

ECONOMIC SNAPSHOT



The big three department stores

Within the next few months, a Wal-Mart Supercenter will open in Monona, a Super Target will open in Fitchburg and Costco will open in Middleton. These three stores will add over 500,000 square feet of retail space to the Madison market. For comparison, the 110 stores in West Towne Mall comprise a little over 900,000 square feet. Total combined average annual sales for the three new locations will be an estimated \$285 million per year. That is an average of \$780,000 per day. Currently, there are seventy-four Wal-Mart stores and thirty-two Target stores in Wisconsin. The Costco in Middleton will be the only the second to open in the state.

Nationally, and internationally, Wal-Mart dwarfs its competitors. In 2006 there were 3,331

Wal-Marts in the United States compared to 1,488 Target stores and 371 Costco Warehouse stores. With 2006 sales of \$344 billion, Wal-Mart sold more than Target, Costco, Sears, Kmart, Kohls and Shopko combined. Wal-Mart sells more in two months than either Target or Costco sells in a year. In the last two years, the increase alone in Wal-mart's revenues was more than the total annual sales of Target or Costco.

However, Costco leads in average sales per store. Last year, Costco averaged \$127 million per store in sales. Another unique aspect of Costco is the fact that the typical Costco Warehouse store stocks only about 4,000 different items. This compares to the typical Wal-Mart Supercenter with 142,000 unique items.

	Total sales	Stores	Wisconsin stores	U.S. store openings in 2007
 Target	\$57.9 bil.	1,488	32	113
 Costco	\$59.0 bil.	371	2	28
 Wal-Mart	\$345.0 bil.	3,331	77	291

Part 1 of this month's series on big box department stores

Next week's topic: Types of stores

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