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2016 Retail Trade Analysis North Branch

A TOOL USED TO MEASURE THE ECONOMIC HEALTH OF THE LOCAL RETAIL ECONOMY

Authored by Ryan Pesch, University of Minnesota Extension

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North Branch

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September, 2018

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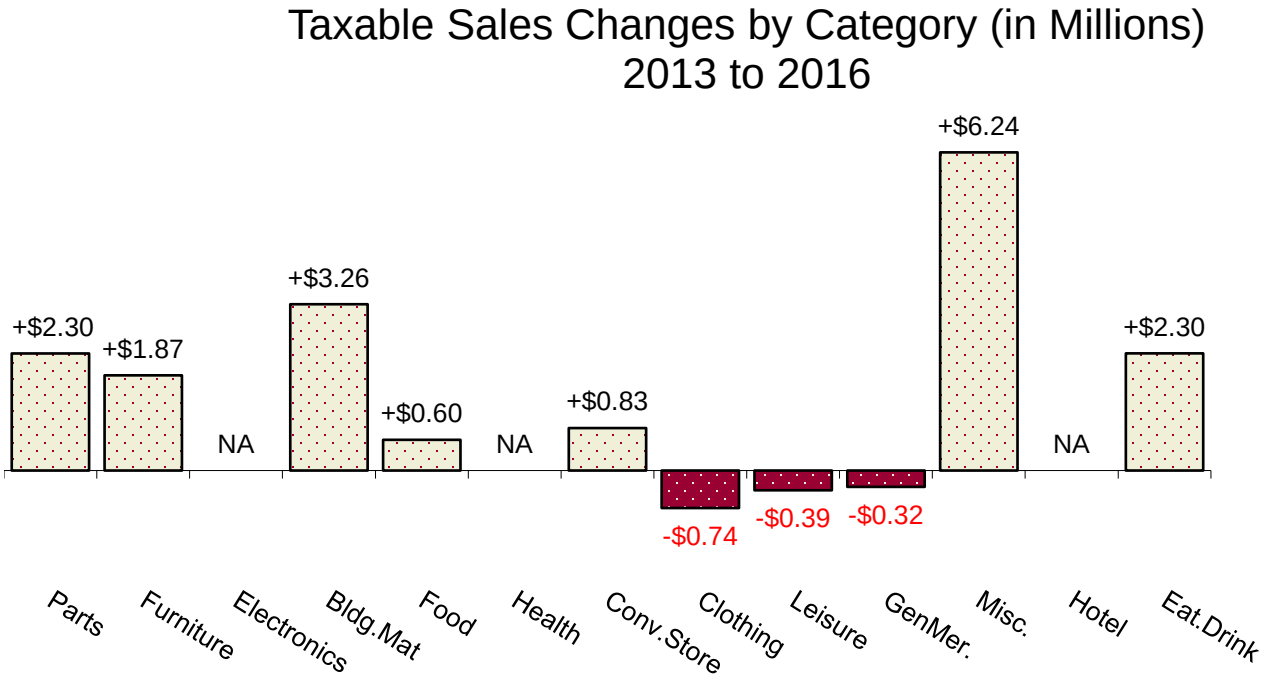
EXECUTIVE SUMMARY

Retail Trade Analysis for North Branch, MN

CONTINUED STEADY GROWTH

The Minnesota Department. of Revenue releases sales tax information each spring for the year that ended about 15 months earlier. The latest information indicates that North Branch's taxable retail and service sales increased 19 percent between 2013 and 2016, reaching an estimated total of $89.7 million.



The largest increase in dollar sales was in the business category of miscellaneous retail, reaching estimated total taxable sales of $7 million in 2016. The primary drivers of this increase, however, was the inclusion of sales from electronics and health/personal stores. When a category has less than four stores reporting, its sales are included in miscellaneous category. Building material stores are the largest contributors of taxable sales in North Branch's economy, accounting for 23 percent of all taxable sales. Note: The data in this summary are not adjusted for inflation.

Three categories had sales increases of over 20 percent between 2013 and 2016: vehicles / parts, gas / convenience stores, and furniture stores. Two categories had over a 20 percent sales decrease during the same period: clothing and leisure goods. Building materials had the largest

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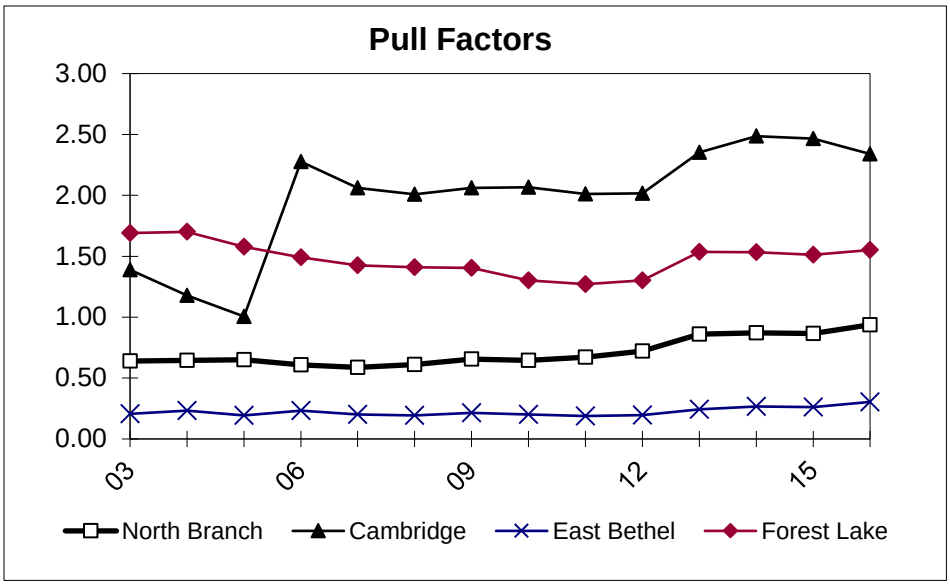
dollar increase at $3.3 million followed by the $2.3 million increase in both vehicles / parts and eating / drinking sales.

Comparisons with Other Area Cities

There are several ways to measure performance other than dollars of sales. Economists expect cities of larger populations to have more sales since their potential customer base is larger. A way to compensate for that in a retail trade analysis is to measure the *pull factor*, which compares the local taxable sales per capita to that of the state. A pull factor index higher than 1.0 usually indicates that businesses are pulling in customers from outside their city. A lower pull factor usually indicates residents are leaving the community to make purchases. North Branch has kept a consistent growth in pull factor, 2003 increasing from 0.64 in 2003 to 0.94 in 2016. Per capita taxable sales (including non-retail sales) in 2016 were estimated to be $8,570 locally and $9,089 for Minnesota.



Comparing North Branch's Performance to Similar Minnesota Cities

The following tables provide information on retail sales by selected merchandise categories. "Expected sales" is a standard to which actual performance can be compared. In calculating expected sales, population, income, and typical "pulling power" characteristics are taken into account. The following table calculates pulling power using a similar city list based on population + or - 20% of North Branch's so it includes Cambridge, Waconia, and Big Lake. Expected sales can be used as a guideline or "par value" in analyzing retail strength.

Selected Categories	Expected Sales (millions)	Actual Sales (millions)	Variance As % of Expected	Trade Area's Estimated Customer Gain (or Loss)
Building Materials	$9.47	$20.29	+114.2%	11,960
Furniture Stores	$2.56	$10.94	+326.8%	34,210
Food & Groceries	$6.57	$7.50	+14.2%	1,484
Eating & Drinking Places	$15.38	$17.44	+13.3%	1,396
Total Taxable Retail & Service	**$86.48**	**$89.72**	**+3.7%**	**392**

THE BOTTOM LINE

North Branch has a steady pull factor, pointing to a community that is holding its own. Its taxable sales per capita are very close to the state average. The city performs a bit better than its peers, bringing in eight percent more than anticipated using an expected sales calculations. Some of its business categories such as furniture stores and building materials are very strong and certainly bringing in customer traffic for these destination goods. However, opportunities exist to capitalize on this traffic, including in the personal services, leisure goods, and amusement categories which underperform in expected sales.

The full retail trade analysis report will show how various retail categories have changed since 2003 so individual businesses can see how they performed compared to the whole community. The report is also useful for exploring expansion opportunities.

Author: Ryan Pesch, University of Minnesota Extension, Community Economics

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North Branch Retail Trade Overview

Total Taxable and Gross Retail Sales

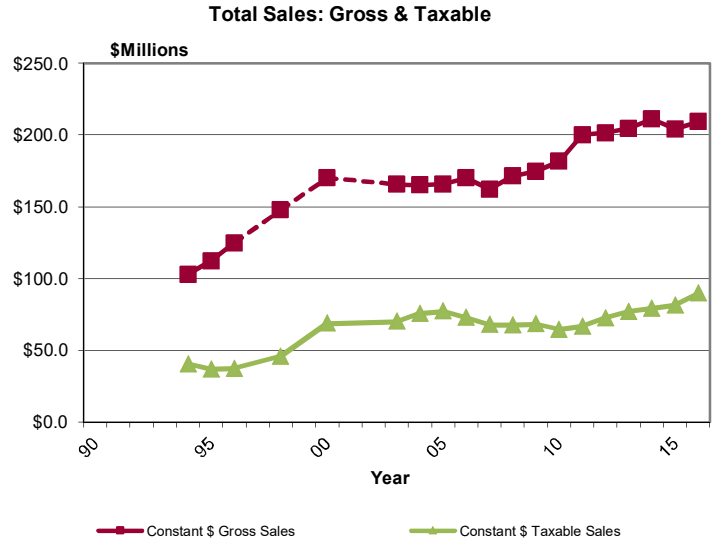
The table below presents gross and taxable retail and services sales for North Branch from 2003 through 2016. Taxable sales in North Branch increased 46.1 percent from 2009 to 2016, while the number of firms fell 13.6 percent. Statewide, taxable sales increased 11.3 percent over the same time period and the number of firms fell 9.0 percent. The per capita sales and pull factor data in this table are based on taxable sales, the more verified sales measure.

The table also presents sales data in constant 2016 dollars. These figures have been adjusted for inflation to reflect their value in 2016. For example, in 2003, taxable sales in North Branch totaled $54.03 million, an amount worth $70.16 million in 2016 dollars. In constant dollars, gross sales grew 19.8 percent between 2009 and 2016. Constant dollar taxable sales increased 31.5 percent over the same time period.

		Current Dollars		Constant 2016 Dollars				
Year	Estimated Population	Gross Sales* ($millions)	Taxable Sales ($millions)	Gross Sales* ($millions)	Taxable Sales ($millions)	Number of Firms	Per Capita Sales	Pull Factor
2003	9,457	$127.48	$54.03	$165.55	$70.16	165	$5,713	0.64
2004	10,016	$130.38	$59.82	$165.04	$75.72	177	$5,972	0.65
2005	10,219	$136.01	$63.30	$165.86	$77.19	192	$6,194	0.65
2006	10,485	$142.71	$61.18	$169.89	$72.83	205	$5,835	0.61
2007	10,346	$141.00	$59.10	$162.07	$67.93	208	$5,712	0.59
2008	10,428	$154.17	$60.80	$171.30	$67.55	202	$5,830	0.61
2009	10,465	$157.21	$61.42	$174.68	$68.25	214	$5,869	0.66
2010	10,125	$165.18	$58.84	$181.52	$64.66	199	$5,812	0.64
2011	10,122	$190.04	$63.46	$200.04	$66.80	181	$6,269	0.67
2012	10,104	$195.27	$70.41	$201.31	$72.58	200	$6,968	0.72
2013	10,184	$200.49	$75.44	$204.59	$76.98	202	$7,408	0.86
2014	10,286	$208.96	$78.59	$211.07	$79.38	190	$7,640	0.87
2015	10,330	$201.95	$80.70	$203.99	$81.51	183	$7,812	0.86
2016	10,469	$209.24	$89.72	$209.24	$89.72	185	$8,570	0.94
7 yr Change '09 to '16	0.0%	33.1%	46.1%	19.8%	31.5%	-13.6%	46.0%	43.1%
3 yr Change '13 to '16	2.8%	4.4%	18.9%	2.3%	16.5%	-8.4%	15.7%	9.1%

*Gross sales figures are self-reported by firms and not audited by the Dept. of Revenue for accuracy. Increase in pull factor from 2012-2013 due in part to removing online sales from non-mn retailers

North Branch: Retail/Service Sales in Constant Dollars

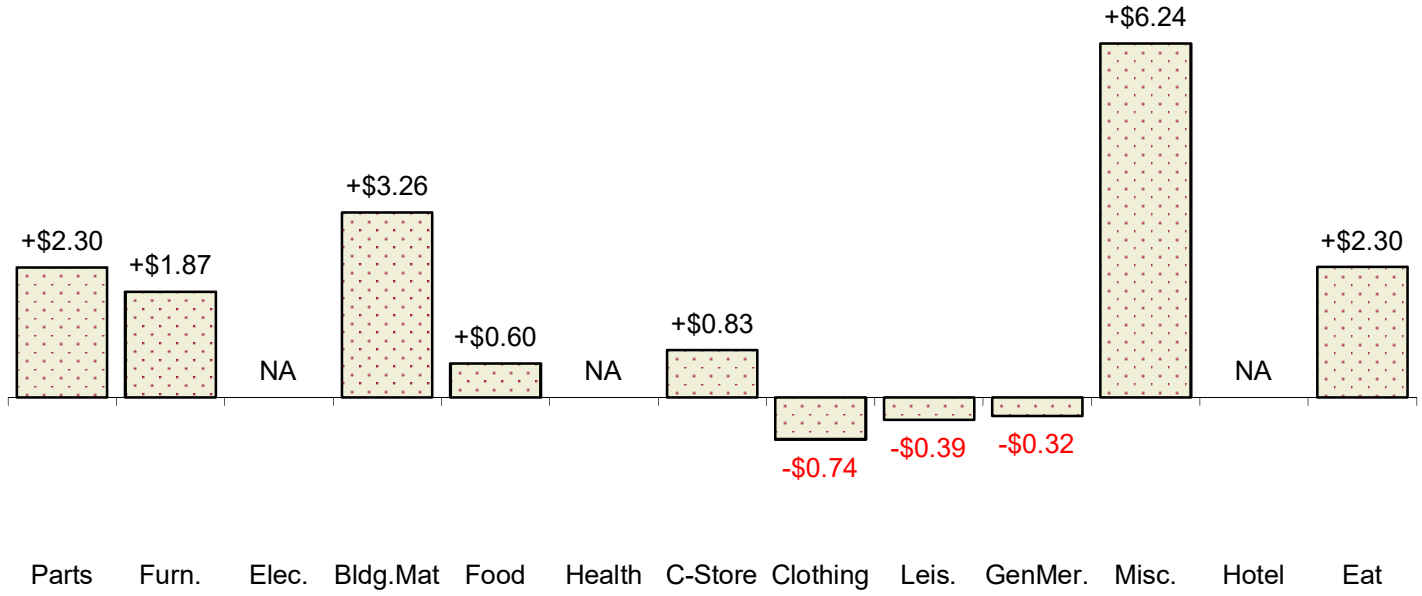


North Branch
Selected Components of Change*, 2013 to 2016

Selected Categories	Taxable Sales 2013	Taxable Sales 2016	Dollar Change	Percent Change
Vehicles & Parts	$3,831,547	$6,126,761	+$2,295,214	+59.90%
Furniture Stores	$9,075,048	$10,941,413	+$1,866,365	+20.57%
Electronics	$3,361,520	NA	NA	NA
Building Materials	$17,030,032	$20,290,437	+$3,260,405	+19.15%
Food, Groceries	$6,896,102	$7,498,382	+$602,280	+8.73%
Health, Personal Stores	$1,970,176	NA	NA	NA
Gas/Convenience Stores	$3,332,142	$4,164,687	+$832,545	+24.99%
Clothing	$2,790,440	$2,054,911	-$735,529	-26.36%
Leisure Goods	$402,972	$15,831	-$387,141	-96.07%
General Merchandise Stores	$7,291,996	$6,971,600	-$320,396	-4.39%
Miscellaneous Retail	$567,266	$6,805,048	+$6,237,782	+1,099.62%
Accommodations	NA	NA	NA	NA
Eating & Drinking	$15,139,110	$17,436,318	+$2,297,208	+15.17%
Total Retail and Services Sales	$75,441,317	$89,719,658	+$14,278,341	+18.93%

* Figures not adjusted for inflation.

Taxable Sales Changes by Category (in Millions)
2013 to 2016

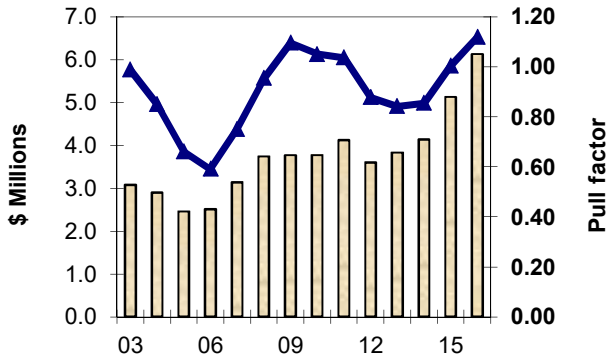


Recent Trends By Merchandise Category

North Branch

This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor. NA=Suppressed Data

Vehicles & Parts

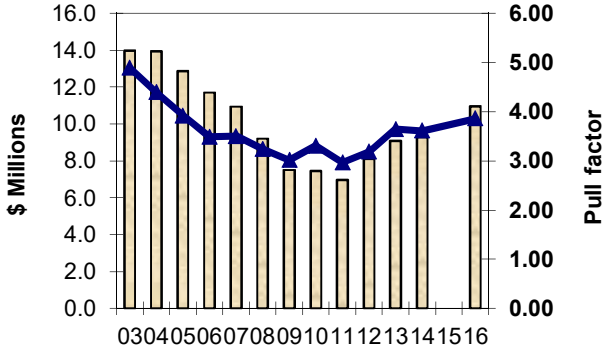


6.8% of North Branch's taxable sales in 2016

Sales per capita are $585

Stores in the Motor Vehicle and Parts Dealers subsector retail motor vehicles and parts from fixed point-of-sale locations. This can include automobiles, campers, RV's, boats, out-board motors, sailboats, snowmobiles, motorcycles, and all terrain vehicles. On-road vehicle sellers do not collect sales tax but rather Motor Vehicle Tax. Sales tax is collected on boats, snowmobiles, dirt bikes, ATVs, and parts.

Furniture

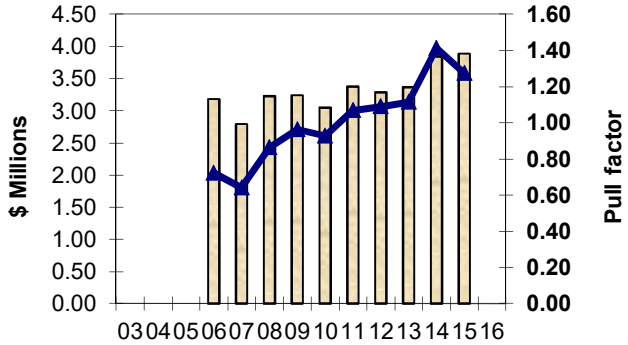


12.2% of North Branch's taxable sales in 2016

Sales per capita are $1045

Stores in the Furniture and Home Furnishings subsector retail new furniture and home furnishings from fixed point-of-sale locations. This can include bed stores, office furniture, carpet stores, window treatments, lamps, framing shops, linens, and kitchenware.

Electronics



NA of North Branch's taxable sales in 2016

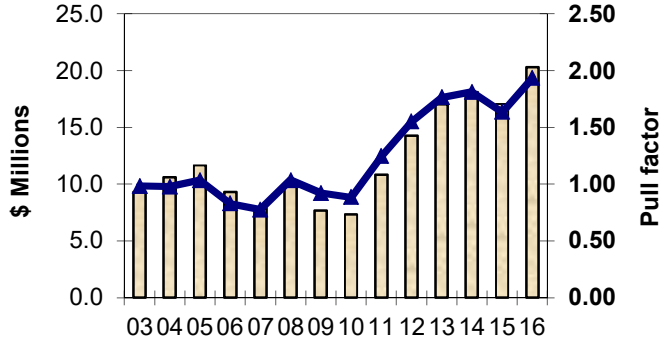
Stores in the Electronics and Appliance subsector retail new electronics and appliances from point-of-sale locations. This can include household appliances, sewing machines, vacuum cleaners, computers, cameras, telephones, cell phones, televisions, and radios.

Recent Trends By Merchandise Category

North Branch

This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor. NA=Suppressed Data

Building Materials

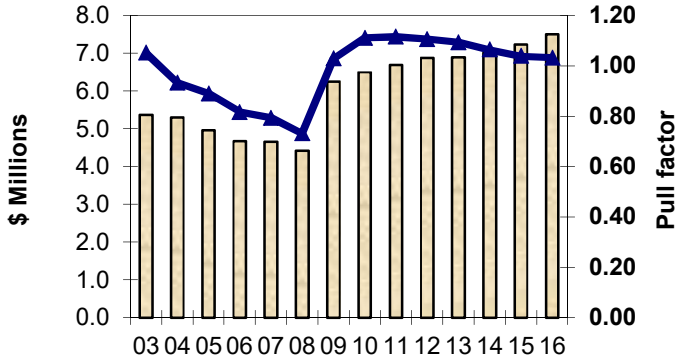


22.6% of North Branch's taxable sales in 2016

Sales per capita are $1938

Stores in the Building Material and Garden Equipment and Supplies Dealers subsector retail new building material and garden equipment and supplies. This includes home improvement centers and stores that sell paint, wallpaper, ceramic tile, fencing, windows, roofing, siding, hardware, and plumbing.

Groceries & Beverage Stores

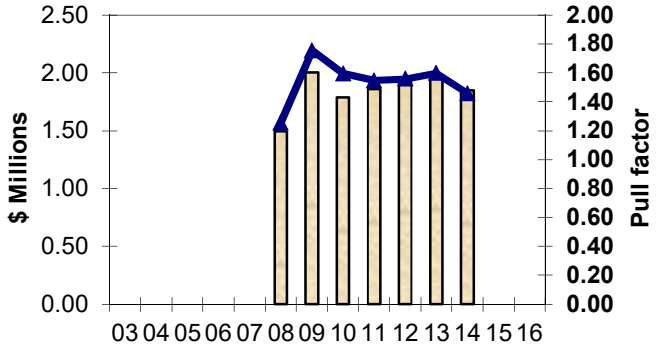


8.4% of North Branch's taxable sales in 2016

Sales per capita are $716

Stores in the Food and Beverage Stores subsector usually retail food and beverages merchandise from fixed point-of-sale locations. This can include grocery stores, liquor stores, bakeries, candy shops, butcher stores, meat markets, and produce markets.

Health, Pharmacy, Optical



NA of North Branch's taxable sales in 2016

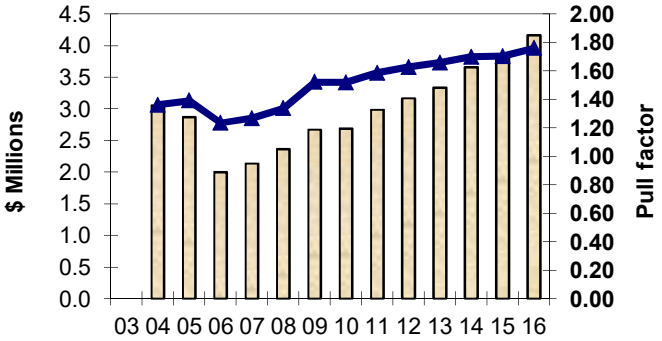
Stores in the Health and Personal Care Stores subsector retail health and personal care merchandise from fixed point-of-sale locations. This includes drug stores, health supplement stores, hearing aid stores, optical goods stores, cosmetic stores, medical supply stores,

Recent Trends By Merchandise Category

North Branch

This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor. NA=Suppressed Data

Gas/Convenience Stores

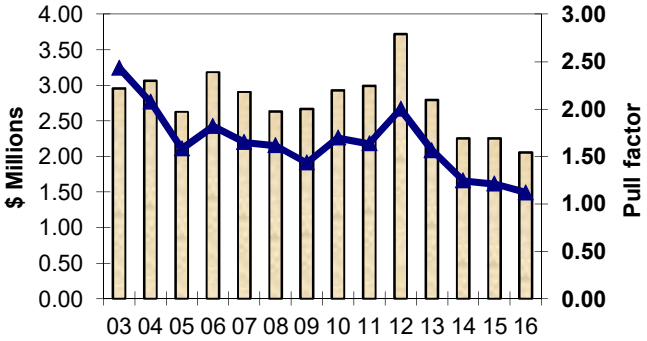


4.6% of North Branch's taxable sales in 2016

Sales per capita are $398

Stores in the Gasoline Stations subsector group establishments retailing automotive fuels (e.g., gasoline, diesel fuel, gasohol) and automotive oils and retailing these products in combination with convenience store items. This includes truck stops, C stores, marine service stations, and ordinary gas stations that sell automotive supplies.

Clothing & Accessories

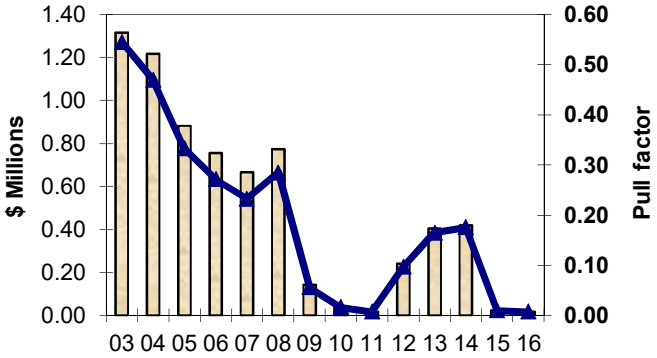


2.3% of North Branch's taxable sales in 2016

Sales per capita are $196

Stores in the Clothing and Clothing Accessories Stores subsector retailing new clothing and clothing accessories. Besides clothing stores it includes shops that sell jewelry, shoes, luggage, handbags, wigs, ties, bridal gowns, furs, uniforms, T-shirts, baby clothing, swimsuits, and lingerie.

Sporting Goods/Hobbies



0.0% of North Branch's taxable sales in 2016

Sales per capita are $2

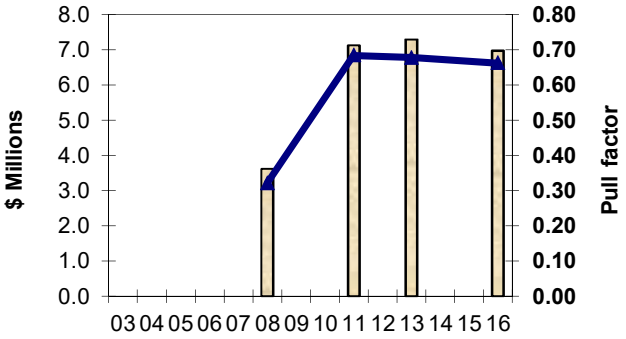
Stores in the Sporting Goods, Hobby, Book, and Music Stores subsector are engaged in retailing and providing expertise on use of sporting equipment or other specific leisure activities, such as needlework and musical instruments. Newstands also fit in this subsector.

Recent Trends By Merchandise Category

North Branch

This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor. NA=Suppressed Data

General Merchandise Stores

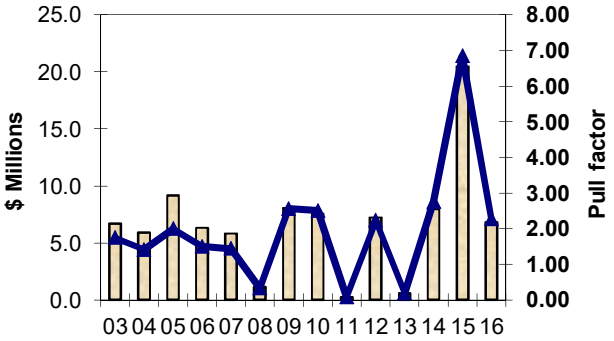


7.8% of North Branch's taxable sales in 2016

Sales per capita are $666

Stores in the General Merchandise subsector retail new general merchandise and are unique in that they have the equipment and staff capable of retailing a large variety of goods from a single location. This includes department stores, superstores, dollar stores,and variety stores.

Miscellaneous & Previously Unreported

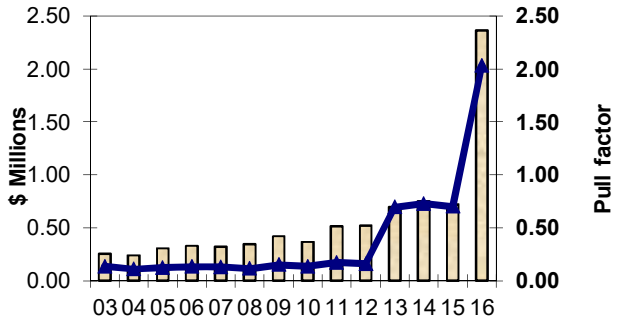


7.6% of North Branch's taxable sales in 2016

Sales per capita are $650

Establishments such as florists, used merchandise stores, and pet and pet supply stores as well as other store retailers. ***Also, if a community had fewer than 4 stores in a previous sector, it was included in this category. This may cause unrealistically high Pull Factors.***

Non-Store Retail



0.7% of North Branch's taxable sales in 2016

Sales per capita are $226

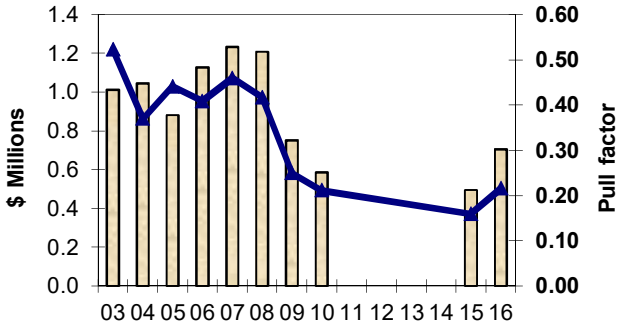
Mail-order houses, vending machine operators, home delivery sales, door-to-door sales, party plan sales, electronic shopping, and sales through portable stands (except food). Establishments engage in direct sale (nonstore) of products, such as home heating oil dealers and newspaper delivery are included in this subsector. In the non-store retail, the pull factor had a dramatic jump from 2012 to 2013 because on-line sales to companies outside of Minnesota were removed from the total state sales in this category.

Recent Trends By Merchandise Category

North Branch

This page looks at several merchandise or service categories to chart the multi-year trend in taxable sales and pull factor. NA=Suppressed Data

Amusement

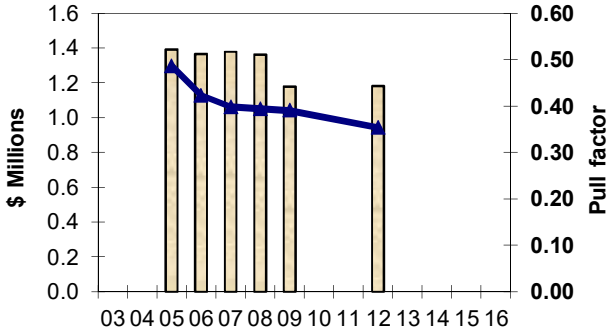


0.8% of North Branch's taxable sales in 2016

Sales per capita are $67

Establishments include casinos, bowling lanes, water parks, amusement parks, arcades, bingo halls, golf courses, ski slopes, marinas, dance or fitness centers, recreational clubs, ice rinks, swimming pools, roller rinks, and the like.

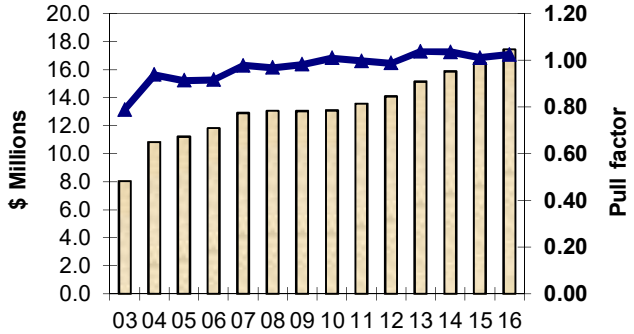
Accommodations



NA of North Branch's taxable sales in 2016

These busineeses provide provide lodging or short-term accommodations for travelers, vacationers, and others. Included are hotels, motels, lodges, bed & breakfasts, campgrounds, fraternities, boarding houses, and dormitories.

Eating & Drinking



19.4% of North Branch's taxable sales in 2016

Sales per capita are $1666

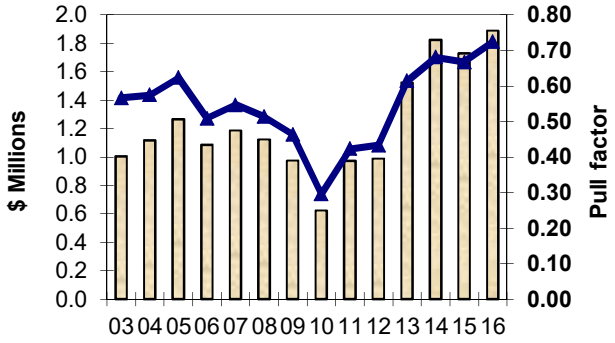
These businesses sell food at full-service or limited-service establishments. It includes cafeterias, bagel shops, ice cream parlors, snack bars, food service contractors, caterers, lunch wagons, and street vendors. It also includes bars, taverns, and nightclubs.

Recent Trends By Merchandise Category

North Branch

This page looks at several categories to chart the multi-year trend in taxable sales and pull factor.
NA=Suppressed Data

Repair Businesses

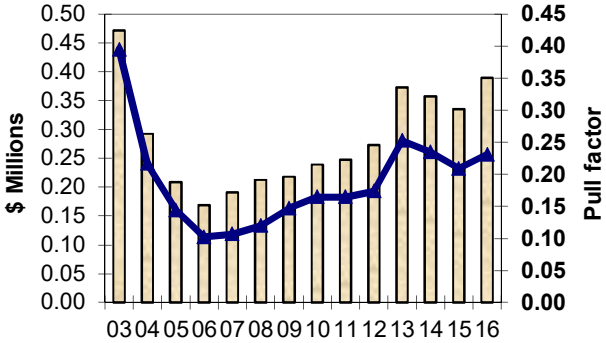


2.1% of North Branch's taxable sales in 2016

Sales per capita are $180

The Repair and Maintenance subsector restore machinery, equipment, and other products to working order. It does ***not*** *include plumbers & electricians.It does include repairs to autos, cameras, radio, television, computers, copiers, appliances, lawn mowers, specialized equipment, small engines, furnitures, shoes, guns, etc.*

Personal Service Providers



0.4% of North Branch's taxable sales in 2016

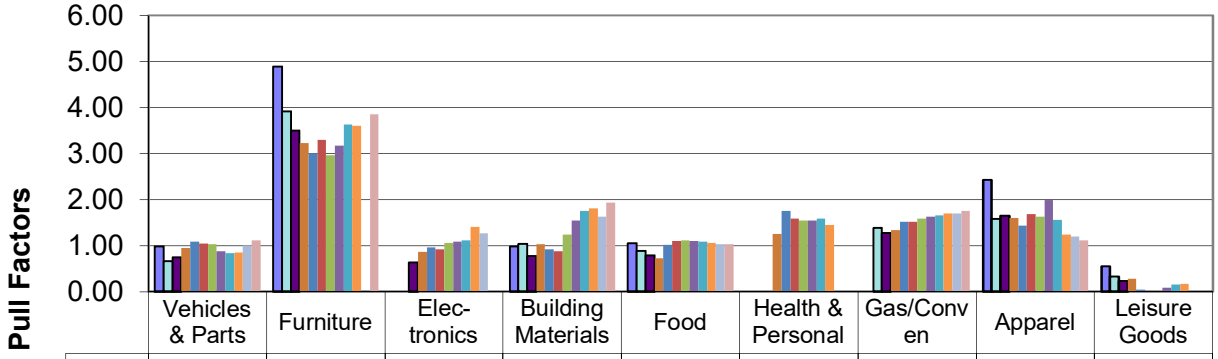
Sales per capita are $37

Services performed include: personal care services; barber shops & beauty parlors; death care services; laundry and drycleaning services; and a wide range of other personal services, such as pet care (except veterinary) services, photofinishing services, temporary parking services, and dating services.

Recent Trends By Merchandise Category
North Branch

The following tables and charts depict pull factors in North Branch from 2003 to 2016* by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of changes over time because they account for changes in population and state-wide industry trends.

Pull Factor by NAICS Merchandise Category (1 of 2)



	Vehicles & Parts	Furniture	Elec-tronics	Building Materials	Food	Health & Personal	Gas/Conv en	Apparel	Leisure Goods
2003	0.99	4.88		0.98	1.05			2.43	0.54
2005	0.66	3.91		1.03	0.89		1.39	1.58	0.33
2007	0.75	3.50	0.64	0.78	0.79		1.27	1.65	0.23
2008	0.95	3.23	0.86	1.03	0.73	1.26	1.34	1.61	0.28
2009	1.09	3.01	0.96	0.92	1.03	1.75	1.52	1.43	0.06
2010	1.05	3.30	0.93	0.88	1.11	1.60	1.52	1.70	0.02
2011	1.04	2.96	1.07	1.24	1.11	1.55	1.59	1.63	0.01
2012	0.88	3.18	1.09	1.55	1.11	1.56	1.63	2.00	0.10
2013	0.84	3.64	1.11	1.76	1.09	1.60	1.66	1.56	0.16
2014	0.86	3.61	1.41	1.81	1.06	1.46	1.70	1.24	0.18
2015	1.00		1.27	1.64	1.04		1.70	1.21	0.01
2016	1.12	3.86		1.94	1.03		1.76	1.12	0.01

North American Industry Classification System (NAICS) Category Descriptions

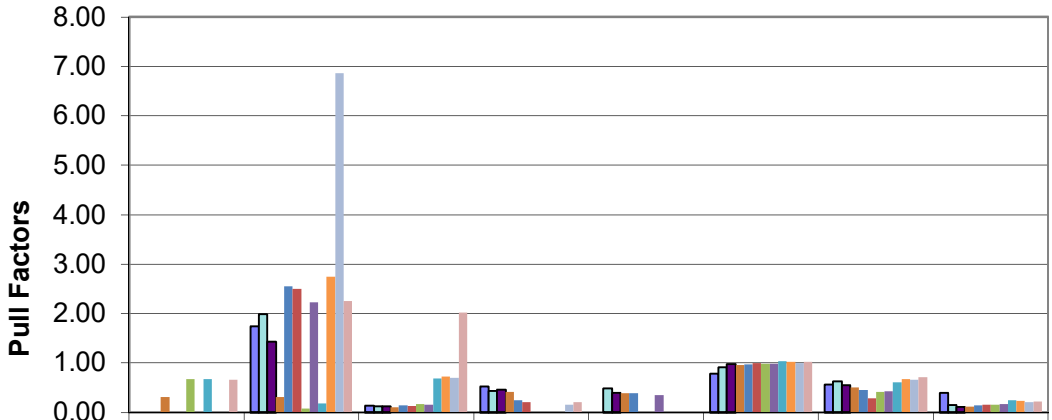
Motor Vehicles & Parts: Establishments that sell new & used autos, boats, motorcycles, golf carts, RV's, campers, snowmobiles, trailers, tires, and parts.
Furniture: Stores that sell furniture, beds, carpeting, window coverings, lamps, china, kitchenware, & woodburning stoves.
Electronics: Establishments primarily engaged in retailing household-type appliances, sewing machines, cameras, computers, and other electronic goods.
Building Materials: Establishments that sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden centers.
Food: Grocery stores, deli's, bakery, & butcher shops that sell food to be prepared at home. Liquor stores.
Health & Personal: Pharmacies, food supplements, vision supplies, cosmetics, & hearing aid stores.
Gas Stations/Convenience Store: Retailers that sell fuel along with convenience store items.
Clothing: New clothing and accessories, jewelry, shoes, bridal shops, clock shops, and luggage stores.
Leisure Goods: Sporting goods, books, music, hobby stores, fabric shops, and toy stores.

*Caution should be used when comparing pull factors before 2003 to those in later years due to how businesses are classified.

Recent Trends By Merchandise Category
North Branch

The following tables and charts depict pull factors in North Branch from 2003 to 2016* by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of changes over time because they account for changes in population and state-wide industry trends.

Pull Factor by NAICS Merchandise Category (2 of 2)



	Gen. Merch.	Misc. Store	Non-Store Retail	Amuse-ment	Lodging	Eating & Drinking	Repair	Personal Services
2003		1.74	0.13	0.52		0.79	0.57	0.40
2005		1.99	0.12	0.44	0.49	0.91	0.62	0.14
2007		1.44	0.13	0.46	0.40	0.98	0.55	0.11
2008	0.32	0.32	0.12	0.42	0.39	0.97	0.51	0.12
2009		2.56	0.15	0.25	0.39	0.98	0.46	0.15
2010		2.50	0.13	0.21		1.01	0.30	0.16
2011	0.68	0.08	0.17			1.00	0.42	0.16
2012		2.23	0.16		0.35	0.99	0.43	0.17
2013	0.68	0.19	0.70			1.04	0.61	0.25
2014		2.76	0.73			1.04	0.68	0.23
2015		6.85	0.70	0.16		1.01	0.67	0.21
2016	0.66	2.26	2.03	0.22		1.02	0.72	0.23

NAICS Category Descriptions

General Merchandise: Establishments that sell a mixed line of goods. Examples are department stores, supercenters, and dollar stores.

Miscellaneous Store Retailers: Stores not covered in other categories such as florists, office supplies, pets, antiques, tobacco, art, used merchandise, and trophies. (see Suppressed Data in Cautions section)

Non-Store Retail: Retailers that do not use stores. This includes mail order, internet selling, bazaars, vending machines, fuel oil dealers, firewood dealers, door-to-door sales, and produce stands.

Amusement: Establishments such as golf courses, bowling lanes, marinas, amusement parks, water parks, shooting ranges, pool halls, horseback riding, ballrooms, health club facilities, ski hills, and casinos.

Lodging: Seasonal resorts, hotels, boarding houses, bed & breakfast, campgrounds, and RV parks.

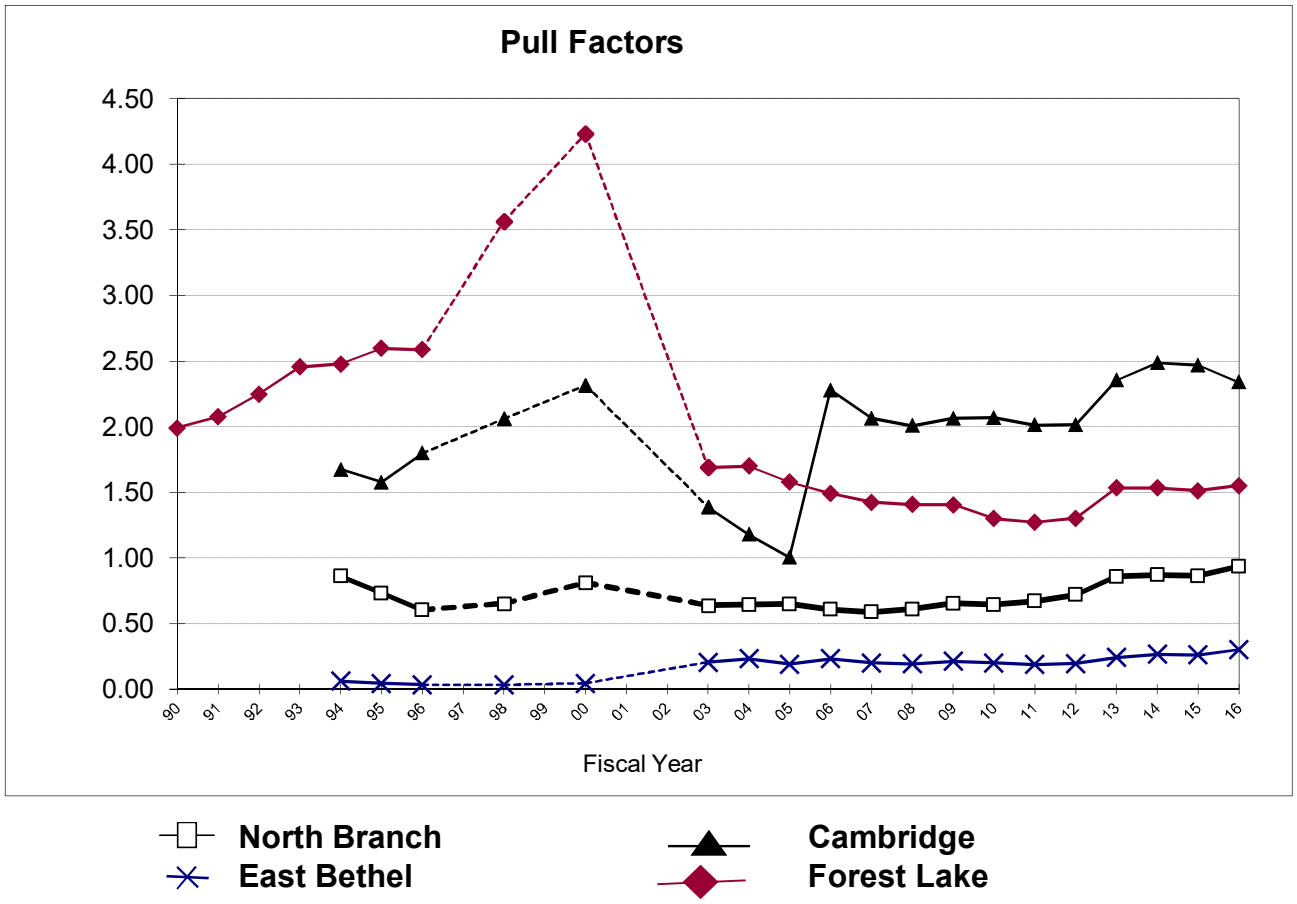
Eating & Drinking: Restaurants, donut shops, coffee house, cafeteria, caterers, taverns, and nightclubs,

Repair: Businesses that return items to working order. Examples: cars, lawnmowers, small engines, knives, shoes, computers, furniture, and appliances.

Personal Services: Barbers, beauty salons, tanning facilities, funeral homes, laundromats, dry cleaners, pet groomers, and kennels

*Caution should be used when comparing pull factors before 2003 to those in later years due to how businesses are classified.

Comparison with Competing Centers
North Branch



Information about competing trade centers can provide a useful means of comparison when assessing a community's retail trade sector. Comparison towns were selected based on geographic proximity, relative size and availability of data. Some caution is warranted in the interpretation of these comparisons however, since retail sales data is provided for only a limited number of towns and cities.

Comparison with Competing Trade Centers, 2016

Town	Pop	Gross Sales ($millions)	Taxable Sales ($millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
North Branch	10,469	$209.24	$89.72	185	$8,570	0.94
Cambridge	8,749	$410.86	$187.11	170	$21,386	2.34
East Bethel	11,788	$66.37	$32.77	194	$2,780	0.30
Forest Lake	20,344	$600.55	$288.56	449	$14,184	1.55

Trade Area Analysis of Retail Sales

North Branch

The following tables provide information on retail sales by selected merchandise categories. "Expected sales" is a standard to which actual performance is compared. In calculating expected sales, population, income, and typical "pulling power" characteristics are taken into account. Expected sales can be used as a guideline or "par value" in analyzing retail strength.

Deviations from these norms can be analyzed to first judge whether they should be considered relevant. If the differences appear to be significant (whether in dollar amounts or relatively with percentages), additional consideration is merited. Categories with undesirable performance may be further examined for potential corrective action. It is also important to determine whether or not the situation is relatively uncontrollable due to external or extenuating circumstances. In cases of favorable differences from expectations, the positive aspects could be identified and built upon.

Trade Area Analysis by Merchandise Category, 2016

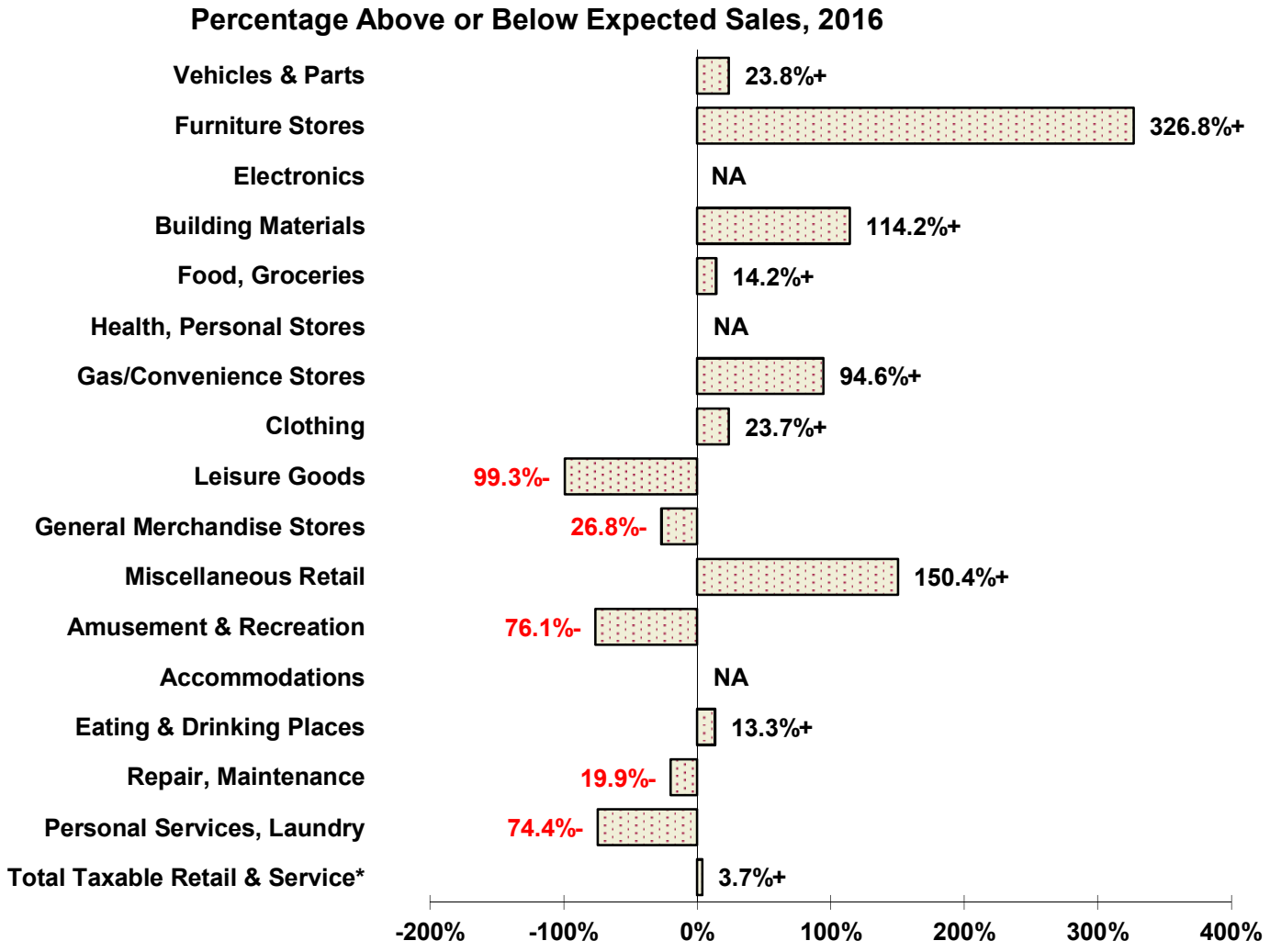
			Variance Between Actual & Expected				
Merchandise Group	Expected Sales ($millions)	Actual Sales ($millions)	In Dollars (millions)	As % of Expected	Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
Vehicles & Parts	$4.95	$6.13	+$1.18	+23.8%	2,494	7	6.8%
Furniture Stores	$2.56	$10.94	+$8.38	+326.8%	34,210	4	12.2%
Electronics	$2.76	NA	NA	NA	NA	NA	NA
Building Materials	$9.47	$20.29	+$10.82	+114.2%	11,960	5	22.6%
Food, Groceries	$6.57	$7.50	+$0.93	+14.2%	1,484	6	8.4%
Health, Personal Stores	$1.19	NA	NA	NA	NA	NA	NA
Gas/Convenience Stores	$2.14	$4.16	+$2.02	+94.6%	9,904	4	4.6%
Clothing	$1.66	$2.05	+$0.39	+23.7%	2,481	22	2.3%
Leisure Goods	$2.18	$0.02	-$2.17	-99.3%	-10,393	5	0.0%
General Merchandise Stores	$9.52	$6.97	-$2.55	-26.8%	-2,803	4	7.8%
Miscellaneous Retail	$2.72	$6.81	+$4.09	+150.4%	15,741	19	7.6%
Amusement & Recreation	$2.95	$0.71	-$2.25	-76.1%	-7,970	5	0.8%
Accommodations	$3.84	NA	NA	NA	NA	NA	NA
Eating & Drinking Places	$15.38	$17.44	+$2.05	+13.3%	1,396	23	19.4%
Repair, Maintenance	$2.36	$1.89	-$0.47	-19.9%	-2,083	14	2.1%
Personal Services, Laundry	$1.52	$0.39	-$1.13	-74.4%	-7,792	11	0.4%
Total Taxable Retail & Service*	$86.48	$89.72	+$3.24	+3.7%	392	185	100.0%

*All retail and service categories are included in Total Sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to Total Sales.

North Branch Retail Trade Performance in Percentages

The chart below depicts the percentage amount North Branch's actual sales were above or below expected sales in 2016 by merchandise group. Of the 13 merchandise categories with reported data, sales in 8 of the categories were above what would be expected based on the performance in similar-sized Minnesota cities. The strongest merchandise group by this standard is the Furniture Stores category, which has a 326.8 percent surplus. Overall, North Branch had a retail sales surplus of 3.7 percent in 2016.

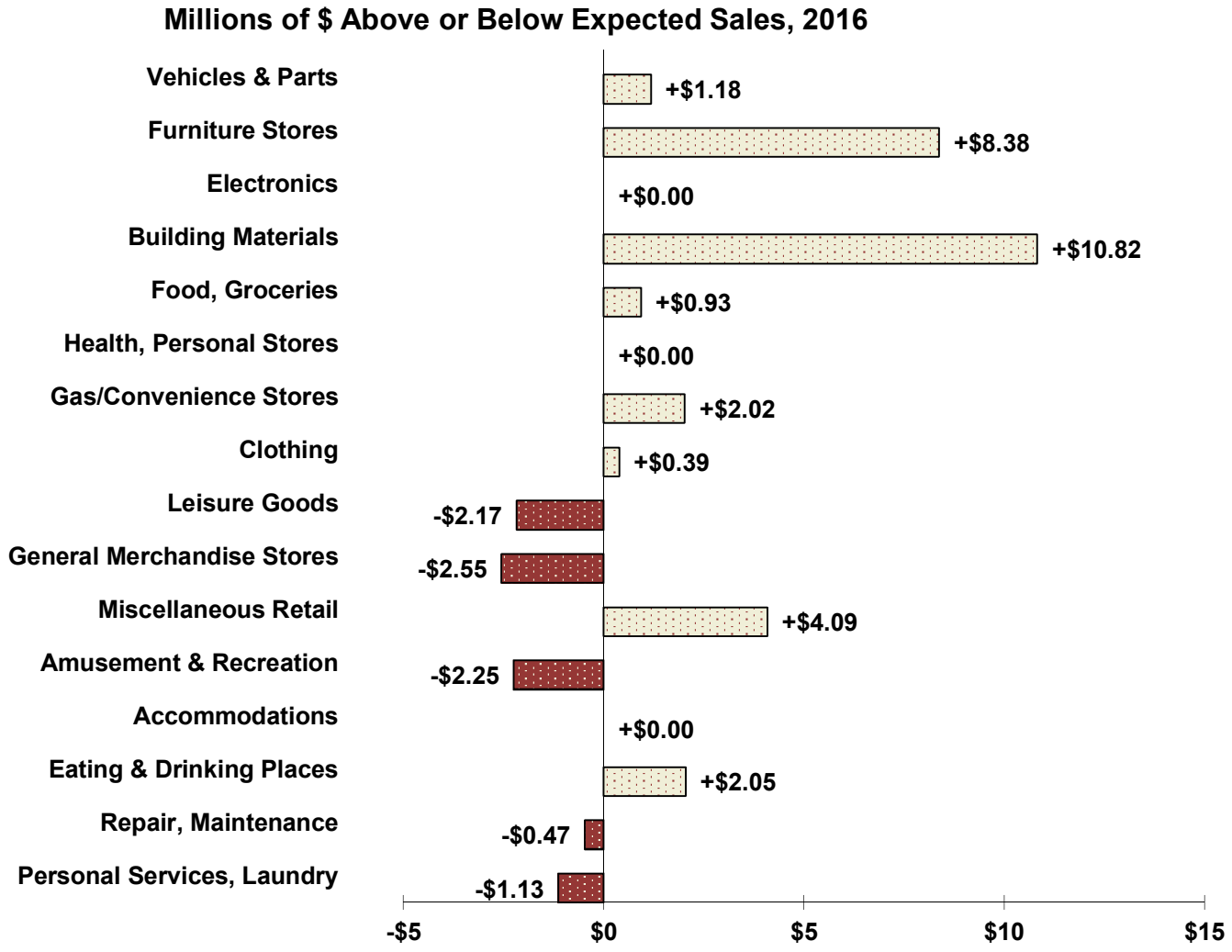
It is important to note that variations in a town's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular city to deviate substantially from expected sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.



North Branch Retail Trade Performance in Dollars

The chart below depicts the dollar amount North Branch's actual sales were above or below expected sales in 2016 by merchandise group. Of the 13 merchandise categories with reported data, sales in 8 of the categories were above what would be expected based on the performance in similar-sized Minnesota cities. The strongest merchandise group by this standard is the Building Materials category, which has a $10.8 million surplus. Overall, North Branch had a retail sales surplus of $3.2 million in 2016.

It is important to note that variations in a city's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular city to deviate substantially from expected sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.



Comparison of Pull Factors by Merchandise Category

2016 Index of "Pulling Power"
All MN Cities with Populations between 8,200 & 12,400
(Range: Population of North Branch +/- ~ 20%.)

(18 Cities; Maximum of 20 Displayed)

Pull Factors

City	Population	Vehicles, Parts	Furniture Stores	Elec-tronics	Building Materials	Food	Health, Personal	Gasoline Stations	Clothing	Leisure Goods	General Merch.	Misc.	Amuse-ment	Lodging	Eating & Drinking	Repair, Maint.	Personal Services	Taxable $ Pull Factor
Cloquet	12,301	0.98	0.06	0.00	1.25	1.46	1.37	1.12	0.06	0.20	0.00	11.23	0.37	0.00	1.25	0.87	0.23	1.01
Waconia	12,166	1.08	0.00	0.00	0.00	0.00	1.47	1.53	0.28	0.01	0.00	8.17	0.17	0.00	0.94	1.14	0.32	0.62
North St. Paul	12,069	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.00	7.81	0.03	0.00	0.41	0.91	0.03	0.37
Grand Rapids	11,435	3.36	2.36	1.66	3.99	1.60	1.63	2.32	0.71	1.17	4.89	1.07	0.35	1.97	1.46	1.65	0.32	2.00
Mendota Heights	11,283	0.00	0.12	0.00	0.00	0.38	0.00	1.21	0.05	0.51	0.00	1.99	2.31	0.00	0.65	0.43	2.04	0.40
Big Lake	10,918	0.00	0.00	0.00	0.00	0.00	0.00	1.32	0.00	0.00	0.00	6.10	0.17	0.00	0.65	0.59	0.22	0.38
North Branch	10,469	1.12	3.89	0.00	1.94	1.03	0.00	1.76	1.12	0.01	0.67	2.12	0.22	0.00	1.02	0.72	0.23	0.92
Fairmont	10,353	1.51	0.00	0.89	0.11	1.10	2.43	1.76	0.31	0.56	3.20	0.49	0.54	1.65	1.26	1.28	0.21	1.04
Little Canada	10,101	1.05	14.39	0.00	0.00	0.00	0.00	0.00	0.14	5.51	0.00	4.82	0.00	0.00	1.03	2.58	3.69	1.16
Arden Hills	9,966	0.00	0.00	0.00	0.47	0.00	0.00	0.00	0.00	1.37	0.00	5.60	0.99	0.00	1.26	0.00	0.54	0.56
Hermantown	9,507	4.78	6.64	0.04	6.42	0.00	0.00	2.30	0.00	4.22	8.94	2.69	0.79	0.00	1.12	2.80	0.32	2.73
Detroit Lakes	9,380	2.81	1.85	0.00	7.54	0.00	1.41	1.83	0.84	1.12	4.87	5.11	0.53	2.70	2.05	2.08	0.84	2.45
St. Anthony	9,234	0.00	0.00	0.00	0.00	1.14	0.00	0.00	0.00	0.00	4.47	1.43	0.94	0.00	0.54	0.34	0.49	0.77
Waseca	9,124	0.69	0.00	0.00	0.57	0.93	0.05	1.15	0.00	0.33	1.94	0.61	0.33	0.21	0.67	0.74	0.28	0.61
Little Falls	8,890	0.59	0.00	0.00	1.41	1.69	1.02	2.57	0.48	0.13	3.85	1.65	0.00	0.84	1.23	0.69	0.20	1.17
Thief River Falls	8,845	1.27	1.17	0.54	0.93	1.81	0.65	0.00	0.45	0.67	3.93	1.17	0.15	1.06	1.26	0.80	0.43	1.18
East Grand Forks	8,843	1.27	0.00	0.00	0.53	1.00	0.00	0.00	0.06	0.00	0.00	5.33	0.52	0.00	1.21	0.37	0.18	0.65
Cambridge	8,749	1.97	0.00	2.41	0.00	0.00	1.86	1.79	0.62	0.27	9.47	21.01	0.00	0.00	1.39	1.66	0.58	2.33
Unadjusted Average: *		**1.20**	**1.95**	**0.17**	**1.58**	**0.62**	**0.62**	**1.26**	**0.27**	**1.02**	**2.19**	**4.06**	**0.52**	**0.49**	**1.04**	**1.12**	**0.66**	**1.08**

* Raw averages; not adjusted for special circumstances. For example, in cities with a college student population that is large relative to overall population, these pull factors may understate the relative strength of the retail sector. While college students are counted as part of the city population, in general they spend less than other city residents in many retail categories. Most Pull Factor outliers were eliminated for calculating typical pull factors used in the expected sales formula.

Comparison of Pull Factors by Merchandise Category

2016 Index of "Pulling Power"
All MN Cities with Populations between 8,200 & 12,400
(Range: Population of North Branch +/- ~ 20%.)
(18 Cities)

Rankings

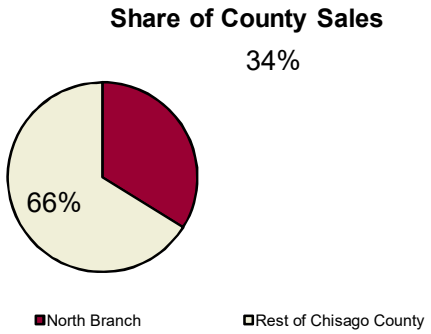
City	Population	Vehicles, Parts	Furniture Stores	Elec-tronics	Building Materials	Food	Health, Personal	Gas & Conven.	Clothing	Leisure Goods	General Merch.	Misc.	Amuse-ment	Lodging	Eating & Drinking	Repair, Maint.	Personal Services	Taxable $ Pull Factor
Cloquet	# 1	# 11	# 8	# 6	# 6	# 4	# 6	# 12	# 10	# 11	# 11	# 2	# 8	# 7	# 7	# 9	# 12	# 9
Waconia	# 2	# 9	# 9	# 6	# 12	# 11	# 4	# 8	# 8	# 14	# 11	# 3	# 12	# 7	# 13	# 7	# 10	# 13
North St. Paul	# 3	# 14	# 9	# 6	# 12	# 11	# 10	# 13	# 13	# 13	# 11	# 4	# 15	# 7	# 18	# 8	# 18	# 18
Grand Rapids	# 4	# 2	# 4	# 2	# 3	# 3	# 3	# 2	# 3	# 4	# 3	# 16	# 9	# 2	# 2	# 5	# 9	# 4
Mendota Heights	# 5	# 14	# 7	# 6	# 12	# 10	# 10	# 10	# 12	# 8	# 11	# 12	# 1	# 7	# 15	# 15	# 2	# 16
Big Lake	# 6	# 14	# 9	# 6	# 12	# 11	# 10	# 9	# 13	# 16	# 11	# 5	# 13	# 7	# 16	# 14	# 14	# 17
North Branch	# 7	# 8	# 3	# 6	# 4	# 7	# 10	# 6	# 1	# 15	# 10	# 11	# 11	# 7	# 12	# 12	# 13	# 10
Fairmont	# 8	# 5	# 9	# 3	# 11	# 6	# 1	# 7	# 7	# 7	# 8	# 18	# 5	# 3	# 4	# 6	# 15	# 8
Little Canada	# 9	# 10	# 1	# 6	# 12	# 11	# 10	# 13	# 9	# 1	# 11	# 9	# 16	# 7	# 11	# 2	# 1	# 7
Arden Hills	# 10	# 14	# 9	# 6	# 10	# 11	# 10	# 13	# 13	# 3	# 11	# 6	# 2	# 7	# 6	# 18	# 5	# 15
Hermantown	# 11	# 1	# 2	# 5	# 2	# 11	# 10	# 3	# 13	# 2	# 2	# 10	# 4	# 7	# 10	# 1	# 8	# 1
Detroit Lakes	# 12	# 3	# 5	# 6	# 1	# 11	# 5	# 4	# 2	# 5	# 4	# 8	# 6	# 1	# 1	# 3	# 3	# 2
St. Anthony	# 13	# 14	# 9	# 6	# 12	# 5	# 10	# 13	# 13	# 16	# 5	# 14	# 3	# 7	# 17	# 17	# 6	# 11
Waseca	# 14	# 12	# 9	# 6	# 8	# 9	# 9	# 11	# 13	# 9	# 9	# 17	# 10	# 6	# 14	# 11	# 11	# 14
Little Falls	# 15	# 13	# 9	# 6	# 5	# 2	# 7	# 1	# 5	# 12	# 7	# 13	# 16	# 5	# 8	# 13	# 16	# 6
Thief River Falls	# 16	# 6	# 6	# 4	# 7	# 1	# 8	# 13	# 6	# 6	# 6	# 15	# 14	# 4	# 5	# 10	# 7	# 5
East Grand Forks	# 17	# 7	# 9	# 6	# 9	# 8	# 10	# 13	# 11	# 16	# 11	# 7	# 7	# 7	# 9	# 16	# 17	# 12
Cambridge	# 18	# 4	# 9	# 1	# 12	# 11	# 2	# 5	# 4	# 10	# 1	# 1	# 16	# 7	# 3	# 4	# 4	# 3

Above are all communities in the population range listed in the title with data available by merchandise category. Adjustments for special circumstances may be necessary for accurate comparisons.

North Branch & Chisago County Comparison, 2016

It is important to review the retail performance for the whole county and not just the city in isolation. For example, it is common for county seat towns to have above-average retail performance, while the county overall has a leakage of sales. This is usually because the county seat city doesn't have the critical mass of retail to attract the purchases of everyone in the county. By analyzing county data, city business people can develop strategies to recapture some of the sales being lost to other cities. For counties that have a local option sales tax, the analysis of county sales is extremely important, since lost sales are lost tax dollars. A thorough analysis of county sales can help county officials develop more meaningful economic development plans aimed at recapturing the lost sales.

The table below shows retail sales and number of firms by merchandise category for North Branch and Chisago County in 2016. North Branch accounted for 18 percent of the county's firms and 34 percent of the county's sales.



Sales by Merchandise Category, North Branch & Chisago County, 2016

	North Branch		Chisago County		City's Share of County Total	
Merchandise Category	**Taxable Sales ($millions)**	**Number of Firms**	**Taxable Sales ($millions)**	**Number of Firms**	**Sales**	**Firms**
Vehicles & Parts	$6.13	7	$25.76	26	23.8%	26.9%
Furniture Stores	$10.94	4	$11.87	18	92.2%	22.2%
Electronics	NA	NA	$4.66	7	NA	NA
Building Materials	$20.29	5	$24.86	14	81.6%	35.7%
Food, Groceries	$7.50	6	$24.58	35	30.5%	17.1%
Health, Personal Stores	NA	NA	$2.38	6	NA	NA
Gas/Convenience Stores	$4.16	4	$17.11	19	24.3%	21.1%
Clothing	$2.05	22	$2.58	36	79.7%	61.1%
Leisure Goods	$0.02	5	$0.67	28	2.4%	17.9%
General Merchandise	$6.97	4	$10.39	12	67.1%	33.3%
Miscellaneous Retail	$6.81	19	$9.54	123	71.3%	15.4%
Non-Store Retailers	$2.36	16	$12.66	69	18.7%	23.2%
Amusement & Recreation	$0.71	5	$6.06	17	11.6%	29.4%
Accommodations	NA	NA	$4.49	24	NA	NA
Eating & Drinking Places	$17.44	23	$46.89	88	37.2%	26.1%
Repair, Maintenance	$1.89	14	$12.53	105	15.1%	13.3%
Personal Service, Laundry	$0.39	11	$1.41	53	27.7%	20.8%
Total Sales	$80.70	185	$238.57	1,035	33.8%	17.9%

Chisago County Retail Trade Overview

Total Taxable and Gross Retail Sales

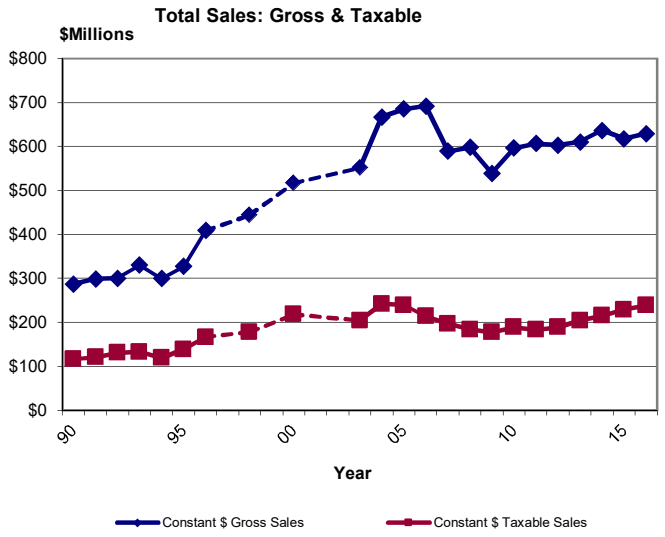
The table below presents gross and taxable retail and services sales for Chisago County from 2003 through 2016. Taxable sales in Chisago County increased 49.6 percent from 2009 to 2016, while the number of firms fell 4.2 percent. Statewide, taxable sales increased 11.3 percent over the same time period and the number of firms fell 9.0 percent. The per capita sales and pull factor data in this table are based on taxable sales, the more verified sales measure.

The table also presents sales data in constant 2016 dollars. These figures have been adjusted for inflation to reflect their value in 2016. For example, in 2003, taxable sales in Chisago County totaled $157.32 million, an amount worth $204.31 million in 2016 dollars. In constant dollars, gross sales grew 16.8 percent between 2009 and 2016. Constant dollar taxable sales increased 34.6 percent over the same time period.

		Current Dollars		Constant 2016 Dollars				
Year	Estimated Population	Gross Sales* ($millions)	Taxable Sales ($millions)	Gross Sales* ($millions)	Taxable Sales ($millions)	Number of Firms	Per Capita Sales	Pull Factor
2003	46,165	$424.31	$157.32	$551.05	$204.31	933	$3,408	0.38
2004	48,349	$527.15	$191.15	$667.28	$241.97	997	$3,954	0.43
2005	49,400	$562.16	$196.08	$685.56	$239.12	1,035	$3,969	0.42
2006	50,344	$581.10	$179.50	$691.78	$213.69	1,052	$3,565	0.37
2007	50,128	$512.51	$171.35	$589.09	$196.95	1,043	$3,418	0.35
2008	50,257	$538.40	$165.34	$598.23	$183.71	1,050	$3,290	0.34
2009	50,625	$484.85	$159.46	$538.72	$177.18	1,080	$3,150	0.35
2010	53,925	$542.53	$172.21	$596.18	$189.24	1,065	$3,194	0.35
2011	53,929	$576.07	$174.11	$606.39	$183.27	1,008	$3,228	0.35
2012	53,576	$584.81	$183.25	$602.90	$188.92	987	$3,420	0.35
2013	53,743	$598.38	$200.41	$610.59	$204.50	1,037	$3,729	0.43
2014	54,134	$629.96	$212.76	$636.32	$214.91	1,027	$3,930	0.45
2015	54,332	$611.77	$226.82	$617.95	$229.12	1,019	$4,175	0.46
2016	54,332	$629.39	$238.57	$629.39	$238.57	1,035	$4,391	0.48
7 yr Change '09 to '16	7.3%	29.8%	49.6%	16.8%	34.6%	-4.2%	39.4%	36.6%
3 yr Change '13 to '16	1.1%	5.2%	19.0%	3.1%	16.7%	-0.2%	17.8%	11.0%

*Gross sales figures are self-reported by firms and not audited by the Dept. of Revenue for accuracy.

Chisago County: Retail/Service Sales in Constant Dollars

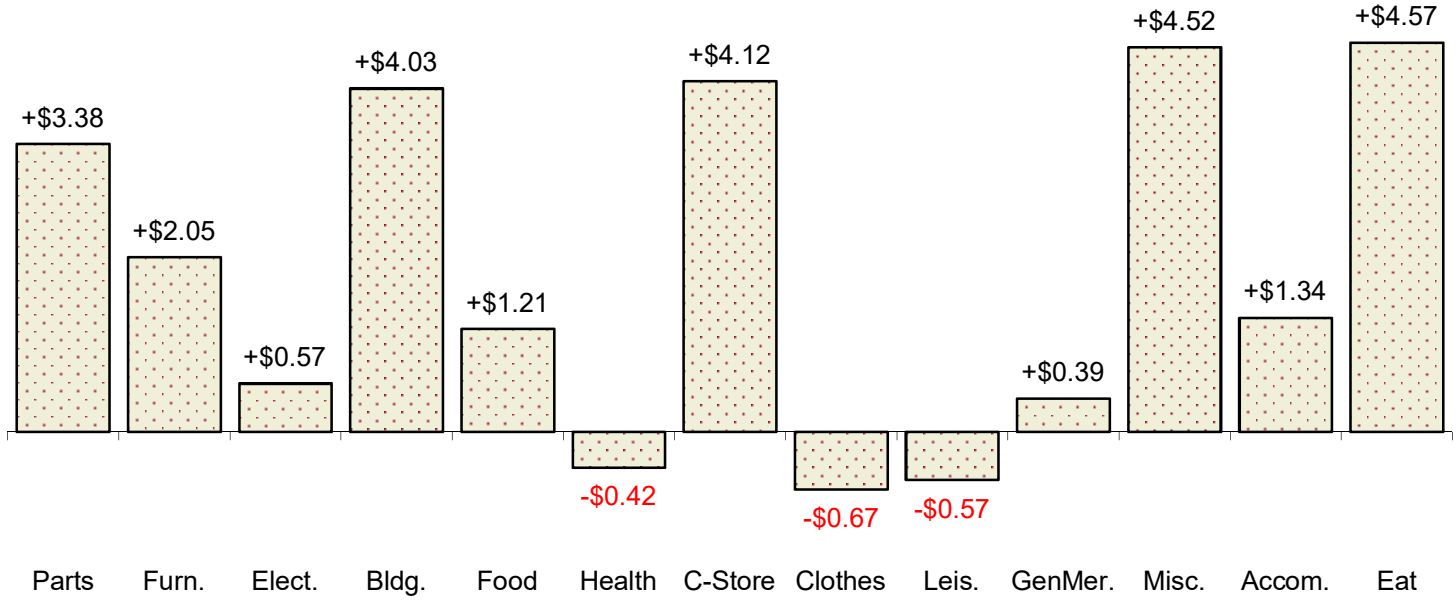


Chisago County
Selected Components of Change*, 2013 to 2016

Category	Taxable Sales 2013	Taxable Sales 2016	Dollar Change	Percent Change
Vehicles & Parts	$22,378,232	$25,760,543	+$3,382,311	+15.11%
Furniture Stores	$9,819,904	$11,873,437	+$2,053,533	+20.91%
Electronics	$4,092,490	$4,659,787	+$567,297	+13.86%
Building Materials	$20,829,946	$24,862,134	+$4,032,188	+19.36%
Food, Groceries	$23,369,557	$24,577,899	+$1,208,342	+5.17%
Health, Personal Stores	$2,798,810	$2,375,293	-$423,517	-15.13%
Gas/Convenience Store	$12,994,840	$17,111,489	+$4,116,649	+31.68%
Clothing	$3,253,472	$2,578,877	-$674,595	-20.73%
Leisure Goods	$1,231,401	$665,133	-$566,268	-45.99%
General Merchandise Stores	$10,002,890	$10,392,789	+$389,899	+3.90%
Miscellaneous Retail	$5,026,817	$9,542,838	+$4,516,021	+89.84%
Accommodations	$3,152,248	$4,492,383	+$1,340,135	+42.51%
Eating & Drinking Places	$42,316,712	$46,889,248	+$4,572,536	+10.81%
Total Retail and Services Sales	$200,407,611	$238,569,547	+$38,161,936	+19.04%

* Figures not adjusted for inflation.

Dollar Changes by Category (in Millions)
2013 - 2016

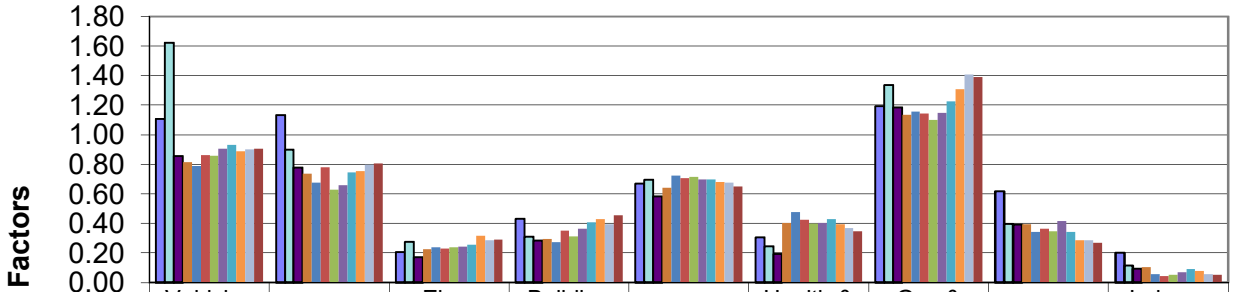


Pull Factors By Merchandise Category

Chisago County

The following tables and charts depict pull factors in Chisago County from 2003 to 2016* by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of changes over time because they account for changes in population and state-wide industry trends.

Pull Factors by NAICS Merchandise Category (1 of 2)



	Vehicles & Parts	Furniture	Elec-tronics	Building Materials	Food	Health & Personal	Gas & Conven.	Clothing	Leisure Goods
2003	1.11	1.13	0.21	0.43	0.67	0.31	1.19	0.62	0.20
2005	1.62	0.90	0.28	0.31	0.69	0.24	1.34	0.40	0.11
2007	0.86	0.78	0.17	0.28	0.58	0.19	1.18	0.39	0.09
2008	0.82	0.74	0.23	0.30	0.64	0.40	1.14	0.40	0.10
2009	0.79	0.68	0.24	0.27	0.73	0.48	1.16	0.34	0.06
2010	0.87	0.78	0.23	0.35	0.71	0.43	1.15	0.37	0.05
2011	0.86	0.63	0.24	0.32	0.72	0.40	1.10	0.35	0.05
2012	0.91	0.66	0.24	0.37	0.70	0.40	1.15	0.42	0.07
2013	0.93	0.75	0.26	0.41	0.70	0.43	1.23	0.35	0.10
2014	0.89	0.75	0.32	0.43	0.68	0.40	1.31	0.29	0.08
2015	0.90	0.80	0.29	0.40	0.68	0.37	1.41	0.29	0.06
2016	0.91	0.81	0.29	0.46	0.65	0.35	1.39	0.27	0.05

NAICS Category Descriptions

Motor Vehicles & Parts: Establishments that sell new & used autos, boats, motorcycles, golf carts, RV's, campers, snowmobiles, trailers, tires, and parts.

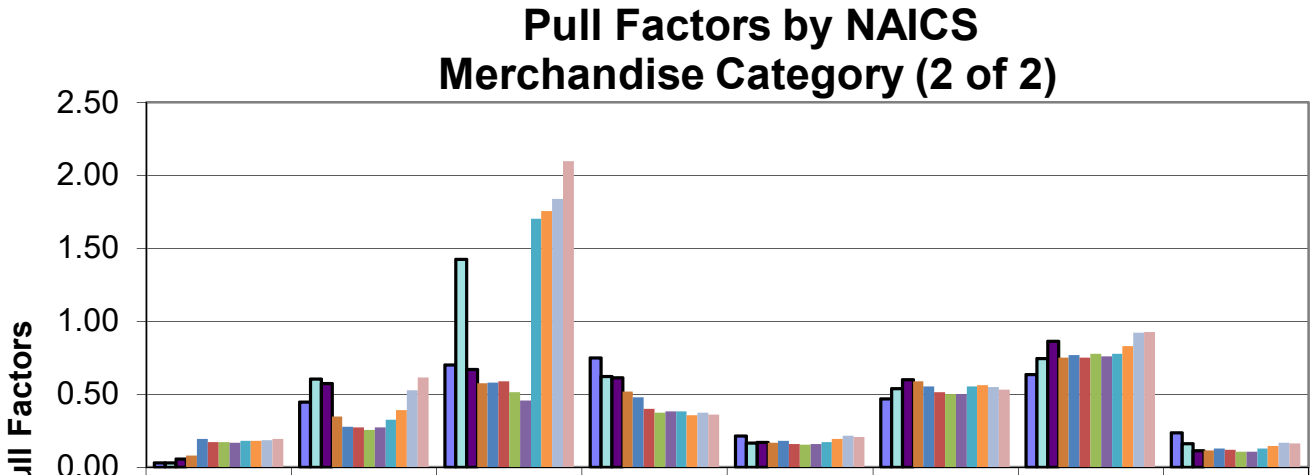
Furniture: Stores that sell furniture, beds, carpeting, window coverings, lamps, china, kitchenware, & woodburning stoves.
Electronics: Establishments primarily engaged in retailing household-type appliances, sewing machines, cameras, computers, and other electronic goods.
Building Materials: Establishments that sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden centers.
Food: Grocery stores, deli's, bakery, & butcher shops that sell food to be prepared at home. Liquor stores.
Health & Personal: Pharmacies, food supplements, vision supplies, cosmetics, & hearing aid stores.
Gas and Convenience Store: Retailers that sell fuel along with convenience store items.
Clothing: New clothing and accessories, jewelry, shoes, bridal shops, clock shops, and luggage stores.
Leisure Goods: Sporting goods, books, music, hobby stores, fabric shops, and toy stores.

*Caution should be used when comparing pull factors before 2003 to those in later years due to the switch from SIC to NAICS.

Recent Trends By Merchandise Category

Chisago County

The following tables and charts depict pull factors in Chisago County from 2003 to 2016* by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of changes over time because they account for changes in population and state-wide industry trends.



	Gen. Merch.	Misc. Store	Non-Store Retail	Amuse-ment	Lodging	Eating & Drinking	Repair	Personal Services
2003	0.03	0.45	0.70	0.75	0.21	0.47	0.63	0.23
2005	0.03	0.60	1.42	0.62	0.17	0.54	0.74	0.16
2007	0.06	0.57	0.67	0.61	0.17	0.60	0.86	0.11
2008	0.08	0.34	0.57	0.51	0.17	0.59	0.75	0.11
2009	0.19	0.27	0.58	0.47	0.18	0.55	0.76	0.13
2010	0.17	0.27	0.58	0.40	0.16	0.51	0.75	0.12
2011	0.17	0.25	0.51	0.37	0.15	0.50	0.78	0.10
2012	0.16	0.27	0.46	0.38	0.16	0.50	0.76	0.10
2013	0.18	0.32	1.70	0.38	0.17	0.55	0.77	0.12
2014	0.18	0.39	1.75	0.35	0.19	0.56	0.83	0.14
2015	0.18	0.53	1.84	0.37	0.21	0.55	0.92	0.17
2016	0.19	0.61	2.09	0.36	0.20	0.53	0.93	0.16

General Merchandise: Establishments that sell a mixed line of goods. Examples are department stores, supercenters, and dollar stores.

Miscellaneous Store Retailers: Stores not covered in other categories such as florists, office supplies, pets, antiques, tobacco, art, used merchandise, and trophies.

Non-Store Retail: Retailers that do not use stores. This includes mail order, internet selling, bazaars, vending machines, fuel oil dealers, firewood dealers, door-to-door sales, and produce stands.

Amusement: Establishments such as golf courses, bowling lanes, marinas, amusement parks, water parks, shooting ranges, pool halls, horseback riding, ballrooms, health club facilities, ski hills, and casinos.

Lodging: Seasonal resorts, hotels, boarding houses, bed & breakfast, campgrounds, and RV parks.

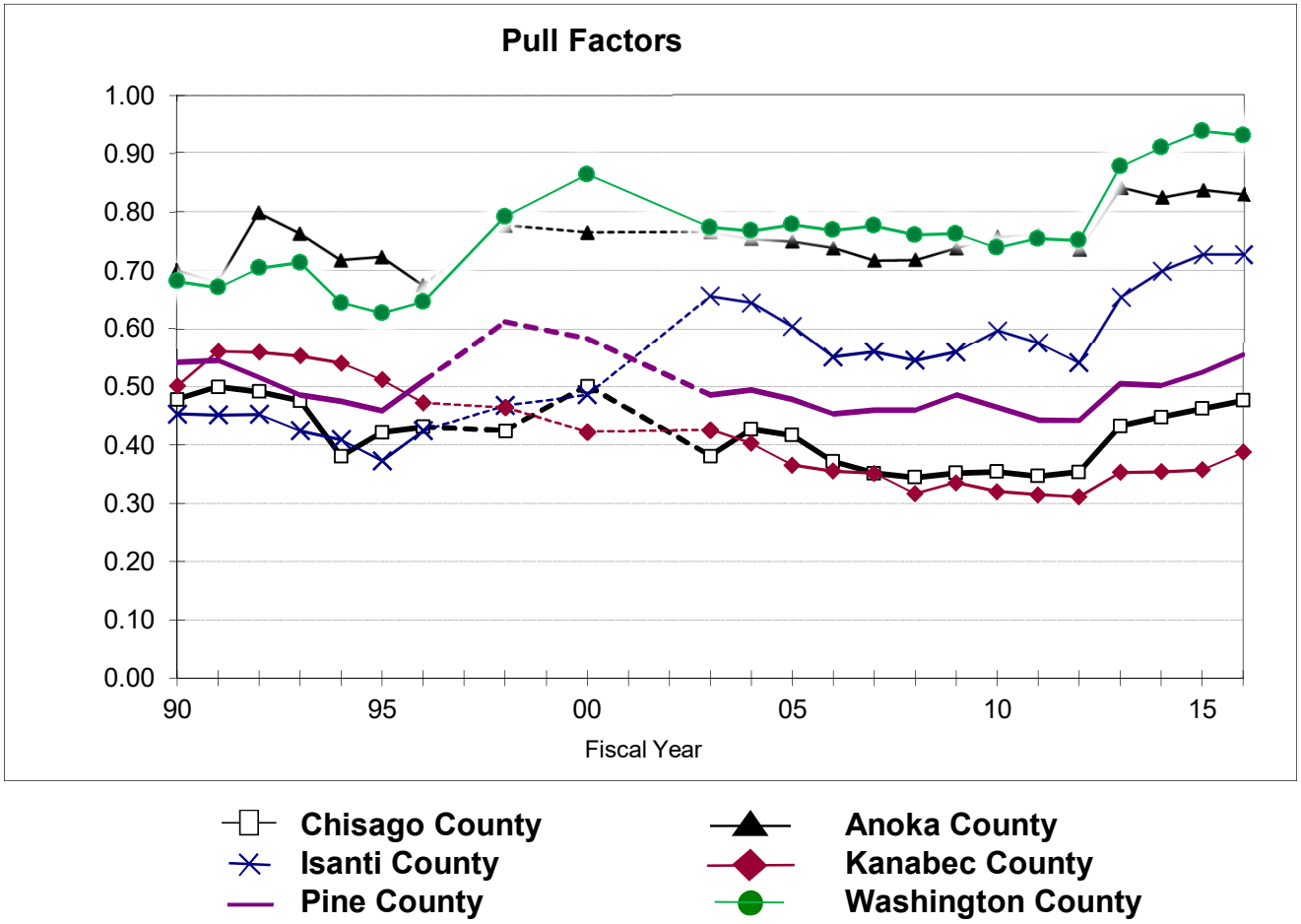
Eating & Drinking: Restaurants, donut shops, coffee house, cafeteria, caterers, taverns, and nightclubs,

Repair: Businesses that return equipment to working order. Examples: cars, lawnmowers, small engines, knives, shoes, computers, furniture, and appliances.

Personal Services: Barbers, beauty salons, tanning facilities, funeral homes, laundromats, dry cleaners, pet groomers, and kennels

*Caution should be used when comparing pull factors before 2003 to those in later years due to the switch from SIC to NAICS.

Comparison with Neighboring Counties
Chisago County



Comparison with Neighboring Counties, 2016

Town	Population	Gross Sales ($millions)	Taxable Sales ($millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
Chisago County	54,766	$629.39	$238.57	1,035	$4,356	0.48
Anoka County	348,652	$6,662.07	$2,605.50	5,784	$7,581	0.83
Isanti County	39,009	$664.62	$252.96	688	$6,646	0.73
Kanabec County	15,841	$156.78	$51.33	293	$3,542	0.39
Pine County	28,879	$338.65	$137.91	575	$5,076	0.56
Washington County	253,128	$5,781.50	$2,127.84	4,648	$8,516	0.93

Trade Area Analysis of Retail Sales

Chisago County

The following tables provide information on retail sales by merchandise category. "Potential sales" is a standard to which actual performance is compared. In calculating potential sales, population and income characteristics are taken into account. Potential sales can be used as a guideline or "par value" in analyzing retail strength.

Deviations from these norms can be analyzed to first judge whether they should be considered relevant. If the differences appear to be significant (whether in dollar amounts or relatively with percentages), additional consideration is merited. Categories with undesirable performance may be further examined for potential corrective action. It is also important to determine whether or not the situation is relatively uncontrollable due to external or extenuating circumstances. In cases of favorable differences from expectations, the positive aspects should be identified and built upon.

Trade Area Analysis by Merchandise Category, 2016

			Variance Between Actual & Potential				
Merchandise Group	Potential Sales ($millions)	Actual Sales ($millions)	In Dollars (millions)	As % of Potential	Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
Vehicles & Parts	$23.40	$25.76	+$2.36	+10.1%	5,482	23	10.8%
Furniture Stores	$12.12	$11.87	-$0.25	-2.1%	-1,122	16	5.0%
Electronics	$13.07	$4.66	-$8.41	-64.3%	-34,955	9	2.0%
Building Materials	$44.79	$24.86	-$19.92	-44.5%	-24,171	16	10.4%
Food, Groceries	$31.06	$24.58	-$6.48	-20.9%	-11,333	36	10.3%
Health, Personal Stores	$5.64	$2.38	-$3.27	-57.9%	-31,460	8	1.0%
Gas/Convenience Store	$10.12	$17.11	+$6.99	+69.1%	37,533	21	7.2%
Clothing	$7.86	$2.58	-$5.28	-67.2%	-36,497	38	1.1%
Leisure Goods	$10.33	$0.67	-$9.67	-93.6%	-50,834	30	0.3%
General Merchandise Stores	$45.02	$10.39	-$34.63	-76.9%	-41,790	13	4.4%
Miscellaneous Retail	$12.85	$9.54	-$3.31	-25.8%	-13,996	124	4.0%
Amusement & Recreation	$13.97	$6.06	-$7.91	-56.6%	-30,778	17	2.5%
Accommodations	$18.16	$4.49	-$13.67	-75.3%	-40,893	24	1.9%
Eating & Drinking Places	$72.75	$46.89	-$25.86	-35.5%	-19,314	88	19.7%
Repair, Maintenance	$11.15	$12.53	+$1.38	+12.4%	6,726	105	5.3%
Personal Services, Laundry	$7.20	$1.41	-$5.79	-80.5%	-43,712	53	0.6%
Total Taxable Retail & Service*	$408.96	$238.57	-$170.39	-41.7%	-22,637	1,035	100.0%

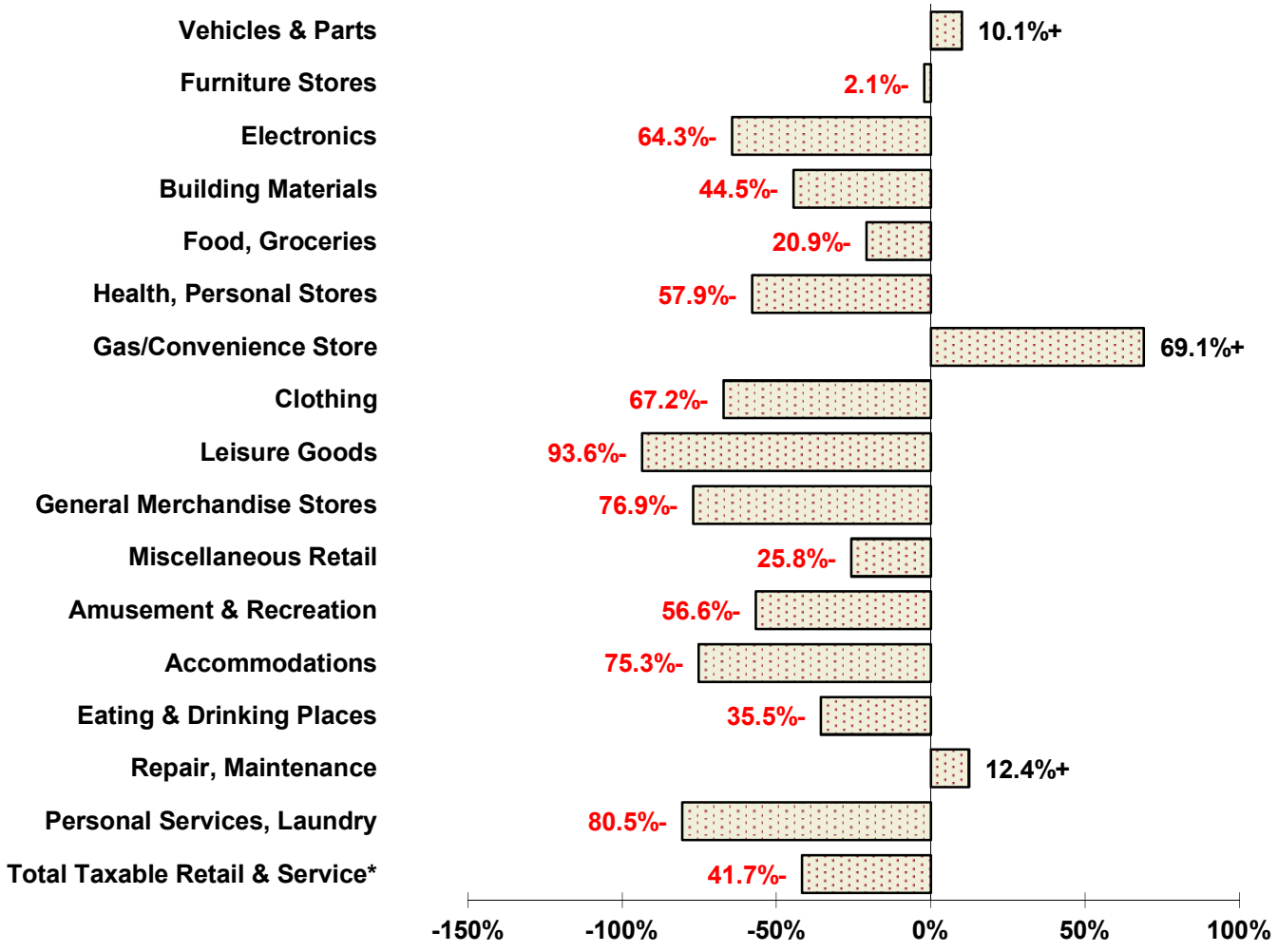
*All retail and service categories are included in Total Sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to Total Sales.

Chisago County Retail Trade Performance in Percentages

The chart below depicts the percentage amount Chisago County's actual sales were above or below potential sales in 2016 by merchandise group. Of the 16 merchandise categories with reported data, sales in 3 of the categories were above what would be expected based on the county's population and income characteristics as well as statewide spending patterns. The strongest merchandise group by this standard is the Gasoline Stations category, which has a 69.1 percent surplus. Overall, Chisago County had a retail sales leakage of 41.7 percent.

It is important to note that variations in a county's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers and transportation patterns, as well as the individual retailer's management and marketing, can cause the retail sales of a particular county to deviate substantially from potential sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.

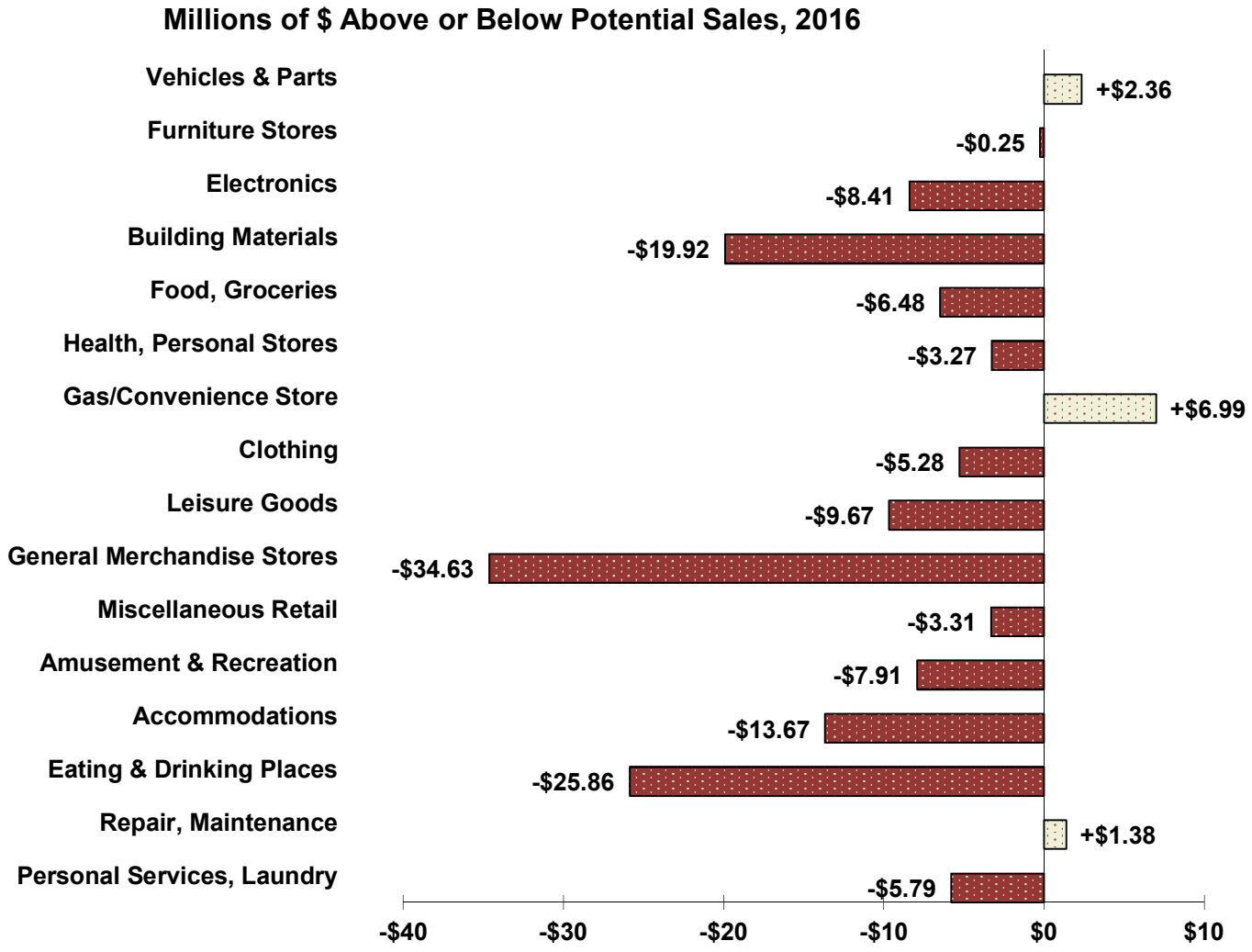
Percentage Above or Below Potential Sales, 2016



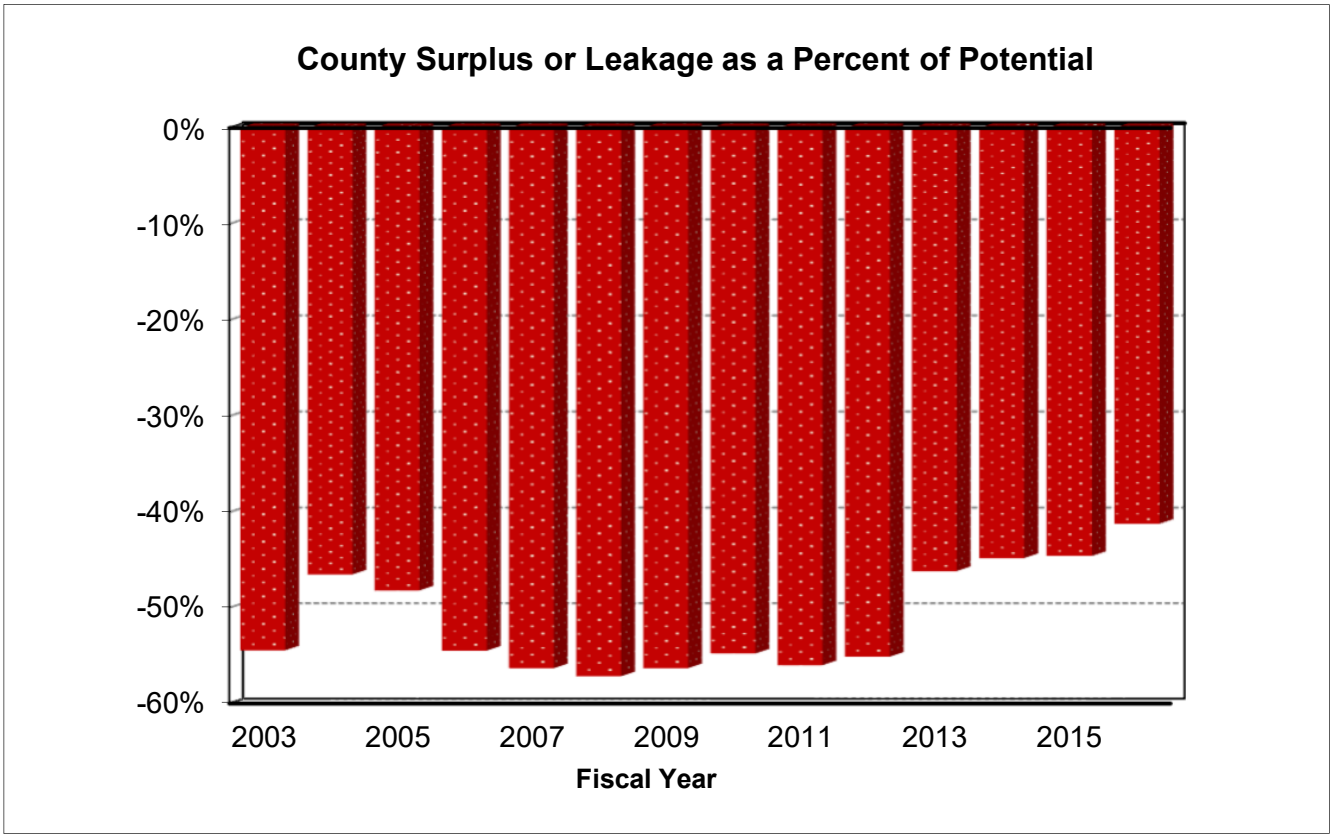
Chisago County Retail Trade Performance in Dollars

The chart below depicts the dollar amount Chisago County's actual sales were above or below potential sales in 2016 by merchandise group. Of the 16 merchandise categories with reported data, sales in 3 of the categories were above the calculated potential. The strongest merchandise group by this standard is the Gasoline Stations category, which has a $7 million surplus. Overall, Chisago County had a retail sales leakage of $170.4 million in 2016.

It is important to note that variations in a county's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular county to deviate substantially from potential sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.



Chisago County Retail Trade Surplus or Leakage



Fiscal Year	Population Estimate	Index of Income	Potential Sales (in millions)	Actual Sales (in millions)	Surplus or Leakage (in millions)	Surplus or Leakage as % of Potential	Trade Area Population Gain or Loss
2003	46,165	0.84	$345.4	$157.3	-$188.1	-54.5%	-25,137
2004	48,349	0.80	$357.3	$191.2	-$166.1	-46.5%	-22,482
2005	49,400	0.80	$378.4	$196.1	-$182.3	-48.2%	-23,802
2006	50,344	0.82	$394.4	$179.5	-$214.9	-54.5%	-27,432
2007	50,128	0.80	$392.2	$171.3	-$220.9	-56.3%	-28,230
2008	50,257	0.80	$386.0	$165.3	-$220.7	-57.2%	-28,731
2009	50,625	0.80	$365.0	$159.5	-$205.5	-56.3%	-28,508
2010	53,925	0.78	$380.8	$172.2	-$208.6	-54.8%	-29,538
2011	53,929	0.79	$395.7	$174.1	-$221.6	-56.0%	-30,198
2012	53,576	0.79	$408.3	$183.3	-$225.0	-55.1%	-29,528
2013	53,743	0.80	$372.2	$200.4	-$171.8	-46.2%	-24,804
2014	54,134	0.81	$385.4	$212.8	-$172.6	-44.8%	-24,249
2015	54,332	0.83	$409.2	$226.8	-$182.4	-44.6%	-24,214
2016	54,332	0.82	$405.7	$238.6	-$167.1	-41.2%	-22,384

State of Minnesota Per Capita Taxable Retail Sales & Threshold Levels for Selected Goods and Services

2016

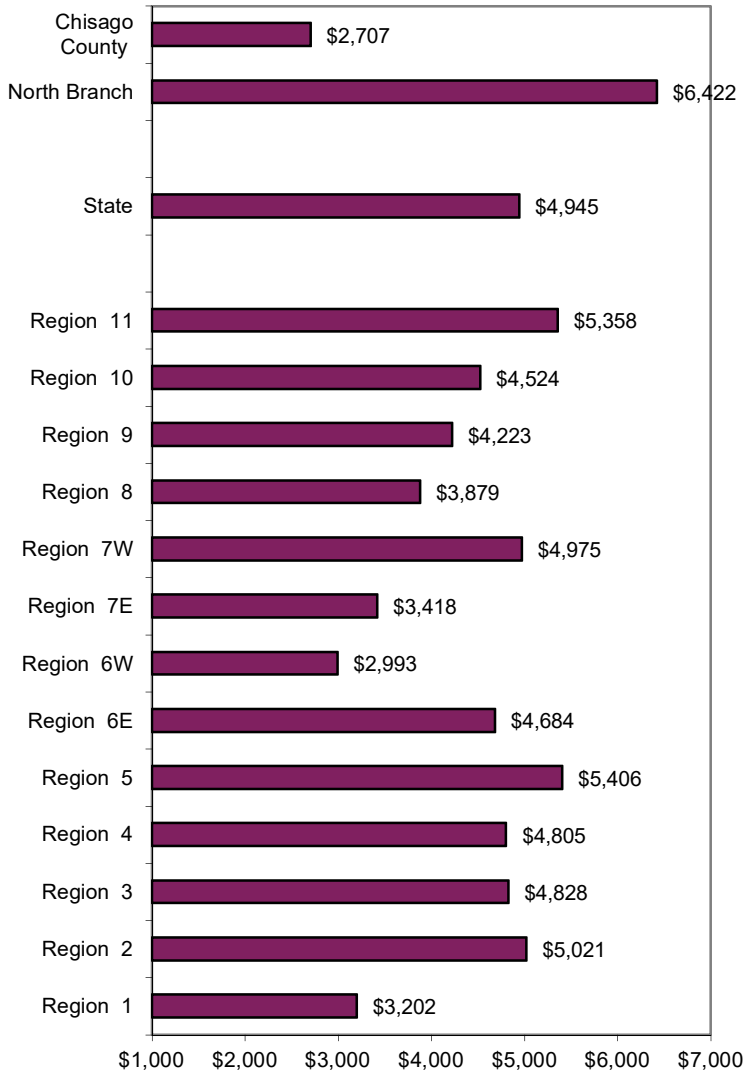
Threshold level refers to the number of *people per business*, which can be used as a general guide for determining the "critical mass" necessary to support a business. These are broad averages for the state as a whole and do not reflect differences in income, tourism, agglomeration, establishment, etc. Further, the business counts are based on the number of sales tax returns filed and are converted to "full-time equivalents." Multiplying *people per business* by *sales per capita* yields average sales per firm. In addition to state averages, averages for the non-metropolitan regions were calculated by excluding the seven county Minneapolis-St. Paul metropolitan region.

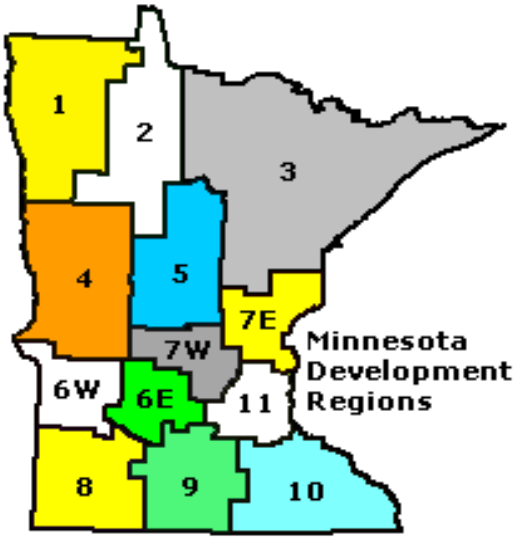
Business Activity / Store Type	*People Per Business*		*Sales Per Capita*		
NAICS	State	Non-Metro	State	Non-Metro	North Branch
RETAIL TRADE					
441 Vehicles, Parts	1,999	1,428	$522.42	$523.14	$585.23
442 Furniture Stores	3,411	3,325	$268.42	$171.52	$1,045.12
443 Electronics	4,185	4,563	$289.92	$141.53	NA
444 Building Materials	2,837	1,864	$1,000.85	$1,118.41	$1,938.14
445 Food and Beverage Stores	1,625	1,402	$693.95	$595.76	$716.25
446 Health, Personal Stores	3,181	3,503	$124.57	$79.63	NA
447 Gas/Conveniene Stores	2,771	1,968	$226.02	$287.53	$397.81
448 Clothing & Accessory Stores	1,647	1,949	$175.20	$84.19	$196.29
451 Leisure Goods	1,609	1,380	$230.86	$169.87	$1.51
452 General Merchandise	5,021	3,652	$995.31	$1,134.48	$665.93
453 Miscellaneous Merchandise	519	413	$306.79	$274.23	$650.02
454 Non-store Retail	932	850	$110.57	$86.72	$225.83
Retail Total			$4,944.89	$4,667.01	$6,422.13
INFORMATION					
511 Publishing Industry	11,993	20,057	$3.26	$0.75	
512 Movie & Recording Industry	12,313	32,300	$32.49	$18.13	
515 Broadcasting	115,180	207,259	$34.87	$0.04	
516 Info -Internet Publ/Brcst					
517 Telecommunications	9,004	10,629	$318.97	$182.47	
518 Internet Service	16,118	42,154	$19.24	$0.81	
519 Other Information Services	5,977	6,870	$50.28	$40.62	
FINANCE AND INSURANCE					
522 Credit Intermediation	9,435	8,023	$25.63	$8.63	
523 Securities, Commodities	20,942	92,115	$1.72	$0.05	
524 Insurance Carriers	12,452	29,608	$0.51	$0.28	
525 Funds, Trusts	276,432	621,776	$0.29	$0.31	
REAL ESTATE AND RENTAL AND LEASING					
531 Real Estate	2,311	2,782	$38.49	$33.49	
532 Rental, Leasing Services	3,718	3,388	$157.27	$69.70	
533 Lessors Nonfinancial Assets	614,292	NA	$0.07	$0.00	
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES					
541 Prof, Scientific, Technical Services	477	673	$174.19	$88.54	
Mgmt Of Companies	32,714	124,355	$31.68	$2.54	
ADMINISTRATIVE & SUPPORT; WASTE MGMT & REMEDIATION SVCS					
561 Admin, Support Services	570	562	$276.81	$160.97	
562 Waste Mgmt, Remediation	16,804	12,887	$3.60	$1.93	
EDUCATIONAL SVCS; HEALTH & SOCIAL ASSISTANCE					
611 Educational Services	4,323	4,684	$19.25	$16.11	
621 Health -Ambulatory Care	1,046	1,231	$20.35	$17.33	
622 Health -Hospitals	89,171	130,900	$13.47	$9.55	
623 Health -Nursing,Residential Care	12,045	11,103	$2.71	$2.40	
624 Health -Social Assistance	13,163	18,288	$2.48	$3.22	
ARTS, ENTERTAINMENT & RECREATION					
711 Performing Art, Spectator Sports	2,012	2,371	$75.92	$20.36	
712 Museums, Historical Sites	54,202	56,525	$3.88	$0.61	
713 Amusement, Gambling, Recr	2,412	1,904	$312.03	$151.61	$67.37
ACCOMMODATION & FOOD SERVICES					
721 Accommodation	2,215	1,218	$405.32	$383.37	NA
722 Food Services, Drinking Places	479	451	$1,626.12	$1,258.95	$1,665.52
OTHER SERVICES					
811 Repair, Maintenance	660	463	$249.30	$275.87	$180.47
812 Personal, Laundry Service	626	543	$160.97	$61.44	$37.20
813 Religious, Civic, Professional Orgs	2,639	2,122	$34.29	$38.43	
814 Private Households	162,607	NA	$0.14	$0.00	
921 Exec., Legisla., Other Govt	8,252	4,666	$48.93	$65.49	
TOTAL RETAIL AND SERVICES			$9,089.42	$7,581.01	

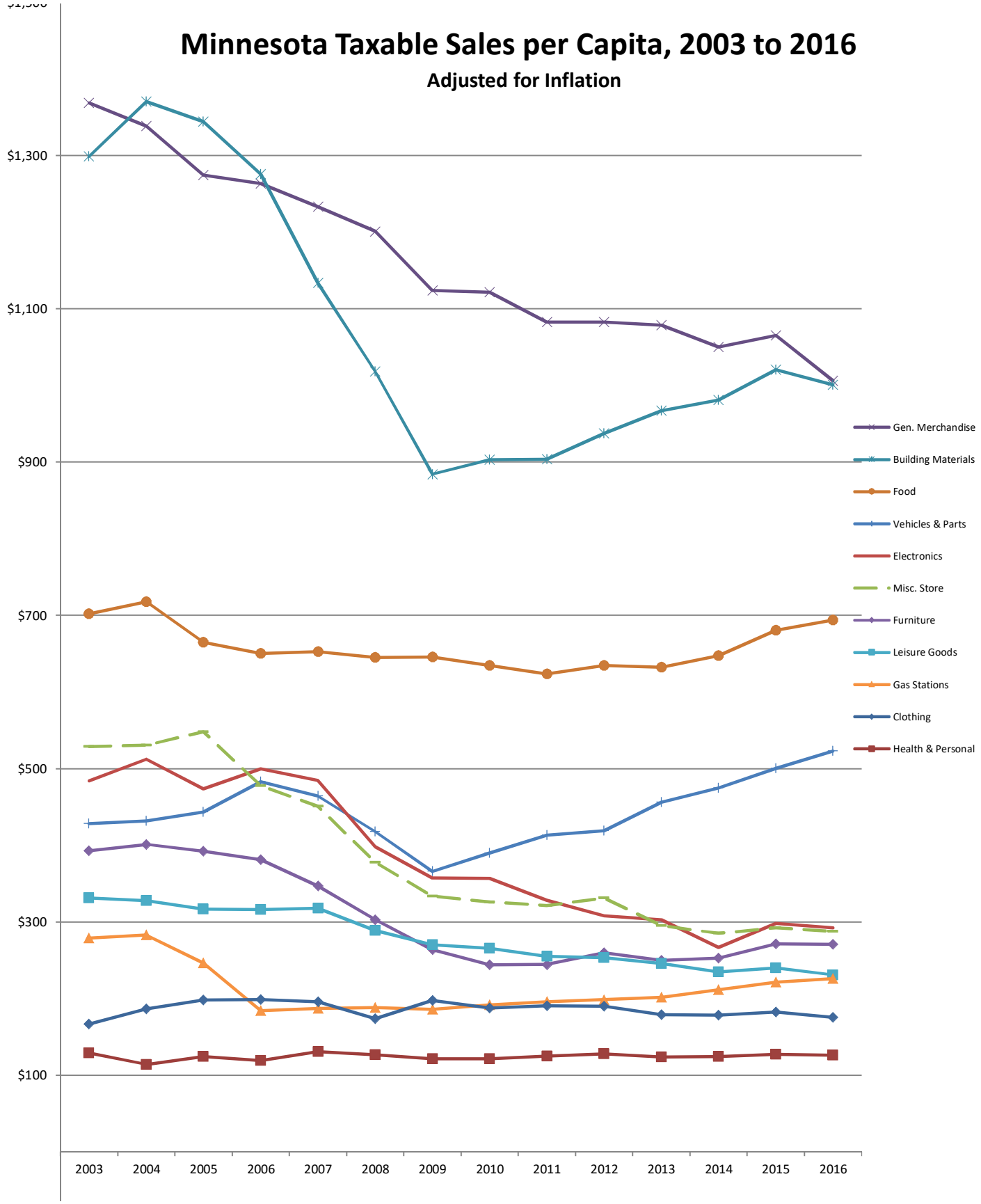
Compare the Community to the Region
North Branch and Chisago County

On other pages of this report we compared communities using a combination of retail sectors and service sectors. The information on this page only includes businesses in **retail trade** and does not include service sectors. The retail trade sectors include the following: building materials, motor vehicles & parts, clothing, food stores, electronics, convenience stores, leisure goods, health stores, furniture, general merchandise, non-store retail, and miscellaneous stores.

2016 Retail Sales per capita






Minnesota Taxable Sales per Capita, 2003 to 2016
Adjusted for Inflation
$1,300
$1,100
$900
$700
$500
$300
$100
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
Gen. Merchandise
Building Materials
Food
Vehicles & Parts
Electronics
Misc. Store
Furniture
Leisure Goods
Gas Stations
Clothing
Health & Personal