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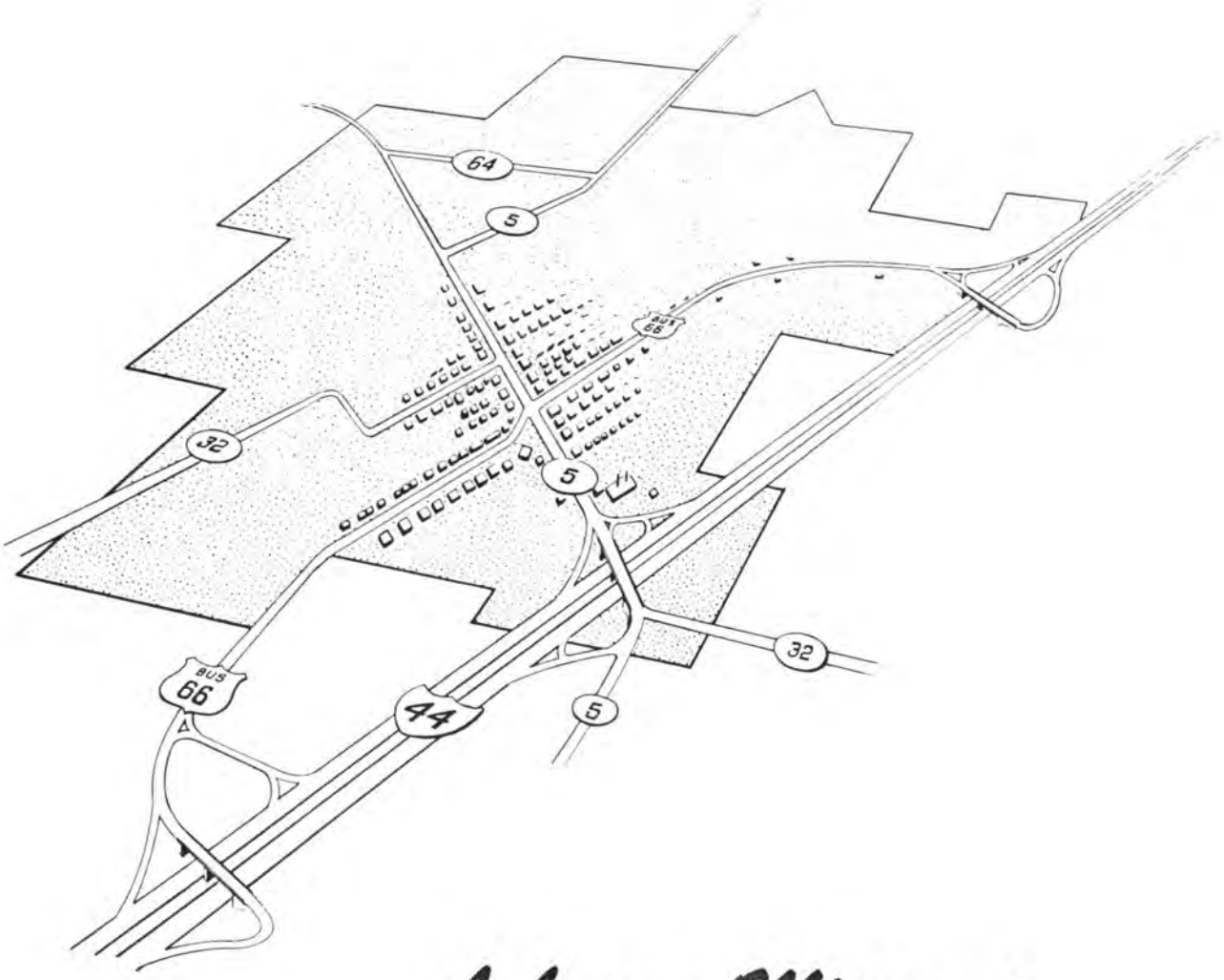
Economic Effects of an Interstate Highway Bypass



Lebanon, Missouri

Return to Traffic File

ECONOMIC EFFECTS OF AN INTERSTATE HIGHWAY BYPASS
LEBANON, MISSOURI

BY

MISSOURI STATE HIGHWAY DEPARTMENT

DIVISION OF HIGHWAY PLANNING

IN COOPERATION WITH

U.S. DEPARTMENT OF COMMERCE

BUREAU OF PUBLIC ROADS

TABLE OF CONTENTS

Description of Lebanon 5

Summary 7

Introduction 10

Plan of Study 14

Analysis of Findings 16

The National Economy 16

Lebanon and Laclede County 17

Business Route 66 27

Appendix 37

LIST OF TABLES

TABLE

I Consumer Price Index 15

II Gross National Product 16

III National Average Monthly Employment 17

IV Population - Lebanon and Laclede County 18

V Public School Enrollment-
Lebanon and Laclede County 19

VI Passenger Car Registrations - Laclede County 20

VII Postal Receipts - Lebanon 20

VIII Kilowatt-Hours Consumed - Lebanon 20

IX Telephones and Electric Meters in
Service - Lebanon 21

X Laclede County Wages 23

XI Fort Leonard Wood Personnel 23

XII Bypass Corstruction Workers 24

APPENDIX TABLE

A-1 Business Route 66 Firms 38

A-2 National Average Monthly Employment 39

A-3 Annual Gross Sales - Business Groups
Along Business Route 66 40

LIST OF ILLUSTRATIONS

FIGURE

1 Location Map - Lebanon and Laclede County 6

2 Aerial View of Lebanon and Interstate Route 44 Bypass 9

3 Traffic Flow Map - Before Bypass Opened to Traffic 12

4 Traffic Flow Map - After Bypass Opened to Traffic 13

5 Gross National Product 16

6 Laclede County Employment 22

7 Annual Retail Sales - Lebanon, Laclede County and Missouri 25

8 Retail Sales, "Before" and "After" - Lebanon and Laclede County 26

9 Gross Sales - All Businesses Along Business Route 66 28

10 Indices of Gross Sales - Manufacturing and Processing and General Merchandise Groups 30

11 Indices of Gross Sales - Automotive and Impulse Goods Groups 31

12 Indices of Gross Sales - Lodging and Restaurant Groups 33

13 Indices of Gross Sales - Service Station Group 34

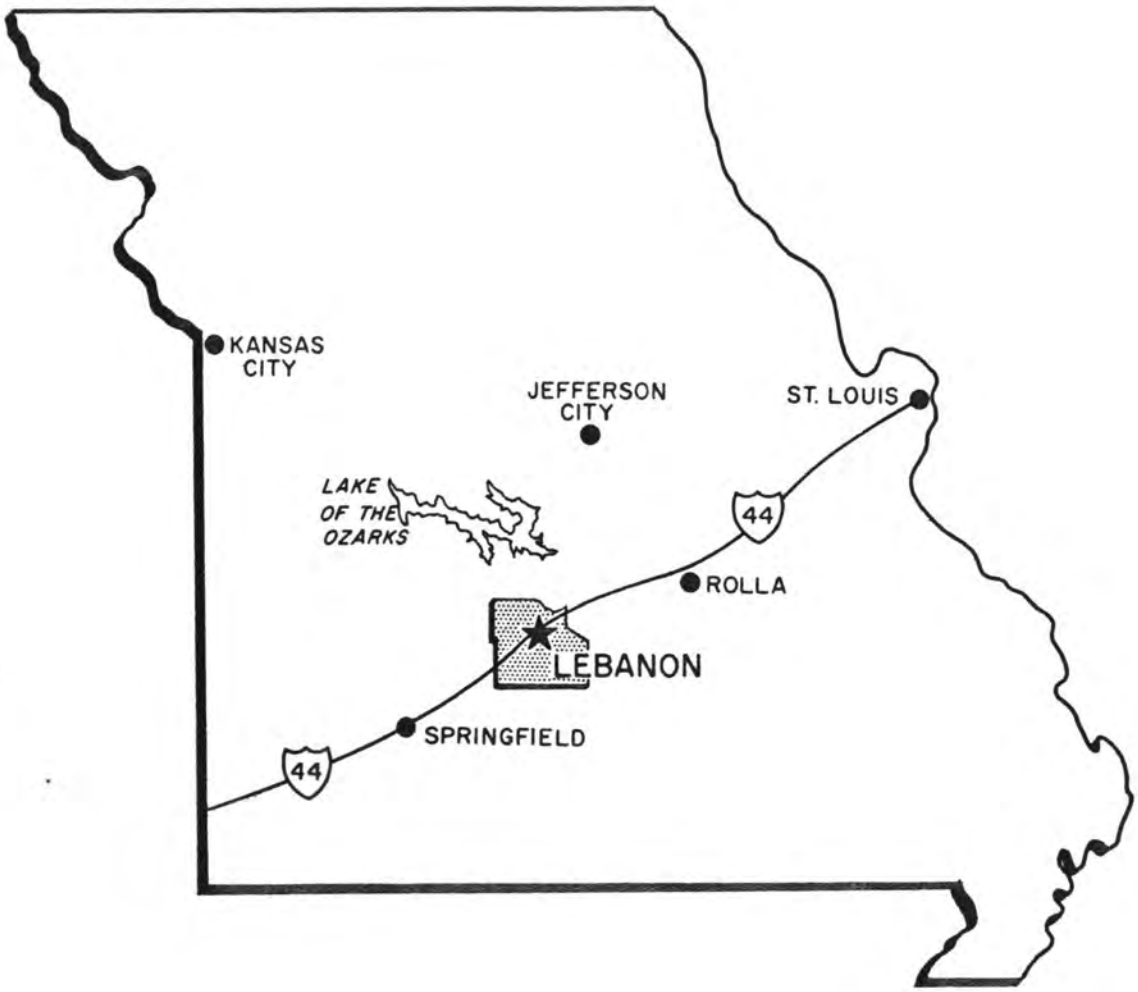
14 Gross Sales, "Before" and "After"- All Businesses Along Business Route 66 35

DESCRIPTION OF LEBANON

Lebanon, Missouri is a city of 8,220 people located on U.S. Route 66 (Interstate Route 44) about 53 miles northeast of Springfield, 30 miles south of the Lake of the Ozarks and 35 miles southwest of Fort Leonard Wood. It is also the largest city between Rolla, 56 miles to the northeast, and Springfield. In addition to highway transportation, Lebanon is served by the St. Louis and San Francisco Railroad.

Lebanon is the county seat and principal trade center of Laclede County. In addition, there are many small manufacturing and processing plants located in Lebanon. Some of the items produced are: furniture, small machine tools, metal products and dairy products.

Outside of Lebanon, the economy of Laclede County depends primarily on agricultural activity. Crops grown include corn, wheat, lespedeza, small grain, soybeans, sargo and hay crops. In addition to crop growing, there is considerable dairy and poultry activity in the county.



LOCATION MAP

LEBANON **LACLEDE COUNTY**

FIGURE I

SUMMARY

The purpose of this study was to determine the effect on the economy of Lebanon, Missouri, when it was bypassed by a controlled access highway carrying approximately 6,000 vehicles per day.

To help evaluate the economic climate of Lebanon and the effect of the bypass, trends of national economy along with the trends of the economy of Lebanon before and after the opening of the bypass were studied. The bypass effects on business have been measured in terms of changes in city and county retail sales, and by changes in the gross sales of businesses on the old route.

A review of the survey findings shows that gross retail sales did drop in the city and county in the year following the opening of the bypass. The next year, however, sales rose rather rapidly and it was concluded that the recession of 1957-58 had played a large part in the downswing of the areawide sales. Total sales on the old route also dipped after the bypass was opened, then climbed more rapidly than city-wide sales. The rapid increase was due largely to the establishment of several high volume businesses along the old route. It cannot be denied, however, that some traffic sensitive firms, especially gasoline service stations, were hurt by the removal of through traffic.

The analysis of all data collected and tabulated for the period of the study indicated:

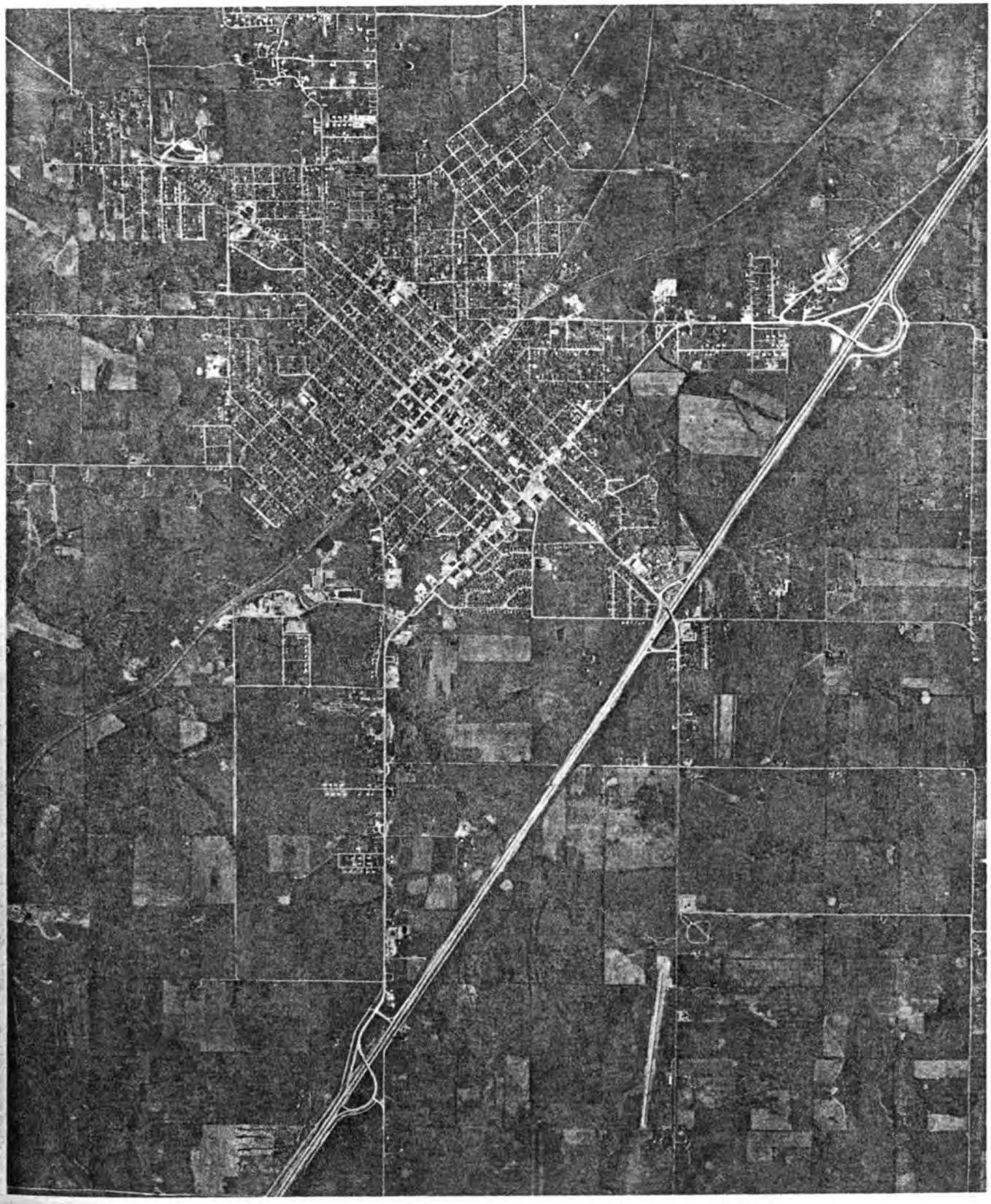
1. The economy of Lebanon and Laclede County was probably affected adversely during a portion of the study period by the recession of 1957-58.

2. Although the opening of the bypass may have accelerated the downward sales trend during the recession, it seems to have had no permanent ill effect on the economy of the city. The growth trend existing prior to the opening was continued in 1959 at an increased rate, indicating an expanding economy.

3. Total gross sales on Business Route 66 have been favorably affected. This condition has resulted from the establishment along the old route of several high volume businesses not dependent on cross country traffic for their sales.

4. Only two of the three groups showing net sales losses for the two and one-half years following the bypass opening can logically charge their losses to the removal of through traffic from the old route. These are the Restaurant-Tavern and Service Station groups. The Automotive group experienced a loss due, primarily, to other reasons.

5. The removal of through traffic from Business Route 66 has strengthened the trend for the area served by this facility to develop a business and industrial district which will add to the economic health of the city. The appearance of new and remodeled business establishments of various types indicate that this area is continuing to grow. From the standpoint of local conditions, the separation of through traffic from the local traffic on the old route has improved facilities for parking and shopping and will add to the attractiveness for establishment of business enterprises.



AERIAL VIEW OF LEBANON AND INTERSTATE ROUTE 44 BYPASS.

FIGURE 2

INTRODUCTION

The routing of through highway traffic over city streets has been one of the major causes of traffic congestion in urban areas. Early attempts to correct this situation resulted in the construction of non-controlled access highways on the outskirts of cities, which soon expanded and engulfed the new bypasses. The bypasses became excellent business locations for establishments providing goods and services for the highway traveler, and as time progressed many other developments which were not primarily concerned with highway traffic also began to locate on the bypasses. These developments gradually changed the highways from bypasses to city streets.

To avoid a repetition of this situation in the construction of the Interstate System, the Congress specifically stated in the Federal Aid Highway Act of 1956 that the Interstate System was to have fully controlled access, and stipulated that no commercial establishment serving motor vehicle users shall have direct access to interstate highways. The highway user has thus been assured that the Interstate System will be free of hazards and congestion resulting from free highway access.

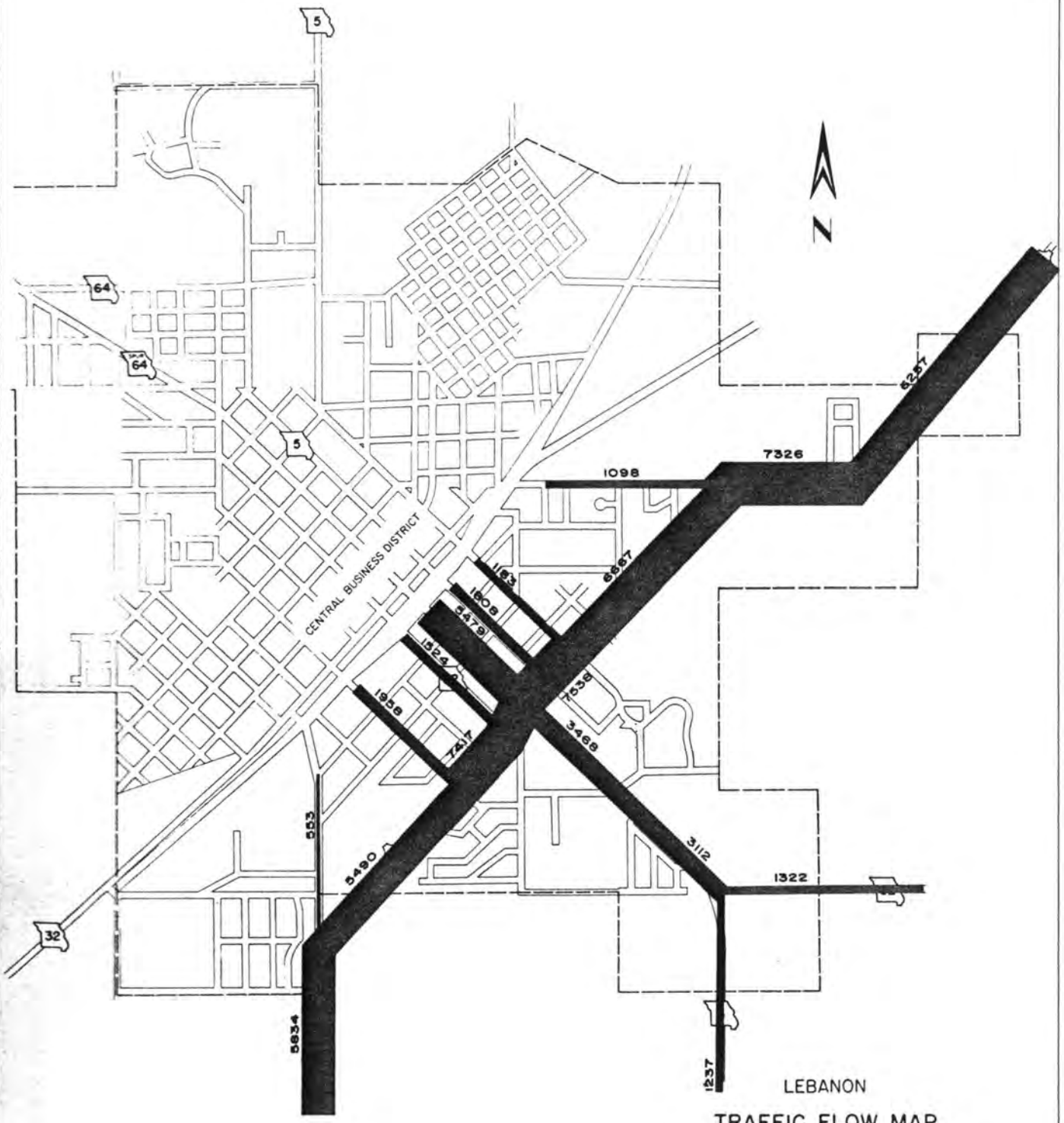
A newly completed portion of Interstate Route 44, bypassing the City of Lebanon, Missouri, was opened to traffic on August 8, 1957. This greatly decreased the flow of through Route 66 traffic over Elm Street in Lebanon. Elm Street, hereafter referred to as Business Route 66, was originally constructed by the Missouri State Highway Commission as an integral part of U.S. Route 66. As the years passed the combination of city and through traffic created considerable congestion. Thus, when it was established that Interstate Route 44 would generally follow U.S. Route 66, a fully controlled access bypass around Lebanon was of prime importance.

Unquestionably the separation of local and through traffic offers numerous advantages to the motoring public. However, the fear has developed in many communities that the local economy would be adversely affected by a bypass which would remove through traffic from the city streets.

The period investigated for this study covered the calendar years 1955 through 1959. Although the bypass was opened to traffic on August 8, 1957, the "before and after" periods were measured from July 1, 1957. This was done because retail sales reports and other statistics vital to this study were available only by quarters. Therefore, the "before" and "after" periods each covered two and one-half years.

Figures 3 and 4 have been prepared to illustrate the changes in traffic patterns resulting from the opening of the new bypass. Significantly, the combined traffic of the old route and the new bypass in 1960 is a far greater quantity than would have been expected had the bypass not been constructed. Although 6,000 or more vehicles have been diverted, traffic on Business Route 66 is still heavy in the vicinity of Highway 5.

The intersection of Highway 5 with Business Route 66 is the center of business activity along the old route. Much of the traffic in this area is local in character. Away from this principal intersection, traffic has been reduced by as much as 50 percent.



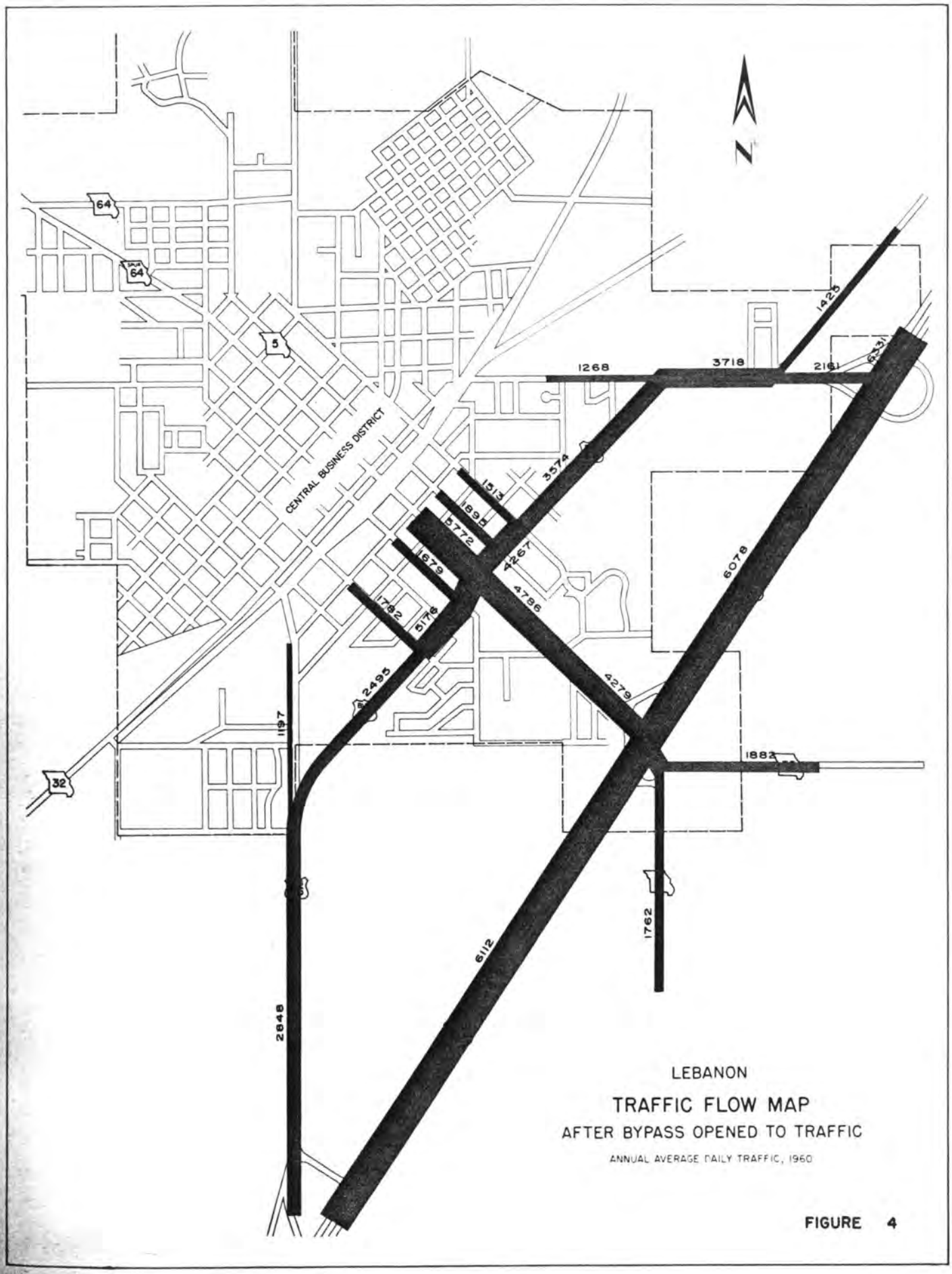
LEBANON

TRAFFIC FLOW MAP

BEFORE BYPASS OPENED TO TRAFFIC

ANNUAL AVERAGE DAILY TRAFFIC, 1957

FIGURE 3



LEBANON

TRAFFIC FLOW MAP

AFTER BYPASS OPENED TO TRAFFIC

ANNUAL AVERAGE DAILY TRAFFIC, 1960

FIGURE 4

PLAN OF STUDY

The economic effects of the bypass on the study area have been evaluated primarily by a "before" and "after" comparison of economic indicators, such as retail sales and gross sales. The information for this study was obtained by direct contact with individual business men and city officials, and was supplemented by statistics from various state agencies. Additional information has also been obtained through the use of publications of the State and Federal governments.

The difficulty of "pinpointing" the net economic effects caused by the construction of a bypass is recognized immediately in attempting a study of this type. So many factors affect the economy of any given area that it is not logical to assume all the economic changes are due to a highway relocation. Therefore, all available sources of information which shed light on the economic life of an area during the study period must be examined.

To study the economic climate of Lebanon and Business Route 66, the investigation has been made in three parts. First, a brief review of the effects of certain phases of the national economy upon the area. Second, a study of the economy of Lebanon and Laclede County. Since Lebanon is the dominant urban area and trade center of Laclede County, the behavior of Laclede County's economy can be expected to be closely interrelated with the economy of Lebanon. Third, a study of the growth or decline of the area along Business Route 66.

In order to evaluate the economic impact of the highway bypass on businesses located on Business Route 66, activity on the old highway was investigated. The firms located along Business Route 66 were divided into seven groups.

1. Manufacturing and Processing
2. Retail Outlets - General Merchandise
3. Automotive Group - New and Used Automobiles, Parts, Accessories and Tires.
4. Retail Outlets-Impulse Goods-Stores normally selling sundries, souveniers, etc., although only liquor stores are involved on Business Route 66.
5. Motels, Hotels and Trailer Courts
6. Restaurants and Taverns
7. Gasoline Service Stations

Some business groups would not be affected by the decreased traffic volume, while some would gain and others would lose. The above listing has been made in the expectation that the benefits would decrease and adverse effects would increase in the order in which they are listed, with the gasoline service station group suffering the most.

A tabulation of the number of businesses in each group, by years, is given in the Appendix, Table A-1.

Sales figures and indices have not been adjusted to reflect inflationary changes. An inspection of the following changes in the Consumer Price Index shown in Table I indicates that the value of the dollar decreased during the years 1955 to 1959. However, there has been no attempt to adjust the retail sales figures used in this study.

TABLE I
CONSUMER PRICE INDEX

Year	Index (1947-49 = 100)
1955	114.5
1956	116.2
1957	120.2
1958	123.5
1959	124.6

Source: U.S. Department of Labor, Bureau of Labor Statistics

ANALYSIS OF FINDINGS

The National Economy 1955-59

A brief look at the national economy during the study period will help in understanding the economic climate in Lebanon and Laclede County.

It will be noted in Table II that the adjusted gross national product shows an increase over the previous year in 1956 and 1957. While 1958 brought a slight increase over 1957 in terms of unadjusted dollars, the actual output of the nation decreased during this interval, as evidenced by the decline in terms of constant 1954 dollars. The nation then experienced a rapid economic recovery beginning in mid 1958 and carrying through 1959. This decline and recovery is readily visible in Figure 5.

TABLE II

GROSS NATIONAL PRODUCT
(In Billions)

	Unadjusted Dollars	Constant 1954 Dollars
1955	397.5	392.7
1956	419.2	400.9
1957	442.8	408.6
1958	444.2	401.0
1959	482.1	428.0

Source: U.S. Department of Commerce, Office of Business Economics, Survey of Current Business, July 1960

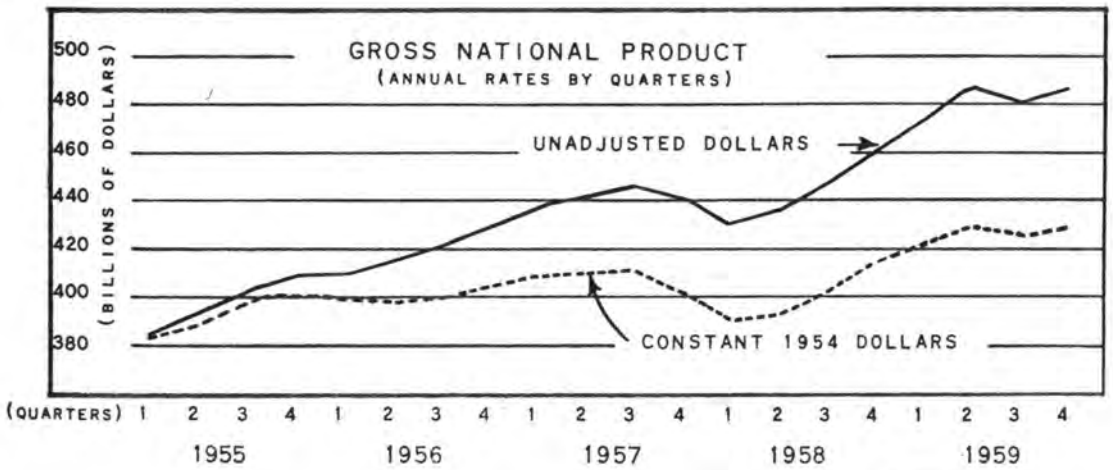


FIGURE 5

The recession of 1957-58 is also clearly reflected in Table III, which shows national average monthly employment. Due to the recession, which started late in 1957, the average monthly employment in 1957 is only slightly higher than that of 1956. Average monthly employment during 1958 was lower than the 1956 level. In 1959, average employment was higher than at any time in the previous four years.

TABLE III
NATIONAL AVERAGE MONTHLY EMPLOYMENT
(In Thousands)

1955	63,193
1956	64,979
1957	65,011
1958	63,966
1959	65,582

Source: Survey of Current Business, July 1960.

A more complete picture of the recession's effect on employment can be obtained by studying appendix Table A-2, which shows average employment by months for the study period.

Although it is difficult to pinpoint the beginning and the end of the recession, it is fair to say that it began in late 1957 and continued into late 1958. However, it appears that the economy of the nation had expanded by 1959 to the rate of growth that had existed in 1955.

Lebanon and Laclede County

Highways are certainly important to the economy of any area. The traffic they carry is not, however, the only factor which causes business activity to go up or down. In attempting to evaluate the economic effects of the interstate bypass on Lebanon, the local economy should be examined for evidence of the influence of other factors. The national recession of 1957-58 is reflected locally in retail sales and in employment. Perhaps other factors have also combined to produce an effect on the area's economy which cannot be attributed to the new bypass.

This analysis will examine as many factors as possible in an effort to evaluate the effect of the bypass on businesses along Business Route 66, and on the city as a whole. Unfortunately, some data were available only on a county-wide basis, while other information was obtainable only at the city level. However, since Lebanon is the dominant city in Laclede County, the city and county should be interdependent for all of the economic indicators used in this analysis.

Since its founding in October, 1848, Lebanon has shown an ever increasing tendency to become the dominant trade center of Laclede County. The population figures of Table IV prove this point rather clearly. In the past thirty years, this city has experienced a population increase of 131 percent, while the county as a whole can show only sixteen percent net gain. In fact, the county, excluding Lebanon, suffered a population loss of sixteen percent during this period. By 1960 almost half of the total county population was concentrated in Lebanon.

TABLE IV

POPULATION - LEBANON AND LACLEDE COUNTY

	Lebanon	Index	Laclede Co.	Index	Percent City
1930	3562	100	16,320	100	21.8
1940	5025	141	18,718	115	26.8
1950	6808	191	19,010	116	35.8
1960	8220	231	18,991	116	43.3

Source: U.S. Department of Commerce, Bureau of the Census

The fact that Laclede County lost a small portion of its population over the past ten years is not unusual. In fact, 83 of the 114 counties in Missouri have experienced a decrease in population since the 1950 census.

Since a year-by-year estimate of population during the period 1955-59 was not available, another indicator was used. Because of its relation to population, school enrollment is an indicator of population trends. Table V reflects the ten year trend in enrollment in the area's schools.

TABLE V

PUBLIC SCHOOL ENROLLMENT-LEBANON AND LACLEDE COUNTY

School Year	Lebanon	Index	"Rural"	Index	Laclede Co.	Index
1949-50	1958	100	2412	100	4370	100
50-51	2108	108	2417	100	4525	104
51-52	2163	110	2299	95	4462	102
52-53	2171	111	2239	93	4410	101
53-54	2289	117	2072	86	4361	100
54-55	2362	121	2060	85	4422	101
55-56	2450	125	2047	85	4497	103
56-57	2555	130	2084	86	4639	106
57-58	2574	131	1953	81	4527	104
58-59	2663	136	1853	77	4516	103

Source: Missouri State Department of Education

It is seen that the total county enrollment remained fairly constant throughout the period, while city enrollment rose even more than the ten-year increase in population (twenty-one percent). The difference in growth rates may be explained by a difference between school district and census boundaries. However, it is the trend, rather than exact numbers, which is important. Enrollment in the city schools showed a steady gain throughout the ten-year period, indicating a corresponding increase in population. The shift from rural to urban areas is again plainly visible.

Passenger car registration in Laclede County provides a futher insight into the economy. The data of Table VI indicate an apparent leveling off in passenger vehicle registrations in 1957-58. This trend, coupled with the almost surprising increase in 1959, indicates that there was less money to be spent for automobiles in the 1957-58 period. The rather large increase in registrations in 1959 was typical of the state-wide trend.

TABLE VI

PASSENGER CAR REGISTRATIONS-LACLEDE COUNTY

	Registrations	Index
1949	4632	100
1950	4990	108
1951	5082	110
1952	5122	111
1953	5389	116
1954	5130	111
1955	5290	114
1956	5555	120
1957	5571	120
1958	5531	119
1959	5971	129

Source: Missouri State Highway Department

Table VII gives postal receipts for the year 1955-59. A definite decrease in postal activities is reflected in the receipts for 1957-58. The year 1959 shows a decided upswing in receipts of the city post office.

TABLE VII

POSTAL RECEIPTS-LEBANON

	Receipts	Index
1955	$111,114	100
1956	115,481	104
1957	115,731	104
1958	112,021	101
1959	136,596	123

Source: Postmaster, Lebanon, Missouri

Another measure of the activity of the area can be found in the number of kilowatt-hours of electricity consumed by subscribers of the municipally owned electric company.

TABLE VIII

KILOWATT-HOURS CONSUMED-LEBANON

	KW-HR	Index
1955	16,927,000	100
1956	17,580,000	104
1957	18,897,000	112
1958	19,667,000	116
1959	21,422,000	127

Source: Lebanon Municipally Owned Electric Company

The number of phones and electric meters in service in Lebanon during the five-year period is shown in Table IX. Although there was a continuous increase in each, the telephone growth rate did decrease in 1958.

TABLE IX

TELEPHONES AND ELECTRIC METERS IN SERVICE - LEBANON

	Telephones[1]	Index	Electric Meters[2]	Index
1955	2937	100	3044	100
1956	3127	106	3066	101
1957	3225	110	3131	103
1958	3273	111	3186	105
1959	3520	120	3220	106

Source: 1 Missouri Public Service Commission
2 Lebanon Municipally Owned Electric Company

In the absence of a more direct measure of personal income, employment figures were studied.

Figure 6 shows how employment fluctuated in Laclede County during the years 1956-1959. This graph is based on the total number of workers covered by unemployment insurance. Prior to 1956, those firms employing eight or more persons were required to report employment and pay unemployment insurance to the Division of Employment Security, State of Missouri. Since 1956, all firms with four or more employees have been required to participate. In addition, some businesses having less than four employees have also elected to be covered by this program and are included in all data presented here.

It must be emphasized that the data of Figure 6 do not represent "total" employment in Laclede County, and that the number of employed persons was undoubtedly above that which was covered by unemployment insurance. Data could not be obtained for those people working for businesses employing less than four persons, and for the self-employed. Nevertheless, the "covered" segment of the working population represents a significant portion of "total" employment.

LACLEDE COUNTY EMPLOYMENT

COVERED BY UNEMPLOYMENT INSURANCE

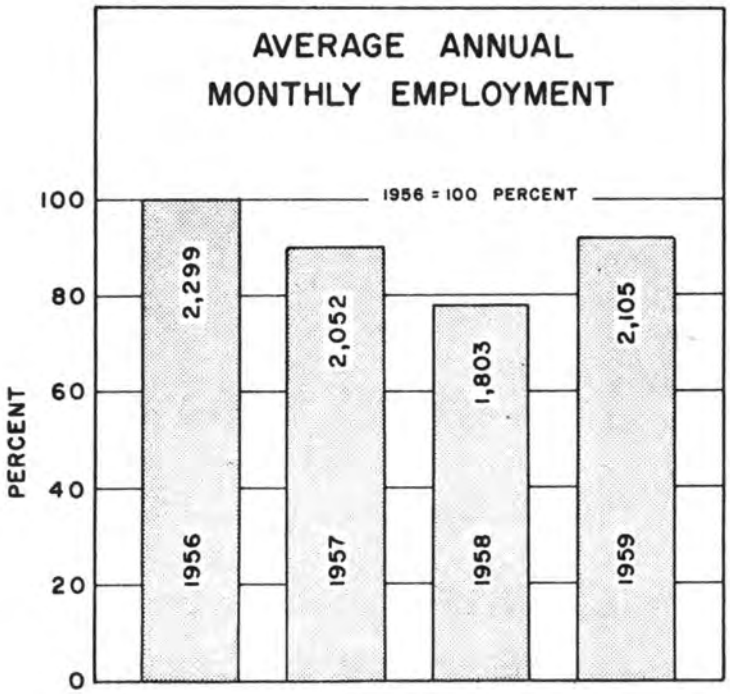


FIGURE 6

Total wages paid to those workers covered by unemployment insurance during the period 1956-59 is tabulated in Table X. Clearly, there was a decrease in income paralleling the decrease in employment. Total wages paid to this group reached a low in 1958, and surpassed the 1956 total in 1959.

TABLE X

TOTAL WAGES PAID TO LACLEDE COUNTY
WORKERS COVERED BY UNEMPLOYMENT INSURANCE

	Wages	Index
1956	$5,473,176	100
1957	5,282,088	96
1958	5,050,497	92
1959	6,000,112	110

Source: Division of Employment Security, State of Missouri

Finally, two other factors affecting the employment and income of Laclede County residents were checked. Although Fort Leonard Wood is located approximately 35 miles northeast of Lebanon in the adjacent county, it was felt that any major changes in the total number of civilian and military personnel assigned to the post might affect the volume of dollars spent in Laclede County. However, when the post manpower level at the fort was checked, it proved to be relatively stable, as shown in Table XI.

TABLE XI
FORT LEONARD WOOD PERSONNEL

	Average Total Personnel
1955	31,000
1956	30,000
1957	33,000
1958	34,000
1959	35,000

Source: Adjutant General's Office, Fort Leonard Wood

The number of workers involved in the actual construction of the bypass is shown in Table XII. Since many of these workers were in the area only during the construction period, they no doubt had a slight inflationary effect on the "before" period of the retail sales study. Unfortunately, this effect cannot be identified and removed.

TABLE XII

BYPASS CONSTRUCTION WORKERS

	1956	1957
January	-	6
February	-	10
March	-	12
April	-	15
May	3	69
June	3	114
July	3	106
August	13	49
September	103	17
October	136	9
November	111	4
December	74	-

Source: Missouri State Highway Department

The assumptions that may be drawn from the foregoing discussion of employment and wages are that total personal income in Laclede County decreased during the recession of 1957-58, and that Lebanon, as the population and business center of the county, should have suffered by this decrease in personal income. These assumptions may be verified by reviewing retail sales in Lebanon and Laclede County during the study period.

Figure 7 shows that a decrease in retail sales did occur in Lebanon and Laclede County during the recession period. While the decrease in sales volume followed the opening of the new highway bypass, it would be improper to blame the entire business loss on the bypass. In fact, when Lebanon retail sales are subtracted from the county totals an even greater decrease in business activity in the county is noted. Outside of Lebanon, the county remained static in 1956 and decreased in 1957 and 1958. Obviously, bypassing the City of Lebanon should have had little effect on the sales volume elsewhere in the county. Admittedly, the bypass did affect certain business establishments in Lebanon, but these will be discussed in later paragraphs.

Evidence that the highway bypass did no permanent damage to Lebanon is strong. Since the recession, retail sales have shown good gains. The 1959 retail sales in Lebanon were about 33 percent above the 1955 level. When the two and one-half year period following the opening of the bypass is compared to a like period preceding the opening, as in Figure 8, substantial gains are noted.

ANNUAL RETAIL SALES
ALL BUSINESS

FROM 1955 TO 1959
SHOWN AS A PERCENTAGE OF 1955

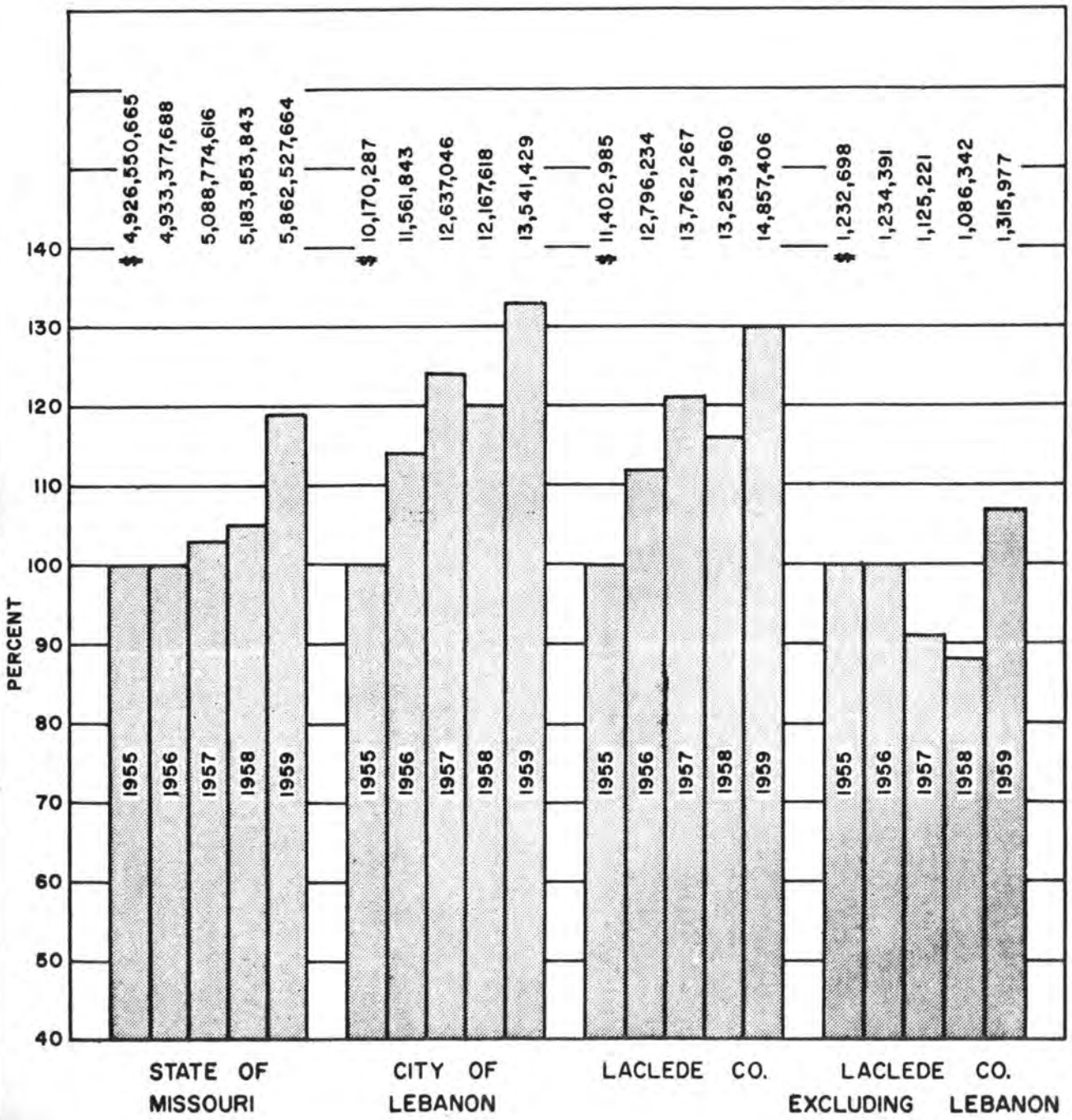


FIGURE 7

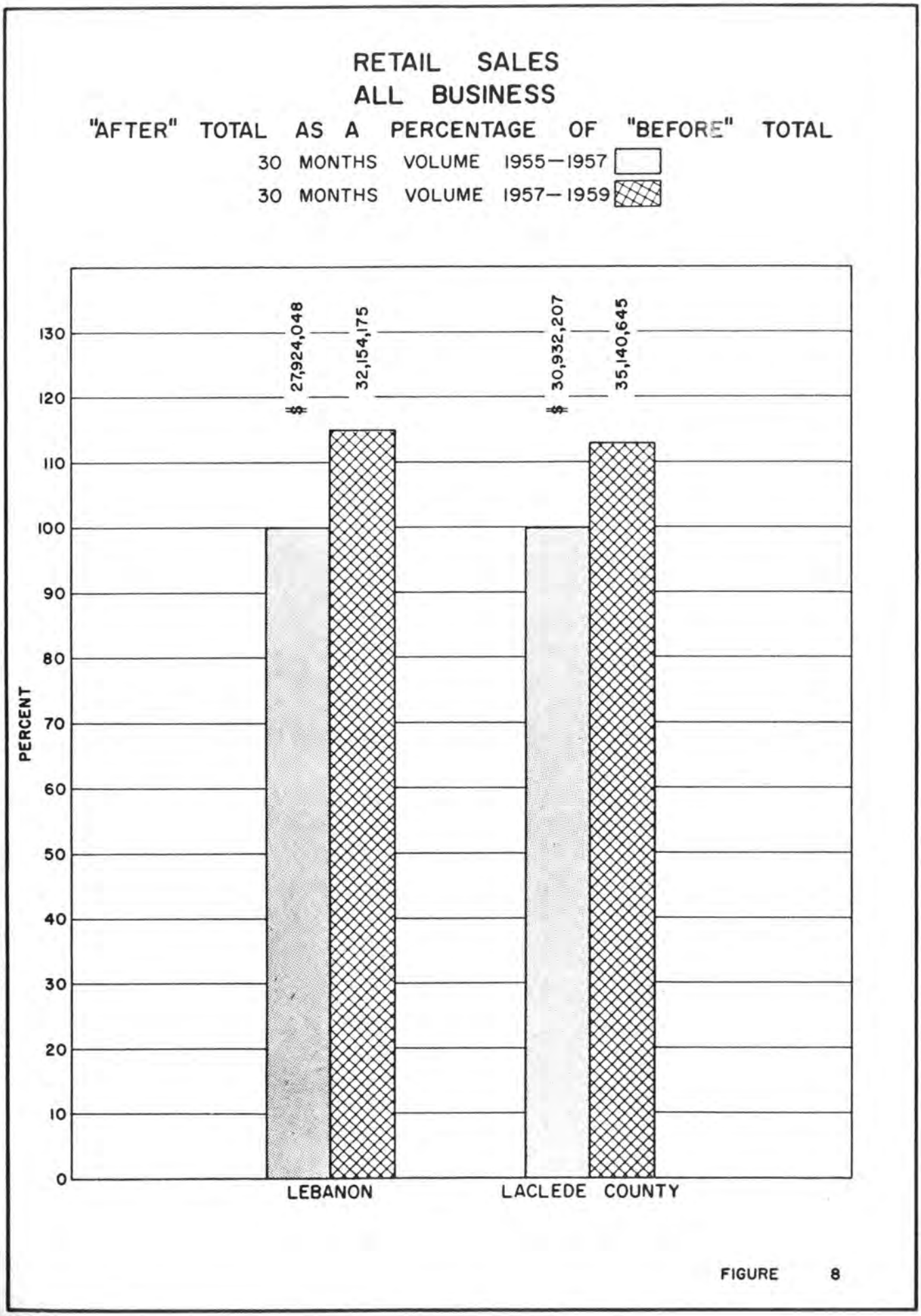

RETAIL SALES
ALL BUSINESS
"AFTER" TOTAL AS A PERCENTAGE OF "BEFORE" TOTAL
30 MONTHS VOLUME 1955—1957
30 MONTHS VOLUME 1957—1959
$ 27,924,048
32,154,175
$ 30,932,207
35,140,645
PERCENT
130
120
110
100
90
80
70
60
50
40
30
20
10
0
LEBANON
LACLEDE COUNTY

FIGURE 8

Business Route 66

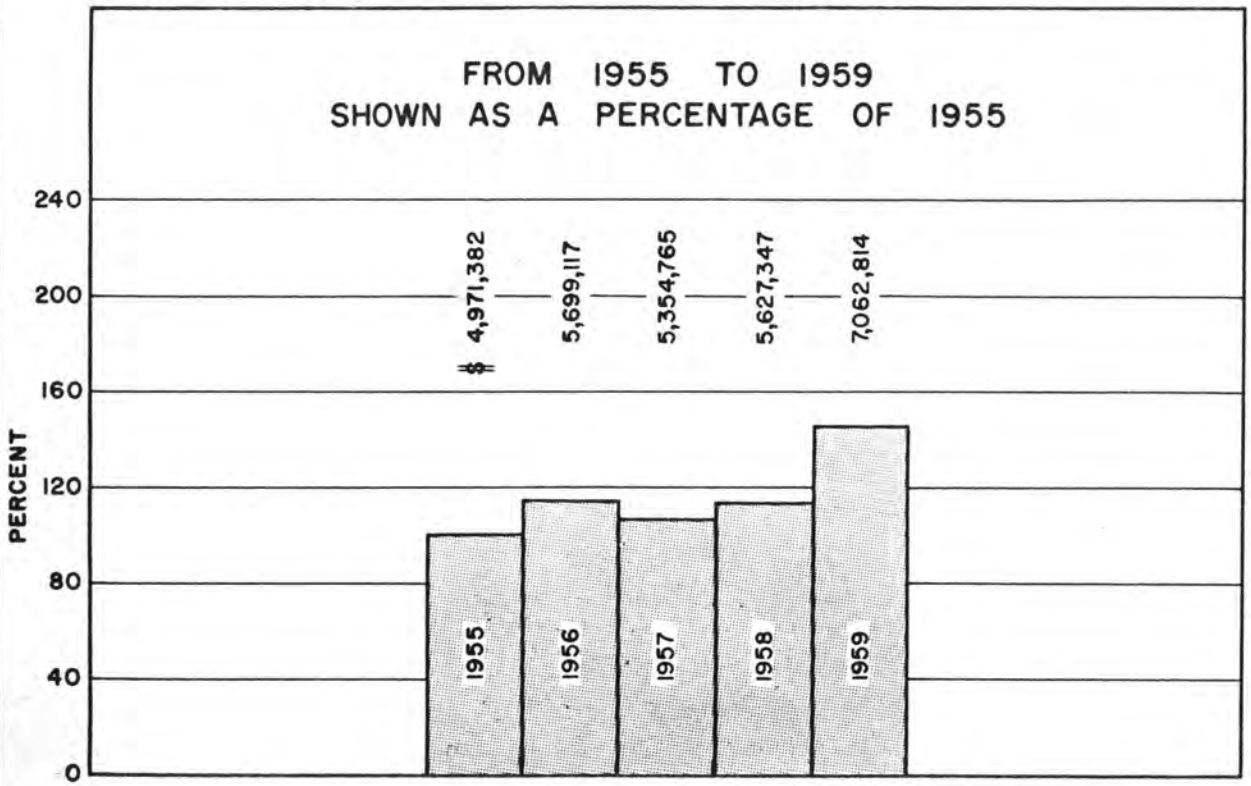
Although the effect of the new highway bypass on Lebanon and Laclede County has been appraised in terms of taxable retail sales, gross sales will be used to measure the fluctuations in business activity along Business Route 66. "Gross sales" refers to all sales, taxable or non-taxable, made by a business. Gross sales, rather than retail sales, are used so that the business activities of the manufacturing and service station groups can be studied.

The total gross sales of all businesses located on Business Route 66 are shown in Figure 9. Group sales for the years 1957 - 58 reflect both the bypass opening and the recession. The 1957 sales increase in the City of Lebanon (Figure 7) was not experienced along Business Route 66. Although the rural portion of Laclede County also declined in 1957, it is felt that the decrease in sales along the old route in that year was largely due to the bypass. Further evidence of the effect of the bypass on sales is present in 1958 group sales. Although increasing from the 1957 total, group sales for 1958 did not quite reach the 1956 level. By contrast, 1958 sales in the city declined, but remained at a higher level than that reached in 1956. In 1959, the percentage increase of sales activity along the old route exceeded that of the city. When the two and one-half years "before" and "after" periods are compared, it is seen that gross sales along Business Route 66 increased 15 percent.

While the overall picture of sales volume on the old route is good, it must be pointed out that certain business groups suffered considerable sales losses during the study period. The overall increase is largely due to the effect of new businesses locating on the old route during the latter part of the study period.

Figures 10 through 11 have been prepared so that the effects of the bypass on the various groups of businesses can be evaluated. A tabulation of the volume of annual gross sales for the various groups is shown in appendix Table A-3.

GROSS SALES
ALL BUSINESSES ALONG BUSINESS ROUTE 66



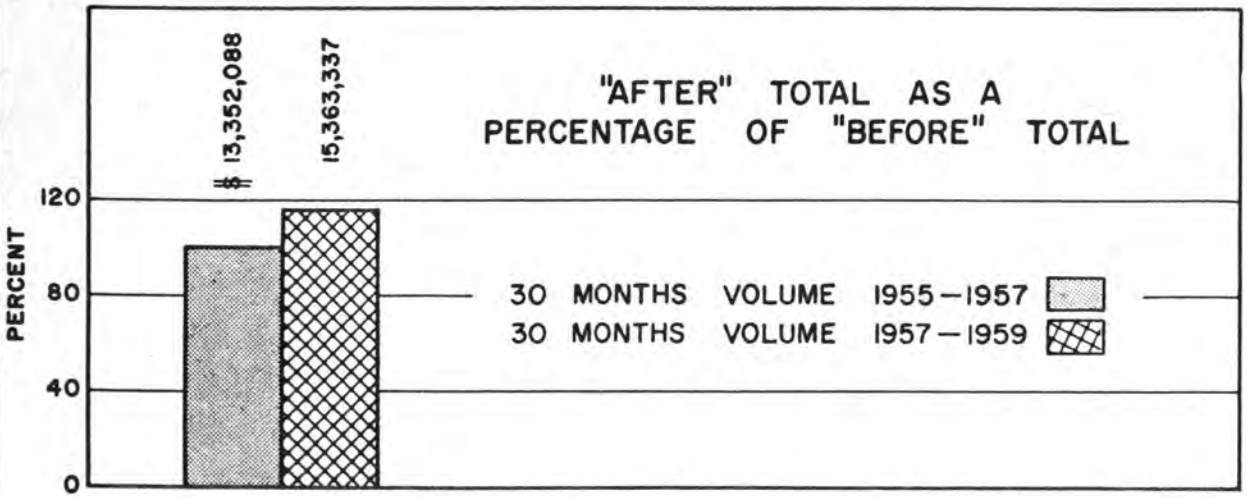


FIGURE 9

Manufacturing and Processing Group

The general trend of this group was one of steady and continuous growth. The substantial sales drop suffered by two large manufacturing firms in 1958 was more than offset by the addition of three new firms, one beginning operations in late 1957 and two starting in early 1958. While most of the sales of all firms were not directly related to highway traffic, the sales receipts of these companies were, nevertheless, a substantial part of the economy of Lebanon and the old route. Between 1955 and 1959 total sales of this group increased 164 percent.

Retail Outlets - General Merchandise

Sales of food and building supplies accounted for the bulk of the business activity of this group during the study period. The decrease in sales, visible in 1957, was due to the closing of one food market and a decline in sales of plumbing and electrical supplies. The spectacular sales increase which occurred in 1959 was due to the operations of three new firms, one a large supermarket. Total sales for the group were 185 percent greater in 1959 than in 1955.

Automotive Group

The five-year sales graph of this group is deceptive at first glance. Two firms were responsible for more than the net loss in sales registered during 1957. Gains by other companies decreased the net loss of the group. One high volume new car dealer, who had suffered a reduction in sales in 1957, went out of business in 1958 while other firms were recording a reduction in sales. Only the addition of three new firms in late 1957 and 1958 prevented a greater group loss. Although increasing in 1959, group sales for that year represented only 75 percent of the 1955 annual sales.

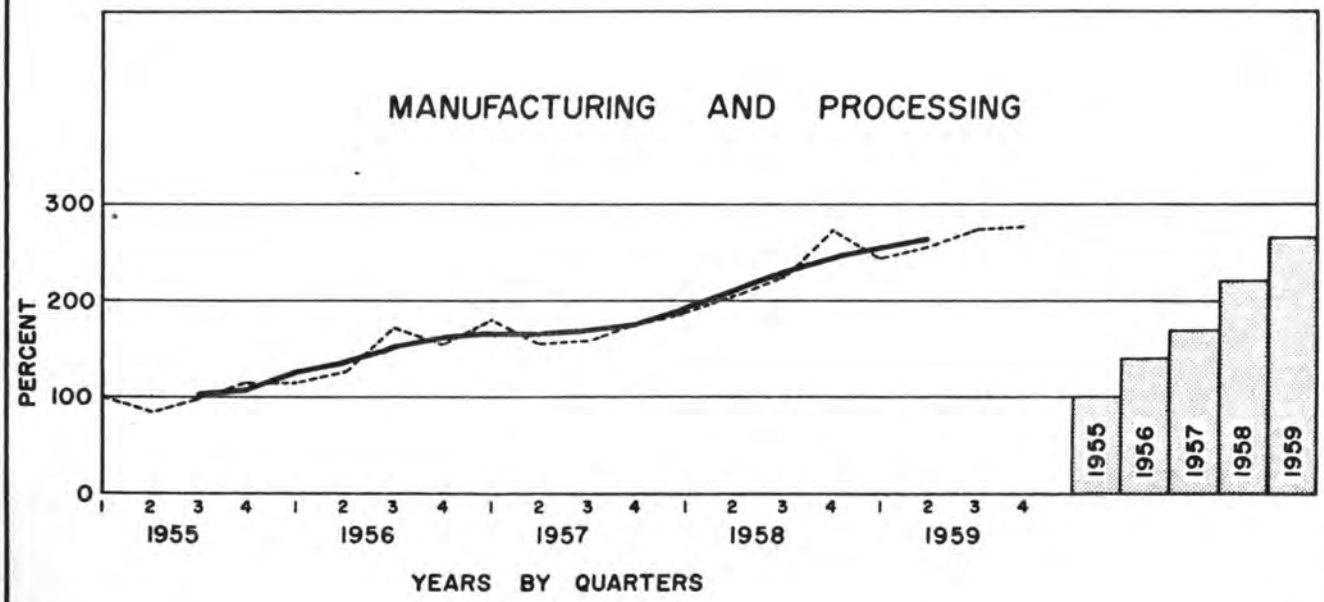
Retail Outlets - Impulse Goods Group

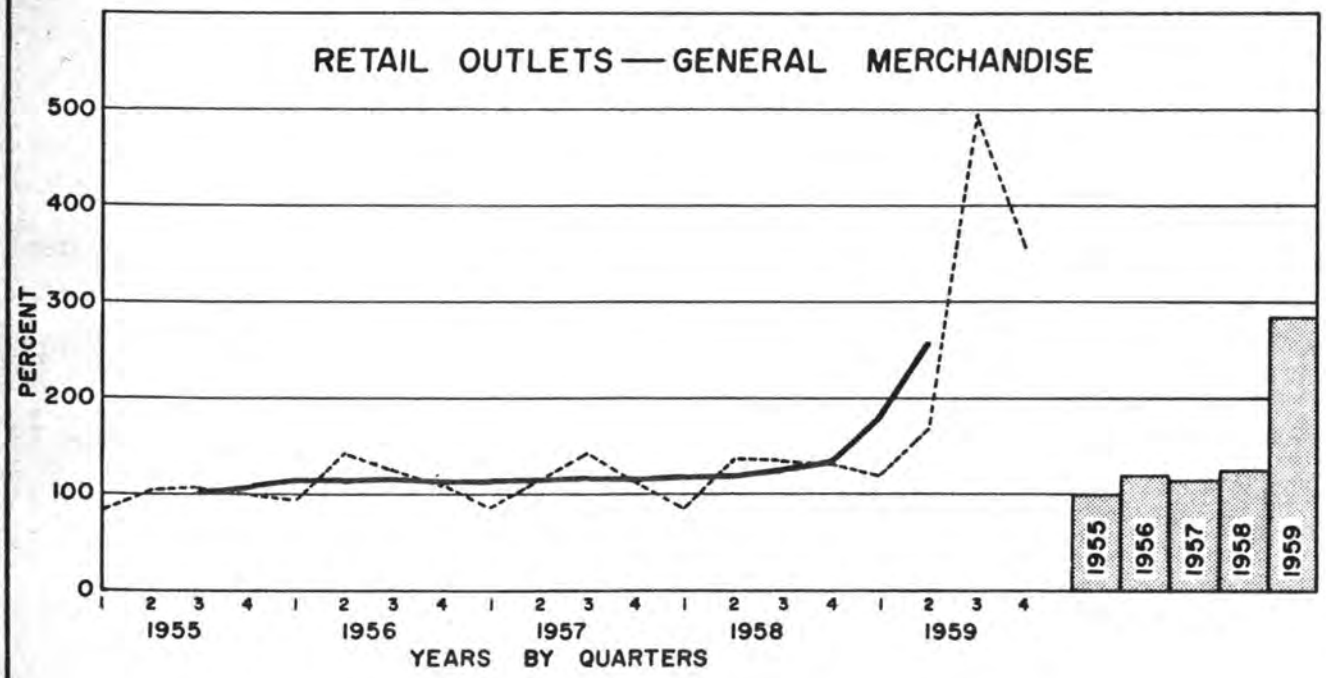
The three retail liquor stores located on the old route are the only businesses which have been placed in this category. As a group, these stores have experienced a modest, but continous growth. The effect of the 1957-58 recession can be seen in the sales of the last quarter of 1957 and the first two quarters of 1958. A decrease in personal income rather than a decrease in traffic is believed responsible for the losses of this period. Overall, a 15 percent gain in group sales was shown between 1955 and 1959.

INDICES OF GROSS SALES BUSINESSES ALONG BUSINESS ROUTE 66

1955 TO 1959

1955 = 100 PERCENT





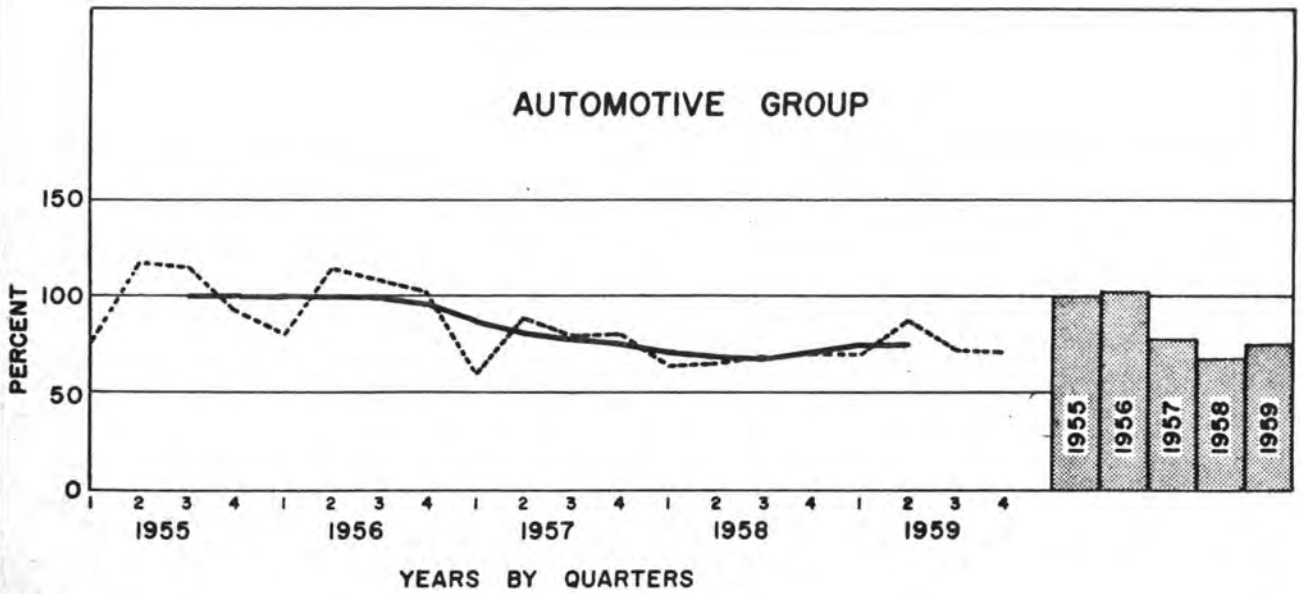
------ QUARTERLY SALES

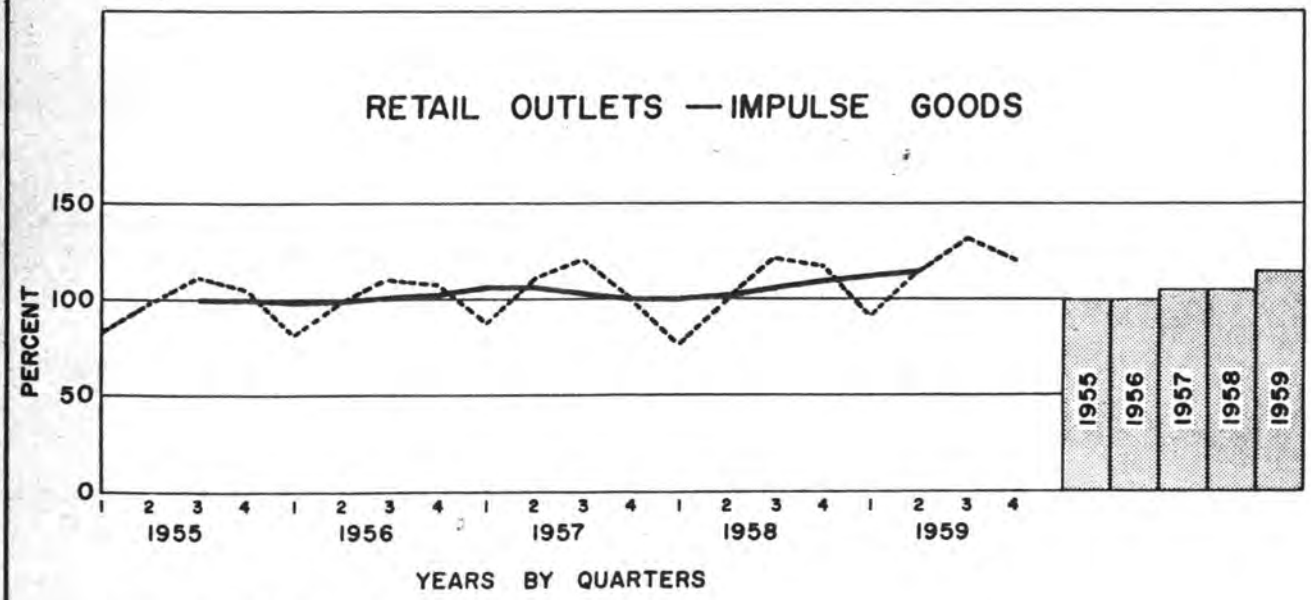
—— FOUR QUARTER MOVING AVERAGE

FIGURE 10

INDICES OF GROSS SALES
BUSINESSES ALONG BUSINESS ROUTE 66

1955 TO 1959
1955 = 100 PERCENT





----- QUARTERLY SALES

——— FOUR QUARTER MOVING AVERAGE

FIGURE 11

Motel, Hotel and Trailer Court Group

With the exception of 1958, this group also experienced a fair rate of growth. Group receipts for 1959 represented an increase of 44 percent over the 1955 total. While some businesses have closed, others have remodeled in order to compete with several newly constructed motels for the tourist dollar.

Restaurant and Tavern Group

The effect of the new bypass on this group is unmistakable. After peaking in 1956, group business reached a low in 1958. By 1959, sales equalled 93 percent of the 1955 total. A large part of the net sales decrease following the bypass opening must be attributed to the removal of potential customers from the old route. A reduction in the number of potential customers did not, however, prevent two new restaurants from opening during the latter part of the study period. Again, some businesses continued to grow while others were declining.

Gasoline Service Station Group

The hardest hit group of businesses along Business Route 66 has been the gasoline service stations. Only 59 percent as much gasoline was sold in 1959 as in 1955. On the basis of estimated gross sales, group business for 1959 represented 65 percent of the business done in 1955. Although the decline has been continuous, there are signs that the bottom has been reached and sales are stabilizing or preparing to gain. To date, 5 new stations have been constructed on the old route since the bypass opening.

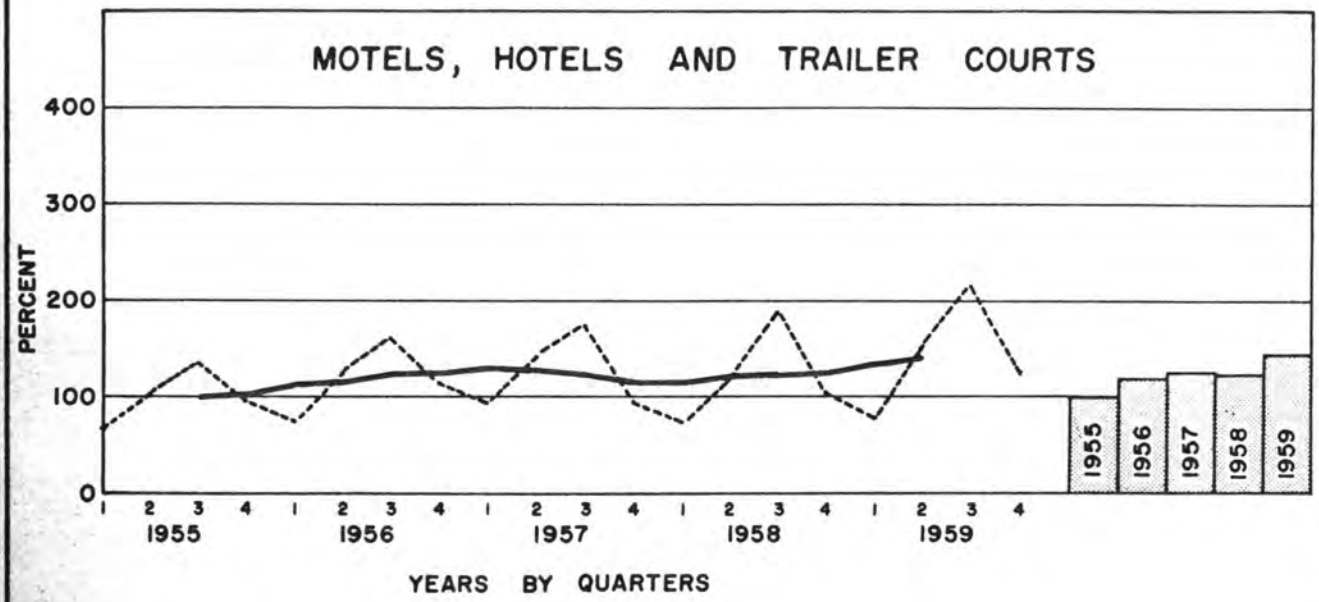
Figure 14 has been prepared to summarize the "before and after" sales experience of each group along the old route. A comparison of the "before" and "after" receipts shows that business has been affected as follows:

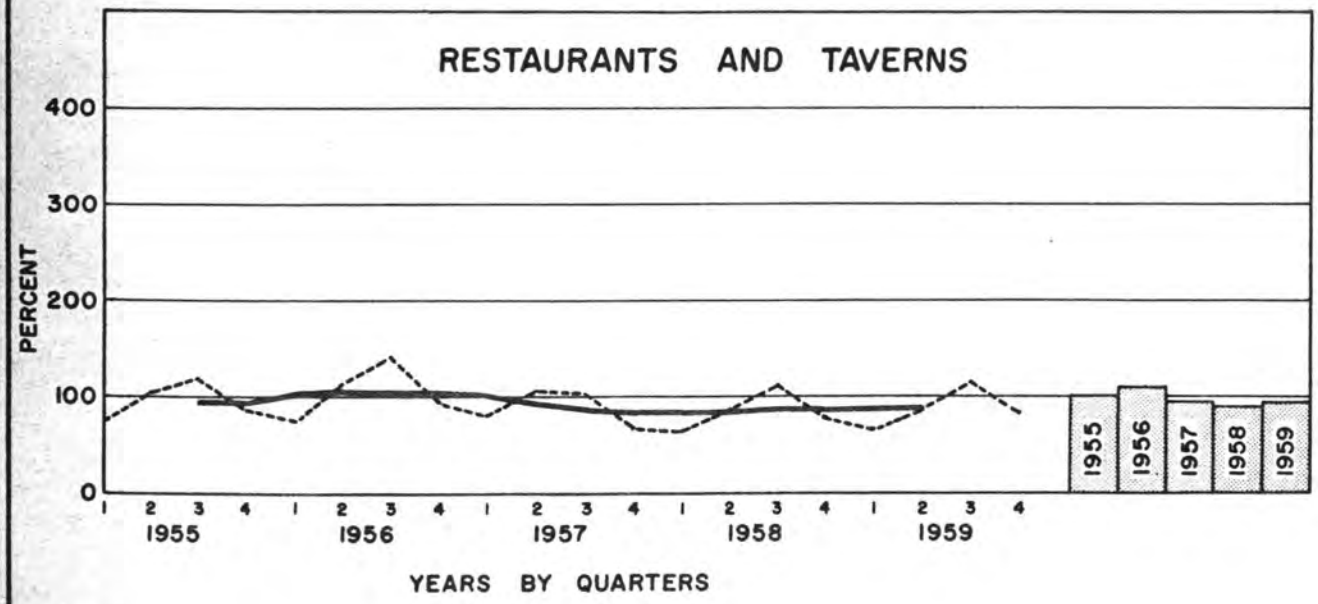
Manufacturing and Processing	75 percent increase
Retail Outlets-Shopping Goods	75 percent increase
Automobile Dealers and Supplies	24 percent loss
Retail Outlets-Impulse Goods	10 percent increase
Motels, Hotels and Trailer Camps	19 percent increase
Restaurants and Taverns	12 percent loss
Service Stations (Sales)	34 percent loss
Service Stations (Gallonage)	37 percent loss

INDICES OF GROSS SALES
BUSINESSES ALONG BUSINESS ROUTE 66

1955 TO 1959

1955 = 100 PERCENT





------ QUARTERLY SALES

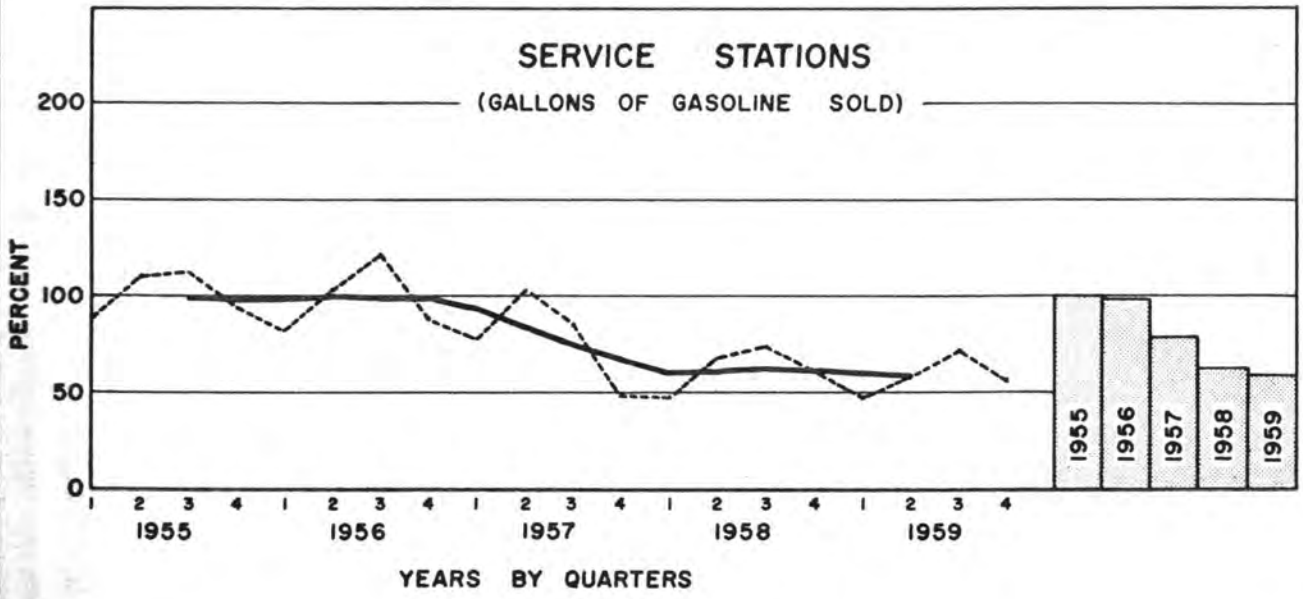
—— FOUR QUARTER MOVING AVERAGE

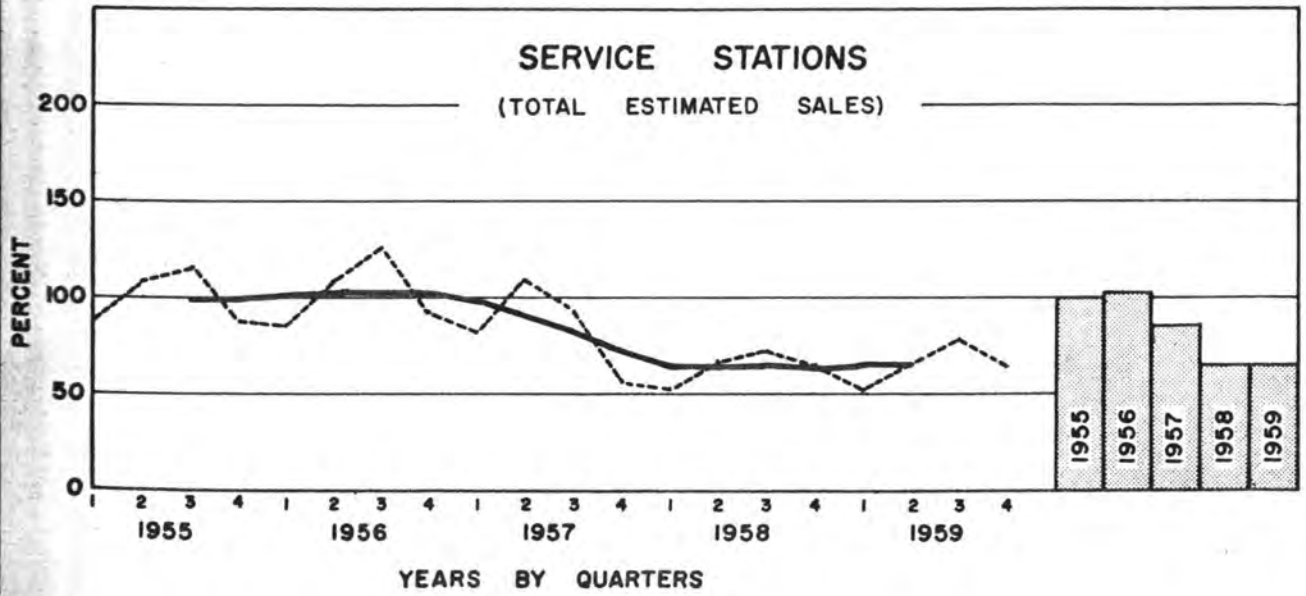
FIGURE 12

INDICES OF GROSS SALES
BUSINESSES ALONG BUSINESS ROUTE 66

1955 TO 1959

1955 = 100 PERCENT





----- QUARTERLY SALES

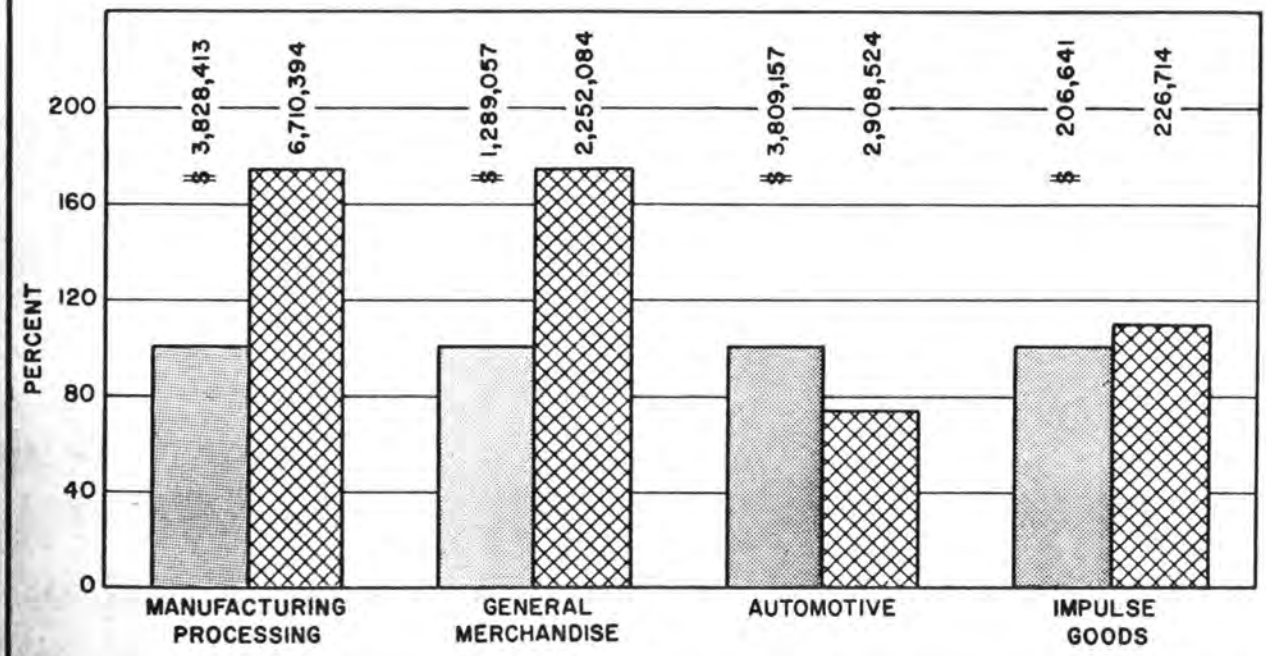
—— FOUR QUARTER MOVING AVERAGE

FIGURE 13

GROSS SALES
BUSINESSES ALONG BUSINESS ROUTE 66

"AFTER" TOTAL AS A PERCENTAGE OF "BEFORE" TOTAL

30 MONTHS VOLUME 1955—1957
30 MONTHS VOLUME 1957—1959



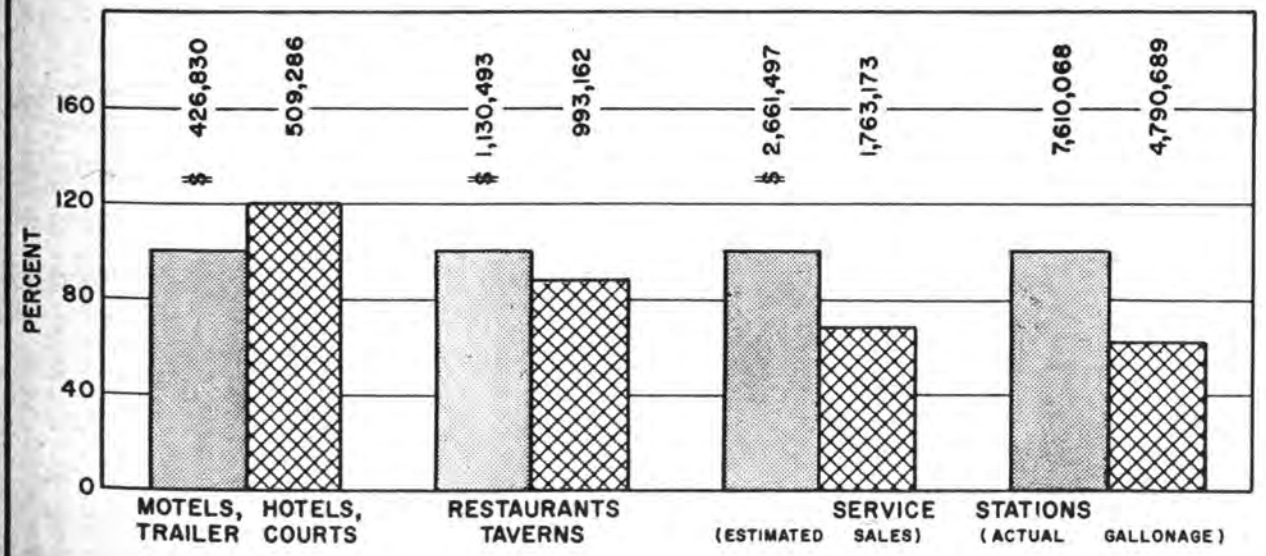


FIGURE 14

New Businesses on the Old Route

During the study period a number of firms located on the old route ceased to operate. In some instances these were replaced by other businesses operating in the same building, or in new buildings at the same location. In all, 14 firms ceased operation during the study period, and 18 new firms began operations along Business Route 66. All but four of the new firms constructed new buildings.

APPENDIX

TABLE A-1

NUMBER OF FIRMS ON BUSINESS ROUTE 66

Group	1955	1956	1957	1958	1959
Manufacturing and Processing	5	5	6	8	8
Retail Outlets - Shopping Goods	6	6	5	5	8
Automobile Dealers and Supplies	8	8	9	11	10
Retail Outlets - Impulse Goods	3	3	3	3	3
Motels, Hotels and Trailer Camps	14	13	13	12	13
Restaurants and Taverns	13	13	14	14	13
Service Stations	19	19	18	16	17
Totals	68	67	68	69	72

TABLE A-2

NATIONAL AVERAGE MONTHLY EMPLOYMENT

(In Thousands)

	1955	1956	1957	1958	1959
January	60,150	62,891	62,578	62,238	62,706
February	59,938	62,576	63,190	61,988	62,722
March	60,477	63,078	63,865	62,311	63,828
April	61,685	63,991	64,261	62,907	65,012
May	62,703	65,238	65,178	64,061	66,016
June	64,016	66,503	66,504	64,981	67,342
July	64,994	66,655	67,221	65,179	67,594
August	65,488	66,752	66,385	65,367	67,241
September	64,733	66,071	65,674	64,629	66,347
October	65,161	66,174	66,005	65,306	66,831
November	64,807	65,269	64,873	64,653	65,640
December	64,165	64,550	64,396	63,973	65,699
Monthly Average	63,193	64,979	65,011	63,966	65,582

Source: Survey of Current Business, July, 1960

TABLE A-3

ANNUAL GROSS SALES

BUSINESS GROUPS ALONG BUSINESS ROUTE 66

From 1955 to 1959

Group	1955	1956	1957	1958	1959
Manufacturing and Processing	$1,174,776	$1,666,288	$1,972,331	$2,623,716	$3,101,696
Retail Outlets (General Merchandise)	477,431	566,405	552,373	583,936	1,360,996
Automotive	1,591,642	1,625,342	1,237,005	1,070,811	1,192,881
Retail Outlets (Impulse Goods)	82,568	82,699	86,915	86,331	94,842
Motels, Hotels and Trailer Courts	152,661	183,453	192,868	187,214	219,920
Restaurants and Taverns	435,386	481,673	411,814	391,812	402,970
Service Stations (Gallons of Gasoline Sold)	3,113,566	3,085,713	2,446,820	1,928,215	1,826,443
Service Stations (Total Est. Sales)	1,056,918	1,093,257	901,459	683,527	689,509