



Retail Opportunities in Primary Trade Area

For the Federal Way primary retail trade area, which extends from Northeast Tacoma along the Dash Point peninsula and Puget Sound waterfront to the north, almost to Saltwater State park, then east to I-5 and Highway 167 to the south (see map, [Appendix 1](#), p. 4) this information is from Nielsen Claritas 2010 data based on the [Consumer Expenditure Survey](#) for estimation of demand, and the [Census of Retail Trade](#) for estimation of supply. The Bureau of Labor Statistics conducts the Consumer Expenditure Survey, and the US Census Bureau conducts the Census of Retail Trade. The data for both stem from survey fieldwork in 2007. More information about these sources is provided in [Appendix 2](#), beginning on p. 4. The classification codes in the tables below are NAICS codes (e.g., "Automotive Dealers – 4411").

Shown in the table is the difference between demand and supply, which represents the "opportunity" ("leakage" may be a more familiar term) or surplus for each general type of retail outlet in Federal Way. When the demand is greater than the supply, there is an opportunity (noted by the color green) for the given type of retail outlet. A negative value (red) signifies a supply surplus. An especially large number signifies what may be a major retail opportunity – an opportunity for developing new retail sales in Federal Way for this category (shown with the asterisk in the right-hand column).

Key findings: There may be significant opportunities for retail development in the Federal Way area for categories highlighted in green and with an asterisk in the right-hand column. For further information contact Federal Way's Community and Economic Development Director, Patrick Doherty, at 253-835-2612 or Patrick.Doherty@cityoffederalway.com.

Retail Stores in Federal Way	2010 Demand (Federal Way Resident Expenditures)	2010 Supply (Federal Way Retail Sales)	Opportunity Gap/Surplus	* Apparent Major Retail Opportunities
Total Retail Sales incl. Eating and Drinking Places	2,360,616,721	1,717,807,769	642,808,952	*
Motor Vehicle and Parts Dealers-441	397,160,520	141,854,327	255,306,193	*
Automotive Dealers-4411	348,287,819	85,118,793	263,169,026	*
Other Motor Vehicle Dealers-4412	15,173,681	36,929,386	(21,755,705)	
Automotive Parts/Accsrs., Tire Stores-4413	33,699,021	19,806,149	13,892,872	*
Furniture and Home Furnishings Stores-442	52,176,502	22,470,741	29,705,761	*
Furniture Stores-4421	28,369,851	13,895,127	14,474,724	*
Home Furnishing Stores-4422	23,806,651	8,575,613	15,231,038	*
Electronics and Appliance Stores-443	58,013,303	12,993,647	45,019,656	*
Appliances, TVs, Electronics Stores-44311	44,062,690	11,705,806	32,356,884	*
Household Appliances Stores-443111	9,923,014	3,327,864	6,595,150	
Radio, Television, Electronics Stores-443112	34,139,677	8,377,942	25,761,735	*
Computer and Software Stores-44312	11,300,674	1,287,841	10,012,833	*
Camera and Photographic Equipment-Stores-44313	2,649,939	0	2,649,939	*
Building Material, Garden Equip Stores-444	236,858,791	175,178,093	61,680,698	
Building Material and Supply Dealers-4441	218,048,868	169,503,330	48,545,538	
Home Centers-44411	94,248,436	69,733,831	24,514,605	
Paint and Wallpaper Stores-44412	4,909,680	2,410,391	2,499,289	
Hardware Stores-44413	20,813,134	10,725,608	10,087,526	*

Retail Stores in Federal Way, cont'd.	2010 Demand (Federal Way Residents' Expenditures)	2010 Supply (Federal Way Retail Sales)	Opportunity Gap/Surplus	* Apparent Major Retail Opportunities
Other Building Materials Dealers-44419	98,077,617	86,633,500	11,444,117	*
Building Materials, Lumberyards-444191	38,216,891	33,892,302	4,324,589	
Lawn, Garden Equipment, Supplies Stores-4442	18,809,924	5,674,763	13,135,161	*
Outdoor Power Equipment Stores-44421	1,923,355	129,433	1,793,922	
Nursery and Garden Centers-44422	16,886,569	5,545,330	11,341,239	*
Food and Beverage Stores-445	320,604,183	148,705,327	171,898,856	*
Grocery Stores-4451	291,767,493	133,767,512	157,999,981	*
Supermarkets, Grocery (Excluding Conv) Stores-44511	277,913,491	113,277,166	164,636,325	*
Convenience Stores-44512	13,854,003	20,490,345	(6,636,342)	
Specialty Food Stores-4452	10,172,156	4,927,974	5,244,182	
Beer, Wine and Liquor Stores-4453	18,664,534	10,009,841	8,654,693	
Health and Personal Care Stores-446	121,238,661	106,811,230	14,427,431	
Pharmacies and Drug Stores-44611	103,999,408	87,908,216	16,091,192	
Cosmetics, Beauty Supplies, Perfume Stores-44612	4,196,127	3,298,547	897,580	
Optical Goods Stores-44613	5,325,629	2,657,208	2,668,421	
Other Health and Personal Care Stores-44619	7,717,497	12,947,259	(5,229,762)	
Gasoline Stations-447	199,963,134	120,340,349	79,622,785	*
Gasoline Stations With Conv Stores-44711	148,598,841	106,899,795	41,699,046	
Other Gasoline Stations-44719	51,364,294	13,440,554	37,923,740	*
Clothing and Clothing Accessories Stores-448	116,143,798	58,503,077	57,640,721	*
Clothing Stores-4481	83,053,444	42,405,061	40,648,383	*
Men's Clothing Stores-44811	5,243,752	140,908	5,102,844	
Women's Clothing Stores-44812	20,415,456	14,768,483	5,646,973	
Children's, Infants Clothing Stores-44813	4,794,294	41,700	4,752,594	
Family Clothing Stores-44814	45,083,103	22,446,755	22,636,348	*
Clothing Accessories Stores-44815	2,015,886	779,041	1,236,845	
Other Clothing Stores-44819	5,500,952	4,228,174	1,272,778	
Shoe Stores-4482	15,450,727	5,466,667	9,984,060	
Jewelry, Luggage, Leather Goods Stores-4483	17,639,627	10,631,349	7,008,278	
Jewelry Stores-44831	16,339,532	10,631,349	5,708,183	
Luggage and Leather Goods Stores-44832	1,300,095	0	1,300,095	
Sporting Goods, Hobby, Book, Music Stores-451	49,324,085	37,175,342	12,148,743	*
Sporting Goods, Hobby, Musical Inst Stores-4511	33,090,966	24,638,862	8,452,104	*
Sporting Goods Stores-45111	16,508,410	10,016,522	6,491,888	*
Hobby, Toys and Games Stores-45112	10,410,067	8,170,969	2,239,098	
Sew/Needlework/Piece Goods Stores-45113	2,831,203	6,101,387	(3,270,184)	
Musical Instrument and Supplies Stores-45114	3,341,287	349,984	2,991,303	
Book, Periodical and Music Stores-4512	16,233,118	12,536,479	3,696,639	
Book Stores and News Dealers-45121	11,342,478	9,754,184	1,588,294	
Book Stores-451211	10,822,786	9,754,184	1,068,602	
News Dealers and Newsstands-451212	519,692	0	519,692	
Prerecorded Tapes, CDs, Record Stores-45122	4,890,640	2,782,295	2,108,345	

Retail Stores in Federal Way, continued	2010 Demand (Federal Way Resident Expenditures)	2010 Supply (Federal Way Retail Sales)	Opportunity Gap/Surplus	* Apparent Major Retail Opportunities
General Merchandise Stores-452	321,811,296	454,746,995	(132,935,699)	
Department Stores Excl Leased Depts-4521	155,582,243	212,219,055	(56,636,812)	
Other General Merchandise Stores-4529	166,229,052	242,527,940	(76,298,888)	
Miscellaneous Store Retailers-453	60,482,697	42,094,629	18,388,068	*
Florists-4531	4,587,650	1,355,032	3,232,618	
Office Supplies, Stationery, Gift Stores-4532	24,982,988	16,654,177	8,328,811	*
Office Supplies and Stationery Stores-45321	14,208,903	7,587,900	6,621,003	
Gift, Novelty and Souvenir Stores-45322	10,774,085	9,066,277	1,707,808	
Used Merchandise Stores-4533	5,522,371	3,913,230	1,609,141	
Other Miscellaneous Store Retailers-4539	25,389,688	20,172,190	5,217,498	*
Non-Store Retailers-454	164,359,855	242,836,481	(78,476,626)	
Foodservice and Drinking Places-722	262,479,896	154,097,531	108,382,365	*
Full-Service Restaurants-7221	118,023,578	96,575,574	21,448,004	*
Limited-Service Eating Places-7222	111,376,545	51,384,024	59,992,521	*
Special Foodservices-7223	21,754,726	1,509,127	20,245,599	*
Drinking Places -Alcoholic Beverages-7224	11,325,048	4,628,806	6,696,242	
GAFO *	622,451,972	602,543,979	19,907,993	
General Merchandise Stores-452	321,811,296	454,746,995	(132,935,699)	
Clothing and Clothing Accessories Stores-448	116,143,798	58,503,077	57,640,721	*
Furniture and Home Furnishings Stores-442	52,176,502	22,470,741	29,705,761	*
Electronics and Appliance Stores-443	58,013,303	12,993,647	45,019,656	*
Sporting Goods, Hobby, Book, Music Stores-451	49,324,085	37,175,342	12,148,743	*
Office Supplies, Stationery, Gift Stores-4532	24,982,988	16,654,177	8,328,811	

* Note: "GAFO" (General merchandise, Apparel, Furniture and Other) represents sales at stores that sell merchandise normally sold in department stores. This category is not included in Total Retail Sales Including Eating and Drinking Places.

APPENDIX 1:

Federal Way Primary Trade Area

As the rough-outline map below indicates, Federal Way's primary trade area includes territory from the Port of Tacoma waterways and railroad terminals on the south, along the Dash Point peninsula and Puget Sound waterfront to the north, almost to Saltwater State park, then east to I-5 and Highway167 to the south.

The "Retail Opportunity" data in this report account for households throughout this area.



APPENDIX 2:

Sources of Retail Opportunity Data

As noted above, the data for the 2010 Nielsen Retail Market Power database, the basis of this report, is gathered from both the Census of Retail Trade (for estimation of supply), and the Consumer Expenditure Survey (for estimation of demand).

Census of Retail Trade

Census of Retail Trade data for retail stores were gathered through a combination of questionnaires, which were sent to all but the smallest firms, and the administrative records of other Federal agencies. There were 36 variants of the census questionnaire, permitting each kind of business to answer in terms of categories relevant to its operations. Questionnaires were mailed to all firms above a certain size cutoff, and to a sample of smaller firms with paid employees. Information for firms with no employees and for small firms not in the sample was obtained from Federal administrative records.

The Census Bureau also conducts monthly and annual retail trade surveys to obtain more current data. These surveys are based on samples of firms with employees identified in the Census of Retail Trade, supplemented with samples of non-employers and recent "births" (newly created firms) identified from administrative records during the years between the 5-year retail censuses. Most of the data are obtained by mail. These surveys concentrate on a much narrower set of data items than the retail census – that is, monthly and annual sales, monthly and year-end inventories, and inventory/sales ratios.

The Retail Trade sector (sector 44-45) comprises establishments engaged in retailing merchandise, and rendering services incidental to the sale of merchandise. Retailers are organized to sell merchandise in small quantities to the general public.

In addition, this sector now includes industries previously classified in Wholesale Trade that sold merchandise using facilities open to the general public. Prominent examples of these are automotive supplies dealers, computer and peripheral equipment merchants, office supplies dealers, farm supplies dealers, and building materials dealers.

Consumer Expenditure Survey

The CEX, which consists of two surveys (the quarterly Interview survey and the Diary survey), provides information on the buying habits of American consumers, including their expenditures, income, and consumer-unit (families and single consumers) characteristics. The surveys target the total non-institutionalized population (urban and rural) of the United States. The data are collected from the independent quarterly interview and weekly diary surveys of approximately 7,500 sample households. Each survey has its own independent sample, and each collects data on household income and socioeconomic characteristics.

The interview survey includes monthly out-of-pocket expenditures, such as housing, apparel, transportation, health care, insurance, and entertainment. The diary survey includes weekly expenditures of frequently purchased items, such as food and beverages, tobacco, personal care products, and nonprescription drugs and supplies. The current (2010) Retail Market Power data uses CEX surveys administered from 2003 through 2007.