



**AVERAGES OF SELECTED OPERATING DATA
FROM A SAMPLE OF OUTER BANKS RETAIL ESTABLISHMENTS**



To better understand the business characteristics and dynamics of the Outer Banks retail industry, we compiled data averages from a composite of retail establishments we serve. This information is useful because it allows local retailers, and other users, to compare the results of operations to local industry averages rather than national or state averages.

The sample size is relatively small and obviously there is not perfect consistency and uniformity of reporting among the sample establishments. At the same time, from an "interested user perspective" we feel the results are very informative.

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Annual Sales Per Square Foot	\$ 251	\$ 273	\$ 262	\$ 256	\$ 276	\$ 253	\$ 257
Inventory Turnover (cost of sales/average inventory)	2.69	3.24	3.40	3.46	3.86	3.48	3.96
Ending Inventory as a Percentage of Sales	20.19%	17.69%	16.44%	14.09%	17.35%	15.40%	13.46%
OPERATING PERCENTAGES:							
Cost of Sales	52.44%	52.96%	51.36%	51.92%	53.99%	51.07%	52.26%
Non-Owner Labor (includes payroll taxes and employee benefits)	17.01%	16.93%	19.37%	16.82%	16.10%	17.74%	17.14%
Rent	10.33%	9.76%	8.97%	6.70%	6.71%	7.38%	7.37%
Advertising	2.56%	2.30%	2.32%	2.31%	2.09%	2.41%	2.40%