

The Region 9 Economic Development District of Southwest Colorado provides economic and community development services to a five county area, which includes Archuleta, Dolores, La Plata, Montezuma, and San Juan Counties; as well as the Southern Ute and Ute Mountain Ute Indian Tribes. For more information about this report, or other programs, contact Region 9 at (970) 247-9621. Or visit us on the web at [www.scan.org](http://www.scan.org).



## Retail Data for Decision Makers La Plata County Colorado

If we look at retail trade sectors in detail, we can see that some groups have a surplus (drawing in shoppers for these items from outside of the area), while others show leakage (purchases of these goods are being made outside of the county). A closer look at the sectors that are not meeting their sales potential could provide opportunities for new businesses, or expansion of existing businesses. Past reports have examined retail sales data from 2003 and 2005.

### Total Retail Sales

Retail trade is an important sector in the local economy, accounting for about 13% of jobs and 11% of job income. Retail sales can be broken down into 2 main categories; retail trade and retail services. **Retail trade** is composed of merchandise sectors such as food stores, hobby shops, clothing, etc. **Retail services** are businesses that provide a service, and also sell products in the course of that service. One example might be a movie theater, categorized as an arts/entertainment service, that provides entertainment and also sells drinks and popcorn. The proceeds of the snack bar are reported as retail sales revenue. **Together, these sectors comprise Total Retail Sales—All Industries.**

The following table shows the total retail sales for 2000, 2005, 2010, 2011. During this time period total retail sales in La Plata County have grown by about 65% (6% annually). Population grew by about 18% during this time period. From 2011 to 2012 total retail sales (all industries) were up by 6%.

Calendar Year	*La Plata County Total Retail Sales All Industries	Population Estimate	*La Plata Per Capita Sales	*State Per Capita Sales	Pull Factor
2000	\$ 1,274,002,510	43,941	\$ 28,993	\$ 28,184	1.03
2005	\$ 1,523,668,600	48,019	\$ 31,731	\$ 30,692	1.03
2010	\$ 1,929,858,530	51,334	\$ 37,594	\$ 29,593	1.27
2011	\$ 2,106,163,000	51,945	\$ 40,546	\$ 30,091	1.35
2012	\$ 2,242,050,880	NA	NA	NA	NA

\*adjusted for inflation to 2011 constant dollars [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm)

Unadjusted actual sales for 2000 = \$975,301,000; 2005 = \$1,322,903,000; 2010 = \$1,870,806,000; 2012 = \$2,288,449,000

Population estimates for 2012 are not available at time of reporting.

When we compare La Plata County sales to the rest of the state, we see that La Plata sales per capita are higher than the state. This could be because the residents here spend more than other Coloradoans, or, more likely, it could be a result of non-residents coming to La Plata to buy items, thereby producing a surplus of sales. One way to quantify this comparison is by using a “pull factor”. A pull factor shows the relative strength of the retail sales sector in the county, as compared to the state. Pull factors are good measures of sales activities because they reflect changes in population, inflation, and the state economy. **A pull factor for 2012 is not yet available as population estimates are not available at time of reporting.**

***The pull factor is derived by dividing the county’s sales per capita by the state’s sales per capita.  
Pull factors greater than 1 represent retail sector strength, pull factors less than 1 show sector weakness.***

## Town Retail Sales 2011

We can also look at how retail trade is distributed among the towns in La Plata County. From the table below we see that Durango pulls in the lion’s share (77%) of sales and has most of the retail firms (52%).

Because of its location within the larger region, Durango has developed as a tourist crossroads and regional trade center, as well as being the county seat. Bayfield has served as a supply town and social center for area farmers and ranchers, and more recently as a bedroom community for Durango. Ignacio is a crossroads for the oil and gas industry, and serves as a supply center for the surrounding Southern Ute Indian reservation.

Town	Population Estimate 2011	Retail Trade Sales	Estimated # of Firms	% of Sales	% of Firms
Durango	16,965	\$ 1,620,451,000	2,021	77%	52%
Bayfield	2,449	\$ 60,099,000	462	3%	12%
Ignacio	702	\$ 25,170,000	308	1%	8%
Unincorporated	31,829	\$ 400,443,000	1,112	19%	28%
<b>Total</b>	<b>51,945</b>	<b>\$ 2,106,163,000</b>	<b>3,903</b>	<b>100%</b>	<b>100%</b>

### Actual versus Expected Sales

Expected sales are an estimate of the sales level a town would achieve if it were performing on par with Colorado towns of a similar size. This provides a means of comparing what is expected for a town of a certain size to what is actually happening. We selected 10 towns from Western Colorado for comparison to calculate a median pull factor for each size class, as shown on page 5. Although 2011 sales figures for all of these towns were not available when this analysis was made, we believe that the 2010 figures provide an good estimate for median pull factors for each size class. The sales in this diagram reflect **total retail sales, all industries**, which include retail trade and retail services.

*Expected sales is the product of town population, state per capita sales, the index of income, and the median pull factor.*

<b>Actual Sales</b> \$1,620,451,0	<b>Actual Sales</b> \$60,099,000	<b>Actual Sales</b> \$25,170,000
<b>Expected Sales</b> \$733,379,95	<b>Expected Sales</b> \$7869,840	<b>Expected Sales</b> \$19,586,005
<b>Durango</b> 121% above expected	<b>Bayfield</b> -20% below expected	<b>Ignacio</b> 29% above expected

Durango is probably capturing many of the Bayfield sales since many Bayfield residents work and shop in Durango. Ignacio captures many of the sales from the surrounding Southern Ute Reservation, which is an unincorporated area.

## La Plata County Potential Sales by Merchandise Category 2011

The remainder of this report focuses primarily on retail trade sectors rather than retail services, but includes food and beverage services (restaurants and bars) and lodging as a matter of interest. If we look at the trade sectors in detail, we can see that some groups have a surplus (drawing in shoppers for these items from outside of the area), while others show leakage (purchases of these goods are being made outside of the county). Non-store outlets include catalog and internet sales, businesses that come to you, as well as traveling sales, i.e. festivals and art shows. General merchandisers include retail giants such as Walmart. These stores sell many of the goods that are not meeting their potential at other outlets, such as electronics/appliances, and groceries. Home Depot is included in the building materials/garden sector.

The sectors with negative numbers are not meeting their sales potential, and a closer look at them could provide opportunities for new businesses, or expansion of existing businesses. These sectors include motor vehicles and parts, furniture, electronics and appliances, food and beverage stores, clothing and food services. However, it is very likely that the general merchandisers are making sales in a number of the categories that exhibit leakage. This is not readily apparent from this data, as the actual sales from the general merchandisers is not disclosed. Also, these types of stores, which have many different departments, report one sales figure for the store rather than by department.

**Potential sales are the product of the county population, state per capita sales, and the index of income. Index of income (.99) is county per capita income (\$43,453) divided by state per capita income (\$44,053).**

La Plata County Retail Trade Sectors 2011	Estimated # of Firms	Average Sales per Firm	Actual Sales	Potential Sales	Surplus or Leakage	Surplus or Leakage as a % of Potential	% of Actual Retail Trade Sales
Motor Vehicles/Parts	45	\$ 2,548,600	\$ 114,687,000	\$ 130,405,834	\$ (15,718,834)	-12%	15%
Furniture, etc.	51	\$ 274,980	\$ 14,024,000	\$ 20,472,045	\$ (6,448,045)	-31%	2%
Electronics/Appliances	ND	ND	ND	\$ 23,356,070	ND	ND	ND
Bldg Materials/Garden	67	\$ 1,122,299	\$ 75,194,000	\$ 45,180,016	\$ 30,013,984	66%	10%
Food/Beverage Stores	78	\$ 1,786,090	\$ 139,315,000	\$ 142,477,151	\$ (3,162,151)	-2%	19%
Health Care Products	75	\$ 456,413	\$ 34,231,000	\$ 26,776,393	\$ 7,454,607	28%	5%
Gas Stations	22	\$ 5,048,545	\$ 111,068,000	\$ 57,600,429	\$ 53,467,571	93%	15%
Clothing	115	\$ 261,800	\$ 30,107,000	\$ 33,230,113	\$ (3,123,113)	-9%	4%
Sport/Hobby Shops	108	\$ 334,000	\$ 36,072,000	\$ 26,234,559	\$ 9,837,441	37%	5%
General Merchandisers	ND	ND	ND	\$ 117,316,258	ND	ND	ND
Misc Retail Stores	327	\$ 111,483	\$ 36,455,000	\$ 30,515,621	\$ 5,939,379	19%	5%
Non-Store Outlets	210	\$ 102,314	\$ 21,486,000	\$ 15,036,204	\$ 6,449,796	43%	3%
*Confidential Sectors	58	ND	\$ 127,353,000	ND	#VALUE!	ND	17%
<b>Total Retail Trade</b>	<b>1,156</b>	<b>\$ 640,131</b>	<b>\$ 739,992,000</b>	<b>\$ 668,600,693</b>	<b>\$ 71,391,307</b>	<b>11%</b>	<b>100%</b>
Food Services	203	\$ 439,626	\$ 89,244,000	\$ 88,247,134	\$ 996,866	1%	
Lodging	87	\$ 551,943	\$ 48,019,000	\$ 30,060,546	\$ 17,958,454	60%	

ND = Not Disclosed (confidential); \*Includes all confidential sectors for which specific data is not available

La Plata County Retail Trade	Percent Above Or Below Potential Sales			
	2003	2005	2010	2011
Motor Vehicles/Parts	1%	14%	21%	-12%
Furniture, etc.	-20%	-23%	-11%	-31%
Electronics/Appliances	-57%	-30%	-61%	ND
Bldg Materials/Gard	99%	65%	94%	66%
Food/Bev Stores	13%	12%	-22%	-2%
Gas Stations	100%	111%	54%	93%
General Merchandise	46%	50%	ND	ND
Clothing	-20%	-11%	-37%	-9%
Health Care Products	-25%	-23%	-52%	28%
Sport/Hobby Shops	88%	77%	59%	37%
Misc Retail Stores	18%	55%	17%	19%
Non-store outlets	104%	79%	ND	43%
Food Services	24%	26%	-13%	1%
Lodging	127%	92%	87%	60%

If we look at trends over time we see that a number of sectors (furniture, electronics, clothing, and health care products) are consistently not meeting their potential, as indicated by negative numbers. However, it is very likely that the general merchandisers such as Walmart are making sales in those categories.

## City of Durango Potential Sales by Merchandise Category 2011

From this analysis we see that most Durango retail trade sectors are very strong. This suggests that Durango serves as a regional trade center, particularly for building materials and gardening supplies. Some of the sectors strengths probably reflect Durango's benefit from tourism, such as gas stations, food services and lodging sales. The strength of the sport and hobby shops could be attributed to a relatively young population (median age 30.8) with active lifestyles and disposable income. **Specific details regarding retail trade in Bayfield and Ignacio are not available due to confidentiality rules.** Confidentiality (non-disclosure) occurs when there are less than 3 companies reporting and/or one company controls 80% of the retail sales in that jurisdiction.

**Potential sales are the product of Durango's population (16,965), state per capita sales for each trade sector and the index of income (.99).**

Durango Retail Trade Sectors 2011	Estimated Number of Firms	Average Sales per Firm	Actual Retail Trade Sales	Potential Sales	Surplus or Leakage	Surplus or Leakage as a % of Potential	Percent of Actual Sales
Motor Vehicles/Parts	22	\$ 4,553,273	\$ 100,172,000	\$ 42,589,950	\$ 57,582,050	135%	16%
Furniture, etc.	38	\$ 350,500	\$ 13,319,000	\$ 6,686,077	\$ 6,632,923	99%	2%
Electronics/Appliances	ND	ND	ND	\$ 7,627,986	ND	ND	ND
Bldg Materials/Garden	39	\$ 1,547,103	\$ 60,337,000	\$ 14,755,587	\$ 45,581,413	309%	10%
Food/Beverage Stores	41	\$ 2,848,707	\$ 116,797,000	\$ 46,532,387	\$ 70,264,613	151%	19%
Health Care Products	38	\$ 630,737	\$ 23,968,000	\$ 8,745,048	\$ 15,222,952	174%	4%
Gas Stations	14	\$ 5,744,929	\$ 80,429,000	\$ 18,812,037	\$ 61,616,963	328%	13%
Clothing	78	\$ 293,513	\$ 22,894,000	\$ 10,852,803	\$ 12,041,197	111%	4%
Sport/Hobby Shops	71	\$ 450,380	\$ 31,977,000	\$ 8,568,087	\$ 23,408,913	273%	5%
General Merchandisers	ND	ND	ND	\$ 38,314,955		ND	ND
Misc Retail Stores	201	ND	\$ 31,340,000	\$ 9,966,263	\$ 21,373,737	214%	5%
Non-Store Outlets	69	ND	\$ 11,933,000	\$ 4,910,756	\$ 7,022,244	143%	2%
*Confidential Sectors	29	\$ 3,998,966	\$ 115,970,000	ND	ND	ND	19%
<b>Total Retail Trade</b>	<b>640</b>	<b>\$ 951,775</b>	<b>\$ 609,136,000</b>	<b>\$ 218,361,936</b>	<b>\$ 390,774,064</b>	<b>179%</b>	<b>100%</b>
Food Services	143	\$ 524,993	\$ 75,074,000	\$ 28,821,111	\$ 46,252,889	160%	
Lodging	35	\$ 1,112,286	\$ 38,930,000	\$ 9,817,637	\$ 29,112,363	297%	

ND = Not Disclosed (confidential); \*Includes all confidential sectors for which specific data is not available

**Data Sources** - This report is patterned after a series of studies done by the Office of Social and Economic Trend Analysis at Iowa State University (available on the web at [www.seta.iastate.edu](http://www.seta.iastate.edu)). We have used their definitions of terms, calculations, and methods of analysis. For this report we used retail sales data from sales tax filings, which was provided by the Colorado Department of Revenue – Office of Research and Analysis. We appreciate their assistance in breaking out the numbers for our region, a very time consuming task. This was complicated by the fact that in Colorado, businesses can file reports monthly, quarterly or annually. The way that the number of firms are estimated has been revised since our original reports in 2004 and 2006, and thus are not directly comparable over time. The data for 2011 are counts of site locations (sometimes called "branches") rather than accounts or "parents." So if an owner (one account or parent) has five McDonald's restaurants (site locations or branches) in one city, it is counted as five, not one.

The findings in this report are generally consistent with other recent reports for Durango and La Plata County. These include **The La Plata County Local Expenditure and Leakage Study** prepared by RPI Consulting (December 2011) for Local First; and the **City of Durango and La Plata County Retail Market Analysis** prepared by Economic and Planning Systems (October 14, 2011) for the City of Durango. The difference in the actual sales reported in each report are due to methodological differences.

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## Comparable Towns - Western Colorado

Town	County	Population	Total Retail Sales	Town Per Capita Sales	State Per Capita Sales	Pull Factor
<b>Small Towns (Population 0-999)</b>						
Creede	Mineral	289	\$ 10,117,000	\$ 35,007	\$ 28,872	1.21
Naturita	Montrose	544	\$ 11,798,000	\$ 21,688	\$ 28,872	0.75
Lake City	Hinsdale	410	\$ 10,409,000	\$ 25,388	\$ 28,872	0.88
Ridgway	Ouray	927	\$ 29,163,000	\$ 31,460	\$ 28,872	1.09
South Fork	Rio Grande	386	\$ 25,307,000	\$ 65,562	\$ 28,872	2.27
Red Cliff	Eagle	268	\$ 2,236,000	\$ 8,343	\$ 28,872	0.29
Crawford	Delta	430	\$ 3,453,000	\$ 8,030	\$ 28,872	0.28
Norwood	San Miguel	517	\$ 14,934,000	\$ 28,886	\$ 28,872	1.00
Poncha Springs	Chafee	736	\$ 23,728,000	\$ 32,239	\$ 28,872	1.12
Saguache	Saguache	485	\$ 6,733,000	\$ 13,882	\$ 28,872	0.48
<b>Median Pull Factor for Comparable Small Towns</b>						<b>0.94</b>
Dolores	Montezuma	936	\$ 16,662,000	\$ 17,801	\$ 28,872	0.62
Dove Creek	Dolores	734	\$ 16,875,000	\$ 22,990	\$ 28,872	0.80
Ignacio	La Plata	699	\$ 21,738,000	\$ 31,099	\$ 28,872	1.08
Rico	Dolores	265	\$ 1,859,000	\$ 7,015	\$ 28,872	0.24
Silverton	San Juan	647	\$ 21,077,000	\$ 32,577	\$ 28,872	1.13
<b>Medium Towns (Population 1,000-5,000)</b>						
Minturn	Eagle	1,029	\$ 32,059,000	\$ 31,155	\$ 28,872	1.08
Cedaredge	Delta	2,248	\$ 27,245,000	\$ 12,120	\$ 28,872	0.42
Olathe	Montrose	1,842	\$ 30,403,000	\$ 16,505	\$ 28,872	0.57
Paonia	Delta	1,450	\$ 111,555,000	\$ 76,934	\$ 28,872	2.66
Crested Butte	Gunnison	1,485	\$ 80,915,000	\$ 54,488	\$ 28,872	1.89
Ouray	Ouray	1,003	\$ 28,182,000	\$ 28,098	\$ 28,872	0.97
Mountain Village	San Miguel	1,317	\$ 69,921,000	\$ 53,091	\$ 28,872	1.84
Telluride	San Miguel	2,327	\$ 117,515,000	\$ 50,501	\$ 28,872	1.75
Palisade	Mesa	2,682	\$ 34,636,000	\$ 12,914	\$ 28,872	0.45
Orchard City	Delta	3,114	\$ 11,358,000	\$ 3,647	\$ 28,872	0.13
<b>Median Pull Factor for Comparable Medium Towns</b>						<b>1.03</b>
Bayfield	La Plata	2,333	\$ 61,539,000	\$ 26,378	\$ 28,872	0.91
Mancos	Montezuma	1,336	\$ 23,624,000	\$ 17,683	\$ 28,872	0.61
Pagosa Springs	Archuleta	1,724	\$ 221,178,000	\$ 128,294	\$ 28,872	4.44
<b>Large Towns (Population 5,001- 20,000)</b>						
Montrose	Montrose	19,106	\$ 749,151,000	\$ 39,210	\$ 28,872	1.36
Alamosa	Alamosa	8,811	\$ 407,301,000	\$ 46,226	\$ 28,872	1.60
Delta	Delta	8,896	\$ 318,772,000	\$ 35,833	\$ 28,872	1.24
Fruita	Mesa	12,620	\$ 197,217,000	\$ 15,627	\$ 28,872	0.54
Gunnison	Gunnison	5,849	\$ 203,580,000	\$ 34,806	\$ 28,872	1.21
Carbondale	Garfield	6,394	\$ 186,729,000	\$ 29,204	\$ 28,872	1.01
Avon	Eagle	6,434	\$ 325,194,000	\$ 50,543	\$ 28,872	1.75
Rifle	Garfield	9,131	\$ 422,590,000	\$ 46,281	\$ 28,872	1.60
Steamboat Springs	Routt	12,037	\$ 641,622,000	\$ 53,304	\$ 28,872	1.85
Glenwood Springs	Garfield	9,566	\$ 928,283,000	\$ 97,040	\$ 28,872	3.36
<b>Median Pull Factor for Comparable Large Towns</b>						<b>1.48</b>
Cortez	Montezuma	8,483	\$ 508,176,000	\$ 59,905	\$ 28,872	2.07
Durango	La Plata	16,903	\$ 1,742,053,000	\$ 103,062	\$ 28,872	3.57
Colorado	All	5,050,870	\$ 145,826,393,000	\$ 28,872	\$ 28,872	<b>1.00</b>