

Research Division Note # 49 - September 30, 1993

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performing arts to  
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### **Census Reports 91% Increase in Retail Art Dealers: 1982-1987**

All 50 states and the District of Columbia have retail art dealers, and together they number 2,982 independent establishments (where sale of art is their primary activity) as counted by the Census of Service Industries, a part of the five year Economic Census conducted by the U.S. Bureau of the Census. This number is up 91% from the 1,563 establishments reported in 1982. (Note: other organizations sell art such as museums, so the figures quoted here do not reflect all sales of art in the U.S. The term "art" may include contemporary art, art of all previous periods, art of all media, antiques and collectibles, and objects d'art.) The growth in the number of establishments occurred throughout the country and was not concentrated in any one area. The total sales of these establishments were \$1,499.801 million over twice the sales in 1982 (which were \$649.847 million). The average dealer sales was \$502,800 up from \$444,600 in 1982; however, when the 1987 average was adjusted for inflation, the average fell to \$428,279.

Although there was a boom during this period in the price of highly valuable fine art, the increase in the national sales figure appears to result from a broad growth in retail art sales. Because the inflation adjusted average total sales figure went down at the same time as the number of establishments went up, the growth of the industry can be attributed to sales from a larger number of dealers rather than just higher prices. Sales of art comprised 95% of the total sales of dealers, the same percentage as in 1982. Artist materials and supplies made up 1.3% of the total sales. This was up from less than 1% in 1982.

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*Dance*

*Design Arts*

*Expansion Arts*

*Folk Arts*

*International*

*Literature*

*Locals*

*Media Arts*

*Museum*

*Music*

*Opera-Musical  
Theater*

*Presenting &  
Commissioning*

*State & Regional*

*Theater*

*Visual Arts*

The five states with the highest number of establishments did not change between 1982 and 1987, although the order within the five did change:

TABLE 1: States with the Highest Number of Retail Art Dealers in 1982 and 1987

1982		1987	
New York	209	California	463
California	205	New York	344
Texas	108	Florida	183
Florida	82	Texas	137
Illinois	79	Illinois	121
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	683		1,248
Percent of total #	43.7%		41.9%

Although the total numbers of establishments for the top five states went up from 1982 to 1987, the percentage in these five states of the total number of dealers for the country went down from 43.7% to 41.9%. Growth in the number of establishments was greatest in California (just over 125%) and Florida (123%). Table A (at the end of this note) gives a breakout by state for the number of establishments, their sales figures, the average dealer sales, and the percentage of total sales that reported the sales detail.

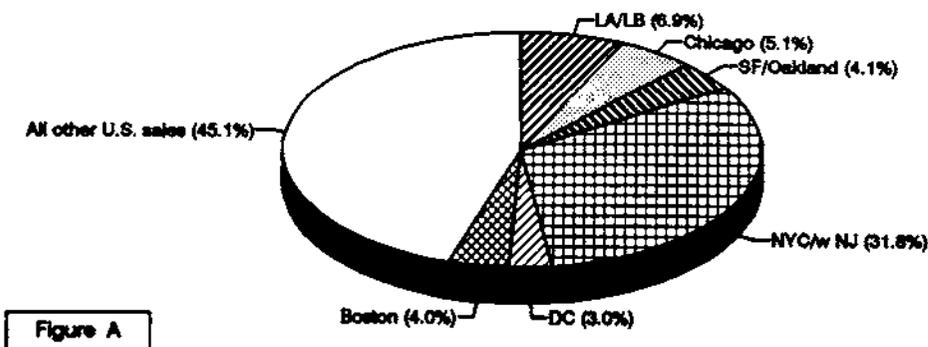
In 1987, six states had higher average retail art dealer sales than the national average; a seventh state was almost at the national average. In 1982 seven states had topped the national average. New York remained the top state by a large margin.

TABLE 2: States with Average Dealer Sales above or at the National Average Dealer Sales

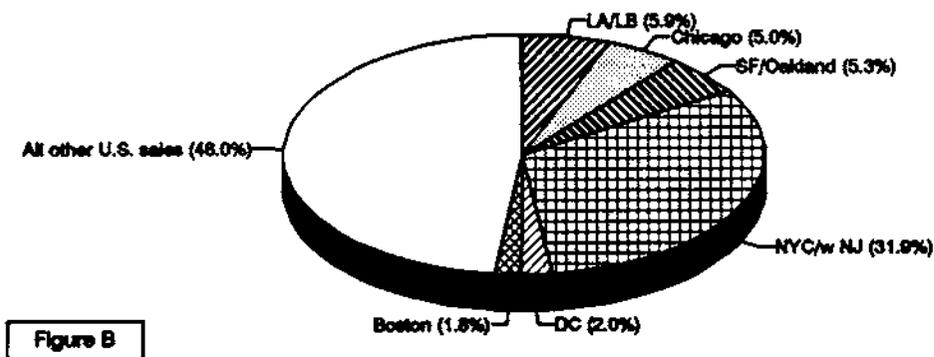
1982		1987	
New York	\$ 1,085,000	New York	\$1,430,600
Massachusetts	625,000	Hawaii	990,600
Texas	562,400	Nevada	668,900
California	553,300	Illinois	651,800
Wyoming	522,800	California	590,700
Illinois	468,700	Dist Columbia	577,400
Louisiana	460,100	Pennsylvania	501,700
National Average	\$ 444,600	National Average	\$ 502,800

The large metropolitan areas dominate the U.S. market. Figures A and B below show the distribution of total U.S. sales divided into selected metropolitan areas for 1982 and 1987. From 1982 to 1987, the picture changed minimally. The five metropolitan areas that had the highest number of establishments in 1982 and 1987 were New York (with New Jersey Suburbs), Los Angeles/Long Beach, Chicago, San Francisco/Oakland, and Washington DC.

Distribution of Total Sales of Retail Art Dealers in 1982 (Selected SMSAs)



Distribution of Total Sales of Retail Art Dealers in 1987 (Selected SMSAs)



The New York area had the largest sales (\$478.334 million) up from \$220.777 million in 1982, but the percentage of national sales stayed level. The shares of the national sales accounted for by the Los Angeles, Boston and Washington, DC areas each fell by one percentage point or more. However, the

table below and Table B (at the end of the note) show that each area had a substantial growth in sales except Boston.

TABLE 3: Total Sales (1982, 1987) for Five Largest Metropolitan Markets in 1987

Number of Establishments	<u>1982</u>		<u>1987</u>	
	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>
New York City/New Jersey	189	12.1%	296	9.9%
Los Angeles/Long Beach	60	3.8%	143	4.8%
Chicago	70	4.5%	86	2.9%
San Francisco/Oakland	50	3.2%	98	3.3%
Washington DC	60	3.8%	73	2.4%
Sum of the top five areas	<u>429</u>	<u>27.4%</u>	<u>696</u>	<u>23.3%</u>
Total Sales	<u>\$(1,000)</u>	<u>%</u>	<u>\$(1,000)</u>	<u>%</u>
New York City/New Jersey	\$ 220,777	31.8%	\$ 478,334	31.9%
Los Angeles/Long Beach	48,105	6.9%	88,708	5.9%
Chicago	35,696	5.1%	74,859	5.0%
San Francisco/Oakland	28,284	4.1%	80,129	5.3%
Washington, D.C.	20,767	3.0%	30,558	2.0%
Sum of top five areas (1987)	<u>\$ 353,629</u>	<u>50.9%</u>	<u>\$ 752,588</u>	<u>50.2%</u>

The sum of the top five areas accounted for just over half of the dollar amount of the retail sales in both censuses, but whereas in 1982 they accounted for 27% of the number of dealers, in 1987 the figure dropped to 23% of all dealers. Table B lists all the metropolitan areas provided in the Census data.

The growth in the number of dealers occurred at about the same time as the rise in the amount of commercial office space. This may suggest a relationship between the two. In 1982 both the Houston and Dallas-Fort Worth areas had much higher percentages of the national sales figures than in 1987. Both cities showed slight growth in the number of dealers from 1982 to 1987 while the volume of dollar sales dropped significantly. The average dealer sales in these cities dropped from \$757,000 and \$775,000 in 1982 to \$427,000 and \$412,000 respectively. The Texas commercial office real-estate market had begun its fall by the middle of the decade, earlier than the rest of the country, thus providing a possible explanation for the fall in sales. The rest of the country did not experience the commercial office real-estate down-turn until the end of the decade. If there is a connection between retail art sales and office real-estate, the 1992 Census results should show much slower growth nationwide.

**Caveats and Notes about Methodology:** An Economic Census is conducted by the U.S. Bureau of the Census every five years. The reference years are the second and seventh year of the decade. The National Endowment for the Arts commissioned the Census Bureau to produce special tables of previously unpublished data collected in these censuses. This note describes retail art dealers who submitted reports in the 1987 and/or 1982 Economic Censuses. The data should not be interpreted as the total of art dealers or sales in the U.S., because art is also sold by museum shops, art and craft fairs, auction houses, and other retail establishments that do not consider the sale of art as their primary business. Therefore, the sales of art by all sources is probably substantially greater than the \$1.5 billion reported in 1987.

For further analysis, to compare real growth in total receipts between the 1982 and 1987 censuses, the monetary figures of 1987 should be deflated by dividing them by 1.174 (the GNP Implicit Price Deflator, 1982 = 100).

For more information and discussion about other arts organizations, see **ARTS ORGANIZATIONS AND THE 1987 CENSUS OF SERVICE INDUSTRIES**. A copy of this report is available from:

Research Division	Phone: 202-682-5432
National Endowment for the Arts	FAX: 202-682-5528
1100 Pennsylvania Avenue, NW	
Washington, DC 20506	

TABLE A: U.S. RETAIL ART DEALERS AND THEIR SALES BY STATE (1987)

STATE	Number of Retail Art Dealers		Sales of Art		Sales of Artists' Materials & Supplies		TOTAL SALES		Average Dealer Sales	% of Sales of Dealers reporting sales details
	#	%	\$ (1,000)	%	\$ (1,000)	%	\$ (1,000)	%	\$ (1,000)	
Alabama	14	0.5%	\$3,646	0.3%	-	-	\$3,827	0.3%	\$273.4	84.3%
Alaska	15	0.5%	\$3,203	0.2%	-	-	\$3,445	0.2%	\$229.7	74.5%
Arizona	102	3.4%	\$37,176	2.6%	\$1,082	5.5%	\$39,064	2.6%	\$383.0	96.4%
Arkansas	11	0.4%	\$1,843	0.1%	-	-	\$1,843	0.1%	\$167.5	100.0%
California	463	15.5%	\$245,849	17.3%	\$12,164	62.2%	\$273,489	18.2%	\$590.7	79.3%
Colorado	78	2.6%	\$18,106	1.3%	-	-	\$19,589	1.3%	\$251.1	97.7%
Connecticut	27	0.9%	\$7,415	0.5%	\$19	0.1%	\$8,405	0.6%	\$311.3	79.1%
Delaware	16	0.5%	\$2,499	0.2%	-	-	\$2,762	0.2%	\$172.6	79.2%
Dist Columbia	38	1.3%	\$21,377	1.5%	-	-	\$21,940	1.5%	\$577.4	100.0%
Florida	183	6.1%	\$58,590	4.1%	\$395	2.0%	\$60,967	4.1%	\$333.2	58.4%
Georgia	66	2.2%	\$20,437	1.4%	\$95	0.5%	\$20,842	1.4%	\$315.8	94.5%
Hawaii	41	1.4%	\$39,893	2.8%	-	-	\$40,813	2.7%	\$990.6	33.4%
Idaho	17	0.6%	\$1,285	0.1%	-	-	\$2,201	0.1%	\$129.5	100.0%
Illinois	121	4.1%	\$78,476	5.5%	\$180	0.9%	\$78,872	5.3%	\$651.8	90.0%
Indiana	37	1.2%	\$4,488	0.3%	\$214	1.1%	\$4,773	0.3%	\$129.0	57.7%
Iowa	30	1.0%	\$7,638	0.5%	-	-	\$8,565	0.6%	\$285.5	61.0%
Kansas	19	0.6%	\$1,811	0.1%	-	-	\$1,940	0.1%	\$102.1	2.4%
Kentucky	19	0.6%	\$3,021	0.2%	-	-	\$3,021	0.2%	\$159.0	97.7%
Louisiana	40	1.3%	\$14,839	1.0%	\$13	0.1%	\$14,852	1.0%	\$371.3	79.0%
Maine	22	0.7%	\$4,108	0.3%	-	-	\$5,030	0.3%	\$228.6	34.0%
Maryland	58	1.9%	\$11,866	0.8%	-	-	\$13,943	0.9%	\$240.4	69.2%
Massachusetts	79	2.6%	\$32,495	2.3%	\$45	0.2%	\$32,765	2.2%	\$414.7	86.7%
Michigan	89	3.0%	\$29,795	2.1%	\$339	1.7%	\$32,166	2.1%	\$361.4	90.9%
Minnesota	68	2.3%	\$15,977	1.1%	\$1,347	6.9%	\$21,358	1.4%	\$314.1	75.7%
Mississippi	4	0.1%	(D)	(D)	(D)	(D)	\$1,273	0.1%	\$318.3	100.0%
Missouri	53	1.8%	\$12,474	0.9%	-	-	\$12,474	0.8%	\$235.4	39.4%
Montana	23	0.8%	\$3,162	0.2%	\$52	0.3%	\$3,351	0.2%	\$145.7	100.0%
Nebraska	18	0.6%	\$1,982	0.1%	-	-	\$2,038	0.1%	\$113.2	57.1%
Nevada	19	0.6%	\$11,580	0.8%	\$809	4.1%	\$12,709	0.8%	\$668.9	36.1%
New Hampshire	4	0.1%	(D)	(D)	(D)	(D)	(D)	(D)	\$0.0	15.9%
New Jersey	98	3.3%	\$31,989	2.2%	\$237	1.2%	\$36,451	2.4%	\$371.9	47.5%
New Mexico	53	1.8%	\$23,642	1.7%	\$66	0.3%	\$24,330	1.6%	\$459.1	93.6%
New York	344	11.5%	\$485,558	34.1%	\$259	1.3%	\$492,129	32.8%	\$1,430.6	86.2%
North Carolina	41	1.4%	\$9,260	0.7%	-	-	\$9,330	0.6%	\$227.6	88.1%
North Dakota	4	0.1%	(D)	(D)	(D)	(D)	\$142	0.0%	\$35.5	0.0%
Ohio	87	2.9%	\$17,591	1.2%	\$276	1.4%	\$18,110	1.2%	\$208.2	90.4%
Oklahoma	21	0.7%	\$4,915	0.3%	-	-	\$4,915	0.3%	\$234.0	21.2%
Oregon	39	1.3%	\$7,054	0.5%	-	-	\$7,160	0.5%	\$183.6	62.8%
Pennsylvania	65	2.2%	\$29,414	2.1%	\$952	4.9%	\$32,612	2.2%	\$501.7	100.0%
Rhode Island	4	0.1%	(D)	(D)	(D)	(D)	(D)	(D)	\$0.0	100.0%
South Carolina	40	1.3%	\$6,683	0.5%	-	-	\$8,178	0.5%	\$204.5	63.5%
South Dakota	6	0.2%	(S)	(S)	(S)	(S)	\$706	0.0%	\$117.7	0.0%
Tennessee	48	1.6%	\$8,883	0.6%	\$87	0.4%	\$9,247	0.6%	\$192.6	58.5%
Texas	137	4.6%	\$42,684	3.0%	-	-	\$43,491	2.9%	\$317.5	83.6%
Utah	25	0.8%	\$4,229	0.3%	\$152	0.8%	\$5,236	0.3%	\$209.4	100.0%
Vermont	14	0.5%	\$3,222	0.2%	-	-	\$3,675	0.2%	\$262.5	78.2%
Virginia	44	1.5%	\$6,808	0.5%	\$478	2.4%	\$8,175	0.5%	\$185.8	48.1%
Washington	74	2.5%	\$21,913	1.5%	\$281	1.4%	\$22,893	1.5%	\$309.4	66.3%
West Virginia	11	0.4%	\$1,953	0.1%	-	-	\$2,177	0.1%	\$197.9	62.5%
Wisconsin	39	1.3%	\$10,575	0.7%	-	-	\$11,735	0.8%	\$300.9	100.0%
Wyoming	14	0.5%	\$6,527	0.5%	-	-	\$6,675	0.4%	\$476.8	94.0%
Total U.S.	2,982	100.0%	\$1,423,738	100.0%	\$19,553	100.0%	\$1,499,301	100.0%	\$502.8	78.8%

- represents zero

(D) Data has been withheld to avoid disclosure for individual dealers. The data is included in the total for the Total U.S.

(S) Data is not available because the response rate for this question was zero in this geographic location. Estimated data are included in the column total for the Total U.S.

TABLE B: METROPOLITAN SALES MARKETS IN 1982 AND 1987

Number of Establishments	1982		1987	
	#	%	#	%
New York City/New Jersey	189	12.1%	296	9.9%
Los Angeles/Long Beach	60	3.8%	143	4.8%
Chicago	70	4.5%	86	2.9%
San Francisco/Oakland	50	3.2%	98	3.3%
Washington DC	60	3.8%	73	2.4%
Sum of the top five areas	429	27.4%	696	23.3%
Denver/Boulder	28	1.8%	54	1.8%
Minneapolis/St Paul	24	1.5%	50	1.7%
Anaheim/Santa Anna	17	1.7%	49	1.6%
Boston	36	2.3%	48	1.6%
Seattle	15	1.0%	46	1.5%
Detroit	34	2.2%	45	1.5%
San Diego	31	2.0%	43	1.4%
Dallas/Ft Worth	35	2.2%	41	1.4%
Philadelphia	27	1.7%	38	1.3%
Houston	32	2.0%	38	1.3%
Nassau-Suffolk NY	15	1.0%	31	1.0%
Baltimore	20	1.3%	32	1.1%
Atlanta	16	1.0%	31	1.0%
St Louis	14	0.9%	29	1.0%
Sum of Metro Areas	773	49.5%	1,271	42.6%
All U.S. dealers	1,563	100%	2,982	100%
Total Sales	\$(1,000)	%	\$(1,000)	%
New York City/New Jersey	\$ 220,777	31.8%	\$ 478,334	31.9%
Los Angeles/Long Beach	48,105	6.9%	88,708	5.9%
Chicago	35,696	5.1%	74,859	5.0%
San Francisco/Oakland	28,284	4.1%	80,129	5.3%
Washington, D.C.	20,767	3.0%	30,558	2.0%
Sum of top five areas	\$ 353,629	50.9%	\$ 752,588	50.2%
Denver/Boulder	\$ 7,586	1.1%	13,751	0.9%
Minneapolis/St. Paul	4,707	0.7%	18,374	1.2%
Boston	27,884	4.0%	26,812	1.8%
Anaheim/Santa Anna	5,656	0.8%	25,819	1.7%
Seattle	3,681	0.5%	18,577	1.2%
Detroit	11,469	1.7%	23,465	1.6%
San Diego	15,280	2.2%	29,656	2.0%
Dallas/Ft Worth	25,631	3.7%	16,884	1.1%
Philadelphia	8,140	1.2%	26,071	1.7%
Houston	24,220	3.5%	16,209	1.1%
Nassau-Suffolk NY	3,247	0.5%	10,482	0.7%
Baltimore	5,447	0.8%	6,884	0.5%
Atlanta	3,412	0.5%	17,067	1.1%
St Louis	2,418	0.3%	7,200	0.5%
Sum of Metro Areas	\$ 502,407	72.3%	\$1,009,839	67.4%
All U.S. sales	\$ 694,847	100%	\$1,499,301	100%