




MEMORANDUM

TO: Trustee Johnston, Chairperson
Economic and Community Development Committee

FROM: Jennifer Ganser, Assistant Director of Community Development 

DATE: November 16, 2015

SUBJECT: Leakage and Retail Analysis

At the October 12, 2015 ECDC meeting, staff discussed business retention and incentive agreements with the ECDC. A logical next question could be what businesses or industries should staff meet with or what businesses or industries should receive an incentive. Taking a step further, the ECDC may wonder if staff should be targeting a specific business or industry to locate in Lombard. Though there is no “correct” answer, staff is presenting the ECDC with a retail analysis to guide them for future incentives or retention efforts. Also, in the 2015-2018 Strategic Planning process, the Village Board identified economic development as a priority. This analysis will help guide the Board in their strategic planning efforts.

Staff obtained the 2015 Retail Market Power (RMP) Report thru Choose DuPage and is prepared by The Nielsen Company. The report shows an opportunity gap or surplus for different industries (by NAICS Code). There is a column for demand and supply in the geographic location assigned to the report. Included is a report for Lombard and another for DuPage County. The demand and supply for DuPage County is larger, since the geography and number of residents is larger. The last column shows the gap or surplus. When supply is greater than demand, the difference is negative (noted in red and in parentheses) and there is a surplus. Lombard has a surplus in many clothing categories due to Yorktown Mall. People from outside Lombard come into Lombard to shop at Yorktown Mall.

When demand is greater than supply, the difference is positive and there is an opportunity gap. A gap can also be called a leakage. There is a potential opportunity in these categories for growth. In these categories residents are leaving Lombard to shop elsewhere, which can impact sales tax dollars collected by the Village.

As noted above, this data can be used in many ways. For example, recently the ECDC recommended an incentive to Sam’s Club. Sam’s Club would be listed under “Other General Merchandise Stores – 4529”; that category shows a leakage in Lombard. Lombard residents currently do not have a warehouse club to shop at, which confirms the data from the RMP Report. Since this industry is not prevalent in Lombard, an incentive was warranted (as well as other reasons noted in the staff memo). Other industries where a large gap is noted are: automotive dealers, building material stores, grocery stores, and gas stations. Staff may want to meet with businesses in the industries that have a gap in an effort to retain them and not increase the gap.

November 16, 2015
Leakage and Retail Analysis
Page 2

Also attached is the RMP Report for DuPage County, for comparison. Overall, Lombard has a surplus (\$5,658,277), while DuPage County has a gap (\$18,261,202,562). The surplus in Lombard is small compared to total retail sales, and does take into account the sales at Yorktown Mall. This should not be interpreted that no more retail is needed in Lombard.

It is interesting to note that numerous industries (building material stores, grocery stores, and gas stations) had a gap in both Lombard and DuPage County.

COMMITTEE ACTION REQUESTED

This item is being placed on the November 16, 2015 ECDC agenda for review. Staff will be referring to this data in future memos, as deemed appropriate as part of any future incentive or outreach requests.

RMP Opportunity Gap - Retail Stores

Place (see appendix for geographies), Total

Retail Stores	2015 Demand (Consumer Expenditures)	2015 Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales & Eating, Drinking Places	871,675,065	877,333,342	(5,658,277)
Motor Vehicle & Parts Dealers-441	162,190,339	120,890,033	41,300,306
Automotive Dealers-4411	135,434,587	114,456,593	20,977,994
Other Motor Vehicle Dealers-4412	13,473,680	1,069,363	12,404,317
Automotive Parts/Accessories, Tire Stores-4413	13,282,072	5,364,077	7,917,995
Furniture & Home Furnishings Stores-442	17,418,371	37,863,993	(20,445,622)
Furniture Stores-4421	9,227,511	23,721,590	(14,494,079)
Home Furnishing Stores-4422	8,190,860	14,142,403	(5,951,543)
Electronics & Appliances Stores-443	16,036,694	9,674,668	6,362,026
Appliance, TV, Electronics Stores-44311	12,408,127	6,938,122	5,470,005
Household Appliances Stores-443111	2,188,309	3,393,114	(1,204,805)
Radio, Television, Electronics Stores-443112	10,219,818	3,545,008	6,674,810
Computer & Software Stores-44312	3,246,333	2,736,546	509,787
Camera & Photographic Equipment Stores-44313	382,234	0	382,234
Building Material, Garden Equipment Stores -444	91,613,891	28,067,839	63,546,052
Building Material & Supply Dealers-4441	79,044,554	27,517,775	51,526,779
Home Centers-44411	31,929,416	12,113,730	19,815,686
Paint & Wallpaper Stores-44412	1,366,108	412,257	953,851
Hardware Stores-44413	7,700,464	4,313,222	3,387,242
Other Building Materials Dealers-44419	38,048,566	10,678,566	27,370,000
Building Materials, Lumberyards-444191	14,368,183	3,993,827	10,374,356
Lawn/Garden Equipment/Supplies Stores-4442	12,569,337	550,064	12,019,273
Outdoor Power Equipment Stores-44421	3,580,849	163,172	3,417,677
Nursery & Garden Centers-44422	8,988,488	386,892	8,601,596
Food & Beverage Stores-445	106,288,016	46,789,725	59,498,291
Grocery Stores-4451	68,966,335	42,072,106	26,894,229
Supermarkets, Grocery Stores-44511	64,582,128	40,172,032	24,410,096
Convenience Stores-44512	4,384,207	1,900,074	2,484,133
Specialty Food Stores-4452	8,429,912	565,221	7,864,691
Beer, Wine & Liquor Stores-4453	28,891,769	4,152,398	24,739,371
Health & Personal Care Stores-446	49,867,638	29,706,609	20,161,029
Pharmacies & Drug Stores-44611	39,470,146	17,835,525	21,634,621
Cosmetics, Beauty Supplies, Perfume Stores-44612	3,448,790	6,666,284	(3,217,494)
Optical Goods Stores-44613	2,566,794	4,807,235	(2,240,441)
Other Health & Personal Care Stores-44619	4,381,908	397,565	3,984,343



RMP Opportunity Gap - Retail Stores

Place (see appendix for geographies), Total

Retail Stores	2015 Demand (Consumer Expenditures)	2015 Supply (Retail Sales)	Opportunity Gap/Surplus
Gasoline Stations-447	80,399,233	14,673,959	65,725,274
Gasoline Stations with Convenience Stores-44711	58,324,729	12,615,645	45,709,084
Other Gasoline Stations-44719	22,074,504	2,058,314	20,016,190
Clothing & Clothing Accessories Stores-448	40,448,650	107,052,864	(66,604,214)
Clothing Stores-4481	20,542,577	51,569,091	(31,026,514)
Men's Clothing Stores-44811	1,027,458	541,863	485,595
Women's Clothing Stores-44812	4,588,700	8,276,377	(3,687,677)
Children's, Infants' Clothing Stores-44813	1,171,227	9,303,657	(8,132,430)
Family Clothing Stores-44814	11,059,400	30,775,666	(19,716,266)
Clothing Accessories Stores-44815	906,419	758,944	147,475
Other Clothing Stores-44819	1,789,373	1,912,584	(123,211)
Shoe Stores-4482	3,046,570	5,983,246	(2,936,676)
Jewelry, Luggage, Leather Goods Stores-4483	16,859,503	49,500,527	(32,641,024)
Jewelry Stores-44831	15,265,085	49,483,118	(34,218,033)
Luggage & Leather Goods Stores-44832	1,594,418	17,409	1,577,009
Sporting Goods, Hobby, Book, Music Stores-451	15,668,643	15,034,889	633,754
Sporting Goods, Hobby, Musical Inst Stores-4511	13,462,470	14,077,206	(614,736)
Sporting Goods Stores-45111	6,898,123	8,178,025	(1,279,902)
Hobby, Toy & Game Stores-45112	3,832,549	3,569,936	262,613
Sewing, Needlework & Piece Goods Stores-45113	1,286,593	75,176	1,211,417
Musical Instrument & Supplies Stores-45114	1,445,205	2,254,069	(808,864)
Book, Periodical & Music Stores-4512	2,206,173	957,683	1,248,490
Book Stores & News Dealers-45121	1,894,403	883,109	1,011,294
Book Stores-451211	1,682,778	749,878	932,900
News Dealers & Newsstands-451212	211,625	133,231	78,394
Prerecorded Tape, CD, Record Stores-45122	311,770	74,574	237,196
General Merchandise Stores-452	98,087,614	139,446,123	(41,358,509)
Department Stores, Excl Leased Departments-4521	41,649,954	126,413,325	(84,763,371)
Other General Merchandise Stores-4529	56,437,660	13,032,798	43,404,862
Miscellaneous Store Retailers-453	22,555,166	9,510,581	13,044,585
Florists-4531	915,052	312,564	602,488
Office Supplies, Stationery, Gift Stores-4532	11,146,977	4,769,176	6,377,801
Office Supplies & Stationery Stores-45321	5,490,762	2,784,871	2,705,891
Gift, Novelty & Souvenir Stores-45322	5,656,215	1,984,305	3,671,910
Used Merchandise Stores-4533	1,746,173	436,885	1,309,288
Other Miscellaneous Store Retailers-4539	8,746,964	3,991,956	4,755,008
Non-Store Retailers-454	75,522,590	183,390,055	(107,867,465)



RMP Opportunity Gap - Retail Stores

Place (see appendix for geographies), Total

Retail Stores	2015 Demand (Consumer Expenditures)	2015 Supply (Retail Sales)	Opportunity Gap/Surplus
Foodservice & Drinking Places-722	95,578,220	135,232,004	(39,653,784)
Full-Service Restaurants-7221	43,450,767	79,826,862	(36,376,095)
Limited-Service Eating Places-7222	37,880,572	31,478,515	6,402,057
Special Foodservices-7223	10,417,665	22,457,001	(12,039,336)
Drinking Places -Alcoholic Beverages-7224	3,829,216	1,469,626	2,359,590
GAFO *	198,806,949	313,841,713	(115,034,764)
General Merchandise Stores-452	98,087,614	139,446,123	(41,358,509)
Clothing & Clothing Accessories Stores-448	40,448,650	107,052,864	(66,604,214)
Furniture & Home Furnishings Stores-442	17,418,371	37,863,993	(20,445,622)
Electronics & Appliances Stores-443	16,036,694	9,674,668	6,362,026
Sporting Goods, Hobby, Book, Music Stores-451	15,668,643	15,034,889	633,754
Office Supplies, Stationery, Gift Stores-4532	11,146,977	4,769,176	6,377,801

Nielsen' RMP data is derived from two major sources of information. The demand data is derived from the Consumer Expenditure Survey (CE Survey , or CEX), which is fielded by the U.S. Bureau of Labor Statistics (BLS). The supply data is derived from the Census of Retail Trade (CRT), which is made available by the U.S. Census. Additional data sources are incorporated to create both supply and demand estimates.

The difference between demand and supply represents the opportunity gap or surplus available for each retail store type in the specified reporting geography. When this difference is positive (demand is greater than the supply), there is an opportunity gap for that retail store type; when the difference is negative (supply is greater than demand), there is a surplus.

*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.



RMP Opportunity Gap - Retail Stores

Appendix: Area Listing

Area Name:

Type: List - Place

Reporting Detail: Aggregate

Reporting Level: Place

<u>Geography Code</u>	<u>Geography Name</u>	<u>Geography Code</u>	<u>Geography Name</u>
-----------------------	-----------------------	-----------------------	-----------------------

1744407	Lombard village		
---------	-----------------	--	--

Project Information:

Site: 1

Order Number: 975404877



Prepared On: Tues Oct 27, 2015 Page 4 Of 4

Prepared By:

Project Code:

Nielsen Solution Center 1 800 866 6511

Prepared For:

© 2015 The Nielsen Company. All rights reserved.

RMP Opportunity Gap - Retail Stores

County (see appendix for geographies), Total

Retail Stores	2015 Demand (Consumer Expenditures)	2015 Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales & Eating, Drinking Places	18,261,202,562	17,650,983,884	610,218,678
Motor Vehicle & Parts Dealers-441	3,437,361,738	3,666,627,612	(229,265,874)
Automotive Dealers-4411	2,867,797,152	3,462,897,928	(595,100,776)
Other Motor Vehicle Dealers-4412	294,444,656	72,175,420	222,269,236
Automotive Parts/Accessories, Tire Stores-4413	275,119,930	131,554,264	143,565,666
Furniture & Home Furnishings Stores-442	376,077,185	442,612,969	(66,535,784)
Furniture Stores-4421	201,402,168	222,466,537	(21,064,369)
Home Furnishing Stores-4422	174,675,017	220,146,432	(45,471,415)
Electronics & Appliances Stores-443	340,355,994	216,333,728	124,022,266
Appliance, TV, Electronics Stores-44311	263,316,007	164,838,389	98,477,618
Household Appliances Stores-443111	45,708,924	40,930,924	4,778,000
Radio, Television, Electronics Stores-443112	217,607,083	123,907,465	93,699,618
Computer & Software Stores-44312	69,054,042	48,848,872	20,205,170
Camera & Photographic Equipment Stores-44313	7,985,945	2,646,467	5,339,478
Building Material, Garden Equipment Stores -444	1,930,290,131	749,628,542	1,180,661,589
Building Material & Supply Dealers-4441	1,664,355,085	728,423,727	935,931,358
Home Centers-44411	674,022,373	272,130,456	401,891,917
Paint & Wallpaper Stores-44412	28,926,650	14,622,723	14,303,927
Hardware Stores-44413	162,787,175	109,905,403	52,881,772
Other Building Materials Dealers-44419	798,618,887	331,765,145	466,853,742
Building Materials, Lumberyards-444191	297,700,118	124,081,636	173,618,482
Lawn/Garden Equipment/Supplies Stores-4442	265,935,046	21,204,815	244,730,231
Outdoor Power Equipment Stores-44421	77,521,745	3,736,280	73,785,465
Nursery & Garden Centers-44422	188,413,301	17,468,535	170,944,766
Food & Beverage Stores-445	2,191,461,183	1,013,687,388	1,177,773,795
Grocery Stores-4451	1,427,558,523	917,326,363	510,232,160
Supermarkets, Grocery Stores-44511	1,338,563,181	883,467,232	455,095,949
Convenience Stores-44512	88,995,342	33,859,131	55,136,211
Specialty Food Stores-4452	175,224,416	22,904,484	152,319,932
Beer, Wine & Liquor Stores-4453	588,678,244	73,456,541	515,221,703
Health & Personal Care Stores-446	1,020,597,128	628,510,640	392,086,488
Pharmacies & Drug Stores-44611	805,943,905	501,098,739	304,845,166
Cosmetics, Beauty Supplies, Perfume Stores-44612	70,347,374	57,342,909	13,004,465
Optical Goods Stores-44613	54,707,512	36,651,410	18,056,102
Other Health & Personal Care Stores-44619	89,598,337	33,417,582	56,180,755



RMP Opportunity Gap - Retail Stores

County (see appendix for geographies), Total

Retail Stores	2015 Demand (Consumer Expenditures)	2015 Supply (Retail Sales)	Opportunity Gap/Surplus
Gasoline Stations-447	1,621,069,324	1,020,923,492	600,145,832
Gasoline Stations with Convenience Stores-44711	1,174,023,553	963,370,948	210,652,605
Other Gasoline Stations-44719	447,045,771	57,552,544	389,493,227
Clothing & Clothing Accessories Stores-448	894,210,822	1,129,603,927	(235,393,105)
Clothing Stores-4481	452,007,169	466,840,135	(14,832,966)
Men's Clothing Stores-44811	22,488,835	16,081,248	6,407,587
Women's Clothing Stores-44812	100,943,878	89,400,588	11,543,290
Children's, Infants' Clothing Stores-44813	26,136,616	35,525,678	(9,389,062)
Family Clothing Stores-44814	243,345,713	288,519,006	(45,173,293)
Clothing Accessories Stores-44815	19,952,243	9,790,986	10,161,257
Other Clothing Stores-44819	39,139,884	27,522,629	11,617,255
Shoe Stores-4482	66,227,787	39,732,701	26,495,086
Jewelry, Luggage, Leather Goods Stores-4483	375,975,866	623,031,091	(247,055,225)
Jewelry Stores-44831	341,771,248	582,861,833	(241,090,585)
Luggage & Leather Goods Stores-44832	34,204,618	40,169,258	(5,964,640)
Sporting Goods, Hobby, Book, Music Stores-451	339,949,315	122,238,389	217,710,926
Sporting Goods, Hobby, Musical Inst Stores-4511	291,175,166	99,117,873	192,057,293
Sporting Goods Stores-45111	150,157,966	46,618,468	103,539,498
Hobby, Toy & Game Stores-45112	81,738,968	28,619,777	53,119,191
Sewing, Needlework & Piece Goods Stores-45113	26,905,618	5,512,194	21,393,424
Musical Instrument & Supplies Stores-45114	32,372,614	18,367,434	14,005,180
Book, Periodical & Music Stores-4512	48,774,149	23,120,516	25,653,633
Book Stores & News Dealers-45121	41,926,867	21,458,612	20,468,255
Book Stores-451211	37,473,309	19,460,148	18,013,161
News Dealers & Newsstands-451212	4,453,558	1,998,464	2,455,094
Prerecorded Tape, CD, Record Stores-45122	6,847,282	1,661,904	5,185,378
General Merchandise Stores-452	2,079,919,912	1,632,993,681	446,926,231
Department Stores, Excl Leased Departments-4521	898,293,977	958,917,967	(60,623,990)
Other General Merchandise Stores-4529	1,181,625,935	674,075,714	507,550,221
Miscellaneous Store Retailers-453	468,637,889	165,544,545	303,093,344
Florists-4531	19,194,678	14,204,122	4,990,556
Office Supplies, Stationery, Gift Stores-4532	235,710,633	74,296,015	161,414,618
Office Supplies & Stationery Stores-45321	115,371,981	47,513,782	67,858,199
Gift, Novelty & Souvenir Stores-45322	120,338,652	26,782,233	93,556,419
Used Merchandise Stores-4533	38,379,612	10,787,141	27,592,471
Other Miscellaneous Store Retailers-4539	175,352,966	66,257,267	109,095,699
Non-Store Retailers-454	1,593,776,477	4,698,571,724	(3,104,795,247)



RMP Opportunity Gap - Retail Stores

County (see appendix for geographies), Total

Retail Stores	2015 Demand (Consumer Expenditures)	2015 Supply (Retail Sales)	Opportunity Gap/Surplus
Foodservice & Drinking Places-722	1,967,495,464	2,163,707,247	(196,211,783)
Full-Service Restaurants-7221	894,788,625	970,274,713	(75,486,088)
Limited-Service Eating Places-7222	779,564,722	900,813,988	(121,249,266)
Special Foodservices-7223	214,555,143	228,629,877	(14,074,734)
Drinking Places -Alcoholic Beverages-7224	78,586,974	63,988,669	14,598,305
GAFO *	4,266,223,861	3,618,078,709	648,145,152
General Merchandise Stores-452	2,079,919,912	1,632,993,681	446,926,231
Clothing & Clothing Accessories Stores-448	894,210,822	1,129,603,927	(235,393,105)
Furniture & Home Furnishings Stores-442	376,077,185	442,612,969	(66,535,784)
Electronics & Appliances Stores-443	340,355,994	216,333,728	124,022,266
Sporting Goods, Hobby, Book, Music Stores-451	339,949,315	122,238,389	217,710,926
Office Supplies, Stationery, Gift Stores-4532	235,710,633	74,296,015	161,414,618

Nielsen' RMP data is derived from two major sources of information. The demand data is derived from the Consumer Expenditure Survey (CE Survey , or CEX), which is fielded by the U.S. Bureau of Labor Statistics (BLS). The supply data is derived from the Census of Retail Trade (CRT), which is made available by the U.S. Census. Additional data sources are incorporated to create both supply and demand estimates.

The difference between demand and supply represents the opportunity gap or surplus available for each retail store type in the specified reporting geography. When this difference is positive (demand is greater than the supply), there is an opportunity gap for that retail store type; when the difference is negative (supply is greater than demand), there is a surplus.

*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.



RMP Opportunity Gap - Retail Stores

Appendix: Area Listing

Area Name:

Type: List - County

Reporting Detail: Aggregate

Reporting Level: County

<u>Geography Code</u>	<u>Geography Name</u>	<u>Geography Code</u>	<u>Geography Name</u>
17043	DuPage County, IL		

Project Information:

Site: 1

Order Number: 975404857



Prepared On: Tues Oct 27, 2015 Page 4 Of 4

Project Code:

Prepared For:

Prepared By:

Nielsen Solution Center 1 800 866 6511

© 2015 The Nielsen Company. All rights reserved.