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U.S. Government Estimates of Quarterly Revenue for Selected Services 2nd Quarter 2006

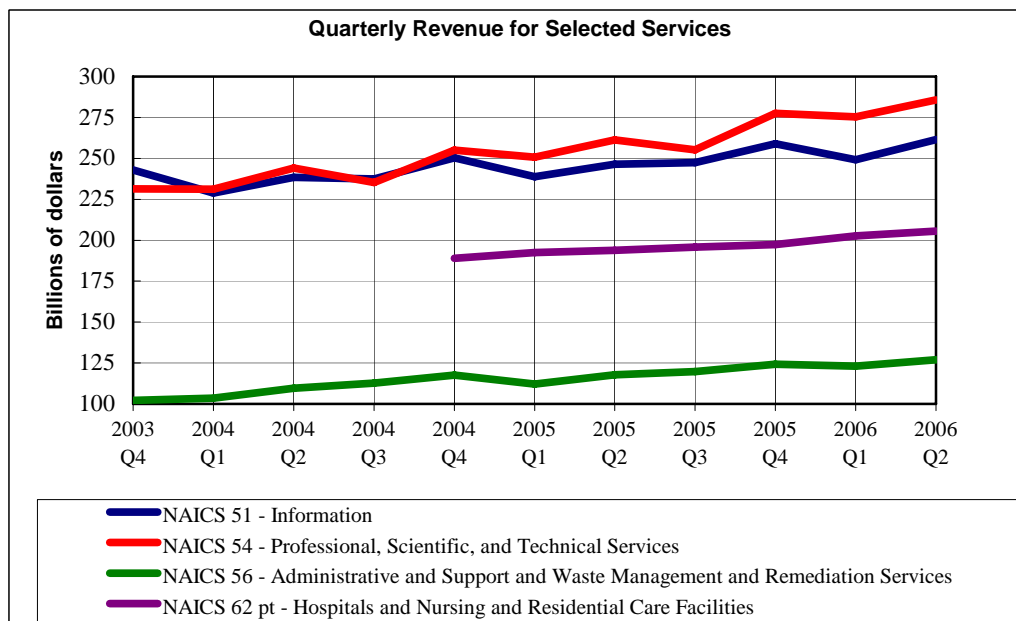
Information The Department of Commerce's Census Bureau announced today that the estimate of U.S. information sector revenue for the second calendar quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$261.7 billion, an increase of 4.9 percent ($\pm 0.5\%$) from the first quarter of 2006 and up 6.2 percent ($\pm 0.7\%$) from the second quarter of 2005. The fourth to first quarter percent change was revised from -3.8 percent ($\pm 0.5\%$) to -3.7 percent ($\pm 0.5\%$). The telecommunications industry estimate was \$93.4 billion, an increase of 1.5 percent ($\pm 0.3\%$) from the first quarter of 2006 and up 2.6 percent ($\pm 1.2\%$) from the second quarter of 2005. The publishing subsector estimate was \$72.7 billion, an increase of 6.9 percent ($\pm 1.0\%$) from the first quarter of 2006 and up 6.6 percent ($\pm 1.7\%$) from the second quarter of 2005.

Professional, scientific, and technical services The estimate of U.S. professional, scientific, and technical services revenue for the second quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$285.8 billion, an increase of 3.8 percent ($\pm 2.0\%$) from the first quarter of 2006 and up 9.4 percent ($\pm 2.1\%$) from the second quarter of 2005. The fourth to first quarter percent change was revised from -0.6 percent ($\pm 2.0\%$)* to -0.8 percent ($\pm 2.0\%$)*.

Administrative and support and waste management and remediation services The estimate of U.S. administrative and support and waste management and remediation services revenue for the second quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$127.0 billion, an increase of 3.3 percent ($\pm 1.7\%$) from the first quarter of 2006 and up 7.8 percent ($\pm 2.1\%$) from the second quarter of 2005. The fourth to first quarter percent change was not revised from -1.0 percent ($\pm 1.7\%$)*.

Hospitals and nursing and residential care facilities The estimate of U.S. hospitals and nursing and residential care facilities revenue for the second quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$205.4 billion, an increase of 1.3 percent ($\pm 0.7\%$) from the first quarter of 2006 and up 6.0 percent ($\pm 1.5\%$) from the second quarter of 2005. The fourth to first quarter percent change was revised from 2.9 percent ($\pm 0.7\%$) to 2.8 percent ($\pm 0.7\%$).

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



Third quarter 2006 revenue is scheduled to be released on December 14, 2006, at 10:00 a.m. EST

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, except for NAICS 622 and 623, have been adjusted using results of the 2004 Service Annual Survey]

NAICS code ¹	Kind of business	Total revenue (millions of dollars)						Percent change				Year to date		
		2Q	1Q	4Q	3Q	2Q	1Q	2Q 2006	1Q 2006	2Q 2006	1Q 2006	2006	2005	2006 from 2005
		2006 (p)	2006 (r)	2005	2005	2005	2005	from 2006 (p)	from 2006 (r)	from 2006 (p)	from 2006 (r)			
51	Information	261,665	249,338	258,920	247,405	246,452	238,729	4.9	-3.7	6.2	4.4	511,003	485,181	5.3
511	Publishing industries	72,686	67,996	74,116	69,866	68,158	64,220	6.9	-8.3	6.6	5.9	140,682	132,378	6.3
51111	Newspaper publishers	12,657	12,144	13,227	12,446	12,714	12,005	4.2	-8.2	-0.4	1.2	24,801	24,719	0.3
51112	Periodical publishers	11,649	10,483	11,864	11,391	10,903	9,765	11.1	-11.6	6.8	7.4	22,132	20,668	7.1
5111 pt	Book, database and directory, and other publishers ²	15,125	14,392	15,638	16,736	14,996	14,420	5.1	-8.0	0.9	-0.2	29,517	29,416	0.3
5112	Software publishers	33,255	30,977	33,387	29,293	29,545	28,030	7.4	-7.2	12.6	10.5	64,232	57,575	11.6
512	Motion picture and sound recording industries	21,199	19,725	22,517	19,770	20,729	21,158	7.5	-12.4	2.3	-6.8	40,924	41,887	-2.3
513	Broadcasting and telecommunications	139,326	135,360	135,905	132,308	133,066	129,633	2.9	-0.4	4.7	4.4	274,686	262,699	4.6
5131	Radio and television broadcasting	13,443	12,969	13,614	11,654	12,672	12,114	3.7	-4.7	6.1	7.1	26,412	24,786	6.6
5132	Cable networks and program distribution	32,494	30,357	30,104	29,102	29,343	27,670	7.0	0.8	10.7	9.7	62,851	57,013	10.2
5133	Telecommunications	93,389	92,034	92,187	91,552	91,051	89,849	1.5	-0.2	2.6	2.4	185,423	180,900	2.5
51331	Wired telecommunications carriers	48,659	48,845	50,202	50,336	50,782	51,225	-0.4	-2.7	-4.2	-4.6	97,504	102,007	-4.4
51332	Wireless telecommunications carriers (except satellite)	39,142	37,969	37,195	36,570	35,461	33,771	3.1	2.1	10.4	12.4	77,111	69,232	11.4
5133 pt	Other telecommunications ³	5,588	5,220	4,790	4,646	4,808	4,853	7.0	9.0	16.2	7.6	10,808	9,661	11.9
514	Information services and data processing services	28,454	26,257	26,382	25,461	24,499	23,718	8.4	-0.5	16.1	10.7	54,711	48,217	13.5
5141	Information services	11,419	10,426	10,357	9,920	9,607	9,509	9.5	0.7	18.9	9.6	21,845	19,116	14.3
5142	Data processing services	17,035	15,831	16,025	15,541	14,892	14,209	7.6	-1.2	14.4	11.4	32,866	29,101	12.9
54	Professional, scientific, and technical services ⁴	285,791	275,271	277,489	255,216	261,301	250,812	3.8	-0.8	9.4	9.8	561,062	512,113	9.6
5412	Accounting, tax preparation, bookkeeping, and payroll services	27,320	33,397	22,723	20,698	25,723	30,388	-18.2	47.0	6.2	9.9	60,717	56,111	8.2
5413	Architectural, engineering, and related services ⁵	55,616	51,385	53,031	49,729	47,739	44,529	8.2	-3.1	16.5	15.4	107,001	92,268	16.0
5415	Computer systems design and related services	47,813	46,763	46,541	45,832	46,406	44,380	2.2	0.5	3.0	5.4	94,576	90,786	4.2
5416	Management, scientific, and technical consulting services	39,481	38,898	37,432	34,503	34,384	32,580	1.5	3.9	14.8	19.4	78,379	66,964	17.0
5418	Advertising and related services	19,352	18,562	19,122	17,508	17,606	15,868	4.3	-2.9	9.9	17.0	37,914	33,474	13.3
541 pt	Other professional, scientific, and technical services ⁶	96,209	86,266	98,640	86,946	89,443	83,067	11.5	-12.5	7.6	3.9	182,475	172,510	5.8
56	Administrative and support and waste management and remediation services ⁷	127,039	122,997	124,300	119,750	117,826	112,211	3.3	-1.0	7.8	9.6	250,036	230,037	8.7
561	Administrative and support services ⁷	110,853	107,819	107,535	103,582	103,069	98,498	2.8	0.3	7.6	9.5	218,672	201,567	8.5
5613	Employment services	41,350	40,808	41,352	40,085	38,573	37,595	1.3	-1.3	7.2	8.5	82,158	76,168	7.9
5615	Travel arrangement and reservation services	9,750	8,207	8,077	7,950	8,414	7,462	18.8	1.6	15.9	10.0	17,957	15,876	13.1
561 pt	Other administrative and support services ⁸	59,753	58,804	58,106	55,547	56,082	53,441	1.6	1.2	6.5	10.0	118,557	109,523	8.2
562	Waste management and remediation services	16,186	15,178	16,765	16,168	14,757	13,713	6.6	-9.5	9.7	10.7	31,364	28,470	10.2
62 pt	Selected health care services ⁹	205,424	202,708	197,271	195,775	193,831	192,528	1.3	2.8	6.0	5.3	408,132	386,359	5.6
622	Hospitals	166,999	164,834	160,129	159,486	157,959	157,494	1.3	2.9	5.7	4.7	331,833	315,453	5.2
623	Nursing and residential care facilities	38,425	37,874	37,142	36,289	35,872	35,034	1.5	2.0	7.1	8.1	76,299	70,906	7.6

(p) Preliminary estimate. (r) Revised estimate.

(1) For a full description of the NAICS codes used in this table, see www.census.gov/epcd/www/naics.html.

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

(3) Includes NAICS 51333 (telecommunications resellers), 51334 (satellite telecommunications), and 51339 (other telecommunications).

(4) Excludes NAICS 54112 (offices of notaries), 54132 (landscape architectural services), and 54194 (veterinary services).

(5) Excludes NAICS 54132 (landscape architectural services).

(6) Includes NAICS 5411 (legal services except NAICS 54112 (offices of notaries)), 5414 (specialized design services), 5417 (scientific research and development services), and 5419 (other professional, scientific, and technical services except NAICS 54194 (veterinary services)).

(7) Excludes NAICS 56173 (landscaping services).

(8) 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 except NAICS 56173 (landscaping services)), and 5619 (other support services).

(9) 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]

NAICS code ¹	Kind of business	Median coefficient ¹ of variation for quarterly total revenue	Median standard error ¹ for percent change		Coefficient of variation for year to date		Standard error for percent change
			Ratio of two consecutive quarters	Current quarter to current quarter last year	2006	2005	2006 year to date
							from 2005 year to date
51	Information	0.6	0.3	0.4	0.7	0.5	0.3
511	Publishing industries	1.4	0.6	1.0	1.3	1.2	0.7
51111	Newspaper publishers	1.1	0.4	1.0	1.3	1.1	1.2
51112	Periodical publishers	2.5	1.3	1.6	2.4	1.6	0.8
5111 pt	Book, database and directory, and other publishers	2.1	1.3	1.1	2.8	1.5	0.8
5112	Software publishers	3.2	1.1	2.0	2.8	2.9	1.6
512	Motion picture and sound recording industries	3.4	2.0	2.1	3.7	2.2	1.7
513	Broadcasting and telecommunications	0.8	0.2	0.5	1.0	0.6	0.6
5131	Radio and television broadcasting	2.4	1.1	2.2	3.3	1.0	2.6
5132	Cable networks and program distribution	1.2	0.2	0.5	1.5	1.0	0.4
5133	Telecommunications	1.2	0.2	0.7	1.5	0.8	0.8
51331	Wired telecommunications carriers	1.3	0.2	0.6	1.5	1.2	0.5
51332	Wireless telecommunications carriers (except satellite)	0.5	0.1	0.2	0.4	0.5	0.2
5133 pt	Other telecommunications	14.1	2.1	6.2	20.5	6.1	6.0
514	Information services and data processing services	1.5	0.8	1.2	1.7	0.8	1.1
5141	Information services	2.9	1.2	2.3	2.8	1.6	2.0
5142	Data processing services	2.2	1.0	1.3	2.3	1.8	1.2
54	Professional, scientific, and technical services	2.1	1.2	1.3	1.6	1.6	1.0
5412	Accounting, tax preparation, bookkeeping, and payroll services	5.3	2.4	2.3	5.1	5.1	2.3
5413	Architectural, engineering, and related services	4.4	3.1	6.0	3.8	2.9	3.2
5415	Computer systems design and related services	3.2	1.6	2.3	3.5	2.6	2.0
5416	Management, scientific, and technical consulting services	4.6	1.4	2.5	4.6	3.8	1.8
5418	Advertising and related services	3.5	1.9	2.8	3.5	3.2	3.3
541 pt	Other professional, scientific, and technical services	3.1	2.1	2.8	3.4	2.5	2.7
56	Administrative and support and waste management and remediation services	2.8	1.0	1.3	1.9	4.1	0.8
561	Administrative and support services	3.1	1.0	1.4	2.1	4.6	0.8
5613	Employment services	7.8	1.5	2.8	4.9	12.1	2.5
5615	Travel arrangement and reservation services	6.1	2.8	3.7	7.6	4.4	2.5
561 pt	Other administrative and support services	2.1	1.4	1.5	2.2	1.8	1.1
562	Waste management and remediation services	4.2	1.8	3.6	3.5	2.2	2.5
62 pt	Selected health care services	1.5	0.4	0.9	1.6	1.5	0.6
622	Hospitals	1.5	0.5	1.0	1.5	1.5	0.6
623	Nursing and residential care facilities	3.2	1.0	2.1	3.1	3.0	1.7

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

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), NAICS 56 (Administrative and support and waste management and remediation 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) imputed revenue amounts to about 29 percent; for NAICS 56 (Administrative and support and waste management and remediation services) imputed revenue amounts to about 32 percent, and for NAICS 62 (Hospitals and nursing and residential care facilities) imputed revenue amounts to about 19 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.