

TABLE II-3.—AVERAGE RETAIL PRICES OF DISTRICT OF COLUMBIA RETAILERS ON BEST-SELLING ITEMS OF APPLIANCES AND FURNITURE IN 1966, ASSUMING WHOLESALE COST OF \$100 FOR EACH ITEM ¹

Merchandise item	Average retail price assuming \$100 wholesale cost of—			
	Low-income market retailers	General market retailers		
		Appliance stores ²	Furniture stores ²	Department stores
Television set.....	\$187	\$131	\$140	\$134
Carpet.....	200	---	160	150
Refrigerator.....	202	132	133	153
Washing machine.....	204	133	148	155
Stereophonograph.....	211	149	157	153
Freezer.....	216	133	---	151
Dryer.....	217	135	138	160
Furniture.....	228	---	190	202
Vacuum cleaner.....	237	136	143	157
Radio.....	250	130	161	139
Sewing machine.....	297	196	---	174

¹ These are cash prices and do not reflect separately imposed finance charges.

² Appliance and furniture stores have been classified on the basis of their principal merchandise lines. Furniture stores carry appliances as a substantial secondary merchandise line, and for this reason average "retail prices" of appliances sold by furniture stores are included in this table.

Source: Calculated from average gross margins in table II-2, FTC survey.

The striking differences between the low-income market and the general market perhaps may best be illustrated by a comparison of prices for similar (in some cases identical) products. Table II-4 matches similar makes and models of appliances sold by low-income market retailers as well as general market retailers. Not all of the products shown are identical models, but the similarity in wholesale costs suggests that the comparisons are valid. It should be pointed out that in a great many cases low-income market retailers simply did not carry the same lines of products as general market retailers. As a result, in most instances price comparisons could not be made. While table II-4 illustrates extreme differences, it should be remembered that the retailers themselves reported prices for their two *best-selling* models in each product category. These comparisons were not made by researchers poking around in dusty corners of stores looking for grossly overpriced or mismarked items rarely sold. They are based on the retailers' own reported prices.

TABLE II-4.—COMPARISON OF REPORTED WHOLESALE AND RETAIL PRICES FOR BEST-SELLING PRODUCTS, LOW-INCOME MARKET AND GENERAL MARKET RETAILERS

Products	Wholesale cost		Retail price ¹	
	Low-income market retailer	General market retailer	Low-income market retailer	General market retailer
Television sets:				
Motorola portable.....	\$109.00	\$109.50	\$219.95	\$129.95
Philco portable.....	108.75	106.32	199.95	129.95
Olympic portable.....	² 90.00	85.00	249.95	129.95
Admiral portable.....	94.00	91.77	249.95	129.99
Radio: Emerson.....	16.50	16.74	39.95	25.00
Stereo: Zenith.....	32.99	32.99	99.95	36.99
Automatic washers:				
Norge.....	144.95	140.00	299.95	155.00
General Electric.....	183.50	160.40	339.95	219.95
Dryers:				
Norge.....	80.00	87.00	249.95	102.45
General Electric.....	206.90	205.00	369.95	237.76
Admiral.....	112.00	115.97	299.95	149.95
Vacuum cleaners:				
Hoover upright.....	39.95	39.95	79.95	59.95
Hoover canister.....	26.25	24.55	49.95	28.79

¹ Retail prices are cash and do not include separately imposed finance charges.

² Reported as approximate wholesale cost.

Source: FTC survey.