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ANALYSIS OF RETAIL TRENDS AND TAXABLE SALES FOR PONCA CITY, OKLAHOMA

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ABSTRACT

The goal of this paper is to provide an analysis of taxable sales for the community of Ponca City. Basic data is used to provide estimates of trade area capture and pull factors. Reported sales tax data is also used to analyze trends in the county and area.

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INTRODUCTION

Oklahoma communities have been concerned with all aspects of economic development for the past several years. Creating new jobs and additional income is of concern to rural communities and urban areas alike. Often, retailing is viewed as a "service" sector dependent on the "basic" sectors such as oil, manufacturing, and agriculture. Export sectors produce goods and services sold outside the local or regional economy. Service sectors tend to circulate existing local dollars rather than attracting "new" outside dollars. The retail sector is important, though, as retail activity reflects the general health of a local economy. Retail sales also produce sales tax dollars that support municipal service provision. Many local communities are promoting a "shop at home" campaign to keep local retail dollars in the community. It will not be possible to stop all out-of-town spending or sales leakage for a local economy. Opportunities for improvement do frequently exist, however. Key areas can be identified for improvement. Analysis of retail trends can identify emerging trade centers. Local leaders in Ponca City requested the following taxable sales analysis. The specific objectives of the study are:

1. Utilize reported sales tax data to analyze trends in the county and area.
2. Provide estimates of trade area capture and market attraction.
3. Provide estimates of market attraction, broken out by SIC code.

METHODOLOGY AND DATA SOURCES

A trade area analysis model frequently used is "trade area capture." Trade area capture is calculated by dividing the city's retail sales by state per capita retail sales. The figure is adjusted by income differences between the state and relevant local area. The specific equation utilized is:

$$TAC_C = \frac{RS_C}{\frac{RS_S}{P_S} X \frac{PCI_C}{PCI_S}}$$

Where:

TAC_c= trade area capture by city,
RS_c= retail sales by city,
RS_s= retail sales for the state,
P_s= state population,
PCI_c= per capita income by county, and
PCI_s= per capita income for the state.

Trade area capture figures incorporate both income and expenditure factors, which may be influencing retail trade trends. An underlying assumption of the trade area capture estimate is that local tastes and preferences are similar to that of the state as a whole. If a trade area capture estimate is larger than city population then two explanations are possible: 1) the city is attracting customers outside its boundaries, or 2) residents of the city are spending more than the state average.

Trade area capture figures can be utilized to estimate the amount of sales going to outside consumers. To do this, a pull factor, which is a measure of an economy's retail sales gap, is derived using trade area capture figures and city population:

$$PF_C = \frac{TAC_C}{P_C}$$

Where:

PF_c= city pull factor, and
P_c= city population.

A pull factor of 1.0 means the city is drawing all its customers from within its boundaries but none from the outside. A pull factor of 1.50 means the city is drawing non-local customers equal to 50 percent of the city population. A pull factor of less than one means the city is not capturing the shoppers within its boundaries or they are spending relatively less than the state average. This is considered a leakage of retail sales or a retail sales gap. Additional discussion of trade area capture and pull factors can be found in the references cited in this report (Barta and Woods; Harris; Stone and McConnon; Hustedde, Shatter, and Pulver). The Oklahoma Cooperative Extension Service has been conducting pull factor/gap analysis and sales tax analysis since 1991 (Woods, 1991).

City pull factors and trade area capture figures are calculated for fiscal years 1980 through 2012. Data used were sales tax returns as reported by the Oklahoma Tax Commission. These figures include only taxable sales in an area, but they provide a proxy for all retail sales. Population estimates were obtained from the U.S. Census Bureau and are consistent with figures from the 1980, 1990, 2000, and 2010 Censuses. Income figures were taken from the Bureau of Economic Analysis (BEA) estimates for counties. Similar income data for cities were not available, so county income was used as a proxy.

IMPORTANT: Readers should note that BEA continually updates its estimates—sometimes for all years back to 1969, which was the case with a recently released data set. These updates affect the values for trade area capture and pull factors. Because of this, trade area capture and pull factor values in this report may differ slightly from values previously published in older versions of this report. Additionally, the U.S. Census Bureau revises

population estimates for the decade prior to a Decennial Census once that Census has been completed. The revised population estimates for 2001-2009 have been used for this analysis.

TAXABLE SALES ANALYSIS

Sales tax returns as reported by the Oklahoma Tax Commission for Ponca City are listed in Table 1 for the fiscal years 1980 to 2012. Sales tax returns are important to a city because they reflect the general health of a local economy and also represent significant revenue for the city budget. In FY 2012, Ponca City collected $13,216,725 in sales taxes at a tax rate of 3.5%. This translates into $377,620,712 in retail sales. This is a significant increase from 2011 when Ponca City collected just over $12.2 million in sales tax collections at a rate of 3.5%, or nearly $349 million in retail sales. Sales are estimated from the sales tax returns and the sales tax rate that is reported. Figure 1 plots estimated taxable sales in both actual dollars and inflation-adjusted dollars. The Consumer Price Index is used to adjust for inflation. When taxable sales have been adjusted for inflation, Figure 1 shows that "real" sales have slightly declined over time, and especially since 2002. Real retail sales (in 1980 dollars) were almost $135.5 million in 2012. Inflation-adjusted sales reflect the volume of sales overtime.

Table 2 lists trade area capture (TAC) figures for Ponca City from 1980 to 2012. Ponca City's trade area capture has ranged from 692 in 1997 to 1,163 in 2008. In 2012, the trade area capture in Ponca City was 1,097. This is an increase from 2011 when Ponca City captured 900 shoppers. Figure 2 charts these trade area capture figures.

Table 2 also displays population figures for Ponca City from 1980 to 2012. Ponca City's population has decreased by 4 percent since 1980. Its population peaked in 1983 at 29,250, but

population declined until 2008. Between 2008 and 2010, Ponca City has realized some growth, by approximately 500 people. The population in 2012 is estimated to be 25,168.

Table 3 lists pull factors for Ponca City for the years 1980 to 2012. The pull factor for Ponca City ranges from 0.91 in 1984 to 1.54 in 1999. With Ponca City's current pull factor of 1.23, the interpretation is that Ponca City is capturing the spending of shoppers equal to 123% of the local population. Ponca City has historically had the highest pull factor in Kay County.

Table 3 also shows pull factors for cities and towns in Kay County with a reported sales tax. Figure 3 plots these pull factors. Smaller communities typically have more volatile pull factors, since small changes in retail sales generate proportionately larger changes in pull factors. Braman and Blackwell have seen their pull factor rise since 2000, while New Kirk and Tonkawa realized roughly stable pull factors and Kaw City has seen its pull factor decline since 1998.

Figure 4 shows the average pull factors for cities with populations of 10,000-25,000 and 25,000 – 50,000 that have sales tax collections information available, in addition to Ponca City's pull factors. Ponca City's pull factor, when compared to other cities with similar population, has performed above the average of its peers between 1999 and 2005, but since then it has performed below the average of its peers.

Table 1
Sales Tax Collections and Estimated Retail Sales for Ponca City, Oklahoma, FY 1980-2012

Year	Months	Rate	Collections	Total Estimated Sales	Inflation-Adjusted Sales (1980 dollars)
1980	5,7	1.00%/2.00%	$2,204,913	$138,265,000	$138,265,000
1981	12	2.00%	$3,153,574	$157,678,700	$142,934,267
1982	12	2.00%	$3,472,111	$173,605,550	$148,239,350
1983	12	2.00%	$3,611,907	$180,595,350	$149,408,201
1984	12	2.00%	$3,854,014	$192,700,700	$152,825,194
1985	12	2.00%	$3,923,445	$196,172,250	$150,228,563
1986	12	2.00%	$3,980,486	$199,024,300	$149,631,408
1987	12	2.00%	$3,848,837	$192,441,850	$139,588,102
1988	5,7	2.00%/2.50%	$4,404,149	$192,546,780	$134,115,424
1989	12	2.50%	$4,956,002	$198,240,080	$131,733,731
1990	12	2.50%	$5,251,344	$210,053,760	$132,428,690
1991	12	2.50%	$5,391,682	$215,667,280	$130,477,121
1992	12	2.50%	$6,004,135	$240,165,400	$141,052,238
1993	12	2.50%	$6,277,960	$251,118,400	$143,198,313
1994	9,3	2.50%/3.00%	$6,571,768	$251,179,440	$139,657,125
1995	12	3.00%	$7,727,541	$257,584,700	$139,271,518
1996	12	3.00%	$8,149,876	$271,662,533	$142,670,445
1997	12	3.00%	$8,384,104	$279,470,133	$143,478,748
1998	7,5	3.00%/3.50%	$9,191,424	$286,327,181	$144,744,538
1999	12	3.50%	$10,576,337	$302,181,057	$149,458,098
2000	12	3.50%	$10,251,915	$292,911,857	$140,162,236
2001	12	3.50%	$11,016,258	$314,750,229	$146,445,053
2002	12	3.50%	$11,719,829	$334,852,257	$153,373,129
2003	7,5	3.50%/3.00%	$10,659,341	$323,233,281	$144,752,295
2004	12	3.00%	$9,799,147	$326,638,233	$142,482,744
2005	11,1	3.00%/3.50%	$9,930,402	$326,440,748	$137,730,249
2006	12	3.50%	$11,932,118	$340,917,657	$139,343,328
2007	11,1	3.50%/3.00%	$11,997,518	$346,793,200	$137,819,447
2008	5,7	3.00%/3.50%	$11,951,548	$363,265,395	$139,027,643
2009	12	3.50%	$12,510,084	$357,430,971	$137,283,136
2010	12	3.50%	$11,842,926	$338,369,314	$127,864,546
2011	12	3.50%	$12,215,165	$349,004,713	$127,847,942
2012	12	3.50%	$13,216,725	$377,620,712	$135,525,957

Figure 1
Retail Sales and Inflation Adjusted Retail Sales for Ponca City, Oklahoma, FY 1980-2012

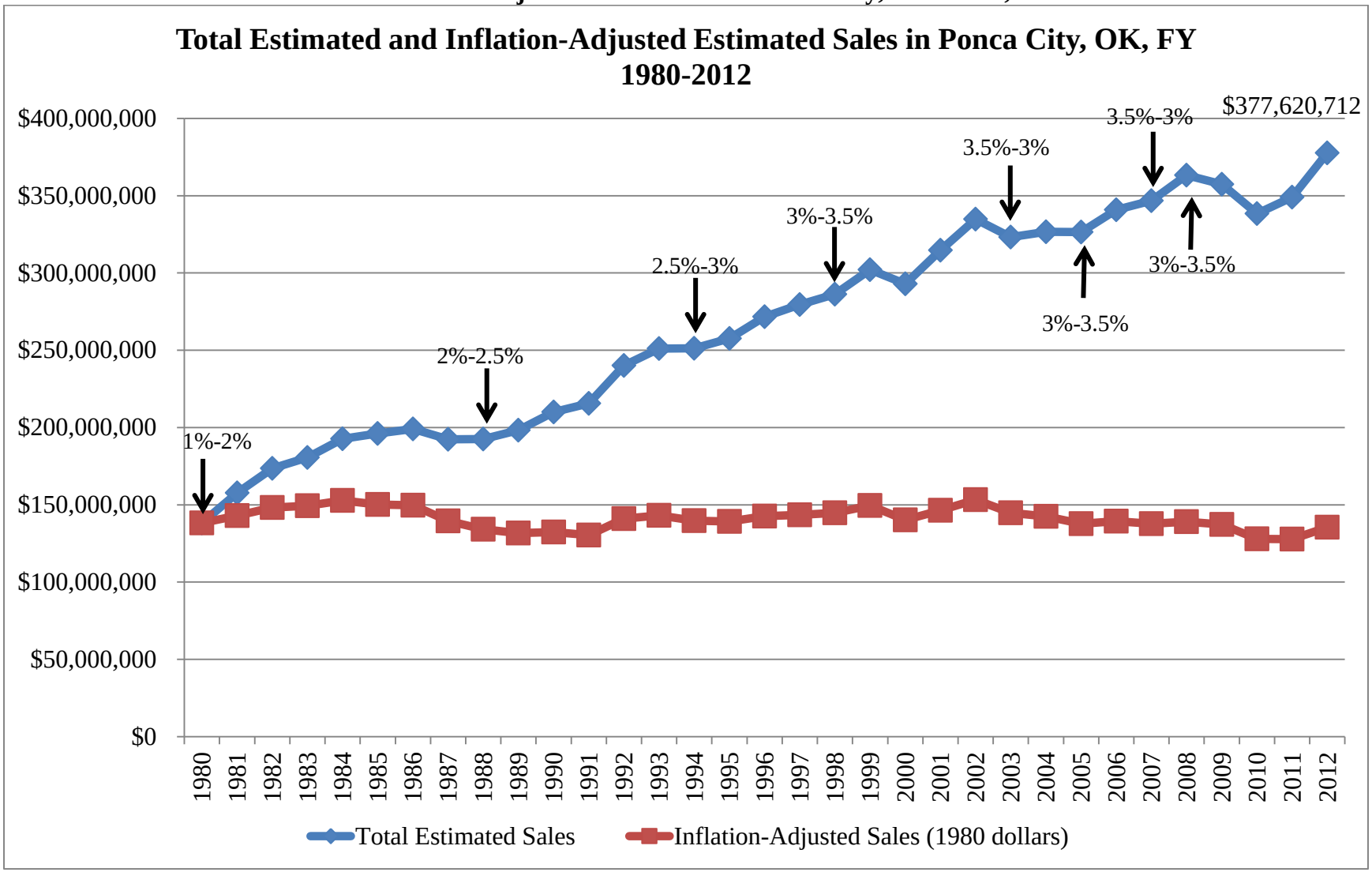


Table 2
Trade Area Capture Ponca City, Oklahoma, 1980 – 2012

Year	Population	Trade Area Capture
1980	26,238	27,417
1981	27,300	26,641
1982	28,700	27,675
1983	29,250	28,620
1984	29,200	26,698
1985	29,000	27,754
1986	29,000	29,397
1987	28,600	30,482
1988	28,050	30,260
1989	28,400	31,417
1990	26,592	31,728
1991	26,694	31,812
1992	27,016	34,356
1993	26,918	36,000
1994	26,616	35,336
1995	26,554	36,160
1996	26,371	36,168
1997	26,194	37,039
1998	26,088	37,727
1999	26,052	40,150
2000	25,919	35,603
2001	25,712	35,245
2002	25,752	37,668
2003	25,508	37,351
2004	25,216	34,803
2005	24,905	35,870
2006	24,715	33,942
2007	24,742	32,094
2008	24,671	28,913
2009	24,782	30,139
2010	25,387	31,633
2011	25,168	31,087
2012	25,168	30,875

Figure 2
Trade Area Capture and Pull Factors for Ponca City, Oklahoma, FY 1980 – 2012

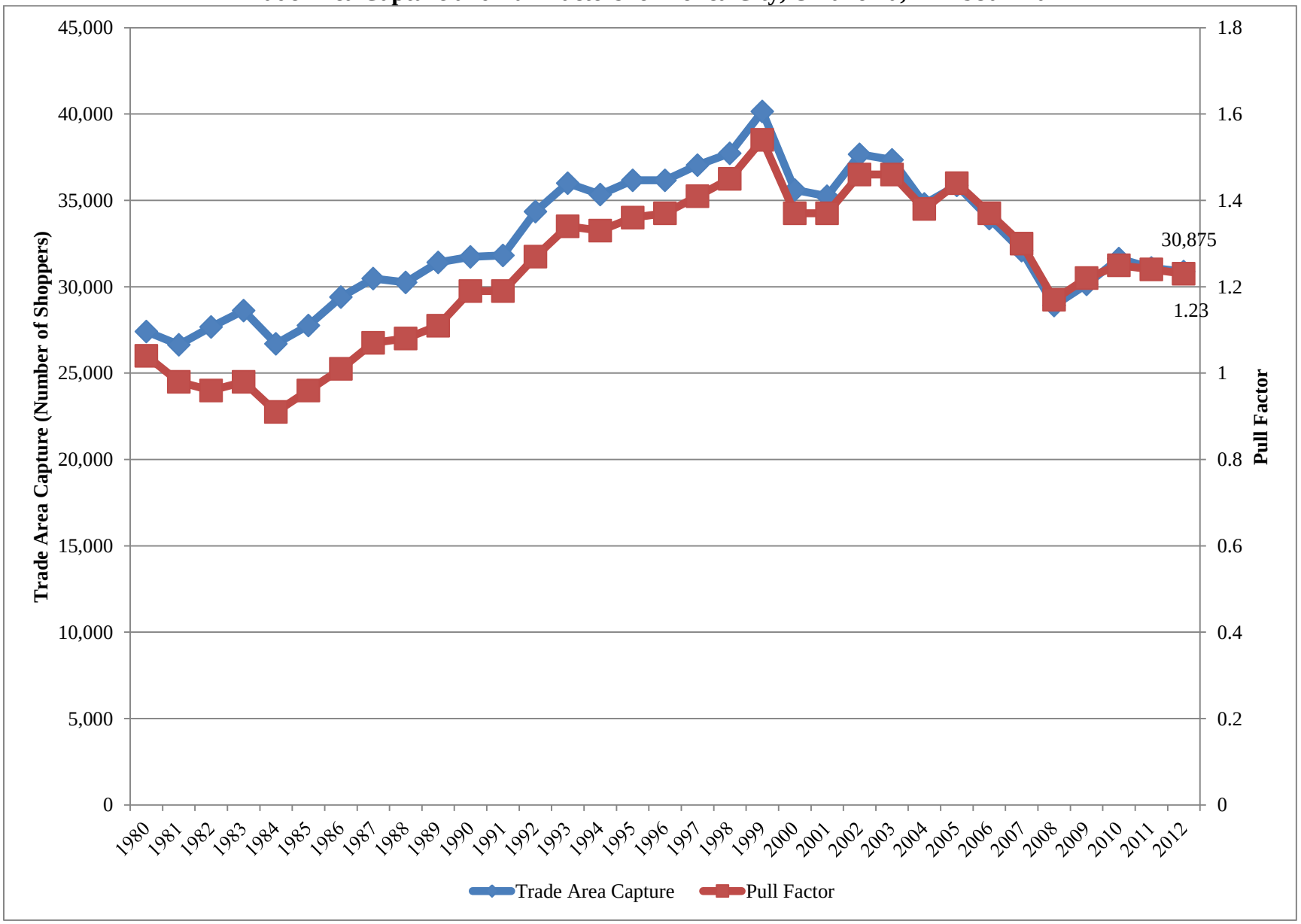


Table 3
Pull Factors for Cities in Kay County, FY 1980-2012

Year	Blackwell	Braman	Kaw City	Newkirk	Ponca City	Tonkawa
1980	0.78	0.4	0.34	0.58	1.04	0.59
1981	0.71	0.4	0.34	0.56	0.98	0.5
1982	0.73	0.34	0.26	0.51	0.96	0.47
1983	0.72	0.35	0.27	0.48	0.98	0.47
1984	0.67	0.32	0.29	0.45	0.91	0.45
1985	0.72	0.34	0.33	0.49	0.96	0.45
1986	0.7	0.33	0.34	0.44	1.01	0.48
1987	0.7	0.34	0.35	0.44	1.07	0.46
1988	0.74	0.35	0.3	0.43	1.08	0.42
1989	0.78	0.42	0.32	0.43	1.11	0.51
1990	0.77	0.41	0.32	0.56	1.19	0.55
1991	0.81	0.48	0.34	0.56	1.19	0.57
1992	0.79	0.45	0.37	0.55	1.27	0.56
1993	0.84	0.44	0.37	0.55	1.34	0.55
1994	0.93	0.5	0.38	0.57	1.33	0.57
1995	0.97	0.59	0.49	0.63	1.36	0.58
1996	0.96	0.54	0.5	0.55	1.37	0.63
1997	0.96	0.53	0.42	0.6	1.41	0.65
1998	1	0.62	0.51	0.59	1.45	0.67
1999	0.95	0.65	0.47	0.59	1.54	0.68
2000	0.79	0.53	0.34	0.51	1.37	0.58
2001	0.75	0.58	0.42	0.5	1.37	0.58
2002	0.76	0.55	0.36	0.52	1.46	0.63
2003	0.8	0.61	0.38	0.56	1.46	0.64
2004	0.74	0.6	0.34	0.54	1.38	0.63
2005	0.78	0.59	0.41	0.58	1.44	0.62
2006	0.96	0.62	0.3	0.54	1.37	0.61
2007	0.69	0.65	0.25	0.53	1.3	0.57
2008	0.63	0.64	0.24	0.48	1.17	0.53
2009	0.7	0.76	0.23	0.52	1.22	0.53
2010	0.75	0.8	0.23	0.49	1.25	0.58
2011	0.73	1.26	0.19	0.5	1.24	0.63
2012	0.71	0.94	0.2	0.47	1.23	0.62

Figure 3
Pull Factors for Cities in Kay County that Collect Sales Taxes, FY 1980-2012

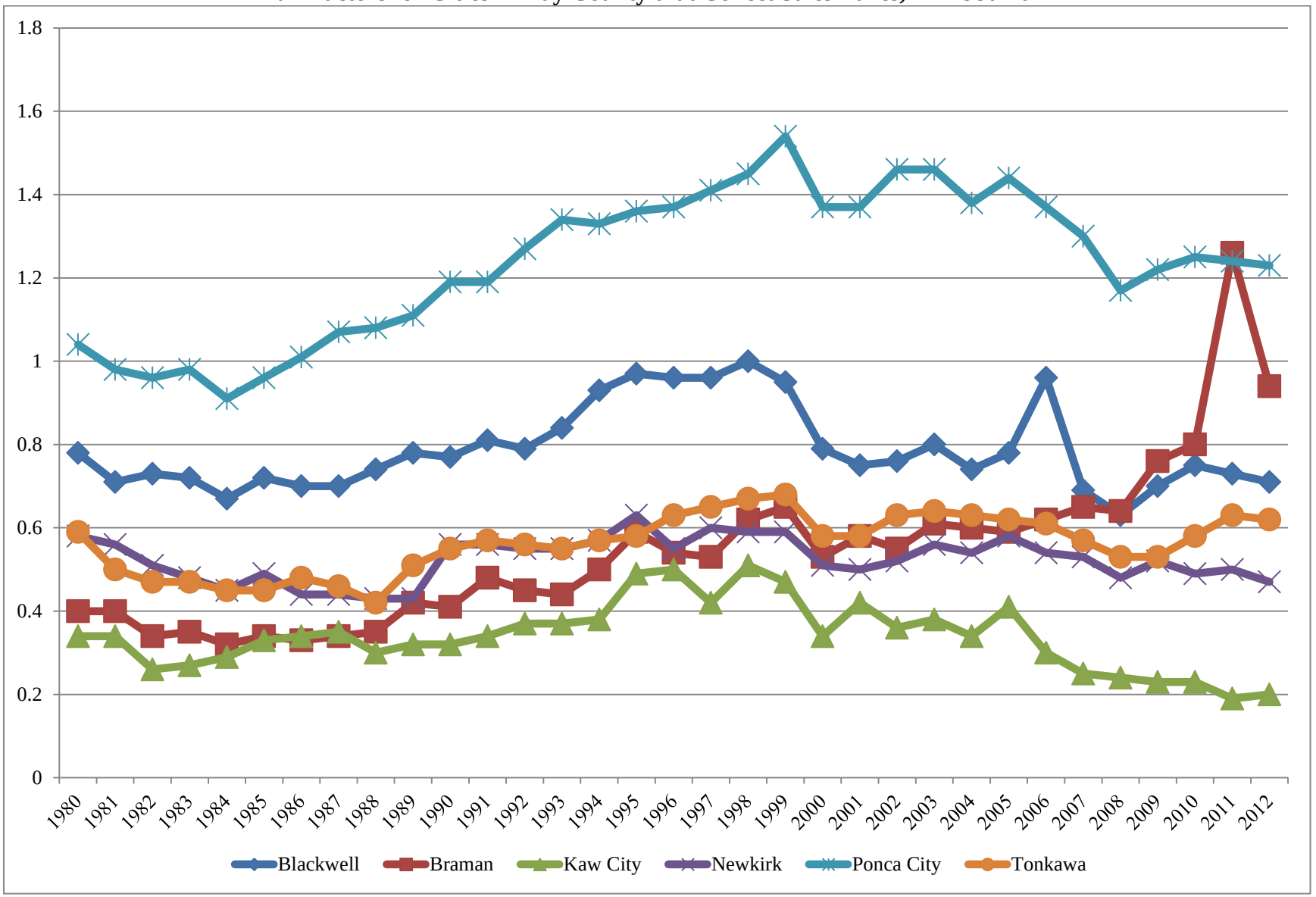
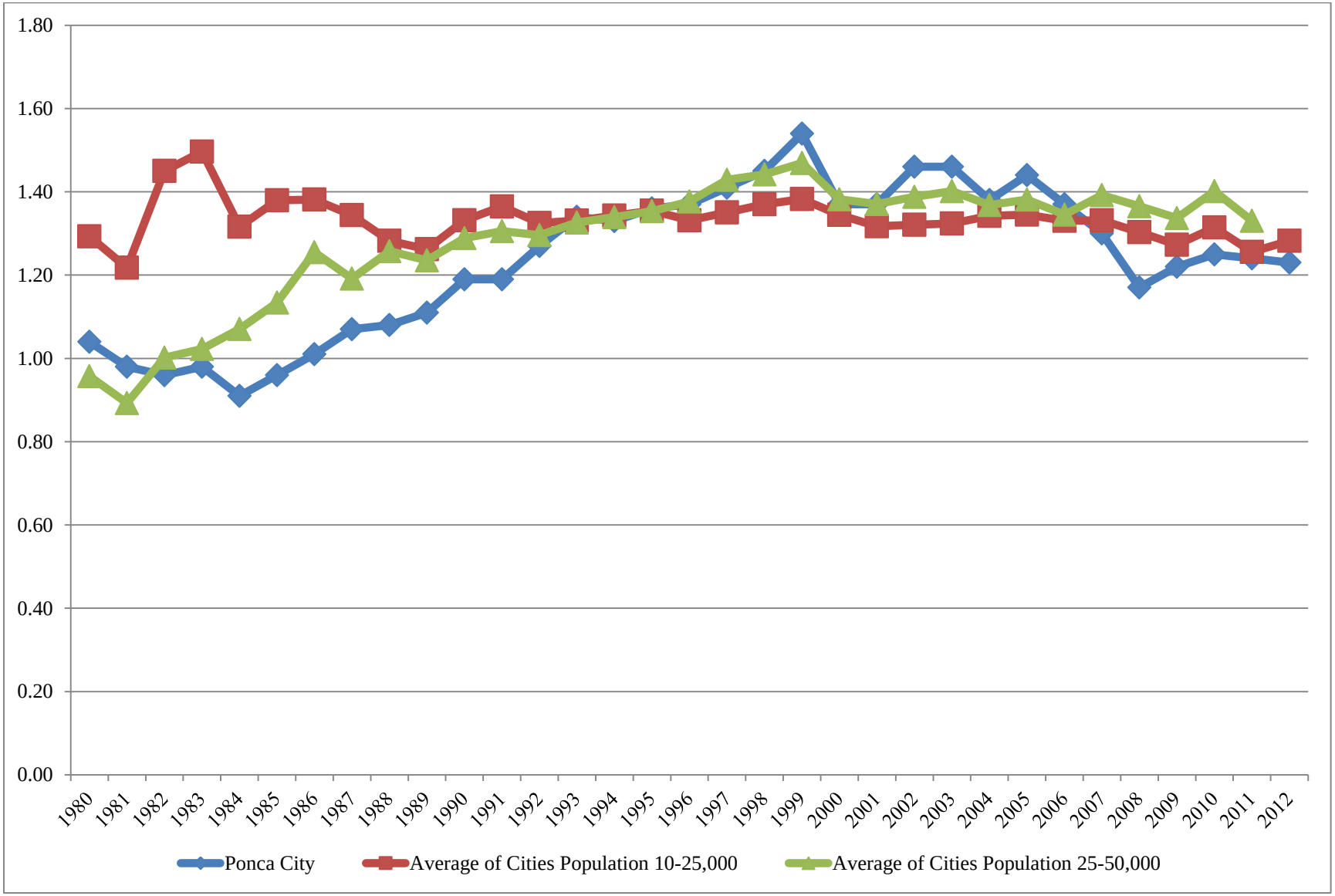


Figure 4
Ponca City Pull Factors and Average Pull Factors of Cities with Population 10,000 to 25,000 and 25,000 to 50,000
FY 1980 – 2012



SALES GAP ANALYSIS FOR PONCA CITY, OK

For purposes of this study, a sales gap analysis refers to a pull factor study that has been analyzed by SIC code for the 8 retail sectors. Sales gap coefficients may be interpreted in exactly the same manner as are pull factors. Gap coefficients and trade area capture values will also vary from previous years due to updated BEA and Census data. See Table 4 for Ponca City's sales gap analysis. Table 5 provides a detailed description of the 8 retail SIC categories.

For Ponca City's Building and Gardening Materials (SIC 52), the number of shoppers has grown between 2008 and 2012. Trade area capture peaked at 43,213 in 2012, up from 32,782 in 2008. Ponca City's current gap coefficient is 1.72 (see bottom half of Table 4). Therefore, in 2012, this sector captured the sales of a population equal to 172% of the local population's spending.

The category of General Merchandise (SIC 53) tends to be dominated by Wal-Mart and Target. These stores report all their sales under this category (even though it sells clothing, grocery items, etc. as well). In general, towns that have a Wal-Mart (especially a Wal-Mart Supercenter) will post sales gap coefficients that are greater than 1.0 for this category, and those that do not have a Wal-Mart will post sales gap coefficients that are less than 1.0. Ponca City has a Wal-Mart Supercenter, so it's not surprising that the sales gap coefficient was 1.71 in 2012. Interestingly, this sector has grown significantly since 2008.

Grocery stores (SIC 54) in Ponca City had a gap coefficient of 1.39 in 2012. Consumers tend to appreciate the convenience of shopping for groceries close to home; consequently, it is typical to find that even very small towns post high gap coefficients (over 1.0) for this sector.

SIC category 55 is difficult to interpret because motor vehicle and gasoline sales are exempt from municipal sales tax in Oklahoma. Most of the sales tax collection reported under

this category appears to stem from auto parts stores and other retail sales from gas stations. For instance, most gas stations sell snack items, tires, some auto parts, oil, anti-freeze, etc. Sales tax collections for Ponca City in this category indicate that these types of businesses attracted a number of shoppers equal to about 115% of the local population. This is down from the highest gap coefficient posted in this sector in 2010.

Apparel sales are reported under SIC 56. This sector has been relatively stable between 2009 and 2012. Ponca City's current gap coefficient in this sector is 1.03, suggesting it is capturing 103% of resident shoppers' spending. Most communities without a mall have sales gap coefficients less than 1.0 for this category. Ponca City appears to be meeting the Apparel needs of residents.

SIC 57 reports Furniture and Home Furnishings. Also included are appliance and electronics stores, drapery and floor covering stores, and music stores. In 2012, Ponca City posted a gap coefficient of 1.05 in this sector. This is an increase from 2011, when the gap coefficient was 1.00; 2012 represents the highest value reported. Because sales taxes are collected at the point of delivery and not the point of sales, it is easier for neighboring cities to collect the sales taxes on sales in this category; items delivered from Ponca City, therefore, lower its sales tax collection in this category.

Eating and Drinking Places, SIC 58, is one of the most straightforward retail sectors. It contains establishments such as restaurants and bars. Restaurants and bars in Ponca City captured 29,463 customers in FY 2012. Restaurants in Ponca City tend to attract a number of shoppers that is equal to about 117% of the town's population. This is an increase from 2011, though this gap coefficient has been above 1.0 for four of the years reported. Again, Ponca City's relative isolation and the variety of restaurants available there may be an attraction for rural

resident and an opportunity for growth in this sector. Additionally, sales at gas stations which house food services (e.g., Hunts Pizza or Subway within a gas station) may be reflected in SIC category 55, since business report all sales under one SIC category even when multiple goods and services are provided.

SIC 59, or Miscellaneous Retail, contains a host of retail activity, including pharmacies, florists, liquor stores, and antique stores. These are often the downtown or "Main Street" merchants. In 2012, Ponca City attracted 32,267 shoppers in this category, which is down from the highest value for the period shown in 2010; the corresponding gap coefficient for 2012 was 1.28. interestingly, 3 of the 5 years presented have all been nearly the same – around 32,500. It might be interesting to evaluate what services and goods in this category are available locally; such analysis could reveal additional opportunities for new goods and services in Ponca City.

Table 4
Retail Sales Gap Analysis by Standard Industrial Classification (SIC) Code for Ponca City, OK: Fiscal 2008-2012*

TRADE AREA CAPTURE	**2008**	**2009**	**2010**	**2011**	**2012**
Building, Gardening & Related Merchandise (52)	32,782	38,861	36,813	38,944	43,213
General Merchandise (53)	31,416	39,926	40,070	39,329	42,968
Food Stores (54)	27,647	35,427	34,028	33,859	34,991
Automobile Dealers & Gas Stations (55)	23,618	31,031	33,429	29,020	28,836
Apparel & Accessory Stores (56)	23,630	29,908	27,944	26,923	25,940
Furniture & Home Furnishings (57)	20,267	25,256	26,085	25,226	26,397
Eating & Drinking Places (58)	21,891	27,114	27,864	26,579	29,463
Miscellaneous Retail (59)	24,590	32,511	35,044	32,385	32,267
SALES GAP COEFFICIENT†	**2008**	**2009**	**2010**	**2011**	**2012**
Building, Gardening & Related Merchandise (52)	1.33	1.57	1.45	1.55	1.72
General Merchandise (53)	1.27	1.61	1.58	1.56	1.71
Food Stores (54)	1.12	1.43	1.34	1.35	1.39
Automobile Dealers & Gas Stations (55)	0.96	1.25	1.32	1.15	1.15
Apparel & Accessory Stores (56)	0.96	1.21	1.1	1.07	1.03
Furniture & Home Furnishings (57)	0.82	1.02	1.03	1	1.05
Eating & Drinking Places (58)	0.89	1.09	1.1	1.06	1.17
Miscellaneous Retail (59)	1	1.31	1.38	1.29	1.28

* Trade area capture and gap coefficients can vary from previous years due to updated BEA and Census data available.

† For purposes of this paper, when analyzed by SIC code, the pull factor is referred to as the sales gap coefficient.

Table 5
Types of Businesses Described by the Retail SIC Codes

52 Building Materials
- Lumber yards including home centers
- Paint and wallpaper stores
- Glass stores
- Hardware stores
- Retail Nurseries
- Lawn and garden supply stores
- Mobile Home dealers

53 General Merchandise Stores
- Variety stores
- Department stores
- Warehouse clubs
- General combination merchandise stores
- Gifts, novelties and souvenirs

54 Food Stores
- Grocery stores (Supermarkets)
- Convenience stores both with and without gasoline
- Meat and fish markets
- Fruit and vegetable markets
- Candy, nut and confectionery stores
- Dairy stores
- Retail Bakeries

55 Automotive Dealers and Gasoline Service Stations
- Motor vehicle dealers (new and used)
- Tire stores
- Auto supply stores
- Gasoline stations
- Boat dealers
- RV dealers
- Motorcycle dealers

56 Apparel and Accessory Stores
- Men and boys' apparel
- Women's apparel and accessories
- Children and infant's wear
- Family apparel
- Shoe stores
- Custom tailor and seamstresses

57 Furniture and Home Furnishings Stores
- Furniture stores
- Floor covering stores
- Drapery, curtains and upholstery stores
- Pottery and crafts made and sold on site
- Household appliance stores
- Radio and TV and consumer electronics stores
- Computer and computer software stores
- Record and prerecorded tapes stores
- Musical instruments stores

58 Eating and Drinking Places

59 Miscellaneous Retail
- Drug and proprietary stores
- Liquor Stores
- Used merchandise stores including antique stores and pawn shops
- Sporting goods stores
- Book stores
- Stationary stores
- Jewelry stores
- Hobby, toy, and game shops
- Camera and photographic supplies stores
- Luggage and leather goods stores
- Sewing, needlework, and piece goods stores
- Catalog and mail order sales (includes e-commerce stores)
- Vending machine operators and direct selling establishments
- Fuel oil dealers
- Bottled gas dealers
- Florists
- Tobacco Stores
- Newsstands
- Optical goods stores
- Cosmetic stores
- Pet and pet supply stores
- Hearing aid and artificial limb stores
- Art dealers
- Telephone and typewriter stores

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BUSINESS DEVELOPMENT STRATEGIES

Retail trade trends reflect the overall health of a local economy. All out shopping or sales leakage cannot be stopped. Often, larger economic trends (State-National-Global) overwhelm retail opportunities. There are programs and actions that can assist retail trade activities, however.

Concerned leaders and business persons can focus on business development by forming a business assistance committee to begin implementing some of the assistance activities or working with the existing chamber of commerce. The following activities are part of a retail trade improvement program. These activities can improve the climate for business and show the community's commitment to support local business.

1. Analyze the local business sector to identify needs and opportunities to be pursued by the program. Businesses often do not have the resources to study the economy (local, regional, and national) and how they fit in. They need practical data and analysis that will help in their individual business decision-making. In particular, economic analysis can identify voids in the local or regional market that can possibly be filled by expanding or new businesses. Examples of analysis include the pull factor analysis reported here, threshold analysis, and consumer surveys to identify needs and opportunities.

   In addition to economic analysis, information is needed on the needs or problems of individual businesses and of the business district as a whole. As needs are identified, action can be taken to improve the situation. For example, a business may need help in preparing a business plan to qualify for financing. Perhaps the appearance of buildings and vacant lots is detrimental to attracting people to the business district, or perhaps poorly coordinated store hours are a hindrance. Once these needs are identified, a business development

program can initiate action. A periodic survey of local business needs can form the basis of a business development program's work plan.

2. Provide management assistance and counseling to improve the efficiency and profitability of local businesses. Many local businesses are owner-operated, earn low profits, and have difficulty in obtaining financing. Businessmen often need additional education and training in improving business management skills like accounting, finance, planning, marketing, customer relations, merchandising, personnel management, or tax procedures. This assistance and counseling can be provided through seminars and one-to-one aid. Sources of assistance include the Service Corps of Retired Executives (SCORE), Small Business Development Center programs sponsored by the Small Business Administration, universities, technology centers, Oklahoma Department of Commerce, and the Cooperative Extension Service. The intent is to aid small businesses in becoming more competitive.
3. Assist new business start-up and entrepreneurial activity by analyzing potential markets and local skills and matching entrepreneurs with technical and financial resources. Establishing a business incubator is another way to assist new businesses. An incubator is a building with shed space or service requirements that reduce start-up costs for new businesses. Incubators have been successful in many locations but are not the right answer for every town. A successful incubator must have long-range planning, specific goals, and good management in order to identify markets and entrepreneurs.
4. Promote the development of home-based enterprises. Home-based work by individuals is increasing because of the flexibility offered and because in some areas, it may be the most realistic alternative. Home-based enterprises can include a great variety of full or part-time

occupations such as food processing, quilting, weaving, crafts, clothing assembly, mail order processing, or assembling various goods.

5. Provide assistance in identifying and obtaining financing. Small businesses often have difficulty obtaining long-term bank financing for expansion because they lack assets to mortgage, cannot obtain affordable terms or rates, or cannot present a strong business plan. A business development program can identify public loan programs and package them with private loans to make projects feasible.

6. Provide assistance in undertaking joint projects such as:

   - improved appearance;
   - improved management of the commercial area;
   - building renovation;
   - preparation of design standards;
   - joint promotions and marketing;
   - organizing independent merchants;
   - special activities and events;
   - fund raising;
   - improved customer relations;
   - uniform hours of operation.

   Undertaking these projects requires cooperation, good organization, and efficient management. These projects can improve a business district's competitive position and attract new customers. The Oklahoma Main Street Program provides many good examples of towns working together for economic revitalization. The Main Street Program,

developed by the National Trust for Historic Preservation, is built around the four points of organization, design, promotion, and economic restructuring.

7. Develop a one-stop permit center. There is great deal of red tape involved in starting a business including registering a name, choosing a legal form, and determining what licenses, permits, or bonds are needed. Other concerns include internal revenue service requirements, unemployment insurance, sales tax permits, and state withholding taxes. Having this type of information available in one location will make life easier for potential businesses.
8. Involve active organizations and the media. Groups such as the chamber of commerce, civic clubs, etc. can encourage a healthy business climate. The local media can also support small business and aid in developing awareness of the importance of local business.

SUMMARY

This report has presented an analysis of taxable sales trends for the city of Ponca City. The level of taxable sales in Ponca City has increased significantly in nominal terms since 1980. After correcting for inflation, taxable sales have decreased since 2002. Ponca City's trade area capture has generally decreased since 1999. Ponca City experienced the highest calculated pull factor in 1999 at 1.54; it has since declined to 1.23. In addition to the different trends in sales, Ponca City's population has declined slightly between 1980 and 2012.

When examining the sector-level gap coefficients, Ponca City showed tremendous strength in Building, Gardening and Related Merchandise; General Merchandise; Food Stores; and Miscellaneous Retail. These four sectors are likely driven by Ponca City's location, being the largest, centrally located (but isolated from communities of similar size) city in Kay County. Ponca City also does reasonably well in Eating and Drinking Places; Automobile Dealers and Gas Stations; Furniture and Home Furnishings; and Apparel and Accessory stores in meeting the needs of residents. The city might consider additional data analysis (such as threshold analysis) or conducting a resident survey to identify new business opportunities that are complementary to the strongest sectors.

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