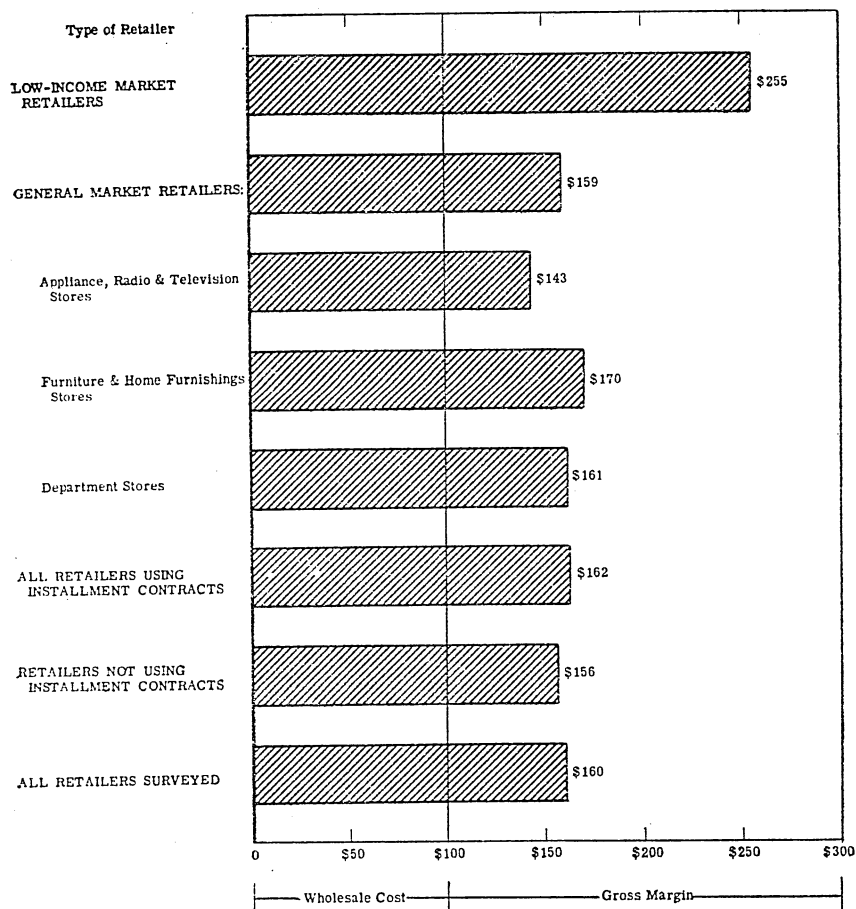




Source: FTC Survey.

FIGURE II-1.—Average selling price, assuming \$100 wholesale cost, by type of retailer.

General market retailers that used no installment contracts were also contacted in the survey and their gross margins, as indicated in table II-1, did not differ significantly from the average for general market retailers as a whole. One appliance, radio, and TV dealer, who sold on a strictly cash basis, reported a gross margin of 7.2 percent. This meant that any appliance selling at wholesale for \$100 was resold at retail for only \$107. This case is very exceptional, of course.

A number of substantial general market furniture stores reported that they relied on revolving credit accounts and used no installment contracts. The gross margins of these retailers were somewhat higher than those that used installment contracts, averaging 46.6 percent of sales. Likewise, there were three department store companies that reported no installment contract sales, employing