

# Business in Nebraska

Volume 51, No. 609

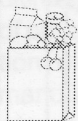
presented by Bureau of Business Research (BBR)

April, 1996

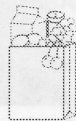
## Changes in the Grocery Industry: Implications for Nebraska

by Tim Burkink, Ray Marquardt, and Wanru Su, UNL Department of Marketing

**S**ignificant changes are taking place in the nation's grocery industry that have important implications for Nebraska grocery retailers and consumers.



The grocery industry is becoming more concentrated, with fewer, larger firms dominating the market.



The overall impact on the consumer remains to be seen, but the grocery industry traditionally has been very efficient and adaptive to change.



Concentration and competition for retail shelf space have made retailers and wholesalers more powerful relative to grocery manufacturers.



Manufacturers have reacted to power shifts in the industry by altering their pricing strategies and reducing individual attention provided to retailers.



Changes in manufacturers' pricing strategies are prompting grocery wholesalers to alter their pricing structures to promote high-volume sales. The result for many grocery retailers across Nebraska is likely to be higher prices from wholesalers and less service from manufacturer and wholesaler representatives.

### Fast Facts

Ownership changes in the food processing industry are linked to increases in productivity.

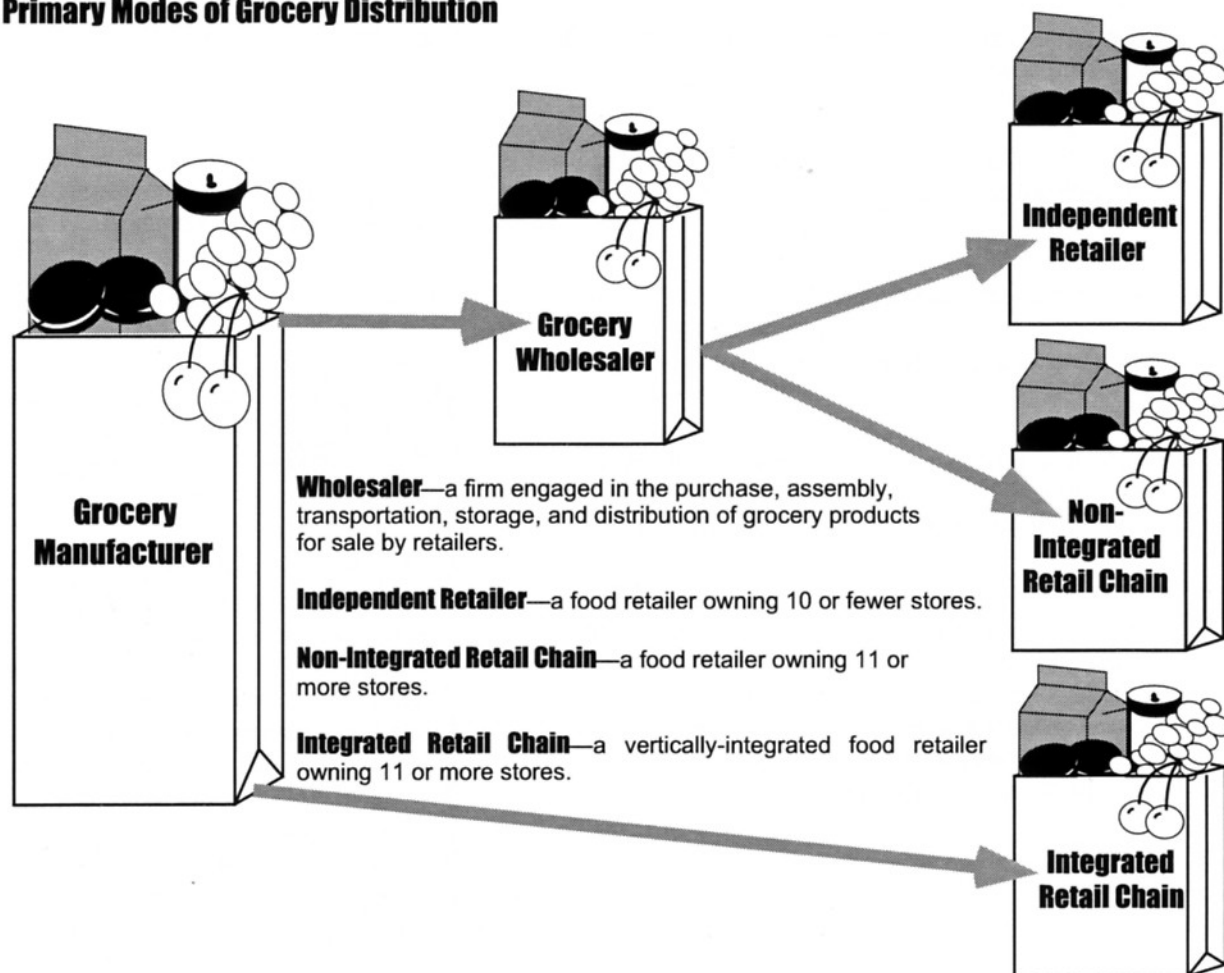
From 1977 to 1987, U.S. food manufacturing plants that underwent ownership changes became more productive after acquisition. The acquisition of productive operations was the primary motive for ownership changes among food processors employing less than 250 workers during the period.

A full report on this topic is available from the Bureau of the Census. Contact Robert H. McGuckin, 301/457-1848, for more information.

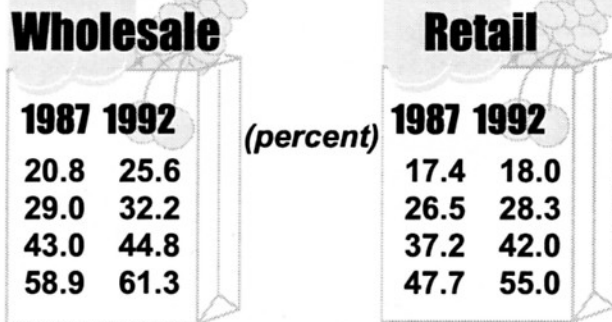
The grocery industry comprises two primary modes of distribution—from manufacturers to grocery wholesalers to independent stores and nonintegrated chain stores, and from manufacturers to integrated grocery chains (Figure 1). At both the state and national levels, food wholesalers and retailers are concentrating (Figure 2 and Table 1), resulting in fewer, larger stores. Nationally, average chain store square footage increased from 26,991 in 1983 to 37,202 in 1993—a 38 percent rise. In 1977, there were 30,831 chain stores; by 1991

that number had fallen 23 percent to 23,722. Superstores and warehouse-type retailers have captured an increased share of grocery sales since 1980 (Figure 3). Wholesalers also are becoming more concentrated as firms engage in merger activity to gain increasing market share in relatively stable markets. For example, Fleming Foods in Nebraska, a division of the nation's largest grocery wholesaler, is shifting to larger distribution centers to enhance efficiency and purchasing power.

**Figure 1**  
**Primary Modes of Grocery Distribution**



**Figure 2**  
**Share of Total Wholesale and Retail Grocery Sales,**  
**by Firm Size, 1987 and 1992—U.S.**



Source: U.S. Department of Commerce, 1992 Census of Retail Trade and 1992 Census of Wholesale Trade

As the grocery industry becomes more concentrated, power is shifting from manufacturers to retailers and wholesalers, giving the latter two more control over pricing, promotion, and merchandising decisions. One factor driving this power shift is the increased competition for retail shelf space. In 1994, over 20,000 new grocery products were introduced by manufacturers. At the same time, however, retail shelves accommodated an average of only 30,000 total products. (Roughly 95 percent of new products introduced ultimately fail.) A related issue is the increased market share of private label brand products reflecting the vertical integration of an increasing number of retailers down to the manufacturing level. Private label sales accounted for 20 percent of U.S. supermarket unit sales in 1993, up from 15

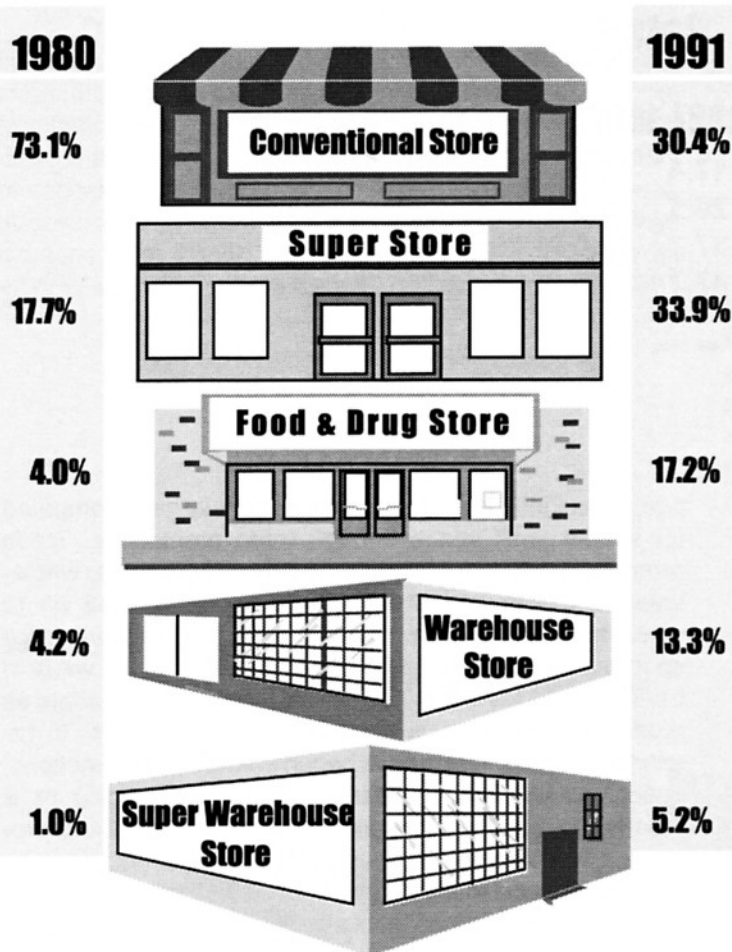
percent in 1988. Manufacturers traditionally have competed for scarce shelf space through trade promotions. Trade promotions are temporary price reductions granted to wholesalers and retailers which ultimately are passed on to consumers in the form of advertised and in-store price specials. However, a high percentage of the dollar value of trade promotions is retained by retailers and wholesalers as profit and, therefore, is not passed to consumers. In response, manufacturers have begun to limit trade promotions, opting instead for consistent everyday low pricing as a means of stabilizing consumer demand, streamlining production and shipping costs, and minimizing profit taking by wholesalers and retailers. To cut costs further, manufacturers also are limiting individual attention traditionally provided to retailers.

**Table 1**  
**Concentration of Sales, Nebraska Retail**  
**Grocery Stores, Selected Years**

	<i>Number of Stores</i>	<i>Total Sales (\$000)</i>	<i>Sales Per Store (\$000)</i>	<i>Percent Change (Sales Per Store)</i>
<b>1982</b>	1,229	1,419,864	1,155	
<b>1987</b>	1,222	1,672,434	1,369	18.5
<b>1992</b>	1,095	2,156,006	1,969	43.8

Source: U.S. Department of Commerce, Bureau of the Census

**Figure 3**  
**Share of U.S. Retail Grocery Sales, by Store Type,**  
**1980 and 1991**



Source: Food Review, 1993, USDA Economic Research Service

Limits on trade promotions have important implications for the Nebraska grocery industry. Traditionally, a significant amount of grocery wholesalers' profits have come from trade promotion dollars. Since trade promotions are now being minimized, wholesalers are streamlining distribution by making fewer low-volume deliveries to small stores and are adjusting their cost structures and product selections to promote higher-volume purchases by their customers. As a result, many small independent retailers will face higher costs and receive less variety in products from wholesalers seeking to capture efficiencies from increased sales of high-volume products to large customers. The impact of these changes on Nebraska is likely to be significant, since the majority of grocers in the state are supplied by grocery wholesalers.

The good news for consumers is that the grocery industry traditionally has been very competitive and adaptive. The razor-thin profit margins that characterize the industry indicate that firms are not able to exercise monopoly power. In the grocery industry, this largely is a result of the availability of many close substitutes, such as restaurants. In addition, there is ample evidence that the industry has been successful in consistently improving efficiency, to the benefit of consumers. Grocery price inflation generally has been below overall inflation (Table 2) and the share of disposable personal income spent on grocery products has declined consistently.

In light of the current trends in the grocery industry, grocery retailers in Nebraska, particularly those in rural areas, will face increasing competitive pressures as their suppliers strive to optimize efficiency. However, grocery retailers have a long history of efficiency and responsiveness to consumers. Grocers have continually responded to competitive pressures by improving efficiencies and by offering new products and services designed to make life easier for their customers, such as one-stop shopping and the growing availability of prepared foods. This favorable history of being efficient and adaptable indicates that small grocers likely will continue to find ways to effectively compete in their markets.

*In the July/August issue of Business in Nebraska, authors Burkink, Marquardt, and Su will present some survival strategies for small retailers in Nebraska.*

**Table 2**  
**Comparison of Grocery Price Increases**  
**to Overall Consumer Price Index (CPI)**  
**(percent)**

	Groceries*	Overall CPI
1961-1970	26.7	31.1
1971-1980	121.6	112.4
1981-1991	53.6	65.3

\*Includes food purchased for home use only

Source: Economic Report of the President, 1993

# News Briefs

One of the data compilations provided to *Business in Nebraska* subscribers is monthly net taxable retail sales for cities, counties, and regions in Nebraska (pages 6, 7, and 10). This is our "stock quote" of retail activity in Nebraska. However, like stock market reports, the value of net taxable retail sales information is limited by a reader's understanding of reporting requirements, methods, and definitions.

Every person collecting Nebraska sales and use tax must file a Nebraska and City Sales and Use Tax Return, Form 10. A business that operates multiple establishments in the state may be granted permission by the Nebraska Department of Revenue to report sales and use tax for several locations on a combined return and to attach the combined return to Form 10. Other forms are required to be attached to Form 10 for reporting any additions or deletions of business establishments. Report forms and payments must postmarked by the twenty-fifth day of the month following the tax period covered by the return. A return is required even if there have been no taxable sales.

Persons selling motor vehicles to residents of Nebraska do not collect sales and use tax. The collection of motor vehicle sales tax is done at the county clerk's office in the county where the buyer resides. Thus, Form 10 does not apply to persons selling motor vehicles to residents of Nebraska.

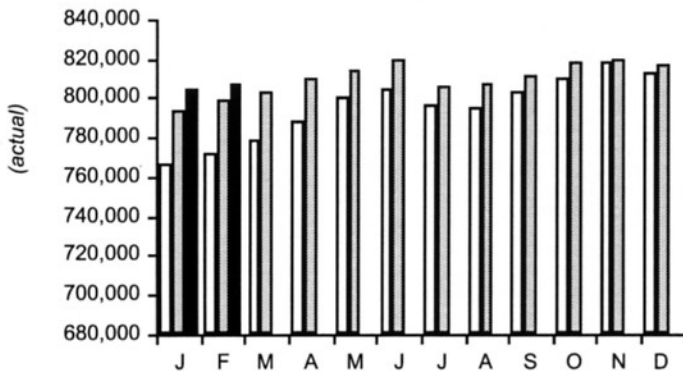
The table on page 6 reports net taxable retail sales for Nebraska cities. The table does not report motor vehicle sales, since motor vehicle sales are reported by the offices of county clerks. The sales data for cities, page 6, are *net* taxable retail sales, meaning that all sales exempt from sales and use tax have been deducted from total sales.

(continued on [bulletin board](#), p. 12)

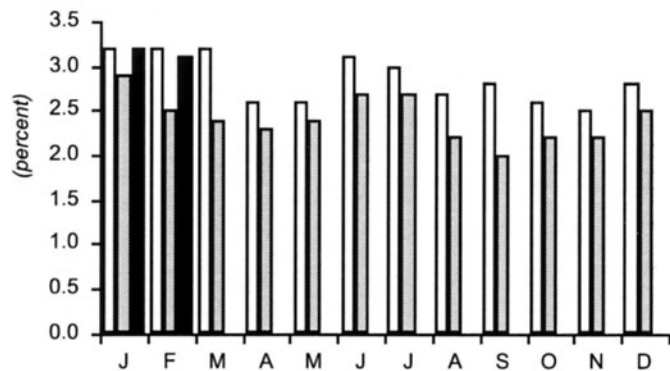
## Nebraska Stats

□ 1994    ■ 1995    ■ 1996

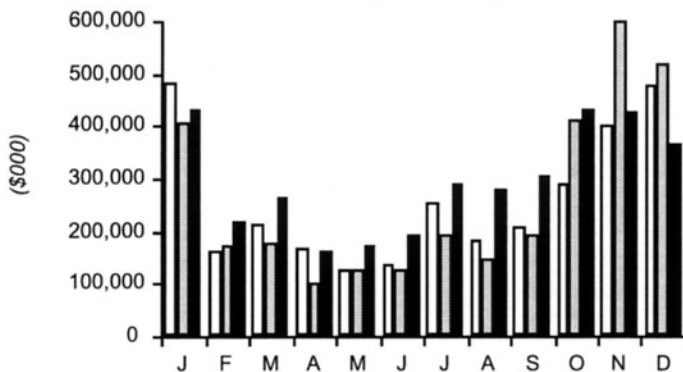
**Total Nonfarm Employment**



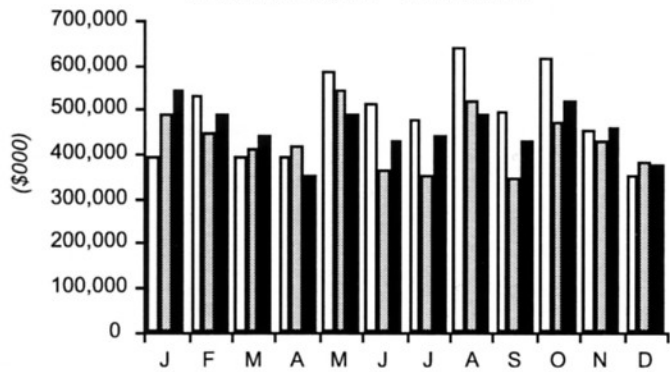
**Unemployment Rate**



**Cash Receipts—Crops**



**Cash Receipts—Livestock**



# Net Taxable Retail Sales\* for Nebraska Cities (\$000)

	December \$	YTD \$	YTD % Change		December \$	YTD \$	YTD % Change
Ainsworth, Brown	2,063	20,765	-5.1	Kearney, Buffalo	37,790	326,799	4.7
Albion, Boone	2,496	20,588	9.3	Kenesaw, Adams	127	1,253	-2.3
Alliance, Box Butte	7,699	67,818	5.6	Kimball, Kimball	1,823	18,811	-6.8
Alma, Harlan	869	7,842	-4.0	La Vista, Sarpy	10,800	83,788	11.6
Arapahoe, Furnas	957	7,739	0.5	Laurel, Cedar	487	4,231	-3.2
Arlington, Washington	345	2,271	0.4	Lexington, Dawson	9,419	87,939	5.1
Arnold, Custer	361	3,218	-2.0	Lincoln, Lancaster	220,879	1,952,921	6.6
Ashland, Saunders	1,223	11,291	-0.2	Louisville, Cass	441	4,268	-17.3
Atkinson, Holt	1,580	9,709	3.9	Loup City, Sherman	692	6,515	-6.3
Auburn, Nemaha	3,170	29,278	0.7	Lyons, Burt	503	5,387	-4.7
Aurora, Hamilton	3,263	30,501	3.6	Madison, Madison	874	8,149	-4.8
Axtell, Kearney	151	1,022	-7.8	McCook, Red Willow	13,694	117,086	15.0
Bassett, Rock	568	5,412	-7.1	Milford, Seward	1,006	9,134	-9.3
Battle Creek, Madison	788	7,220	-5.0	Minatare, Scotts Bluff	187	2,640	-7.5
Bayard, Morrill	475	5,469	3.7	Minden, Kearney	1,734	19,246	-0.8
Beatrice, Gage	13,717	112,174	4.8	Mitchell, Scotts Bluff	1,094	9,647	-8.5
Beaver City, Furnas	236	1,572	-13.9	Morrill, Scotts Bluff	377	4,627	-2.9
Bellevue, Sarpy	22,313	181,063	4.1	Nebraska City, Otoe	6,857	61,484	10.7
Benkelman, Dundy	823	5,930	-3.0	Neligh, Antelope	1,625	14,631	-1.2
Bennington, Douglas	278	3,356	3.6	Newman Grove, Madison	360	3,756	18.2
Bertrand, Phelps	245	1,623	-18.6	Norfolk, Madison	36,324	312,328	7.2
Blair, Washington	7,302	70,428	0.1	North Bend, Dodge	712	5,616	12.8
Bloomfield, Knox	1,000	7,040	-7.2	North Platte, Lincoln	26,392	243,851	1.7
Blue Hill, Webster	548	4,577	-2.2	O'Neill, Holt	6,081	48,748	6.5
Bridgeport, Morrill	953	11,505	-3.2	Oakland, Burt	811	7,008	-6.8
Broken Bow, Custer	5,849	53,459	17.6	Ogallala, Keith	6,482	61,838	3.1
Burwell, Garfield	1,147	8,638	-3.5	Omaha, Douglas	534,018	4,868,274	3.8
Cairo, Hall	269	2,310	-5.9	Ord, Valley	2,263	21,354	-3.3
Cambridge, Furnas	1,742	10,735	60.5	Osceola, Polk	856	8,595	-1.8
Central City, Merrick	2,004	18,053	3.6	Oshkosh, Garden	556	5,657	1.9
Ceresco, Saunders	1,511	12,780	-3.0	Osmond, Pierce	480	4,780	0.1
Chadron, Dawes	4,156	40,176	1.6	Oxford, Furnas	373	4,124	-5.7
Chappell, Deuel	495	5,070	-0.6	Papillion, Sarpy	4,258	41,758	0.8
Clarkson, Colfax	564	4,898	4.1	Pawnee City, Pawnee	426	3,616	-1.2
Clay Center, Clay	448	3,004	-7.3	Pender, Thurston	812	7,439	4.1
Columbus, Platte	23,734	227,579	2.1	Pierce, Pierce	934	7,651	4.1
Cozad, Dawson	3,035	31,588	-4.5	Plainview, Pierce	877	7,613	-4.1
Crawford, Dawes	628	5,635	2.6	Plattsmouth, Cass	3,750	34,237	2.8
Creighton, Knox	1,307	11,810	2.1	Ponca, Dixon	584	5,374	-2.5
Crete, Saline	4,299	41,855	-2.1	Ralston, Douglas	2,877	30,877	4.0
Crofton, Knox	593	4,393	-1.8	Randolph, Cedar	504	4,277	0.7
Curtis, Frontier	390	3,524	2.2	Ravenna, Buffalo	885	7,966	-7.4
Dakota City, Dakota	604	6,584	14.0	Red Cloud, Webster	948	8,213	-8.9
David City, Butler	1,825	17,163	-0.5	Rushville, Sheridan	820	6,600	-6.2
Deshler, Thayer	393	2,753	-1.3	Sargent, Custer	395	2,641	3.0
Dodge, Dodge	417	2,768	-5.5	Schuyler, Colfax	2,409	21,866	-3.6
Doniphan, Hall	755	6,616	-5.1	Scottsbluff, Scotts Bluff	26,969	225,916	1.8
Eagle, Cass	296	3,721	1.1	Scribner, Dodge	586	5,364	-9.7
Elgin, Antelope	621	4,854	-1.4	Seward, Seward	5,725	55,310	1.3
Elkhorn, Douglas	2,390	18,827	5.2	Shelby, Polk	466	3,790	2.2
Elm Creek, Buffalo	265	2,673	-13.7	Shelton, Buffalo	554	6,652	-17.1
Elwood, Gosper	360	4,360	-3.5	Sidney, Cheyenne	7,874	77,935	8.5
Fairbury, Jefferson	4,061	35,602	-0.1	South Sioux City, Dakota	9,860	93,244	5.3
Fairmont, Fillmore	246	1,934	-1.5	Springfield, Sarpy	305	2,363	9.0
Falls City, Richardson	3,644	29,197	3.9	St. Paul, Howard	1,377	13,282	-4.9
Franklin, Franklin	698	5,741	-3.7	Stanton, Stanton	763	6,398	-4.5
Fremont, Dodge	25,706	237,610	-2.5	Stromsburg, Polk	1,522	11,081	-0.8
Friend, Saline	575	5,876	-3.0	Superior, Nuckolls	1,882	17,179	-6.9
Fullerton, Nance	659	6,200	-2.7	Sutherland, Lincoln	516	3,336	-3.1
Geneva, Fillmore	1,887	19,902	2.0	Sutton, Clay	1,925	13,677	21.1
Genoa, Nance	314	2,912	-4.3	Syracuse, Otoe	1,132	11,513	0.2
Gering, Scotts Bluff	3,931	38,813	-3.8	Tecumseh, Johnson	1,281	11,851	-2.0
Gibbon, Buffalo	873	8,462	-0.6	Tekamah, Burt	1,390	12,112	2.2
Gordon, Sheridan	2,367	19,988	-2.5	Tilden, Madison	581	5,039	-2.4
Gothenburg, Dawson	3,208	24,361	5.1	Utica, Seward	283	2,839	4.2
Grand Island, Hall	59,603	550,621	5.3	Valentine, Cherry	4,598	42,548	12.1
Grant, Perkins	1,152	10,388	4.3	Valley, Douglas	933	12,401	-11.2
Gretna, Sarpy	4,725	41,501	4.8	Wahoo, Saunders	2,865	28,374	-0.5
Hartington, Cedar	1,947	18,433	-4.7	Wakefield, Dixon	507	4,349	-3.2
Hastings, Adams	25,866	235,979	3.2	Wauneta, Chase	439	3,582	-2.5
Hay Springs, Sheridan	402	3,661	-5.0	Waverly, Lancaster	889	7,002	-1.8
Hebron, Thayer	2,070	19,672	-2.3	Wayne, Wayne	4,086	35,813	-9.0
Henderson, York	867	7,315	7.3	Weeping Water, Cass	687	7,305	1.9
Hickman, Lancaster	383	2,697	5.7	West Point, Cuming	4,515	40,022	10.5
Holdrege, Phelps	5,574	54,182	2.6	Wilber, Saline	642	5,456	-1.4
Hooper, Dodge	569	3,483	-0.4	Wisner, Cuming	736	6,416	-9.0
Humboldt, Richardson	647	5,528	-7.1	Wood River, Hall	579	5,243	6.9
Humphrey, Platte	749	7,705	-1.2	Wymore, Gage	561	4,785	1.8
Imperial, Chase	2,090	18,872	1.3	York, York	10,251	98,607	4.4
Juniata, Adams	277	2,400	1.1				

\*Does not include motor vehicle sales. Motor vehicle net taxable retail sales are reported by county only.

Source: Nebraska Department of Revenue

# Net Taxable Retail Sales for Nebraska Counties (\$000)

	Motor Vehicle Sales			Other Sales				Motor Vehicle Sales			Other Sales		
	December 1995	YTD	YTD % Chg	December 1995	YTD	YTD % Chg		December 1995	YTD	YTD % Chg	December 1995	YTD	YTD % Chg
Nebraska *	130,326	1,882,578	3.8	1,581,349	13,988,160	4.4	Howard	493	7,301	-1.6	1,975	17,153	-4.4
Adams	2,843	32,599	6.3	26,675	242,629	3.1	Jefferson	802	9,976	4.6	5,259	45,570	2.4
Antelope	658	9,430	0.0	3,021	24,275	-0.9	Johnson	391	5,189	5.0	2,056	16,105	-0.4
Arthur	35	471	-32.6	132	(D)	(D)	Kearney	568	9,065	9.7	2,156	22,020	-0.8
Banner	105	1,263	-13.3	59	(D)	(D)	Keith	821	11,740	0.5	7,047	66,734	3.3
Blaine	99	715	-15.2	154	(D)	(D)	Keya Paha	49	1,106	-11.6	234	1,059	-0.5
Boone	650	8,647	-4.1	3,383	27,121	8.2	Kimball	386	5,486	9.2	1,881	19,254	-6.8
Box Butte	1,282	18,505	6.5	8,053	71,065	5.9	Knox	849	9,905	5.1	4,123	30,481	-1.7
Boyd	173	2,506	-9.4	1,254	7,147	-2.6	Lancaster	15,869	223,982	-3.2	224,077	1,973,610	6.5
Brow	331	3,947	-11.9	2,255	21,675	-5.3	Lincoln	2,897	39,385	1.1	27,829	254,898	1.4
Buffalo	3,071	43,636	-0.2	40,829	356,391	3.6	Logan	135	1,281	4.2	179	(D)	(D)
Burt	762	9,727	17.2	3,068	27,007	-1.6	Loup	73	957	1.8	83	(D)	(D)
Butler	759	9,717	3.8	2,682	23,074	0.6	McPherson	76	557	-28.3	48	(D)	(D)
Cass	1,952	30,258	4.7	6,716	63,505	1.2	Madison	2,739	39,909	5.4	39,038	337,122	6.3
Cedar	1,124	12,705	9.3	3,579	31,329	-3.9	Merrick	591	8,958	-10.1	2,784	24,076	0.4
Chase	401	6,199	5.8	2,587	22,877	0.4	Morrill	530	6,345	-4.5	1,489	17,433	-0.9
Cherry	406	7,284	-21.9	5,020	45,139	10.5	Nance	324	4,473	3.6	1,091	9,562	-2.9
Cheyenne	984	12,929	7.4	8,450	81,397	8.2	Nemaha	680	8,773	7.8	3,783	32,906	0.7
Clay	691	8,998	7.8	3,661	26,273	13.5	Nuckolls	454	6,169	2.0	2,659	23,398	-4.5
Colfax	829	10,716	3.3	3,903	31,784	-1.6	Otoe	1,421	18,055	12.8	8,591	77,682	8.2
Cuming	992	11,863	-1.3	6,180	52,996	5.9	Pawnee	236	2,977	-1.0	889	6,300	-5.2
Custer	1,080	13,472	-1.3	7,602	64,788	14.5	Perkins	334	4,733	-9.6	1,483	12,517	2.3
Dakota	1,548	20,667	2.5	11,447	107,968	5.2	Phelps	765	12,544	-11.4	6,099	57,309	1.7
Dawes	494	7,751	-6.5	4,821	45,860	1.7	Pierce	592	9,054	2.1	2,562	21,151	0.6
Dawson	2,221	27,605	-0.2	16,217	148,756	2.7	Platte	2,448	36,777	1.8	25,384	242,161	2.0
Deuel	120	2,604	-13.9	751	9,411	1.0	Polk	622	7,874	6.8	3,032	25,113	-2.4
Dixon	587	6,645	-10.6	1,394	11,209	-2.7	Red Willow	1,040	14,283	2.3	14,147	120,798	14.4
Dodge	2,610	37,539	2.2	28,575	258,183	-2.2	Richardson	669	10,099	3.7	4,969	38,384	2.1
Douglas	30,243	484,450	5.7	542,753	4,957,289	3.8	Rock	159	2,235	-5.5	654	5,628	-7.5
Dundy	156	3,317	-8.0	898	6,387	-3.8	Saline	1,074	14,917	16.9	6,189	57,763	-2.1
Fillmore	850	9,430	17.6	3,238	30,149	3.0	Sarpy	8,674	135,860	6.0	42,771	354,159	5.9
Franklin	359	4,136	0.1	1,173	8,865	-2.3	Saunders	1,591	23,658	3.9	7,702	63,973	-0.8
Frontier	246	3,804	-7.9	924	7,337	-0.4	Scotts Bluff	2,788	41,361	-2.1	32,799	282,892	2.3
Furnas	360	6,763	-3.6	3,580	25,950	16.1	Seward	1,233	17,500	2.8	7,628	70,496	0.0
Gage	1,852	23,794	2.0	15,622	124,948	3.8	Sheridan	514	6,822	-8.5	4,011	33,792	-3.3
Garden	228	3,151	-3.7	849	7,806	1.4	Sherman	244	3,853	0.5	1,092	8,927	-4.5
Garfield	147	1,707	-13.7	1,147	8,638	-3.5	Sioux	315	2,410	2.3	188	1,681	-14.1
Gosper	254	3,018	-8.2	446	5,020	-1.0	Stanton	450	7,166	11.2	916	8,010	-2.9
Grant	155	1,148	4.0	348	2,184	-8.2	Thayer	769	7,570	13.5	3,678	29,699	-2.1
Greeley	205	3,256	-1.3	948	7,649	-2.2	Thomas	132	1,232	10.5	372	3,988	16.1
Hall	4,227	61,446	3.5	61,699	569,331	5.2	Thurston	425	5,276	10.6	1,135	9,168	2.6
Hamilton	1,003	12,968	9.7	4,068	35,560	3.7	Valley	366	5,258	12.5	2,579	23,616	-5.0
Harlan	438	4,923	-3.6	1,230	10,895	-2.4	Washington	2,038	24,801	9.3	8,892	78,001	0.0
Hayes	183	1,638	12.7	86	(D)	(D)	Wayne	560	9,540	4.5	4,459	37,844	-8.6
Hitchcock	286	4,084	-1.6	829	7,183	-10.0	Webster	399	4,427	-5.7	1,677	14,125	-6.3
Holt	1,025	14,022	5.4	8,886	67,038	5.3	Wheeler	166	1,795	14.2	249	(D)	(D)
Hooker	100	798	-19.2	354	3,356	16.2	York	1,288	18,588	1.2	11,875	111,742	4.2

\*Totals may not add due to rounding

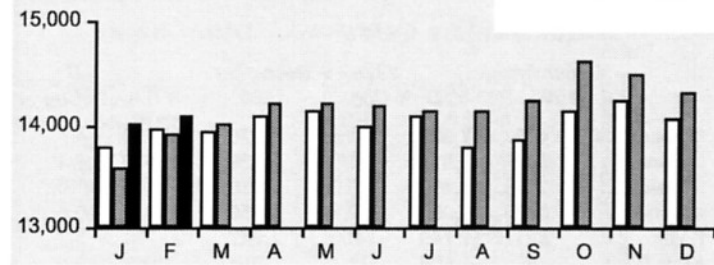
(D) Denotes disclosure suppression

Source: Nebraska Department of Revenue

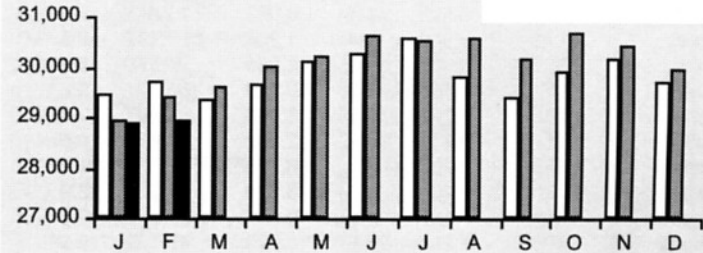
# Regional Employment—1994 to February 1996

□ 1994    ▒ 1995    ■ 1996

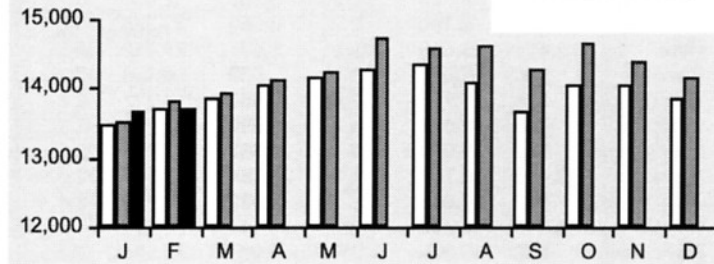
## Northwest Panhandle



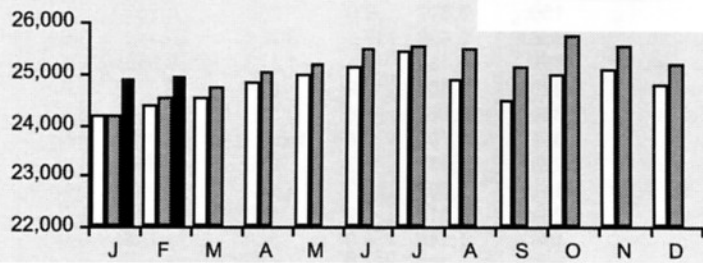
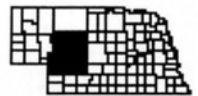
## Southwest Panhandle



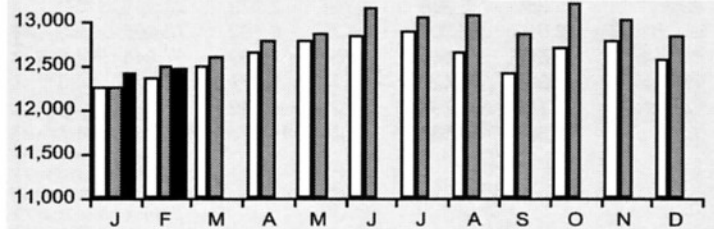
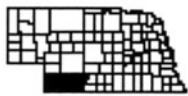
## North Central



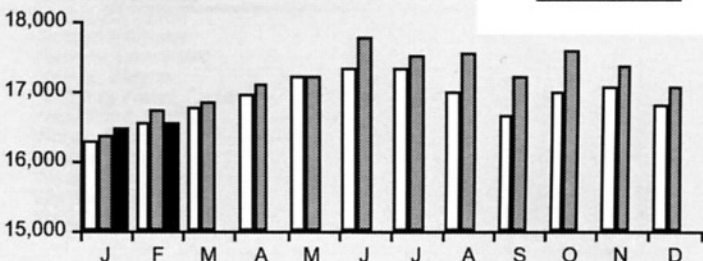
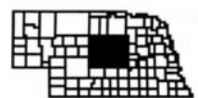
## West Central



## Southwest Central



## East Central

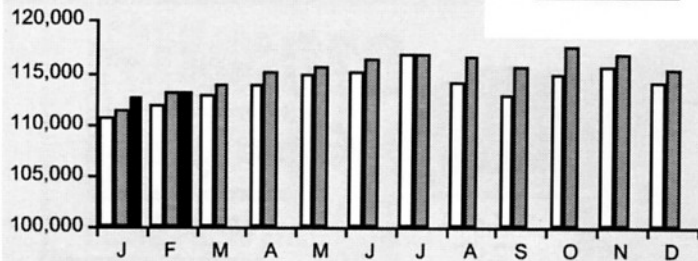
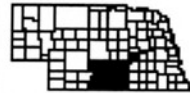




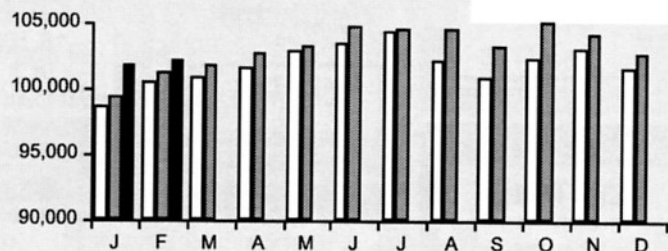
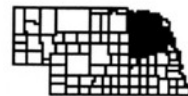
# Regional Employment—1994 to February 1996

□ 1994    ■ 1995    ■ 1996

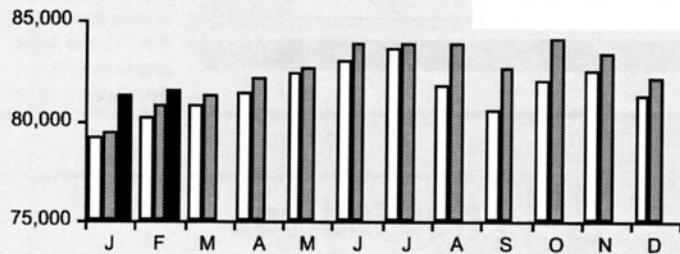
## Southeast Central



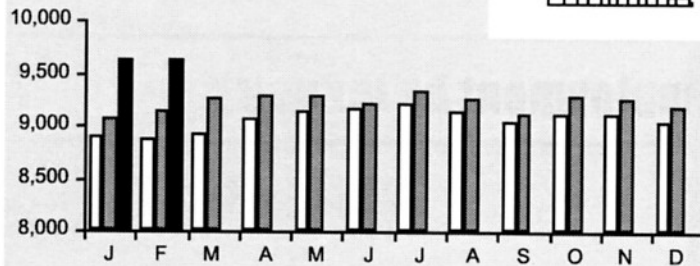
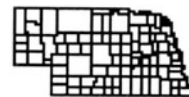
## Northeast



## Southeast

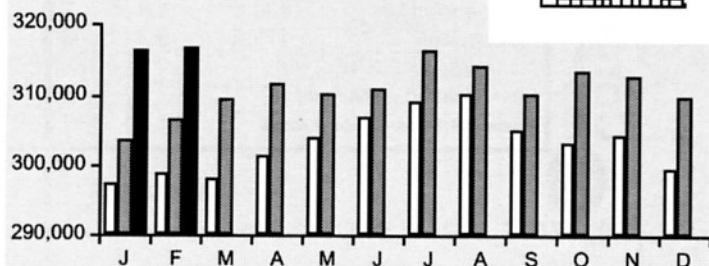


## Sioux City MSA

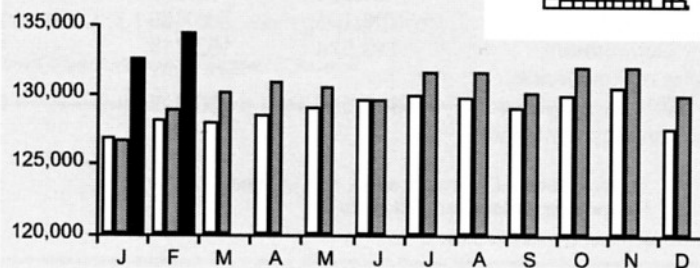
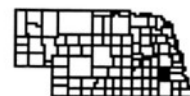


*Note: Cass County is now included in the Omaha MSA, rather than the Southeast region*

## Omaha MSA

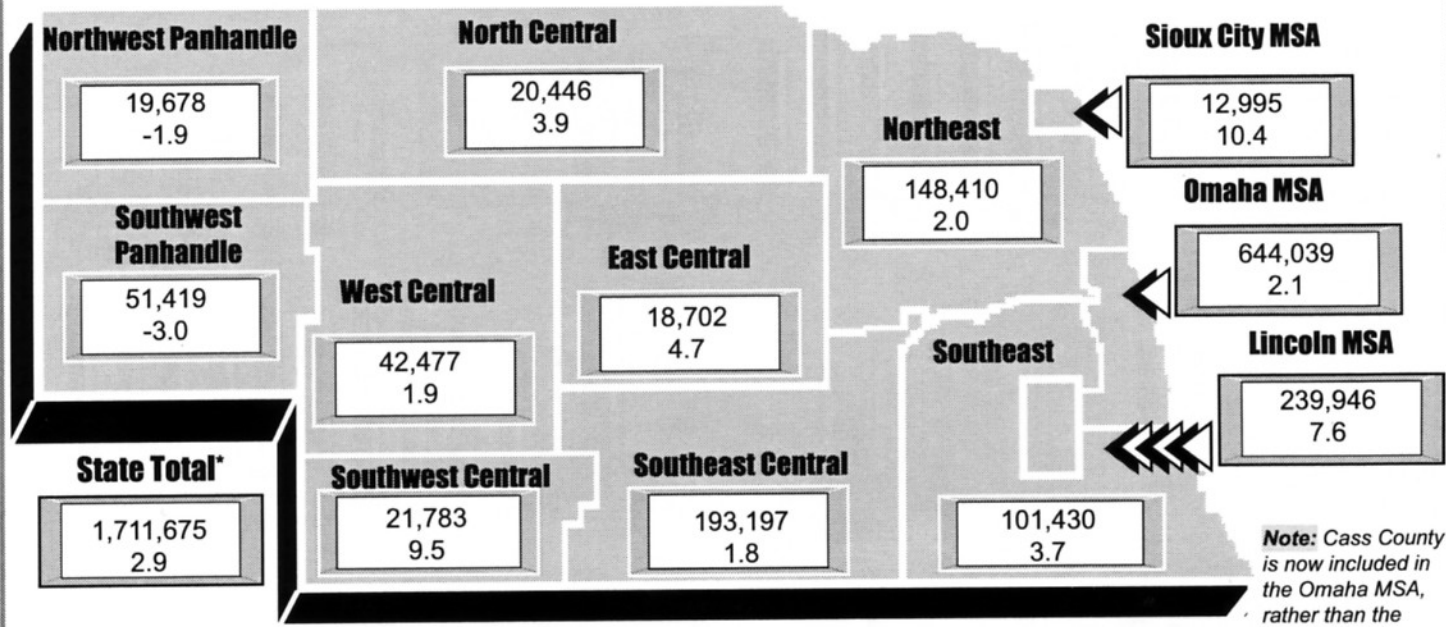


## Lincoln MSA



# December 1995 Regional Retail Sales (\$000)

## Percent Change from Year Ago



\*Regional values may not add to state total due to unallocated sales

**Note:** Cass County is now included in the Omaha MSA, rather than the Southeast region

### Employment by Industry

	Revised January 1996	Preliminary February 1996	% Change vs Year Ago
<b>Place of Work</b>			
Nonfarm	805,046	808,045	1.1
Manufacturing	112,133	111,889	0.0
Durables	53,874	53,785	-0.8
Nondurables	58,259	58,104	0.7
Mining & Construction	31,348	31,109	4.3
TCU*	49,016	48,847	-1.0
Trade	204,148	202,579	1.2
Retail	151,098	149,939	1.0
Wholesale	53,050	52,640	1.7
FIRE**	52,260	52,215	0.9
Services	206,567	208,688	1.6
Government	149,574	152,718	1.2
<b>Place of Residence</b>			
Civilian Labor Force	893,616	896,713	2.8
Unemployment Rate	3.2	3.1	

\* Transportation, Communication, and Utilities  
 \*\* Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor



### Price Indices

Consumer Price Index - U\*  
(1982-84 = 100)

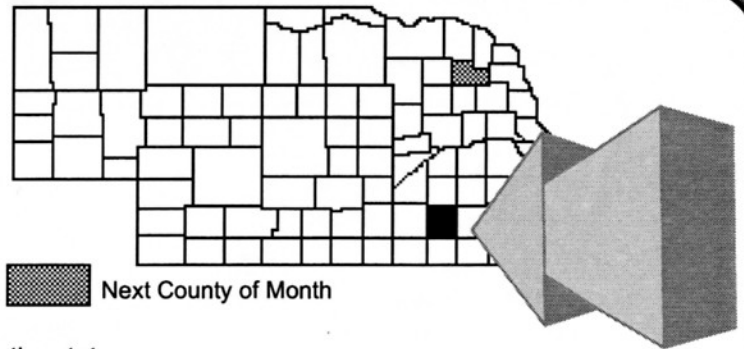
	February 1996	% Change vs Yr Ago	YTD % Change vs Yr Ago
All Items	154.9	2.7	2.7
Commodities	138.0	1.9	2.0
Services	172.2	3.3	3.3

U\* = All urban consumers  
 Source: U.S. Bureau of Labor Statistics

County of the Month

# Fillmore

**Geneva—County Seat**



**License plate prefix number:** 34

**Size of county:** 576 square miles, ranks 47th in the state

**Population:** 7,103 in 1990, a change of -10.3 percent from 1980

**Per capita personal income:** \$22,231 in 1993, ranks 5th in the state

**Net taxable retail sales (\$000):** \$39,360 in 1995, a change of 5.4 percent from 1994

**Number of business and service establishments:** 236 in 1993, 57.6 percent had less than five employees

**Unemployment rate:** 2.4 percent in Fillmore County, 2.9 percent in Nebraska for 1994

**Nonfarm employment (1994):**

	State	Fillmore County
Wage and salary workers	795,486	2,114
	(percent of total)	
Manufacturing	13.7%	7.7%
Construction and Mining	4.4	5.4
TCU	6.1	4.5
Retail Trade	18.5	14.4
Wholesale Trade	6.5	8.2
FIRE	6.5	6.7
Services	25.4	15.8
Government	19.0	37.3

**Agriculture:**

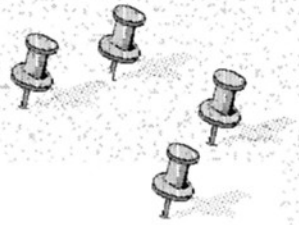
Number of farms: 637 in 1992, 779 in 1987

Average farm size: 534 acres in 1992

Market value of farm products sold: \$110.3 million in 1992 (\$173,101 average per farm)

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, Nebraska Department of Labor, Nebraska Department of Revenue

# bulletin board



(continued from *News Briefs*, p. 5)

Accuracy of monthly reports on net taxable retail sales data for cities depends largely on careful and timely reporting of sales and use tax revenues by persons (*i.e.*, the sellers) who are responsible for collecting the tax. Late reporting can create anomalies in monthly reports. Moreover, occasional oversights in reports of sales by location (*i.e.*, establishment) can also create anomalies in monthly reports. **Readers are advised to consider several months of data for assessing local trade conditions.**

Net taxable motor vehicle sales appear, along with the category "other sales," in the county table, page 7. The "other sales" data are comparable to net taxable retail sales data for cities, page 6. As noted earlier, net taxable retail sales data for motor vehicles reflect the county of residence of the buyer rather than the location of the seller. The seller, for example, may be an out-of-state car dealer.

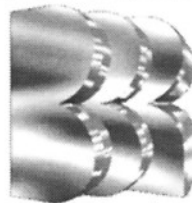
Regional and state net taxable retail sales data shown on the Nebraska map on page 10 reflect total net taxable retail sales (motor vehicle and other). The various reporting issues noted earlier also apply to the data for regional and state retail sales.

Monthly reports on city, county, and regional retail sales can be very useful for monitoring local retail business conditions. However, the data can be misleading, unless the reader understands definitions and reporting procedures. Thus, users of retail sales information are encouraged to treat net taxable retail sales data like stock price data and develop time-series tables or charts in order to more accurately analyze trends in sales.

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