

# Bulletin

Canadian Data

February 2004 Retail Sales • Released April 27, 2004

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## LEAPIN' SALES

While April may be the cruellest month, retailers may now think that February is the sweetest month. Retailers across the country must have been grinning as they tallied up their receipts at the end of February – All Stores advanced 4.2% but the real piece to chew on was the fact that All Stores Less Auto Food and Drug leaped ahead 9.0%.

There are a number of factors to attribute for such boastful gains in the Canadian retail economy. 2004 was a leap year and that is exactly what sales did. Added to that, the month started on a Sunday and finished on a Sunday, essentially giving an extra weekend in the shopping month. Finally, many retailers are getting their act together and moving merchandise better.

In the Furniture, Appliance, Furnishings Stores category it does not seem to matter if it is big ticket items or small accessories such as the iPod – this store category remains the darling of the retail world. More and more retailers are trying to take a chunk of this pie, as the home is still the castle. Furniture, Appliance, Furnishings Stores gained 11.4% in February bringing year-to-date sales growth to 9.6%.

The other major news is the strength of Department Stores (12.9%) and All Clothing and Shoe Stores (9.0%). While the extra shopping day did boost sales, it is really the unique combination of weather and good sales that helped to increase sales. Discounted winter apparel items and a great spring line-up in stores is what caught consumer's attention.

Can these apparel trends continue? While confidence got an extra lift this spring, it should be remembered that despite the extra day, February is still one of the slowest retail months of the year. The good news is certainly welcome and inspiring but the sales trends will be difficult to sustain into July.

The other interesting news is that Ontario continues to lag behind the other regions. Alberta and the Prairie provinces along with Quebec are doing well, but the hard hit manufacturing dominant province of Ontario is not gaining at the same speed, which is significant given the province's size in the national economy.

## CHANGES AFOOT

Statistics Canada has announced that they are changing the reporting structure of the monthly retail sales statistics. They are shifting from SIC categories to NAICS. Previously unrecorded sales will now be captured (e.g., club stores, and lumber stores.)

The change date is set for July 2004 and J.C. Williams Group will bring you these changes as they occur. For a list of store categories that will be available please see: <http://www.statcan.ca/english/Subjects/Standard/spec-aggreg/trade-2002/trade-retail02.htm#a>  
Please note: the five digit categories will not be available until later in 2005.

## REALIZING THE BUSINESS BENEFITS OF KIOSKS

How can you improve customer service cost-effectively? Consider interactive kiosks. Click on the link below for the report "Realizing the Business Benefits of Kiosks" which includes ROI analysis and customer case studies.  
[Business Benefit of Kiosks](#)

**RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN**  
May 25, 2004

### Please note:

The J.C. Williams Group National Retail Bulletin compares the latest monthly release of "raw" (i.e., unadjusted for seasonality) retail sales figures to those in the *same calendar month of the previous year*. Statistics Canada also reports seasonally adjusted sales that are compared to the *previous month within the current calendar year* to measure change in Gross Domestic Product (GDP). Although other sources use seasonally adjusted figures, J.C. Williams Group believes that using raw figures and making comparisons to the previous year's performance more accurately reflects the seasonality of the retail industry and, therefore, are more useful in analysis.

**Retail Sales by Store Category**

| <b>Sales for the Month of: February</b>                             | <b>2004</b>     | <b>2003</b>     | <b>2004 / 2003</b> |
|---|-----------------|-----------------|--------------------|
| <b>All Stores</b>   | <b>22,127.0</b> | <b>21,242.2</b> | <b>4.2%</b>        |
| Automotive Group  | 8,551.9         | 8,677.7         | -1.4%              |
| All Stores Less Automotive  | 13,575.2        | 12,564.5        | 8.0%               |
| Food and Drug Group   | 6,766.9         | 6,316.4         | 7.1%               |
| <b>All Stores Less Auto, Food and Drug</b>                          | <b>6,808.3</b>  | <b>6,248.1</b>  | <b>9.0%</b>        |
| <b>General Merchandise Stores</b>                                   | <b>2,318.6</b>  | <b>2,118.4</b>  | <b>9.4%</b>        |
| Department Stores (incl concessions)                                | 1,410.1         | 1,249.2         | 12.9%              |
| <b>Furniture, Appliance, Furnishings Stores (incl. Electronics)</b> | <b>1,329.9</b>  | <b>1,193.6</b>  | <b>11.4%</b>       |
| <b>All Clothing and Shoe Stores</b>                                 | <b>965.9</b>    | <b>886.1</b>    | <b>9.0%</b>        |
| Women's Clothing Stores   | 286.8           | 259.7           | 10.4%              |
| Men's Clothing Stores   | 74.4            | 69.0            | 7.9%               |
| Other Clothing Stores   | 504.6           | 466.3           | 8.2%               |
| Shoe Stores   | 100.1           | 91.1            | 9.9%               |
| <b>All Other Retail (except auto, food, drug)</b>                   | <b>2,193.9</b>  | <b>2,050.1</b>  | <b>7.0%</b>        |
| <b>Year-to-date Sales</b>   | <b>2004</b>     | <b>2003</b>     | <b>2004 / 2003</b> |
| <b>All Stores</b>   | <b>44,980.7</b> | <b>43,783.0</b> | <b>2.7%</b>        |
| Automotive Group  | 16,789.9        | 17,497.1        | -4.0%              |
| All Stores Less Automotive  | 28,190.9        | 26,285.9        | 7.2%               |
| Food and Drug Group   | 14,192.5        | 13,255.4        | 7.1%               |
| <b>All Stores Less Auto, Food and Drug</b>                          | <b>13,998.4</b> | <b>13,030.5</b> | <b>7.4%</b>        |
| <b>General Merchandise Stores</b>                                   | <b>4,672.8</b>  | <b>4,313.5</b>  | <b>8.3%</b>        |
| Department Stores (incl concessions)                                | 2,787.7         | 2,530.4         | 10.2%              |
| <b>Furniture, Appliance, Furnishings Stores (incl. Electronics)</b> | <b>2,785.4</b>  | <b>2,540.8</b>  | <b>9.6%</b>        |
| <b>All Clothing and Shoe Stores</b>                                 | <b>2,039.2</b>  | <b>1,937.8</b>  | <b>5.2%</b>        |
| Women's Clothing Stores   | 587.8           | 550.2           | 6.8%               |
| Men's Clothing Stores   | 168.2           | 164.5           | 2.2%               |
| Other Clothing Stores   | 1,065.5         | 1,010.2         | 5.5%               |
| Shoe Stores   | 217.7           | 212.9           | 2.3%               |
| <b>All Other Retail (except auto, food, drug)</b>                   | <b>4,501.1</b>  | <b>4,238.3</b>  | <b>6.2%</b>        |

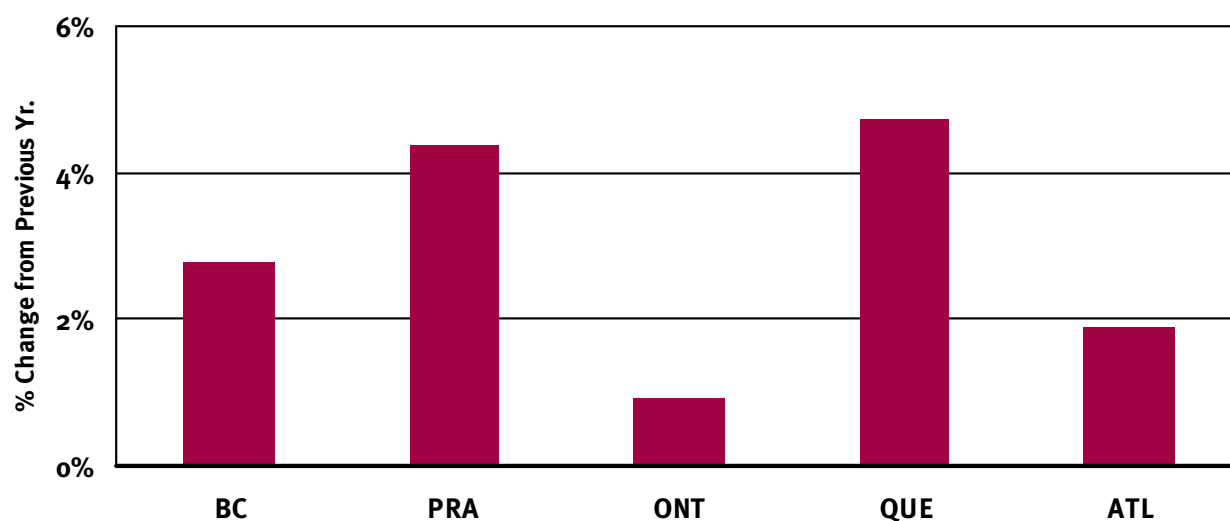
ALL DOLLAR VALUES EXPRESSED IN MILLIONS OF CANADIAN DOLLARS; UNADJUSTED FIGURES; SOURCE: STATISTICS CANADA

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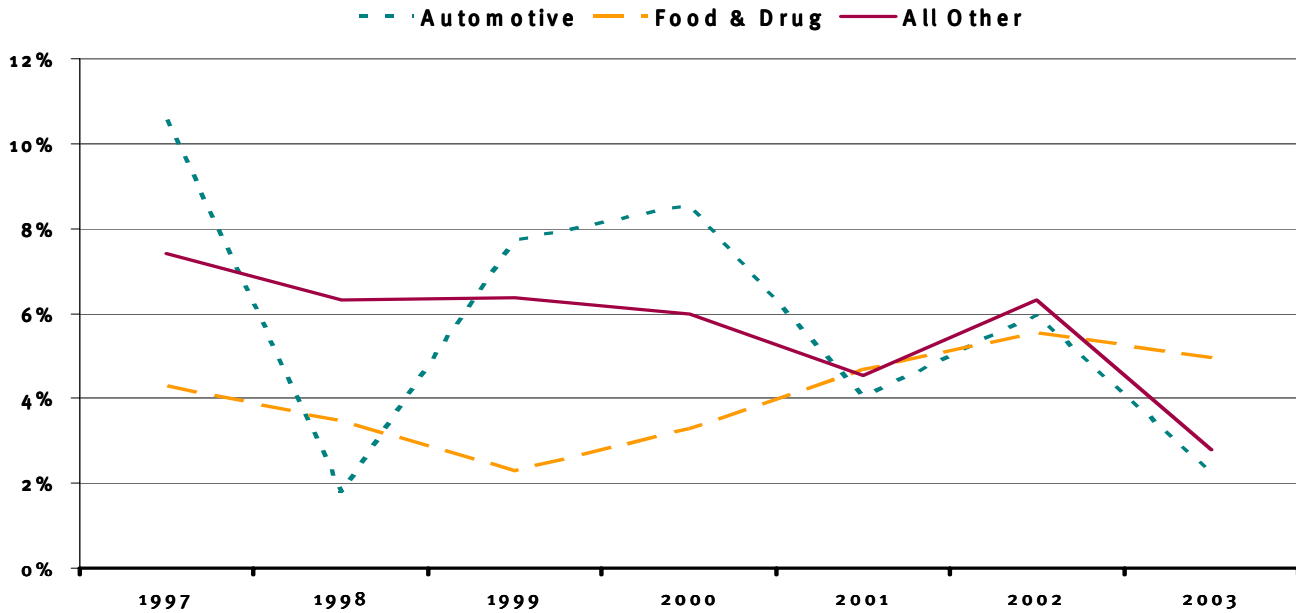
**Retail Trade, Canada, All Stores, By Major Region**

|                  | Year-to-Date<br>2004 | Same Period<br>2003 | Change<br>2004 / 2003 |
|------------------|----------------------|---------------------|-----------------------|
| British Columbia | 6,155.6              | 5,989.7             | 2.8%                  |
| Prairies         | 8,638.2              | 8,275.7             | 4.4%                  |
| Ontario          | 16,620.7             | 16,467.4            | 0.9%                  |
| Quebec           | 10,246.1             | 9,784.0             | 4.7%                  |
| Atlantic Canada  | 3,159.9              | 3,101.1             | 1.9%                  |

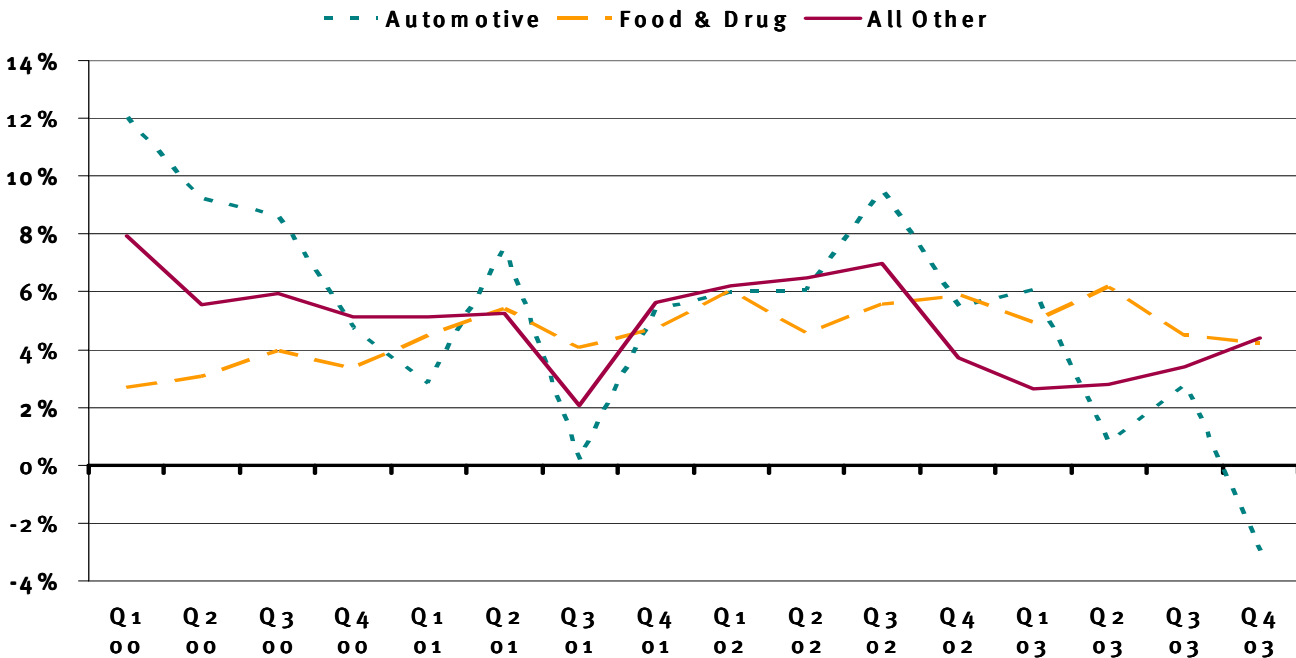
**Percentage Change in Retail Trade, All Stores, by Region  
Year-to-Date Compared to Same Period Last Year**



Canadian Retail Sales by Major Product Categories Year Over Year (1997 -2003)



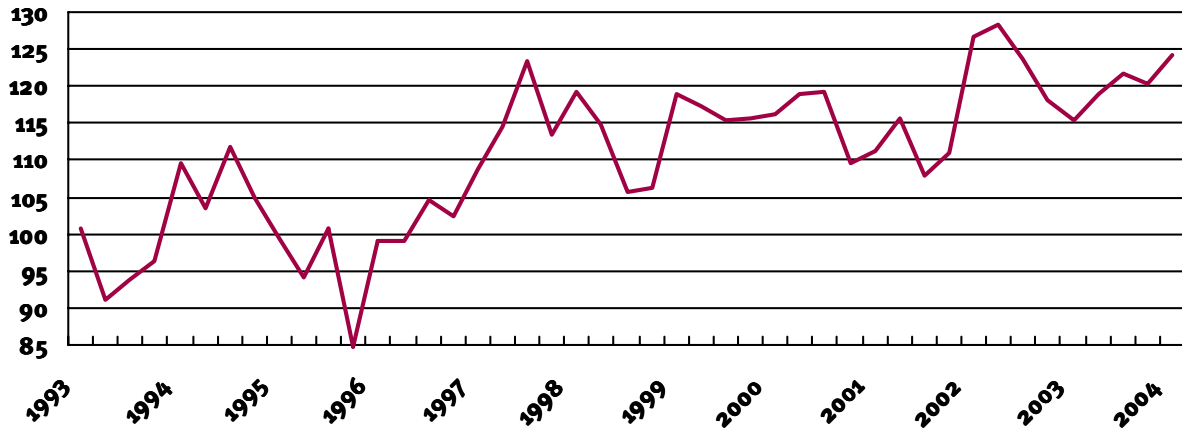
Canadian Retail Sales by Major Product Categories From the Same Quarter A Year Earlier



Consumer Price Index

January 2004 vs. January 2003 1.2%

Canadian Consumer Confidence Index 1993-2004



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1992 - 2003

