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U.S. Government Estimates of Quarterly Revenue for Selected Services 1st Quarter 2007

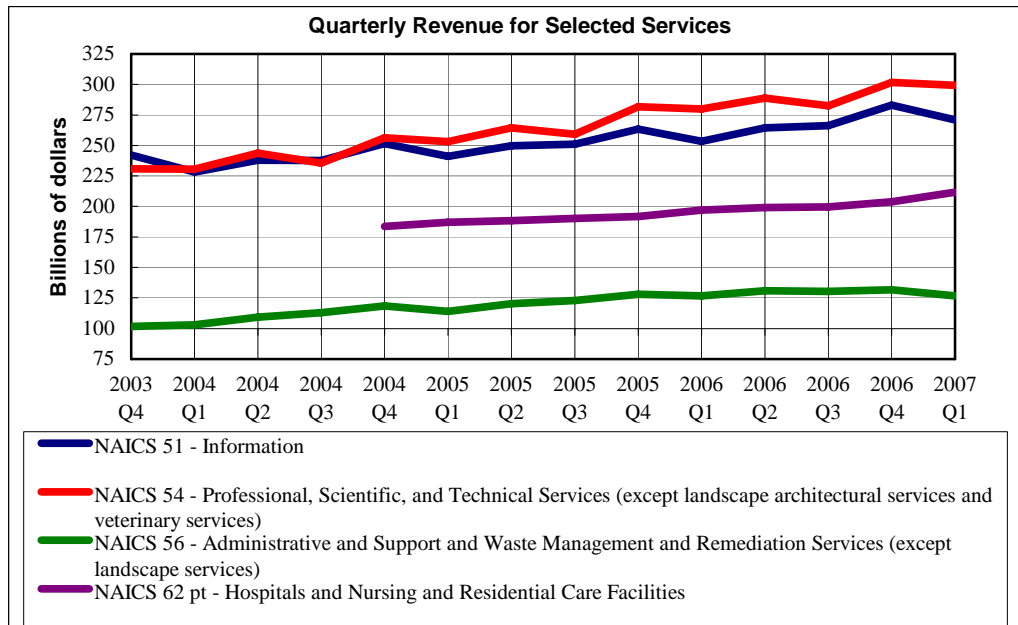
Information The Department of Commerce's Census Bureau announced today that the estimate of U.S. information sector revenue for the first calendar quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$271.1 billion, a decrease of 4.3 percent ($\pm 0.7\%$) from the fourth quarter of 2006 and up 7.0 percent ($\pm 1.7\%$) from the first quarter of 2006. The third to fourth quarter percent change was not revised from 6.3 percent ($\pm 0.7\%$).

Professional, scientific, and technical services (except landscape architectural services and veterinary services) The estimate of U.S. professional, scientific, and technical services (except landscape architectural services and veterinary services) revenue for the first quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$299.3 billion, a decrease of 0.8 percent ($\pm 1.3\%$)* from the fourth quarter of 2006 and up 6.9 percent ($\pm 6.4\%$) from the first quarter of 2006. The third to fourth quarter percent change was revised from 7.2 percent ($\pm 1.7\%$) to 6.8 percent ($\pm 1.3\%$).

Administrative and support and waste management and remediation services (except landscape services) The estimate of U.S. administrative and support and waste management and remediation services (except landscape services) revenue for the first quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$126.6 billion, a decrease of 3.8 percent ($\pm 1.8\%$) from the fourth quarter of 2006 and virtually unchanged ($\pm 9.6\%$)* from the first quarter of 2006. The third to fourth quarter percent change was revised from 1.2 percent ($\pm 2.6\%$)* to 0.9 percent ($\pm 1.8\%$)*.

Hospitals and nursing and residential care facilities The estimate of U.S. hospitals and nursing and residential care facilities revenue for the first quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$211.5 billion, an increase of 3.8 percent ($\pm 1.0\%$) from the fourth quarter of 2006 and up 7.4 percent ($\pm 5.4\%$) from the first quarter of 2006. The third to fourth quarter percent change was revised from 1.8 percent ($\pm 1.0\%$) to 2.1 percent ($\pm 1.0\%$).

For survey description and an explanation of the measures of sampling variability included in this report, please see the last page of this publication.



Second quarter 2007 revenue is scheduled to be released on September 12, 2007, at 10:00 a.m. EDT.

This report is available on the day of issue through the Department of Commerce's STAT-USA Website; for more information, call (202) 482-1986.

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Our internet site is <http://www.census.gov/qss>

Table 1. Selected Services - Estimated Quarterly Revenue for Employer Firms

[Estimates have not been adjusted for seasonal variation, holiday or trading-day differences, or price changes. Estimates are based on data from the Quarterly Services Survey and have been adjusted using results of the 2005 Service Annual Survey. All estimates are based on the 2002 North American Industry Classification System (NAICS). For additional information see www.census.gov/qss]

2002 NAICS code ¹	Kind of business	Total revenue (millions of dollars)						Percent change			
		1Q 2007 (p)	4Q 2006 (r)	3Q 2006	2Q 2006	1Q 2006	4Q 2005	1Q 2007 from 4Q 2006 (p)	4Q 2006 from 3Q 2006 (r)	1Q 2007 from 1Q 2006 (p)	4Q 2006 from 4Q 2005 (r)
51	Information	271,064	283,117	266,301	264,484	253,423	263,406	-4.3	6.3	7.0	7.5
511	Publishing industries (except Internet)	69,900	75,979	71,323	X	X	X	-8.0	6.5	X	X
51111	Newspaper publishers	11,245	13,126	11,618	X	X	X	-14.3	13.0	X	X
51112	Periodical publishers	11,534	12,739	12,449	X	X	X	-9.5	2.3	X	X
5111 pt	Book, directory and mailing list, and other publishers ²	11,754	13,645	14,582	X	X	X	-13.9	-6.4	X	X
5112	Software publishers	35,367	36,469	32,674	32,135	30,781	33,176	-3.0	11.6	14.9	9.9
512	Motion picture and sound recording industries	25,295	27,686	22,432	23,599	22,009	25,125	-8.6	23.4	14.9	10.2
515	Broadcasting (except Internet)	23,622	26,029	23,233	X	X	X	-9.2	12.0	X	X
5151	Radio and television broadcasting	14,052	15,711	13,537	14,575	14,062	14,761	-10.6	16.1	-0.1	6.4
5152	Cable and other subscription programming	9,570	10,318	9,696	X	X	X	-7.2	6.4	X	X
516,	Internet publishing and broadcasting, Internet										
5181,	service providers and web search portals,										
519	and other information services	14,461	13,795	12,181	X	X	X	4.8	13.3	X	X
517	Telecommunications	120,564	121,453	119,260	X	X	X	-0.7	1.8	X	X
5171	Wired telecommunications carriers	47,625	49,592	49,877	49,775	50,100	51,493	-4.0	-0.6	-4.9	-3.7
5172	Wireless telecommunications carriers (except satellite)	42,819	41,814	40,853	39,277	38,071	37,295	2.4	2.4	12.5	12.1
5175	Cable and other program distribution	24,152	24,129	22,785	X	X	X	0.1	5.9	X	X
517 pt	Other telecommunications ³	5,968	5,918	5,745	5,484	5,107	4,685	0.8	3.0	16.9	26.3
5182	Data processing, hosting, and related services	17,222	18,175	17,872	17,672	16,501	16,705	-5.2	1.7	4.4	8.8
54	Professional, scientific, and technical services	305,473	307,486	288,618	X	X	X	-0.7	6.5	X	X
54 pt	Professional, scientific, and technical services (except landscape architectural services and veterinary services)	299,276	301,617	282,412	288,758	279,934	281,723	-0.8	6.8	6.9	7.1
5411	Legal services	59,315	68,983	58,743	X	X	X	-14.0	17.4	X	X
5412	Accounting, tax preparation, bookkeeping, and payroll services	32,916	25,322	23,268	28,794	34,631	23,563	30.0	8.8	-5.0	7.5
5413	Architectural, engineering, and related services	63,738	61,932	60,413	X	X	X	2.9	2.5	X	X
5413 pt	Architectural and related services ⁴	17,954	16,692	16,607	X	X	X	7.6	0.5	X	X
54133	Engineering services	45,784	45,240	43,806	X	X	X	1.2	3.3	X	X
5415	Computer systems design and related services	50,356	51,177	48,919	49,754	48,591	48,360	-1.6	4.6	3.6	5.8
5416	Management, scientific, and technical consulting services	39,963	38,878	38,553	39,040	38,611	37,154	2.8	0.8	3.5	4.6
5418	Advertising and related services	17,773	19,884	18,163	18,394	17,533	18,062	-10.6	9.5	1.4	10.1
541 pt	Other professional, scientific, and technical services ⁵ ..	41,412	41,310	40,559	X	X	X	0.2	1.9	X	X
56	Administrative and support and waste management and remediation services	136,740	143,513	142,551	X	X	X	-4.7	0.7	X	X
56 pt	Administrative and support and waste and remediation services (except landscape services)	126,568	131,566	130,432	130,928	126,567	127,927	-3.8	0.9	Z	2.8
561	Administrative and support services	119,773	126,089	125,169	X	X	X	-5.0	0.7	X	X
5613	Employment services	42,340	44,825	42,665	42,666	41,666	42,220	-5.5	5.1	1.6	6.2
5615	Travel arrangement and reservation services	8,786	8,253	8,660	8,826	7,713	7,590	6.5	-4.7	13.9	8.7
561 pt	Other administrative and support services ⁶	68,647	73,011	73,844	X	X	X	-6.0	-1.1	X	X
562	Waste management and remediation services	16,967	17,424	17,382	17,174	15,907	17,570	-2.6	0.2	6.7	-0.8

See footnotes at end of table.

Table 1. Selected Services - Estimated Quarterly Revenue for Employer Firms—Con.

[Estimates have not been adjusted for seasonal variation, holiday or trading-day differences, or price changes. Estimates are based on data from the Quarterly Services Survey and have been adjusted using results of the 2005 Service Annual Survey. All estimates are based on the 2002 North American Industry Classification System (NAICS). For additional information see www.census.gov/qss]

2002 NAICS code ¹	Kind of business	Total revenue (millions of dollars)						Percent change			
		1Q 2007 (p)	4Q 2006 (r)	3Q 2006	2Q 2006	1Q 2006	4Q 2005	1Q 2007 from 4Q 2006 (p)	4Q 2006 from 3Q 2006 (r)	1Q 2007 from 1Q 2006 (p)	4Q 2006 from 4Q 2005 (r)
62 pt	Selected health care services ⁷	211,549	203,780	199,533	199,162	196,898	191,649	3.8	2.1	7.4	6.3
622	Hospitals	171,552	164,717	160,524	160,301	158,438	153,926	4.1	2.6	8.3	7.0
623	Nursing and residential care facilities	39,997	39,063	39,009	38,861	38,460	37,723	2.4	0.1	4.0	3.6

(p) Preliminary estimate. (r) Revised estimate. X Not applicable. Z Less than .05 percent.

(1) Estimates are based on the 2002 NAICS codes. For a full description of the NAICS codes used in this table, see www.census.gov/epcd/www/naics.html. For information linking the 1997 NAICS to the corresponding 2002 NAICS, see www.census.gov/qss.

(2) Includes NAICS 51113 (book publishers), 51114 (directory and mailing list publishers), and 51119 (other publishers).

(3) Includes NAICS 5173 (telecommunications resellers), 5174 (satellite telecommunications), and 5179 (other telecommunications).

(4) Includes all of NAICS 5413 (architectural, engineering, and related services) except 54133 (engineering services).

(5) Includes NAICS 5414 (specialized design services), 5417 (scientific research and development services), and 5419 (other professional, scientific, and technical services including 54194 (veterinary services)).

(6) Includes NAICS 5611 (office administrative services), 5612 (facilities support services), 5614 (business support services), 5616 (investigation and security services), 5617 (services to buildings and dwellings including 56173 (landscaping services)), and 5619 (other support services).

(7) Includes NAICS 622 (hospitals) and 623 (nursing and residential care facilities).

Note: Sector totals and subsector totals may include data for kinds of business not shown. Table 2 provides estimated measures of sampling variability. Data users who create their own estimates using data from this report should cite the U.S. Census Bureau as the source of the original data only. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at www.census.gov/svsd/www/qssreliability.html.

Table 2. Selected Services - Estimated Measures of Sampling Variability

[Estimates are shown as percents and are based on data from the Quarterly Services Survey]

2002 NAICS code	Kind of business	Median coefficient ¹ of variation for quarterly total revenue	Median standard error ¹ for percent change	
			Ratio of two consecutive quarters	Current quarter to current quarter last year
51	Information	0.7	0.4	1.0
511	Publishing industries (except Internet)	1.9	0.9	X
51111	Newspaper publishers	4.8	1.9	X
51112	Periodical publishers	5.7	1.7	X
5111 pt	Book, directory and mailing list, and other publishers	1.8	1.2	X
5112	Software publishers	2.7	2.0	7.9
512	Motion picture and sound recording industries	2.4	2.3	5.2
515	Broadcasting (except Internet)	2.5	0.6	X
5151	Radio and television broadcasting	3.4	0.9	3.6
5152	Cable and other subscription programming	1.8	0.1	X
516, 5181, 519	Internet publishing and broadcasting, Internet service providers and web search portals, and other information services	5.4	3.6	X
517	Telecommunications	1.7	0.4	X
5171	Wired telecommunications carriers	3.4	0.7	4.3
5172	Wireless telecommunications carriers (except satellite)	1.2	1.0	1.6
5175	Cable and other program distribution	1.4	0.2	X
517 pt	Other telecommunications	5.5	1.3	23.8
5182	Data processing, hosting, and related services	3.9	2.1	9.6
54	Professional, scientific, and technical services	2.4	0.7	X
54 pt	Professional, scientific, and technical services (except landscape architectural services and veterinary services)	2.3	0.8	3.9
5411	Legal services	5.5	4.0	X
5412	Accounting, tax preparation, bookkeeping, and payroll services	7.3	2.1	10.1
5413	Architectural, engineering, and related services	6.6	1.6	X
5413 pt	Architectural and related services	5.8	3.3	X
54133	Engineering services	8.1	1.7	X
5415	Computer systems design and related services	3.7	1.9	8.3
5416	Management, scientific, and technical consulting services	4.8	2.2	11.7
5418	Advertising and related services	4.3	2.1	5.0
541 pt	Other professional, scientific, and technical services	7.2	1.3	X
56	Administrative and support and waste management and remediation services	3.5	1.0	X
56 pt	Administrative and support and waste and remediation services (except landscape services)	4.1	1.1	5.8
561	Administrative and support services	4.0	1.1	X
5613	Employment services	5.2	1.6	10.6
5615	Travel arrangement and reservation services	8.3	3.5	9.0
561 pt	Other administrative and support services	4.9	1.8	X
562	Waste management and remediation services	7.1	1.8	12.1
62 pt	Selected health care services	2.5	0.6	3.3
622	Hospitals	3.2	0.7	3.7
623	Nursing and residential care facilities	4.8	0.9	5.6

X Not applicable.

(1) The medians are based on estimates for the most recent four quarters.

Note: Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at www.census.gov/svsd/www/qssreliability.html.

Survey Description

The U.S. Census Bureau conducts the Quarterly Services Survey (QSS) to provide national estimates of quarterly revenue for employer firms located in the United States and classified in select service industries. The QSS sample includes firms classified in NAICS 51 (Information services), NAICS 54 (Professional, scientific, and technical services except landscape architectural services and veterinary services), NAICS 56 (Administrative and support and waste management and remediation services except landscape services), or NAICS 62 (Hospitals and nursing and residential care facilities). Each quarter, questionnaires are mailed to a probability sample of approximately 6,000 employer firms selected from the larger Service Annual Survey (SAS) sample. The QSS sample includes firms of all sizes and is updated on a quarterly basis to account for new service businesses, deaths, and other changes to the survey universe. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. For NAICS 51 (Information sector), imputed revenue amounts to about 9 percent of the total revenue estimate; for NAICS 54 (Professional, scientific, and technical services except landscape architectural services and veterinary services) imputed revenue amounts to about 24 percent; for NAICS 56 (Administrative and support and waste management and remediation services except landscape services) imputed revenue amounts to about 29 percent, and for NAICS 62 (Hospitals and nursing and residential care facilities) imputed revenue amounts to about 23 percent. Quarterly revenue estimates are obtained by summing weighted data (either reported or imputed), where the weight for a particular unit is the reciprocal of its probability of being selected into the sample. The quarterly revenue estimates are adjusted using SAS results. Additional information on the QSS can be found on the Census Bureau website at: www.census.gov/qss.

Reliability of the Estimates

The estimates in this report may differ from the actual, but unknown, population values. For a particular estimate, statisticians define this difference as the total error of the estimate. When describing the accuracy of survey results, it is convenient to discuss total error as the sum of sampling error and nonsampling error.

Nonsampling error is the difference between the actual population parameter and the value that would be derived by surveying the entire set of units identified as the survey universe (the sampling frame). There are many potential contributors to nonsampling error – the inclusion of erroneous units in the survey (overcoverage), the exclusion of eligible units from the survey (undercoverage), nonresponse, misreporting, mistakes in recording and coding responses, misinterpretation of questions, and other errors of collection, response, coverage, or processing. Though nonsampling error is not measured directly, the Census Bureau employs quality control procedures throughout the process to minimize this type of error.

Sampling error is the average difference between the estimate and the result that would be obtained from a complete enumeration of the sampling frame conducted under the same survey conditions. This error occurs because only a subset of the entire sampling frame is measured in a sample survey. Common measures of sampling error are the sampling variance, the standard error, and the coefficient of variation (CV). The sampling variance is defined as the squared difference, averaged over all possible samples of the same size and design, between the estimator and its average value. The standard error is the square root of the sampling variance. The CV expresses the standard error as a percentage of the estimate to which it refers. For example, an estimate of 200 units that has an estimated standard error of 10 units has an estimated CV of 5 percent. The sampling variance, standard error, and CV of an estimate can be estimated from the selected sample because the sample was selected using probability sampling. Standard errors and coefficients of variation are given in Table 2 of this report.

The first page of this release gives statements about the change in revenue from a prior period. Each change estimate is accompanied by a number in parentheses, called the “margin of error.” The margin of error can be used to construct a 90-percent confidence interval, which is interpreted as follows. If, for each possible sample, an estimate and its approximate standard error are obtained, then for approximately 90 percent of the possible samples, the interval from 1.65 standard errors below to 1.65 standard errors above the estimate would include the average of the estimates derived from all possible samples. If, for example, a particular change estimate is +1.2 percent and its associated margin of error is ± 1.5 percentage points, then the 90-percent confidence interval for the change estimate is -0.3 percent to +2.7 percent. If the interval contains 0, then one does not have sufficient evidence to conclude at the 90-percent confidence level that the actual change is different from zero. Each comparison stated in this report has undergone statistical testing and is significant at the 90-percent confidence level, unless otherwise noted.

Data users should take into account the estimates of sampling error and the potential effects of nonsampling error when using the statistics in this publication.