

## Chapter 10

### Commerce



©Osaki City, Miyagi Prefecture

"Kashimadai Tagaichi," a historic market, which originally began as an initiative to augment the welfare of villagers, that has been running for more than 100 years and is the largest such market in the Tohoku region (Osaki City, Miyagi Prefecture). It is held for three days twice a year in spring and fall, with as many as 300 stalls lined up to offer garden plants, agricultural produce, woodwork, clothing and much more.

## 1. Wholesale and Retail

The 2007 Census of Commerce showed that 1.47 million wholesale and retail stores were in operation in Japan, following the pattern of constant decrease, with its 1982 peak of 2.15 million. The number of persons engaged became 11.69 million, of which 11.11 million were persons regularly engaged (which means persons engaged remaining after temporary employees and workers dispatched from outside units are excluded). A total of 548 trillion yen was generated in annual sales.

**Table 10.1**

**Trends in the Commercial Sector** <sup>1)</sup>

	(Thousands)			
	1999 <sup>2)</sup>	2002	2004	2007 <sup>3)</sup>
Stores .....	1,833 (-7.0)	1,680 (-8.4)	1,613 (-3.9)	1,473 (-8.7)
Wholesale .....	426 (-5.2)	380 (-10.9)	375 (-1.1)	335 (-10.8)
Retail .....	1,407 (-7.5)	1,300 (-7.6)	1,238 (-4.8)	1,138 (-8.1)
Persons engaged <sup>4)</sup> .....	13,198 (-)	12,613 (-4.4)	12,334 (-2.2)	11,685 (-5.3)
Wholesale .....	4,675 (-)	4,173 (-10.8)	3,957 (-5.2)	3,623 (-8.4)
Retail .....	8,522 (-)	8,441 (-1.0)	8,377 (-0.8)	8,062 (-3.8)
Persons regularly engaged ..	12,525 (-0.5)	11,975 (-4.4)	11,566 (-3.4)	11,106 (-4.0)
Wholesale .....	4,496 (-5.9)	4,002 (-11.0)	3,804 (-5.0)	3,526 (-7.3)
Retail .....	8,029 (2.6)	7,973 (-0.7)	7,762 (-2.6)	7,579 (-2.4)
Annual sales (trillion yen) ....	639 (-9.3)	548 (-14.2)	539 (-1.8)	548 (1.8)
Wholesale .....	495 (-9.7)	413 (-16.6)	405 (-1.9)	414 (2.0)
Retail .....	144 (-8.0)	135 (-6.1)	133 (-1.4)	135 (1.1)

1) Figures in parentheses indicate changes in percentage over preceding figures. 2) The 1999 increase rates are calculated by using 1999 adjusted figures, which are not reported.

3) Coverage was expanded to include retail stores located within railway stations and toll road rest areas. 4) The count began in 1999. Figures for and before 2002 include persons regularly engaged and temporary employees dispatched to outside units.

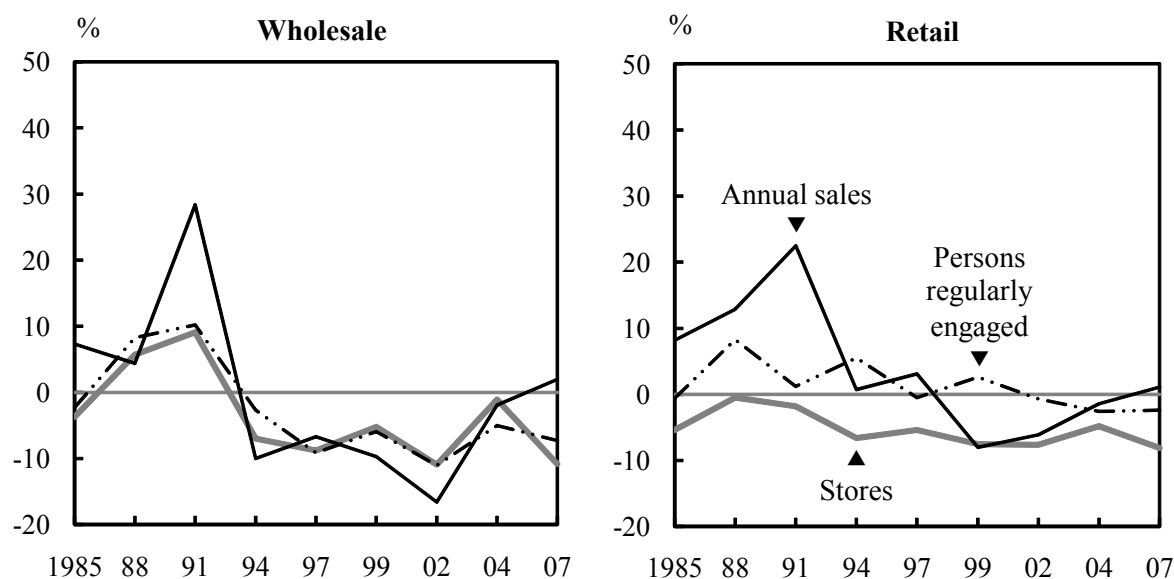
Source: Ministry of Economy, Trade and Industry.

### (1) Wholesale Trade

The number of wholesale stores dropped to 335,000 in 2007, from 375,000 in 2004, showing a decrease of 10.8 percent. Observed by size of operation in terms of persons engaged, approximately 90 percent of the stores were small- and medium-scale operations (with less than 20 persons). A total of 81.7 percent was incorporated establishments, while 18.3 percent individual proprietorships.

The number of persons engaged in wholesale was 3.62 million in 2007, of which there were 552,000 part-timers (15.2 percent). Annual sales in wholesale amounted to 414 trillion yen.

**Figure 10.1**  
**Trends in Wholesale and Retail Trade** <sup>1)</sup>



1) Percent changes from the previous survey.  
Source: Ministry of Economy, Trade and Industry.

**Table 10.2**  
**Stores, Persons Engaged and Annual Sales in the Commercial Sector (2007)**

	(Thousands)		
	Total	Wholesale	Retail
<b>Number of stores</b> .....	1,473	335	1,138
Size of operation (persons engaged)			
1-2 persons .....	574	74	500
3-4 .....	355	80	276
5-9 .....	319	92	227
10-19 .....	145	53	92
20-29 .....	37	16	20
30-49 .....	24	11	13
50-99 .....	13	6	7
100 and over .....	5	3	3
<b>Persons engaged</b> <sup>1)</sup> .....	11,685	3,623	8,062
Persons regularly engaged .....	A	11,106	3,526
Regular employees .....	9,313	3,036	6,277
Full-timers .....	4,792	2,484	2,308
Part-timers .....	4,521	552	3,970
Temporary employees .....	B	222	59
Workers dispatched from outside units .....	C	413	80
Persons regularly engaged and temporary employees dispatched to outside units .....	D	56	42
<b>Annual sales</b> (billion yen) .....	548,237	413,532	134,705

1) Persons engaged = A+B+C-D.

Source: Ministry of Economy, Trade and Industry.

## (2) Retail Trade

The number of retail stores in operation totaled 1.14 million in 2007, showing a continual downtrend since the 1985 Census. Observed by size of operation in terms of persons engaged, approximately 90 percent of the stores were small- and medium-scale operations (with less than 10 persons). By type of organization, 49.7 percent of retail stores were incorporated establishments, while 50.3 percent were individual proprietorships. Although the proportion of individual proprietorships was higher in the retail sector than in the wholesale sector, it has been declining since its peak (90.1 percent) in 1958.

The number of persons engaged in retail was 8.06 million in 2007, of which 3.97 million part-timers comprised 49.2 percent of the total. Annual sales in retail was 135 trillion yen.

**Table 10.3**  
**Retail Establishments by Sales Form Classification (2007)**

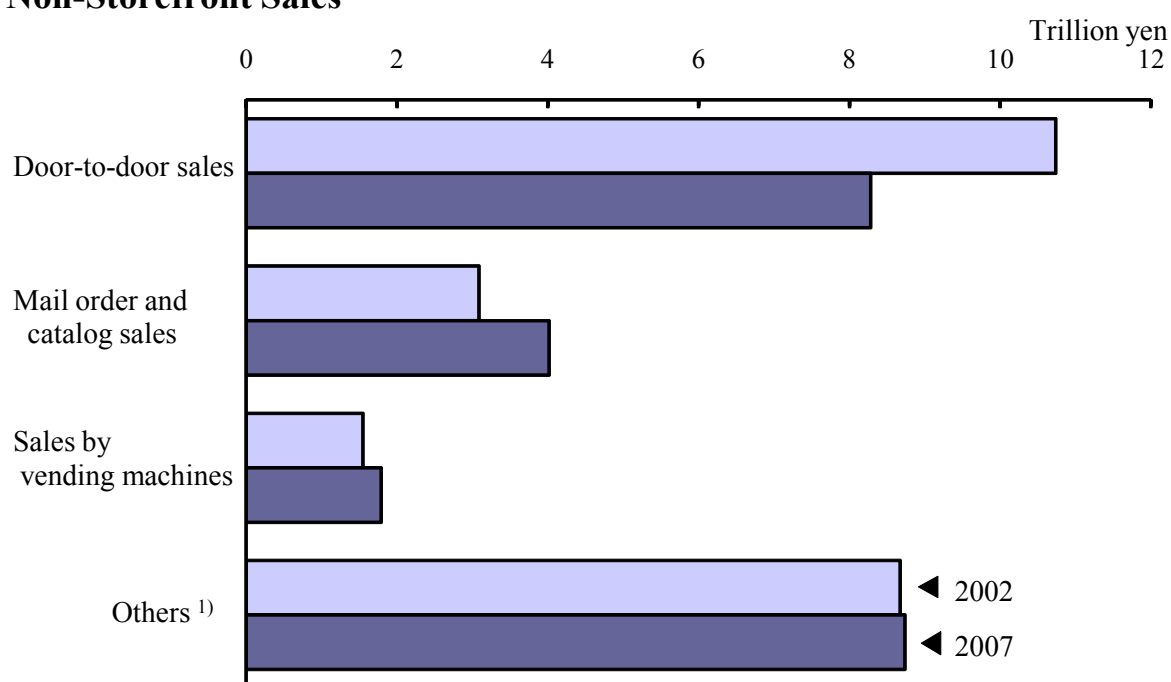
	Stores	Persons engaged	Persons regularly engaged	Annual sales	Sales floor space per store
	(1,000)	(1,000)	(1,000)	(Billion yen)	(m <sup>2</sup> )
Total .....	1,137,859	8,062	7,579	134,705	156
Department stores .....	271	341	118	7,709	23,630
General merchandise supermarkets .	1,585	387	378	7,447	9,403
Large-scale stores .....	1,380	365	357	6,947	10,443
Specialty supermarkets .....	35,512	1,238	1,206	23,796	1,126
Apparel .....	7,153	83	81	1,681	698
Food .....	17,865	902	879	17,106	1,075
Housing .....	10,494	253	245	5,009	1,506
Home centers .....	4,045	140	135	3,046	2,613
Convenience stores .....	43,684	649	635	7,007	115
24-hours operation .....	36,808	583	572	6,247	119
Drugstores .....	12,701	143	141	3,013	375
Other supermarkets .....	55,615	436	426	5,949	167
Specialty stores .....	986,650	4,858	4,667	79,631	86
Other retail stores .....	1,841	10	9	154	135

Source: Ministry of Economy, Trade and Industry.

The 2007 average sales floor space per retail establishment was by far the largest in department stores (23,630 square meters), followed by general merchandise supermarkets (9,403 square meters), specialty supermarkets (1,126 square meters) and drugstores (375 square meters). Store size growth was evident relative to the 2004 level, with a significant increase of 33.5 percent in drugstores serving as a major example.

Of the total annual sales at retail business establishments, roughly 80 percent were storefront sales, while about 20 percent were non-storefront sales. Compared to the 2002 survey on non-storefront sales, door-to-door sales dropped by about 20 percent, while mail order and catalog sales grew by approximately 30 percent.

**Figure 10.2**  
**Non-Storefront Sales**



1) Including co-op sales, catering sales, monthly newspaper subscriptions, and milk delivery sales, etc.

Source: Ministry of Economy, Trade and Industry.

## 2. Food Service Establishments

According to the 2006 Establishment and Enterprise Census, there were 725,000 food service establishments in operation and 4.12 million employed persons (persons regularly or temporarily engaged). The 2009 Economic Census, newly created and conducted on July 1, 2009, showed there were 673,000 food service establishments in operation and 4.42 million employed persons (persons regularly or temporarily engaged).

**Table 10.4**  
**Food Service Establishments (2009)**

Size of operation (employed persons)	Establishments		Employed persons <sup>1)</sup>	
	Number	Ratio (%)	Number	Ratio (%)
Total .....	673,458	100.0	4,421,927	100.0
1-4 persons .....	427,123	63.4	928,025	21.0
5-9 .....	127,430	18.9	824,137	18.6
10-19 .....	68,950	10.2	935,474	21.2
20-29 .....	27,467	4.1	651,803	14.7
30 and over .....	22,024	3.3	1,082,488	24.5

1) Persons regularly or temporarily engaged.

Source: Statistics Bureau, MIC.