

**Clallam County Retail Leakage Study (Draft for Release)**

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***county retail leakage***

*n. County Retail Leakage occurs when there is a loss of in-county retail sales because people shop in a county other than the county in which they live.*

This study<sup>1</sup> contains an analysis of the retail segment *inside* Clallam County, Washington. Specifically, using secondary data,<sup>2</sup> the report estimates four elements related to the retail segment in the County. The leakage part of the study is based on 2008 data. Other graphs include data up to 2009.

**Overall, it appears that approximately \$0.43 of every retail dollar spent by individuals residing in Clallam County on average is spent outside the County.** That noted, it is important to keep in mind that over 30 percent of the County's employed residents work outside of the County. This report includes data on the following four elements.

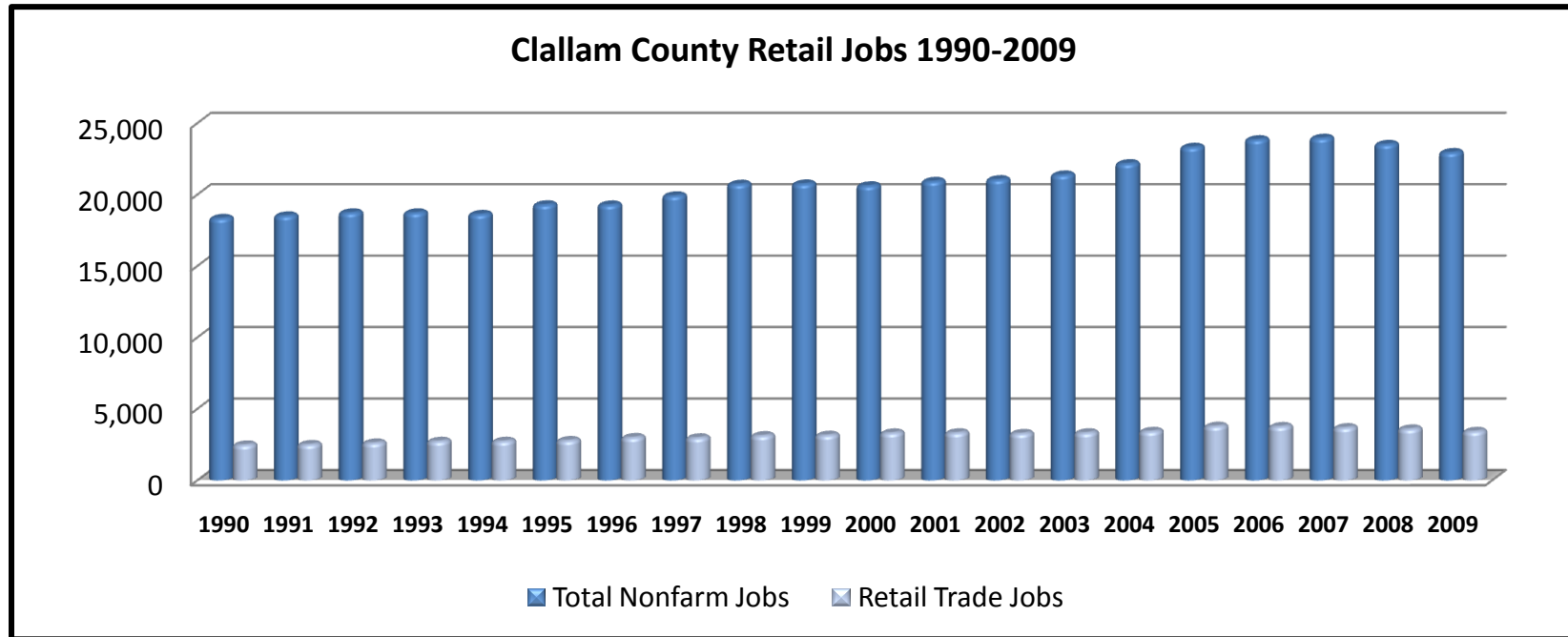
- 1. The number retail jobs in the County.**
- 2. The wages generated from the County's retail segment in a one year (2008) period by retail positions in the County.**
- 3. The sales generated by the retail segment within the County.**
- 4. The estimated amount of purchases made by residents of Clallam County to retailers based both inside and outside of the County.**

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<sup>1</sup> This report includes estimates based on secondary data. This report and data include estimates that are subject to revision and change.

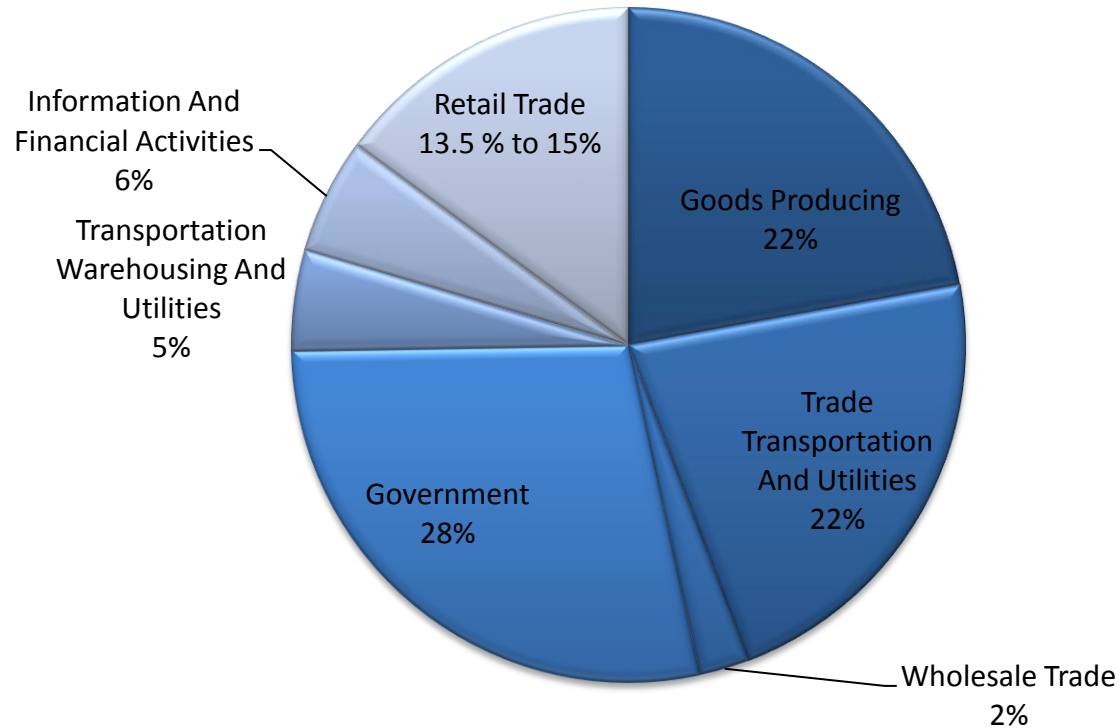
<sup>2</sup> Data Sources: Washington Employment Security Department, U.S. Bureau of Labor Statistics, Washington Office of Financial Management, U.S. Census Bureau

1. The number of jobs in the retail segment in Clallam County.

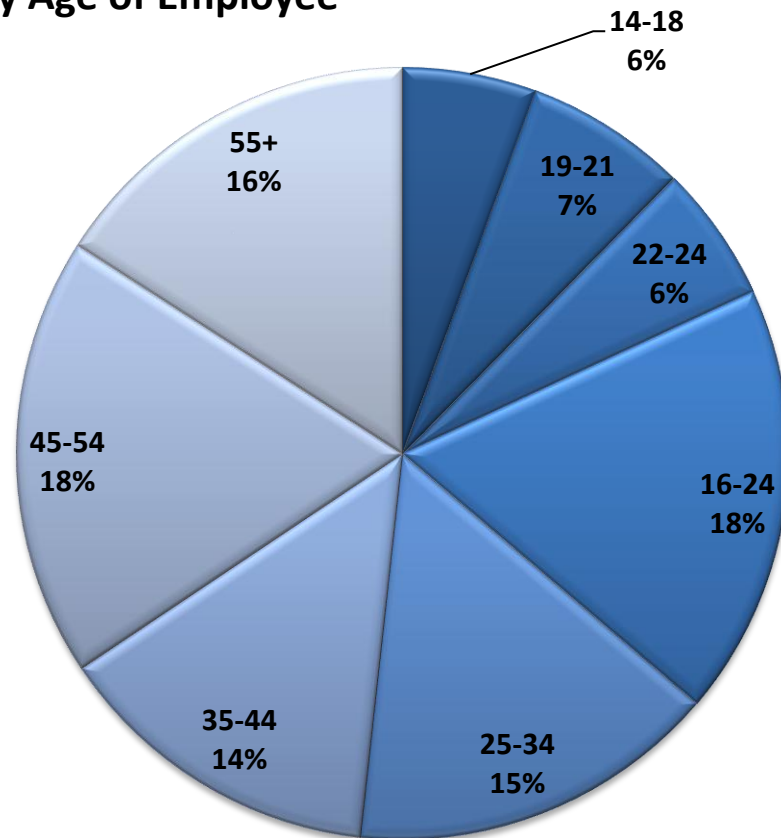


Overall retail jobs have grown at an average annual rate of 1.7 percent since 1990. Today, approximately 3,430 jobs in the County are in the retail segment out of a total of approximately 22,950 jobs.

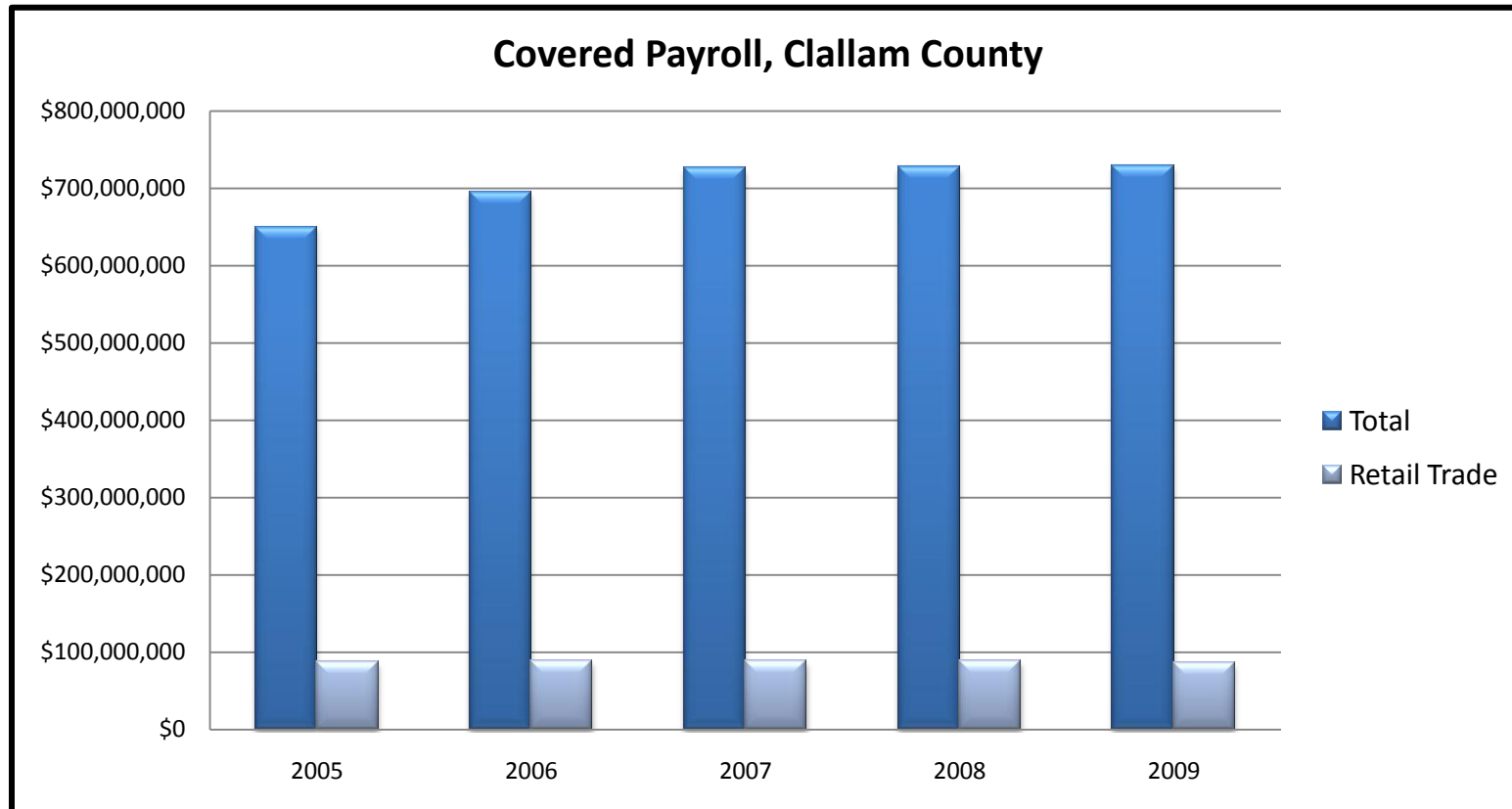
### Nonfarm Jobs - Clallam County 2009



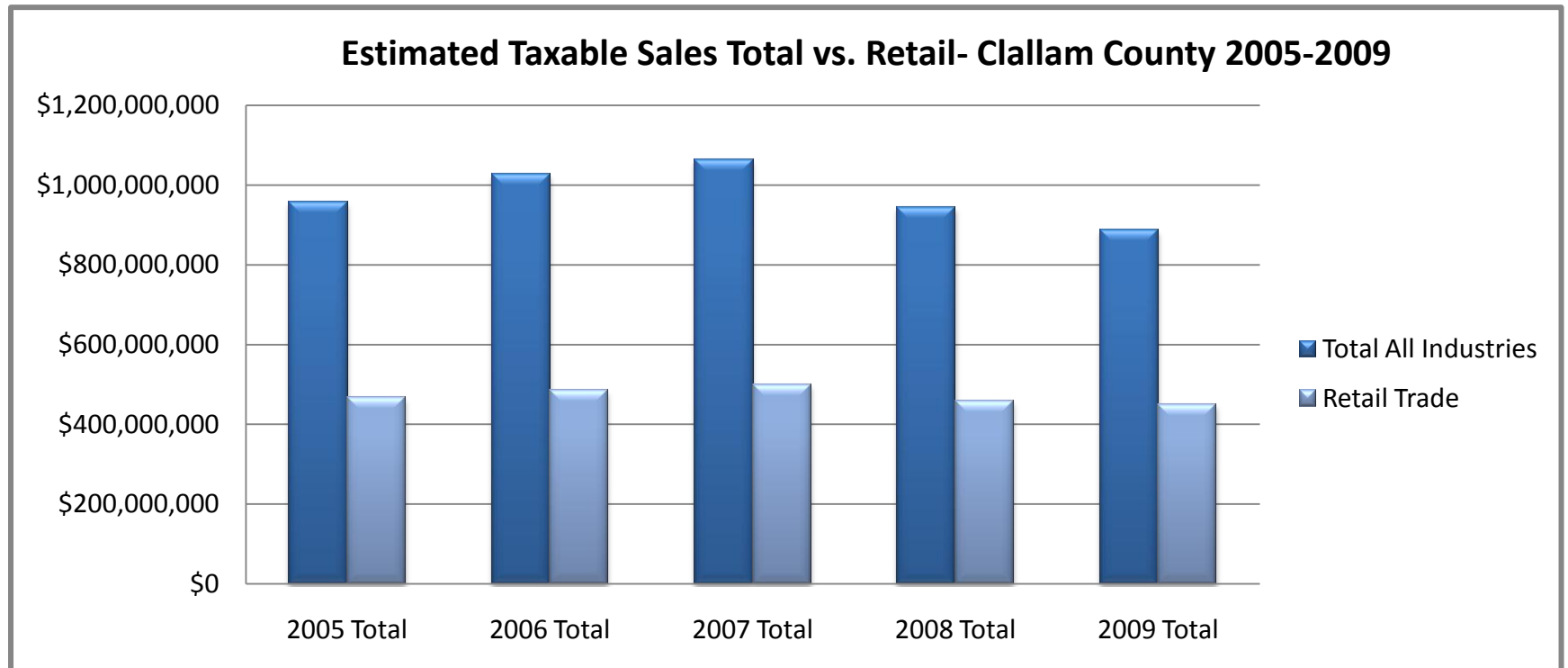
### Retail Trade Jobs by Age of Employee



**2. Wages generated by the retail segment in a one year (2008) period inside the County.**

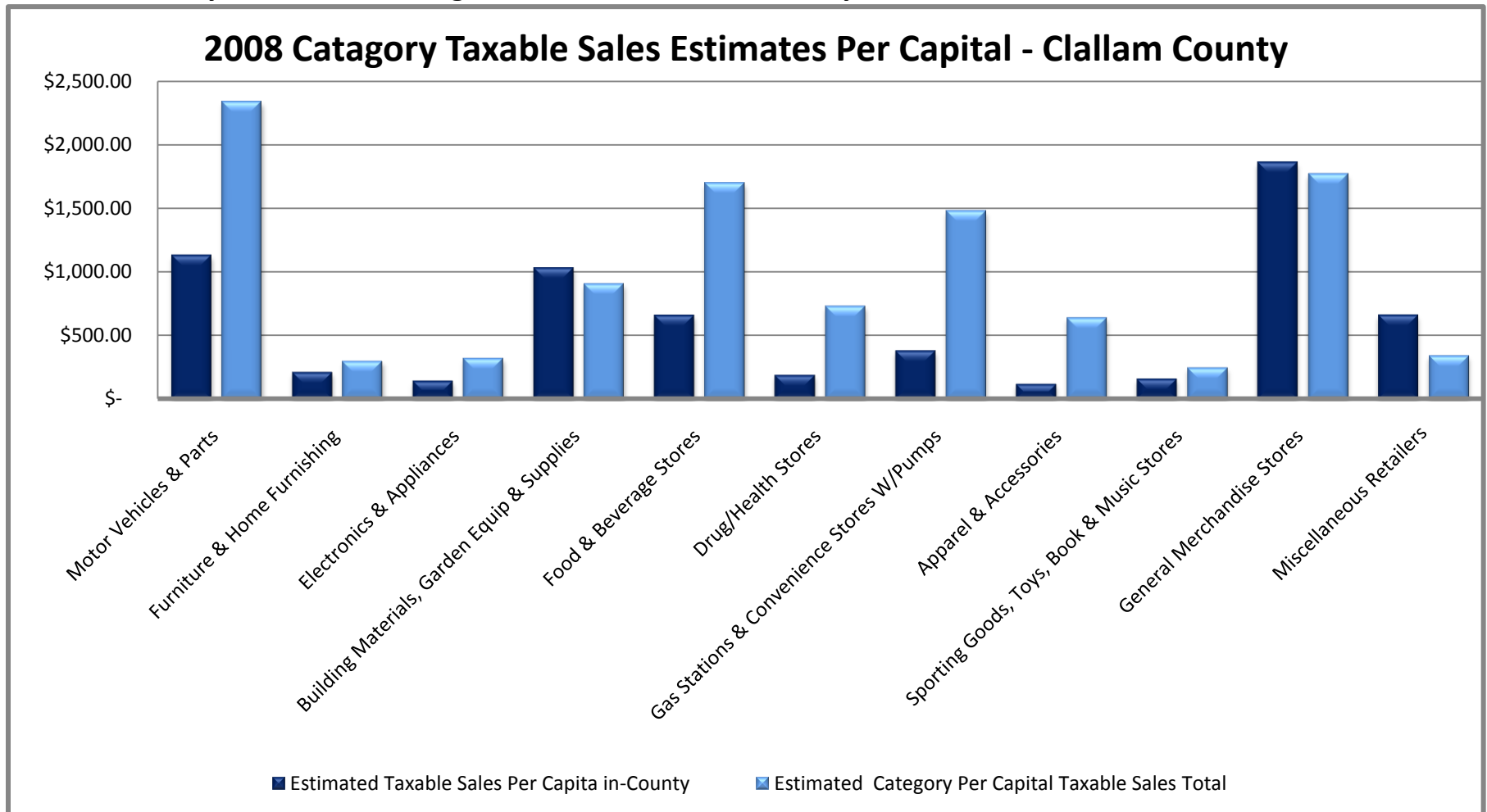


**3. Taxable sales generated by retail brick and mortar / online, from within the County.**



NAICS	Year	2005	2006	2007	2008	2009
	Total All Industries	\$958,031,755	\$1,026,774,879	\$1,063,474,587	\$943,905,490	\$888,109,138
44-45	Retail Trade	\$466,801,094	\$484,056,839	\$500,730,234	\$458,997,592	\$449,601,518

**4. The estimated amount of purchases made by residents of Clallam County to retailers based inside of the County and total including both inside and out-of-County taxable sales.**



NAICS	Industry (i)	2008 Total - Clallam	Estimated Category Spending per capita in-County 2008	Estimated Average Per Clallam Resident 2008	Estimated Leakage (red figures are gains)
44-45	Retail Trade	\$ 459,906,907	\$ 6,646	\$ 11,721	\$5,075
441	Motor Vehicles & Parts	\$ 78,362,813	\$ 1,132	\$ 2,335	\$1,202
4411 and 4412	New & Used Auto Dealers RV, Boat, Motorcycle Dealers	\$ 62,772,808	\$ 907	\$ 2,107	\$1,200
4413	Automotive Parts & Tire	\$ 15,590,005	\$ 225	\$ 228	\$3
442	Furniture & Home Furnishing	\$ 14,754,718	\$ 213	\$ 299	\$86
443	Electronics & Appliances	\$ 10,017,617	\$ 145	\$ 323	\$178
44311	Appliances, TV & Other Electronics	\$ 4,982,976	\$ 72	\$ 251	\$179
44312	Computers & Software	\$ 4,850,129	\$ 70	\$ 61	(\$9)
444	Building Materials, Garden Equip & Supplies	\$ 71,528,766	\$ 1,034	\$ 908	(\$126)
445	Food & Beverage Stores	\$ 45,788,889	\$ 662	\$ 1,698	\$1,037
4451	Grocery & Convenience Stores	\$ 44,348,468	\$ 641	\$ 1,521	\$880
446	Drug/Health Stores	\$ 13,209,762	\$ 191	\$ 732	\$541
447	Gas Stations & Convenience Stores W/Pumps	\$ 26,419,963	\$ 382	\$ 1,478	\$1,097
448	Apparel & Accessories	\$ 8,380,464	\$ 121	\$ 641	\$520
451	Sporting Goods, Toys, Book & Music Stores	\$ 11,142,601	\$ 161	\$ 249	\$88
452	General Merchandise Stores	\$ 128,731,348	\$ 1,860	\$ 1,767	(\$93)
4521	Department Stores	\$ 17,484,919	\$ 253	\$ 607	\$354
4529	General Merchandise Stores	\$ 111,246,429	\$ 1,608	\$ 1,176	(\$431)
4541	E-Commerce & Mail Order	\$ 5,710,842	\$ 83	\$ 132	\$49
453, 4542, 4543	Miscellaneous Retailers	\$ 45,859,125	\$ 663	\$ 343	(\$320)

(i) The data includes estimates of major retail segments; all retail segments are not included nor broken out beyond 4 digit codes.

## Summary

- ✓ While reviewing the per capita taxable sales estimates by Clallam County residents, it appears that for every one dollar spent (generating taxable sales) in the retail sector, approximately 57 cents is spent at retailer inside the County and 43 cents is spent at retailers outside of the County.
- ✓ Covered Payrolls in Clallam County were estimated to be \$727,406,411 in 2008.
- ✓ Approximately \$ 459,906,907 in taxable sales were recorded in the County in 2008.
- ✓ It is estimated that per capita, Clallam County residents generated approximately \$11,721 in retail taxable sales annually in 2008. Of this amount, \$6,646 was generated inside the County and \$5,075 was spent out of the County. (Please note these are all estimates based on secondary data.)
- ✓ Some specific examples included in the table above:
- ✓ In 2008, County residents generated approximately \$ 62,772,808 in taxable sales in the retail sector titled: New & Used Auto Dealers RV, Boat, Motorcycle Dealers. Of this amount \$ 907 per capita was generated inside the County while \$2,107 was spent outside of the County. Therefore there was an estimated retail leakage of \$1,200 from the County per capita for this segment in 2008.
- ✓ County residents on average generated taxable sales of \$299 on home furnishings per capital. The estimated amount of \$213 was generated inside the County while \$86 was spent outside of the County.

- ✓ The methodology for this study involved using estimates of total U.S. per capita spending by retail segment. These estimates were used as a basis for the construct. Then additional secondary data on taxable sales within the geographic area on a per capita basis was estimated. A 10 percent reduction in estimated taxable sales was applied to U.S. per capita estimates to take into consideration the income level of a rural county.
- ✓ In-County and out-of-County online taxable sales are also included in these estimates.