

Bulletin

U.S. Data

Advance August 2003 Retail Sales • Released September 12, 2003

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RETAILING IS ALL FUN AND GAMES

With kids getting ready to head back to school, one thing is evident about consumers – they like to play. Electronics and Appliances Stores was the top-leading category in August gaining 9.4% compared to last August. Electronic products either for fun and games, design, mathematical conundrums, or all of the above were hot tickets.

The other important point is that there has been a noticeable shift from traditional back-to-school staples such as clothing, to computer and electronic spending. The big benefit comes to those retailers who are able to offer quantity and assortment in all these products.

General Merchandise Stores performed very well in August besting their year-to-date growth by almost two and half points based on this idea. As stated, General Merchandise Stores benefited from sales in both back-to-school clothing and electronics products gaining 6.5% compared to last year.

Alternatively, Clothing and Accessory Stores were only able to capture 1.5% growth in this critical season for retailers.

Overall, All Stores gained 3.5%, which is off their year-to-date growth. This is primarily influenced by no growth in the Motor Vehicle and Parts Dealers (0.1%) category. However, many of the other store categories turned in solid performances in

August. Food and Beverage Stores gained 3.4%, and Health and Personal Care Stores witnessed 4.5% growth.

While the August 14th Blackout affected just over 10% of the population during an important weekend, the effect is not exceedingly noticeable in the retail sales figures.

GEARING UP FOR THE HOLIDAYS

While most retailers have their game plan mapped out for the next four months, the consensus among retailers is that the holiday season will show increasing promise for big sales. Many retailers are updating their forecasts for higher growth and bringing in inventory in order to capture sales growth.

The Consumer Confidence Index, as measured by the Conference Board, matches this sentiment. The index in August moved up driven higher by a stronger expectation reading.

IBM/NRF STORE OF THE FUTURE SURVEY: DISCOVER THE HOT INVESTMENT TRENDS

In this survey, leading retailers were asked what steps they were taking to build their “stores of the future”. See how you compare. Click on the link to receive your copy.

[STORE OF THE FUTURE SURVEY](#)

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN:

October 15, 2003

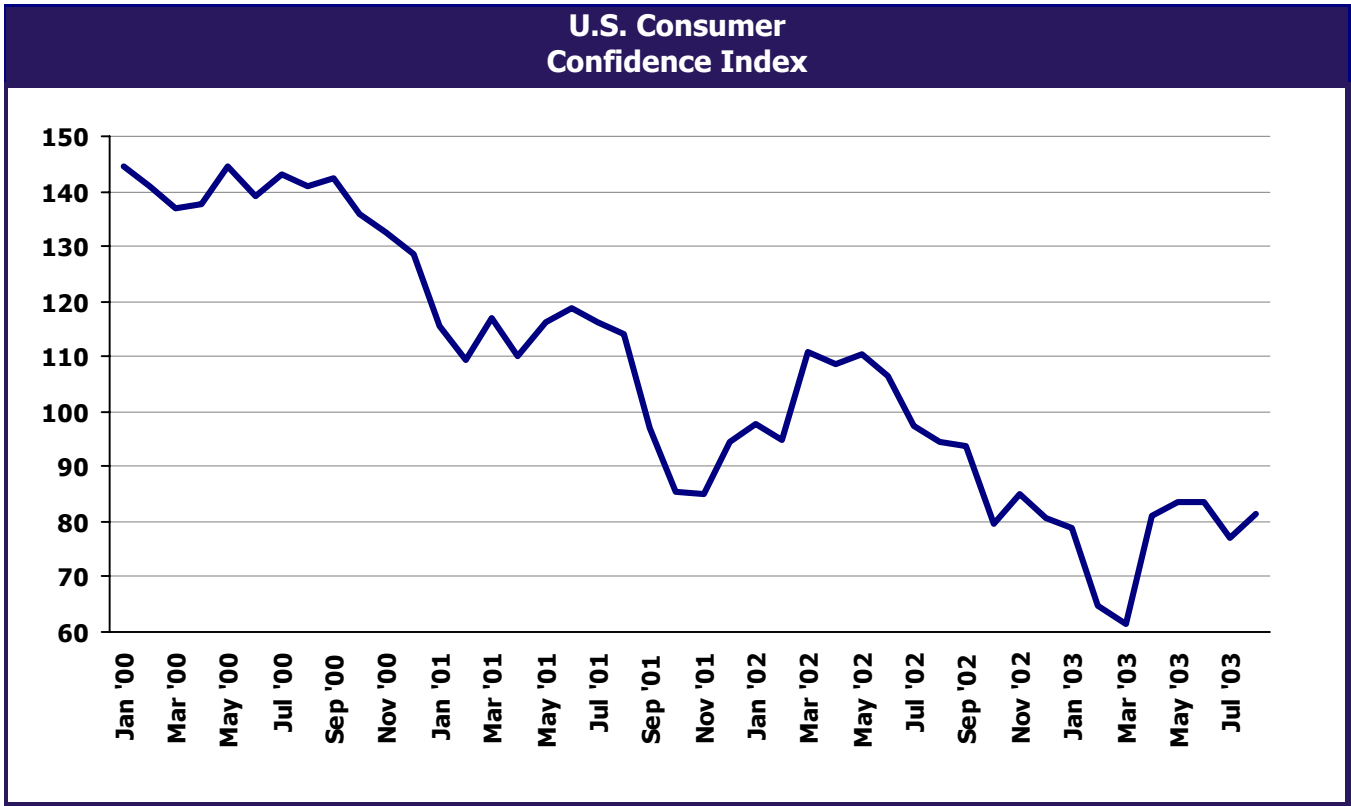
Please note:

The J.C. Williams Group National Retail Bulletin compares the latest monthly release of “raw” (i.e., unadjusted for seasonality, holiday, and trading day) retail sales figures to those in the *same calendar month of the previous year*. The U.S. Census Bureau 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. Definitions can be found on the U.S. Census Web site: www.census.gov.

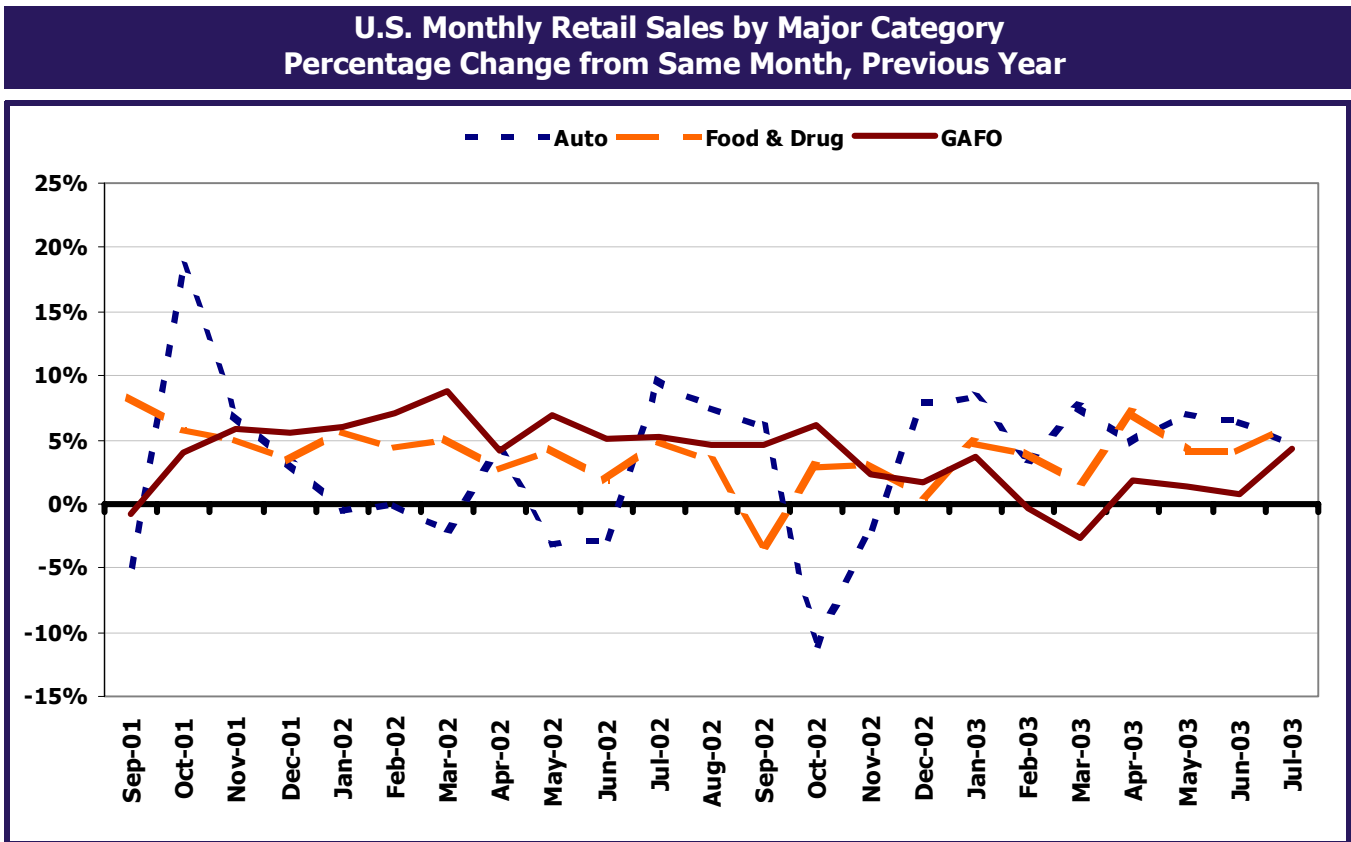
J.C.WILLIAMS GROUP

Advance Sales for the Month of August	2003	2002	% Change
All Stores	329,759	318,526	3.5%
Motor Vehicle and Parts Dealers	83,082	82,958	0.1%
Gasoline Stations	23,684	22,111	7.1%
Food and Beverage Stores	43,622	42,196	3.4%
Grocery Stores	39,279	38,064	3.2%
Health and Personal Care Stores	15,785	15,111	4.5%
Building Material and Garden Equipment Stores	27,623	26,412	4.6%
General Merchandise Stores	40,792	38,308	6.5%
Department Stores (excluding leased departments)	18,447	18,759	-1.7%
Clothing and Accessories Stores	15,228	15,002	1.5%
Furniture, Home Furnishings, Electronics and Appliance Stores	16,930	15,759	7.4%
Furniture and Home Furnishing Stores	8,736	8,270	5.6%
Electronics and Appliance Stores	8,194	7,489	9.4%
Sporting Goods, Hobby, Book and Music Stores	7,256	7,243	0.2%
Miscellaneous Store Retailers	8,945	9,259	-3.4%
Nonstore Retailers	14,286	14,203	0.6%
Food Services and Drinking Places	32,526	29,964	8.6%
Year-to-Date Sales Ending August	2003	2002	% Change
All Stores	2,458,931	2,347,743	4.7%
Motor Vehicle and Parts Dealers	614,745	583,982	5.3%
Gasoline Stations	176,034	159,139	10.6%
Food and Beverage Stores	334,540	324,218	3.2%
Grocery Stores	302,843	293,730	3.1%
Health and Personal Care Stores	124,557	118,436	5.2%
Building Material and Garden Equipment Stores	213,552	203,900	4.7%
General Merchandise Stores	294,107	282,394	4.1%
Department Stores (excluding leased departments)	132,107	138,269	-4.5%
Clothing and Accessories Stores	106,849	104,405	2.3%
Furniture, Home Furnishings, Electronics and Appliance Stores	120,858	116,862	3.4%
Furniture and Home Furnishing Stores	63,373	61,073	3.8%
Electronics and Appliance Stores	57,485	55,789	3.0%
Sporting Goods, Hobby, Book and Music Stores	48,853	49,416	-1.1%
Miscellaneous Store Retailers	67,344	67,741	-0.6%
Nonstore Retailers	120,503	113,782	5.9%
Food Services and Drinking Places	236,989	223,468	6.1%

Source: US Census Bureau. All values are expressed in millions of US dollars and are not seasonally adjusted.



Source: U.S. Conference Board



Source: U.S. Census Bureau