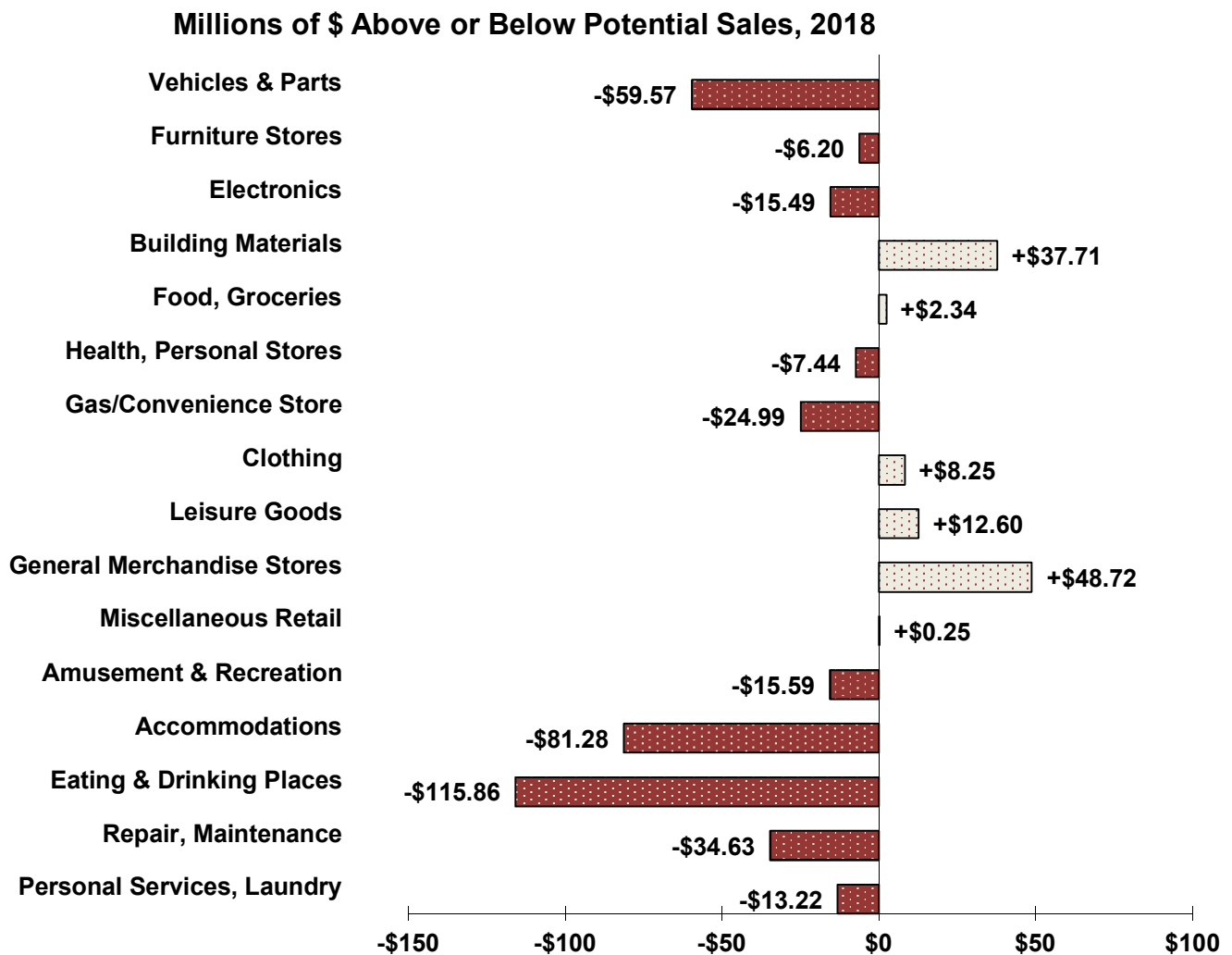
Percentage Above or Below Potential Sales, 2018



Washington County Retail Trade Performance in Dollars

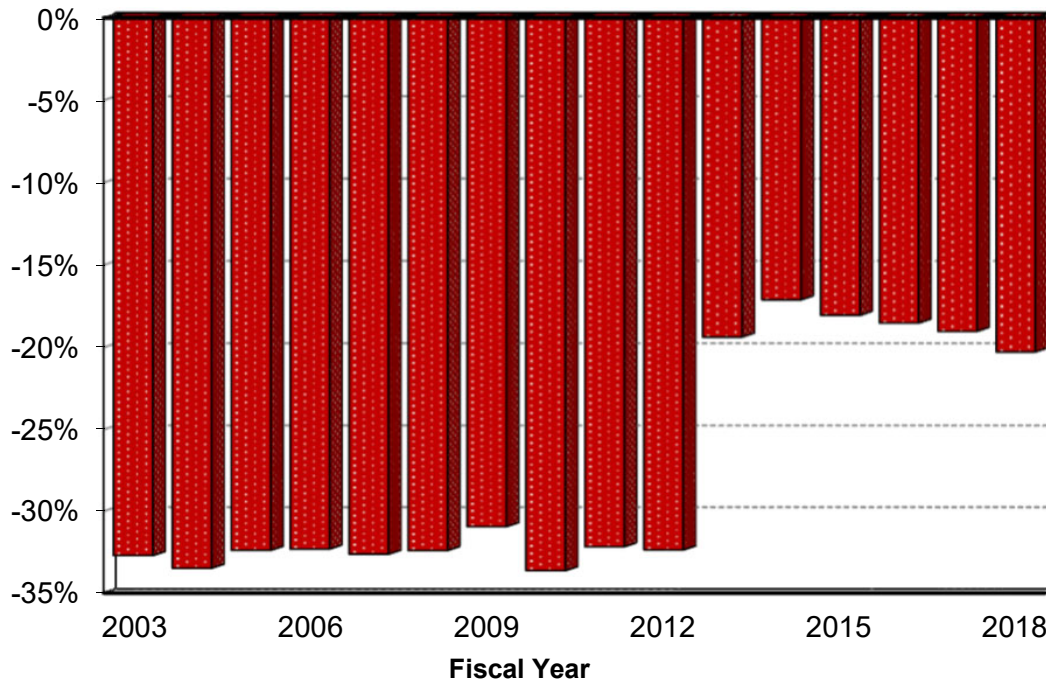
The chart below depicts the dollar amount Washington County's actual sales were above or below potential sales in 2018 by merchandise group. Of the 16 merchandise categories with reported data, sales in 6 of the categories were above the calculated potential. The strongest merchandise group by this standard is the General Merchandise Stores category, which has a \$48.7 million surplus. Overall, Washington County had a retail sales leakage of \$596.4 million in 2018.

It is important to note that variations in a county's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular county to deviate substantially from potential sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.



Washington County Retail Trade Surplus or Leakage

County Surplus or Leakage as a Percent of Potential



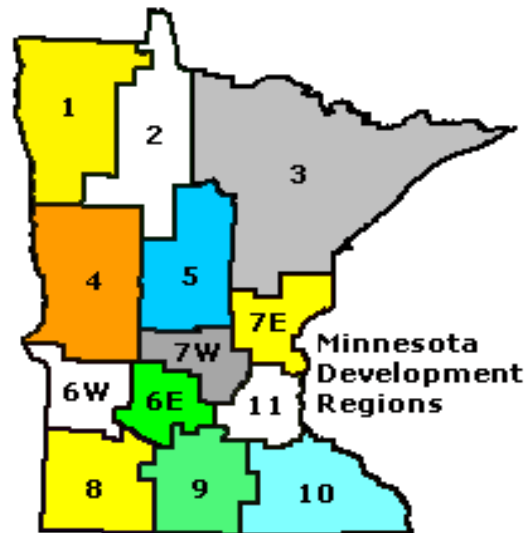
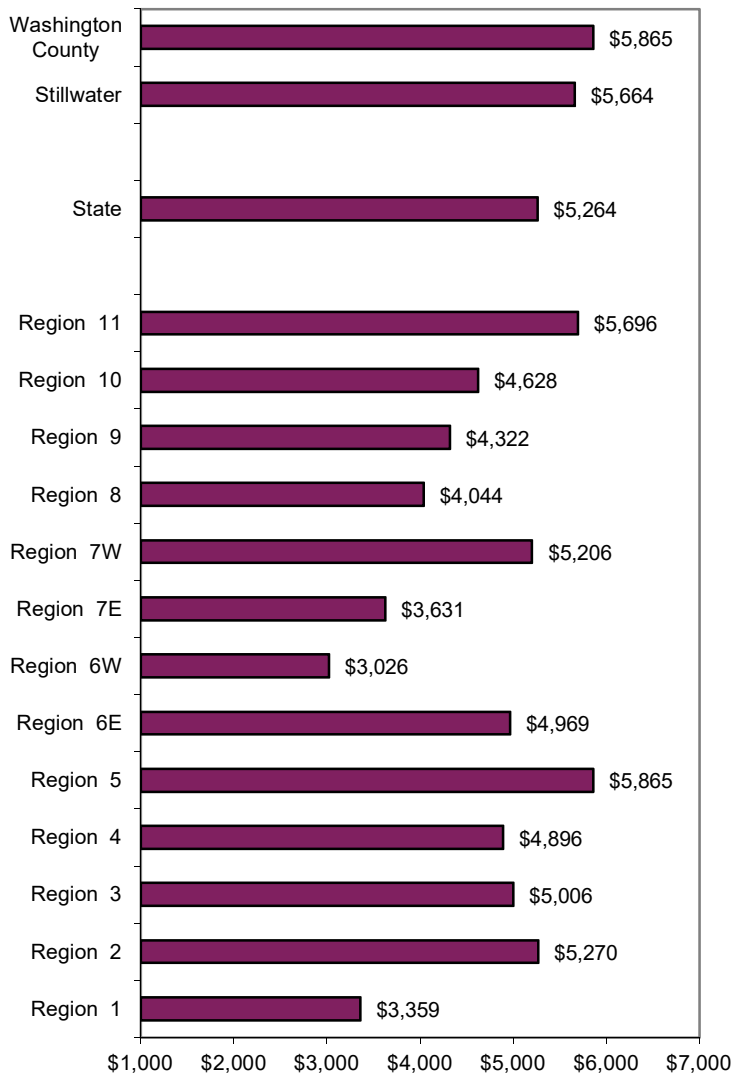
Fiscal Year	Population Estimate	Index of Income	Potential Sales (in millions)	Actual Sales (in millions)	Surplus or Leakage (in millions)	Surplus or Leakage as % of Potential	Trade Area Population Gain or Loss
2003	213,564	1.15	\$2,191.4	\$1,474.5	-\$716.9	-32.7%	-69,870
2004	216,660	1.15	\$2,314.8	\$1,539.5	-\$775.3	-33.5%	-72,562
2005	220,426	1.15	\$2,417.7	\$1,634.5	-\$783.2	-32.4%	-71,405
2006	225,000	1.14	\$2,454.2	\$1,661.1	-\$793.2	-32.3%	-72,717
2007	226,475	1.15	\$2,535.9	\$1,708.5	-\$827.4	-32.6%	-73,894
2008	229,173	1.13	\$2,464.4	\$1,665.7	-\$798.7	-32.4%	-74,275
2009	231,958	1.10	\$2,293.7	\$1,583.9	-\$709.8	-30.9%	-71,779
2010	238,844	1.11	\$2,397.1	\$1,590.7	-\$806.4	-33.6%	-80,351
2011	240,640	1.11	\$2,494.0	\$1,691.4	-\$802.6	-32.2%	-77,437
2012	243,313	1.11	\$2,614.6	\$1,768.2	-\$846.5	-32.4%	-78,771
2013	248,095	1.09	\$2,328.0	\$1,877.0	-\$451.0	-19.4%	-48,067
2014	249,109	1.10	\$2,402.7	\$1,991.5	-\$411.2	-17.1%	-42,631
2015	251,015	1.15	\$2,596.6	\$2,127.8	-\$468.7	-18.1%	-45,313
2016	253,128	1.15	\$2,645.7	\$2,155.7	-\$490.1	-18.5%	-46,888
2017	256,905	1.17	\$2,795.0	\$2,263.2	-\$531.9	-19.0%	-48,885
2018	261,512	1.17	\$2,941.2	\$2,344.8	-\$596.4	-20.3%	-53,029

Compare the Community to the Region

Stillwater and Washington County

On other pages of this report we compared communities using a combination of retail sectors and service sectors. The information on this page only includes businesses in **retail trade** and does not include service sectors. The retail trade sectors include the following: building materials, motor vehicles & parts, clothing, food stores, electronics, convenience stores, leisure goods, health stores, furniture, general merchandise, non-store retail, and miscellaneous stores.

2018 Retail Sales per capita



State of Minnesota Per Capita Taxable Retail Sales & Threshold Levels for Selected Goods and Services 2018

Threshold level refers to the number of people per business, which can be used as a general guide for determining the "critical mass" necessary to support a business. These are broad averages for the state as a whole and do not reflect differences in income, tourism, agglomeration, establishment, etc. Further, the business counts are based on the number of sales tax returns filed and are converted to "full-time equivalents." Multiplying people per business by sales per capita yields average sales per firm. In addition to state averages, averages for the non-metropolitan regions were calculated by excluding the seven county Minneapolis-St. Paul metropolitan region.

Business Activity / Store Type NAICS	People Per Business		Sales Per Capita		
	State	Non-Metro	State	Non-Metro	Stillwater
441 Vehicles, Parts	2,004	1,449	\$552.18	\$555.24	\$83.61
442 Furniture Stores	3,424	3,480	\$273.39	\$167.96	\$142.49
443 Electronics	3,822	4,729	\$320.65	\$143.58	\$52.18
444 Building Materials	2,998	1,978	\$1,052.24	\$1,175.79	\$1,486.99
445 Food and Beverage Stores	1,682	1,472	\$731.43	\$585.01	\$1,276.28
446 Health, Personal Stores	2,950	3,615	\$125.87	\$76.45	\$113.83
447 Gas/Convenience Stores	2,743	1,984	\$246.05	\$317.26	\$205.05
448 Clothing & Accessory Stores	1,695	2,047	\$151.69	\$81.51	\$58.95
451 Leisure Goods	1,881	1,608	\$196.30	\$153.78	\$100.03
452 General Merchandise	5,053	3,895	\$1,044.57	\$1,118.67	\$1,434.92
453 Miscellaneous Merchandise	569	455	\$280.29	\$261.51	\$615.52
454 Non-store Retail	897	832	\$288.84	\$91.31	\$94.43
Retail Total			\$5,263.51	\$4,728.08	\$5,664.29
INFORMATION					
511 Publishing Industry	10,273	19,969	\$4.11	\$0.61	
512 Movie & Recording Industry	10,764	39,938	\$41.04	\$17.10	
515 Broadcasting	57,443	629,020	\$39.07	\$0.00	
516 Info -Internet Publ/Brcst			\$299.12	\$0.00	
517 Telecommunications	8,851	11,035	\$299.12	\$153.91	
518 Internet Service	15,725	61,368	\$17.37	\$0.61	
519 Other Information Services	6,053	7,671	\$52.16	\$40.35	
FINANCE AND INSURANCE					
522 Credit Intermediation	9,036	8,646	\$24.75	\$6.53	
523 Securities, Commodities	16,460	64,515	\$2.07	\$0.04	
524 Insurance Carriers	10,053	23,515	\$0.30	\$0.18	
525 Funds, Trusts	148,143	629,020	\$0.22	\$0.29	
REAL ESTATE AND RENTAL AND LEASING					
531 Real Estate	1,966	2,302	\$44.71	\$39.25	
532 Rental, Leasing Services	3,760	3,594	\$164.74	\$67.32	
533 Lessors Nonfinancial Assets	244,757		\$0.26		
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES					
541 Prof, Scientific, Technical Services	484	728	\$177.70	\$84.02	
551 Mgmt Of Companies	27,595	125,804	\$9.54	\$3.73	
ADMINISTRATIVE & SUPPORT; WASTE MGMT & REMEDIATION SVCS					
561 Admin, Support Services	556	570	\$177.70	\$168.08	
562 Waste Mgmt, Remediation	13,565	13,600	\$9.54	\$2.39	
EDUCATIONAL SVCS; HEALTH & SOCIAL ASSISTANCE					
611 Educational Services	3,970	4,651	\$17.84	\$14.57	
621 Health -Ambulatory Care	1,003	1,232	\$22.29	\$18.02	
622 Health -Hospitals	36,794	114,367	\$15.39	\$8.49	
623 Health -Nursing, Residential Care	9,445	9,640	\$3.07	\$2.40	
624 Health -Social Assistance	10,522	18,101	\$3.38	\$3.17	
ARTS, ENTERTAINMENT & RECREATION					
711 Performing Art, Spectator Sports	1,830	2,292	\$87.78	\$13.78	
712 Museums, Historical Sites	29,785	64,515	\$6.29	\$0.49	
713 Amusement, Gambling, Recr	2,319	1,931	\$320.18	\$141.57	\$365.35
ACCOMMODATION & FOOD SERVICES					
721 Accommodation	2,188	1,232	\$430.20	\$393.40	\$422.46
722 Food Services, Drinking Places	477	475	\$1,709.87	\$1,239.97	\$2,399.65
OTHER SERVICES					
811 Repair, Maintenance	694	499	\$267.06	\$282.78	\$148.89
812 Personal, Laundry Service	624	570	\$166.76	\$57.90	\$282.02
813 Religious, Civic, Professional Orgs	2,634	2,173	\$34.80	\$36.03	
814 Private Households	86,606		\$0.29		
921 Exec., Legisla., Other Govt	7,918	4,857	\$48.91	\$58.70	
TOTAL RETAIL AND SERVICES			\$9,576.45	\$7,583.75	