

SIZE AND TYPE OF BUSINESS ENTERPRISES

With far fewer stores, Arvin merchants have a larger average volume of business—\$40,000 worth of business in Arvin against \$31,000 business in Dinuba. Table 41 shows the distribution of retail enterprises by size categories of total sales. The distributions do not vary greatly, although the proportion of units under \$10,000 total sales is greater in Dinuba, but above that figure is greater in Arvin. If, however, we analyze enterprises by estimated pecuniary strength, according to the Dun & Bradstreet ratings, we find a reversal of this situation. Seventy percent of the Arvin units have a rating of less than \$2,000, against 45 percent in Dinuba (table 42). Though there are certain differences in the selection of enterprises in the two sources of data, over 90 percent of the cases refer to the same enterprises. This relationship is shown in figure 19. The bar charts show the high proportion of business enterprises in Arvin which have high gross cash sales and the low proportion which have high capital investments. In Dinuba, on the other hand, the correspondence between sales and capital investments is quite close. One inference from this chart is that the return to the entrepreneur on the basis of investment in the enterprise is higher in Arvin than in Dinuba. From the social point of view, however, an even more important fact emerges from this relationship. The Arvin merchant has a low financial investment in the community, which results in a generally low interest in the affairs and the welfare of the community. This is the statistical corroboration of the statement made by one Arvin merchant who said that the businessman in Arvin does not invest in his enterprise for permanence, but endeavors to make a "killing" and get out. It is also reflected in the generally poorer quality of structures in the business district.

Another key to the nature of the business enterprise is derived from the kinds that are found, and their relative numbers. These data are presented in table 40, and can be summarized here. Enterprises selling food and automobile supplies are the two major kinds in Arvin and together comprise about half of all retail stores. These categories are important in Dinuba, but home-furnishing stores are second to automotive enterprises, and agricultural suppliers third.

Only five units are engaged in selling clothing, household goods, and building materials (9 percent) in Arvin, against 35 such units (25 percent) in Dinuba. On the other hand, the number of liquor sellers is the same in both communities, but percentwise make up a much greater proportion in Arvin than in Dinuba. As already indicated, the liquor sales places apparently do a larger total proportion of their business in the sale of liquor and alcoholic drinks, and less in the sale of food than these stores do in Dinuba.