RETAIL ASSOCIATION OF NEVADA

RAN Retail Association of Nevada

Momentum is behind Nevada retailers as the 2012 holiday shopping season signals its arrival

Holiday spending in Nevada expected to compare favorably to prior year

Stocks are surging, home prices are rising, and the upcoming elections have many excited about the future (though, not everyone's vision looks the same, of course). Despite Nevada's continued nation-leading unemployment rates, projections in the state are for a 6.8-percent increase in holiday spending. "This projection of increased spending closely mirrors the growth reported in retail-specific sales during the first seven months of the year," said Jeremy Aguero of Applied Analysis. "For several years, Nevada's spending trailed national averages. Last year, consistent with projections, Nevada surpassed the level of growth seen on a national level; we expect Nevada will do it again this year."

The National Retail Federation (NRF) is projecting nationwide holiday sales growth of 4.1 percent this year, a more positive forecast than last year, when the organization conservatively called for growth of 2.8 percent (actual sales grew 5.6 percent, according to the NRF's definition of holiday sales, or all retail sales in November and December). Although the NRF's projection of sales growth exceeds the prior year projection, some are viewing the NRF's forecast as somewhat tempered because it does not expect growth to meet or exceed actual growth reported in 2011. Other forecasts include the International Council of Shopping Centers, which is predicting a 2.9-percent increase; meanwhile, ShopperTrak is calling for growth of 3.3 percent. For the year-to-date (as of July 2012), national retail sales are up 5.9 percent compared to the same period last year.

In Nevada, the annual growth rate in total taxable sales (including retail-specific and non-retail categories) is 4.7 percent for the month of July (latest available data) and 7.2 percent for the year-to-date; both represent solid improvements

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Mission Statement:

Our Mission is to strengthen the business environment for Nevada Retailers and Associates by providing a government relationship program which supports retail industry needs through effective lobbying at federal, state and local levels.

Looking out for Business

At RAN we make it our business to support and protect your business. From monitoring local, compared to the prior year. Notably, total taxable retail sales are reporting the same growth rate as retail-specific sales for the year-to-date, which may signal improving health in the overall economy. Compared to the same month in 2007 – the last year of the pre-Great Recession era – total sales remain down 11.1 percent for the month and 12.3 percent year-to-date. Taken at face value, these can be discouraging statistics. However, taking a closer look at the trends in retail-specific taxable sales categories, there are many bright spots worth noting as the holiday shopping season approaches.

Statewide Highlights

- Taxable sales reported by motor vehicle and parts dealers statewide are up 16 percent year-to-date (as of July) compared with the same period in 2011; however, sales in this category remain 19 percent below 2007 levels.

- Other strong categories include clothing and clothing accessories (up 7 percent), and furniture, building materials and gardening equipment, and health and personal care stores (all up 8 percent). In the perishable category, food and beverage stores are reporting solid growth of 7 percent year-to-date.

Clark County Highlights

- Contributing significantly to the statewide trend, sales of motor vehicles and parts are up 16 percent in Clark County for the year-to-date as automobile technologies continue to make great strides and promotional activity remains strong. Also in Clark County, sales of clothing and clothing accessories are up 7 percent compared to the prior year-to-date – and, even more notable – remain up 23 percent compared to the same period in 2007. The apparel category is one of only a few to remain positive compared to 2007.

- Most other sectors in the urban county are also showing solid performance for the year-to-date, with the exception of electronics and appliances (down 4 percent).

Washoe County Highlights

- Like the rest of the state, motor vehicle and parts dealers in the most populous northern county continue to report strong year-over-year growth (+15 percent), though sales in the category remain nearly 30 percent below 2007 levels.

- Double-digit annual growth for the year-to-date is also being reported in the clothing and clothing accessories category (+11 percent), at gasoline

county, state and some federal issues RAN is there to inform you on the events that can have a real impact to your business.

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About The Author

Applied Analysis, founded in 1997, is a Nevada-based advisory services firm providing information and analyses for both the public and private sectors.

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stations (+12 percent) and for building material and gardening equipment stores (+10 percent). While not traditionally seen as holiday-related, home renovations and refurbishments remain exciting prospects to many consumers; these activities are expected to continue to spur sales in the home improvement sector throughout the remainder of the year.

Rural Nevada Highlights

- Nevada's rural counties, where retail offerings may not be as plentiful as those found in the urban areas of Clark and Washoe, continue to report positive sales to residents by non-store retailers (up 2 and 1 percent compared to the year-to-date in 2011 and 2007, respectively).

- The strongest annual growth categories for the year-to-date for rural county retailers are clothing and clothing accessories (+17 percent), health and personal care (+16 percent) and, like the larger counties, motor vehicles and parts (+13 percent).

2012 vs. 2011 (July YTD)	**Nevada**	**Clark**	**Washoe**	**Rural**	**U.S.**
Motor Vehicle and Parts Dealers	16%	16%	15%	13%	n/a
Furniture and Home Furnishings	8%	9%	3%	7%	n/a
Electronics and Appliances	-4%	-4%	-4%	-5%	n/a
Building Material/Garden Equipment	8%	8%	10%	8%	n/a
Food and Beverage Stores	7%	8%	4%	2%	n/a
Health and Personal Care Stores	8%	9%	0%	16%	n/a
Gasoline Stations	3%	2%	12%	4%	n/a
Clothing and Clothing Accessories	7%	7%	11%	17%	n/a
Sporting Goods, Hobby, Book, Music	2%	2%	2%	-2%	n/a
General Merchandise	3%	3%	5%	2%	n/a
Miscellaneous Store Retailers	6%	7%	-1%	7%	n/a
Nonstore Retailers	4%	7%	-9%	2%	n/a
Total Retail Categories	7%	7%	7%	7%	6%

2012 vs. 2007 (July YTD)	**Nevada**	**Clark**	**Washoe**	**Rural**	**U.S.**
Motor Vehicle and Parts Dealers	-19%	-17%	-28%	-20%	n/a
Furniture and Home Furnishings	-32%	-30%	-34%	-42%	n/a
Electronics and Appliances	-11%	-7%	-26%	-13%	n/a
Building Material/Garden Equipment	-36%	-39%	-35%	-26%	n/a
Food and Beverage Stores	-10%	-8%	-15%	-13%	n/a
Health and Personal Care Stores	-62%	-58%	-68%	-84%	n/a
Gasoline Stations	109%	124%	64%	84%	n/a

Clothing and Clothing Accessories	21%	23%	-9%	61%	n/a
Sporting Goods, Hobby, Book, Music	4%	2%	20%	-25%	n/a
General Merchandise	-5%	0%	-21%	-6%	n/a
Miscellaneous Store Retailers	-35%	-38%	-21%	-23%	n/a
Nonstore Retailers	-10%	-10%	-18%	1%	n/a
Total Retail Categories	-16%	-13%	-25%	-22%	10%

RETAIL ASSOCIATION OF NEVADA

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