

Retail Trade Analysis

Middletown

Illinois

11/23/2005



Rural Economic Technical Assistance Center

Illinois Institute for Rural Affairs at WIU

318 Stipes, Western Illinois University

1 - University Circle

Macomb, IL 61455

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Middletown
RETAIL TRADE ANALYSIS

Middletown	Year			Change	% Change
	1990	2000	2003		
Census of Population and Housing	Census	Census	Census Projection		
Population	436	434	433	(1)	-0.2
Income Per Capita ('89 and '99, '03)	\$ 9,614	\$ 14,477	\$ 16,422	\$ 1,945	13.4

Taxable Retail Sales	Year							
	1998	1999	2000	2001	2002	2003	2004	
Total Retail Sales	\$ 421,054	\$ 423,704	\$ 470,034	\$ 395,138	\$ 176,799	\$ 284,927	\$ 205,957	
General Merchandise	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Food	\$ 214,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Eating & Drinking	\$ 181,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Apparel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Furniture HHS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Lumber	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Automotive	\$ 864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other	\$ 20,695	\$ 9,420	\$ 17,447	\$ 25,190	\$ 15,850	\$ 6,856	\$ 68,811	
AG	\$ 706	\$ 7,159	\$ 16,469	\$ -	\$ -	\$ 16,060	\$ -	
Manufacturing	\$ 2,924	\$ -	\$ -	\$ -	\$ -	\$ 4,477	\$ 7,490	
Combined NA**	\$ -	\$ 407,125	\$ 436,118	\$ 369,948	\$ 160,949	\$ 257,534	\$ 129,656	

Source: Illinois KOB Reports, Illinois Department of Revenues

**_As of January 1998, the IL Dept. of Revenue has modified policies in their Kind of Business listing to maintain confidentiality of reporting businesses. When a community contains three or fewer businesses in a particular retail sector, that sector's sales tax receipts will not be reported separately. The sales tax receipts will only be included in the KOB's Total category.

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Pull Factors	Year						
	1998	1999	2000	2001	2002	2003	2004
Total Retail Sales	13%	13%	16%	13%	6%	9%	6%
General Merchandise	0%	0%	0%	0%	0%	0%	0%
Food	47%	0%	0%	0%	0%	0%	0%
Eating & Drinking	63%	0%	0%	0%	0%	0%	0%
Apparel	0%	0%	0%	0%	0%	0%	0%
Furniture HHS	0%	0%	0%	0%	0%	0%	0%
Lumber	0%	0%	0%	0%	0%	0%	0%
Automotive	0%	0%	0%	0%	0%	0%	0%
Other	7%	3%	6%	8%	5%	2%	19%
AG	0%	2%	5%	0%	0%	4%	0%
Manufacturing	3%	0%	0%	0%	0%	7%	11%

RETAC: Pull Factors calculated from US Census and KOB data

Real Dollars Inflation adj. to 1998	Year						
	1998	1999	2000	2001	2002	2003	2004
Total Retail Sales	\$ 421,054	\$ 414,543	\$ 444,939	\$ 363,680	\$ 156,792	\$ 252,416	\$ 175,029
General Merchandise	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food	\$ 214,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Eating & Drinking	\$ 181,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Apparel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Furniture HHS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lumber	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Automotive	\$ 864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 20,695	\$ 9,216	\$ 16,516	\$ 23,185	\$ 14,056	\$ 6,074	\$ 58,478
AG	\$ 706	\$ 7,004	\$ 15,590	\$ -	\$ -	\$ 14,227	\$ -
Manufacturing	\$ 2,924	\$ -	\$ -	\$ -	\$ -	\$ 3,966	\$ 6,365
RETAC: CPI all items 1998=100.00	100	102.21	105.64	108.65	112.76	112.88	117.67

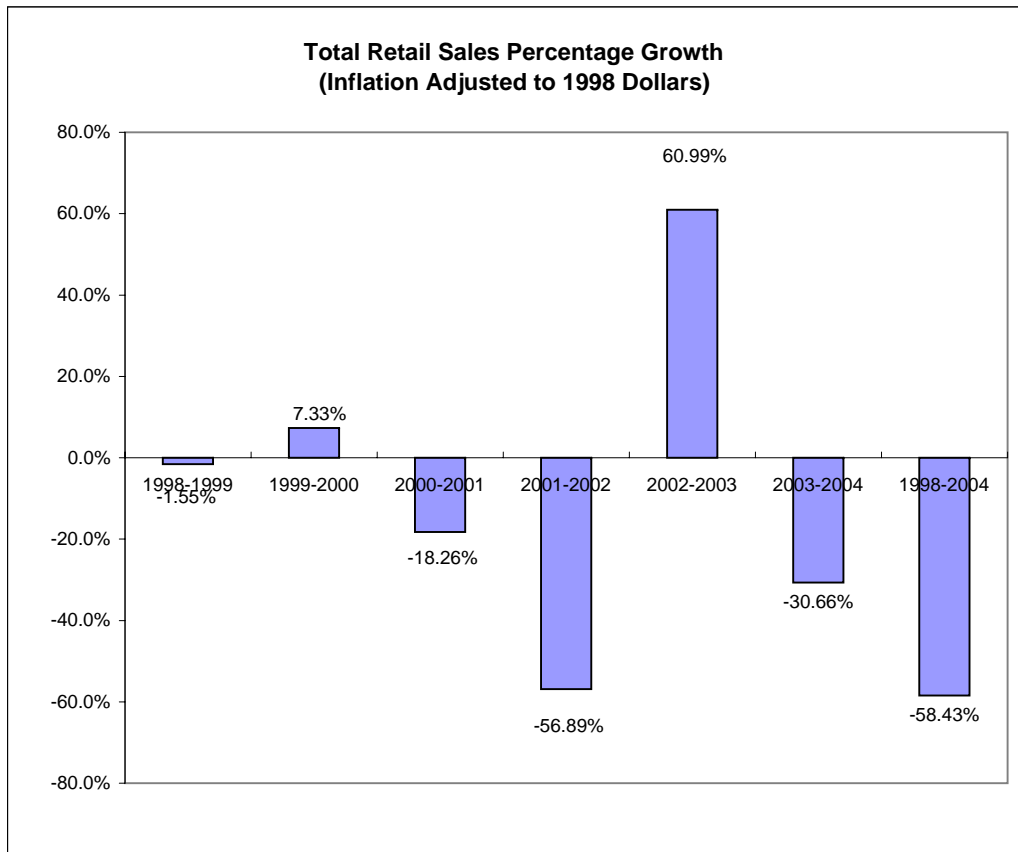
** As of January 1998, the IL Dept. of Revenue has modified policies in their Kind of Business listing to maintain confidentiality of reporting businesses. When a community contains three or fewer businesses in a particular retail sector, that sector's sales tax receipts will not be reported separately. The sales tax receipts will only be included in the KOB's Total category.

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Middletown
Total Retail Sales Trend
1998-2002

Taxable Retail Sales	Year						
	1998	1999	2000	2001	2002	2003	2004
Total Retail Sales	\$ 421,054	\$ 423,704	\$ 470,034	\$ 395,138	\$ 176,799	\$ 284,927	\$ 205,957
TRS Inflation Adj. 1998	\$ 421,054	\$ 414,543	\$ 444,939	\$ 363,680	\$ 156,792	\$ 252,416	\$ 175,029

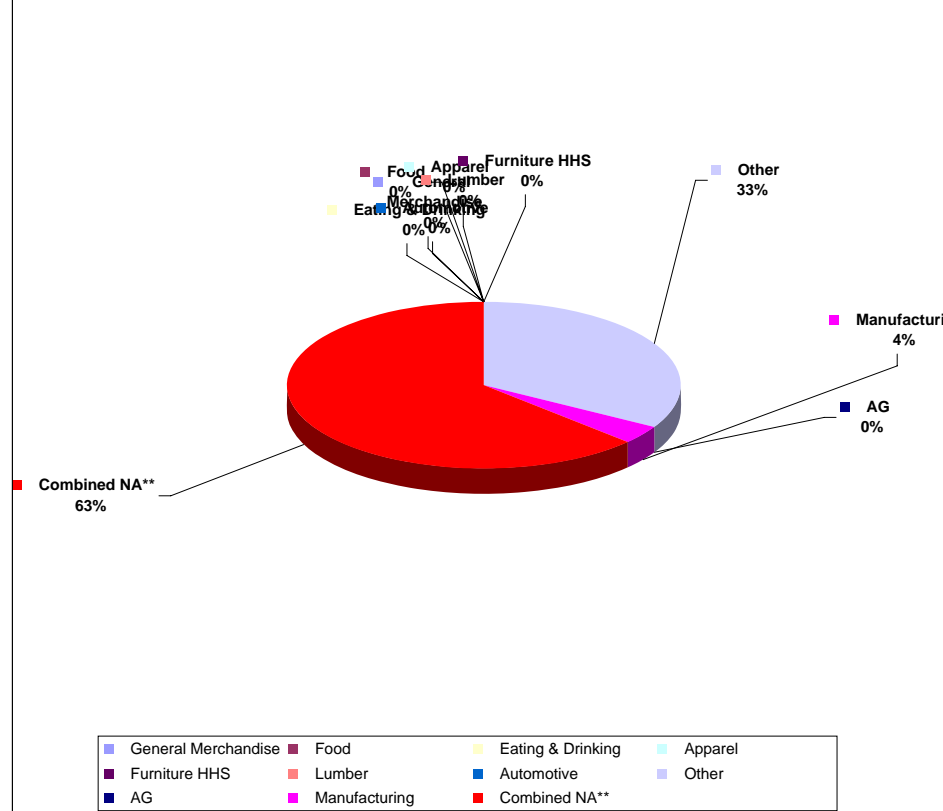
Percentage Growth	Period						
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	1998-2004
Percentage Growth	-1.5%	7.3%	-18.3%	-56.9%	61.0%	-30.7%	-58.4%



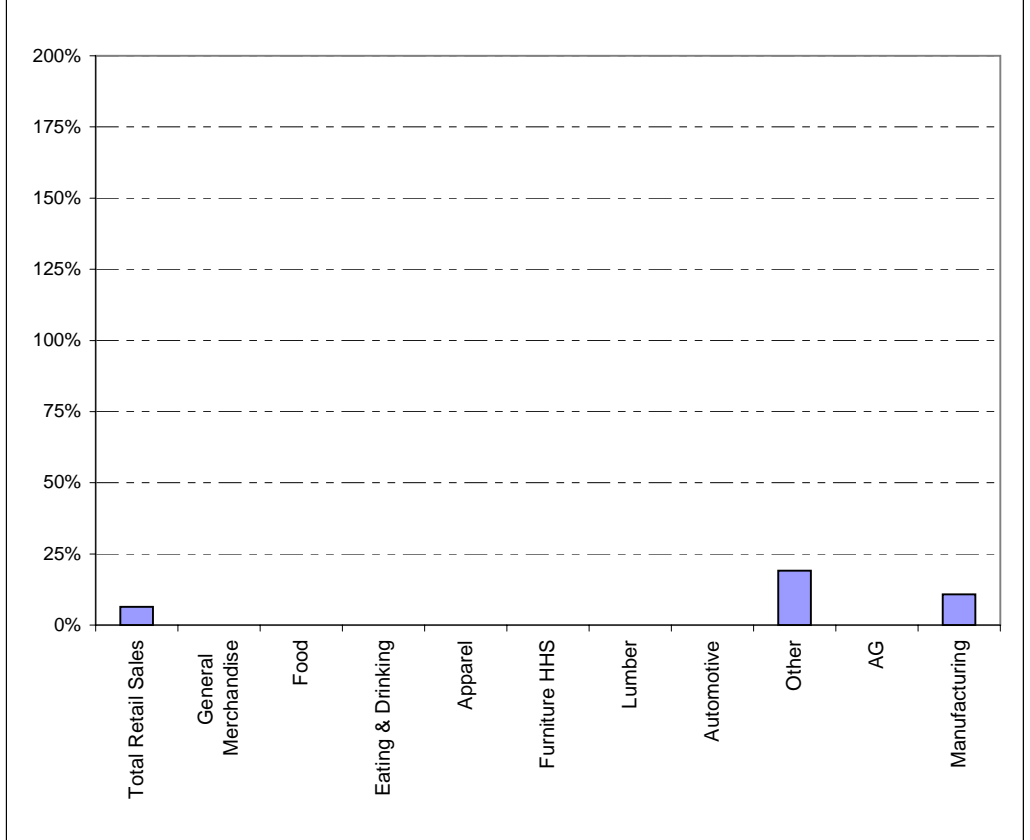
* A change in computation of 1998, 1999, 2000, and 2001 data makes all categories except total non-comparable to other years.

Middletown

Percentage of 2004 Total Retail Sales



2004 Pull Factors



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IMPORTANT

In continuing its effort to offer clients high quality products, RETAC has made a number of changes to the formulation of data used in generating Pull Factors in the Retail Trade Analysis. These changes have improved the accuracy in which the Pull Factors reflect a community's or country's retail environment. However, these changes have also limited the degree to which data contained in this report can be compared with that of previous reports. Please note that this report should be used independent of materials received from RETAC previously. Recent changes in data formulation preclude assuming or establishing trends by combining Pull Factors and other Retail Trade Analysis information from current and past reports. For more information or additional assistance, please contact:

Robin Hanna, Manager, Rural Economic Technical Assistance Center
(800) 526-9943, or Retac@retac.org

Retail Trade Analysis

This retail trade analysis is an enhancement of the program that RETAC has been using for a number of years now. Several things have changed and will affect the magnitude of pull factors in the report compared to previous analysis.

Improved date Acquisition	Tax and population are now loaded in electronic format, starting with 1990 data. Data is now more accurate and easier to manipulate. Previously data were hand entered from mostly readable printed copy. This provides a major improvement in efficiency and accuracy.
Better Down State Profile	Primarily, downstate countries can be separated from Cook and collar counties. Previously, downstate was state totals less Cook county. Currently, downstate excludes Cook and the contiguous collar counties. In short, we come closer to comparing apples to apples in terms of retail expenditures and populations. This had the effect of increasing the pull factors of downstate areas. Downstate incomes have also been re-estimated using updated data from the Department of Commerce.
Updated Base Year	The original program was locked to 1993 as the base year for calculating the effects of inflation. The new base is 1998, allowing more contemporary analysis of recent real growth.
More Analysis	More graphs are included to aid in understanding a broader range of retail characteristics. Analysis now uses pull factors as one of several views of the retail sector. Additional graphs:

Sector Sales as a Percent of Total Sales (1998 Vs 2002)
Retail Sales by Year (1998-2002)
Current Years percent real growth (1998-2002)

If you have copies of previous retail trade analysis, you will notice a decrease in trade factors. It does not mean that local businesses are now doing that worst. It is simply a result of having better data to compare your community with. The changes in down state estimates of income, year 2000 population, and given a downward bias to the calculations. Trends are similar to the previous analysis. Relative strength and weakness by sector and year have not changed. Pull factor calculations provide an indication of the shopping patterns of the local population. One (100%) is the dividing line. A pull factor of less than one (100%) indicates that, on average, people are shopping outside the study area for those items. Conversely, a pull factor greater than one (100%) indicates that, on average, people are coming from outside the study area for those items.

The pull factor is a comparison of average, downstate, and per capita expenditures compared to local per capita expenditures. The actual formula is:

$$\text{Pull Factor} = \frac{\text{Local Retail Sales}}{(\text{Downstate Per Capita Sales}) \times (\text{Local income/Downstate income}) \times \text{Local Population}}$$

Caution:

As has always been the case, the pattern over time using local knowledge of the market is the best indicator of local retail health.