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2002 Economic Census

Professional, Scientific, and Technical Services

Geographic Area Series



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-- Not applicable for this report.

Introduction to the Economic Census

PURPOSES AND USES OF THE ECONOMIC CENSUS

The economic census is the major source of facts about the structure and functioning of the nation's economy. It provides essential information for government, business, industry, and the general public. Title 13 of the United States Code (Sections 131, 191, and 224) directs the Census Bureau to take the economic census every 5 years, covering years ending in "2" and "7."

The economic census furnishes an important part of the framework for such composite measures as the gross domestic product estimates, input/output measures, production and price indexes, and other statistical series that measure short-term changes in economic conditions. Specific uses of economic census data include the following:

- Policymaking agencies of the federal government use the data to monitor economic activity and to assess the effectiveness of policies.
- State and local governments use the data to assess business activities and tax bases within their jurisdictions and to develop programs to attract business.
- Trade associations study trends in their own and competing industries, which allows them to keep their members informed of market changes.
- Individual businesses use the data to locate potential markets and to analyze their own production and sales performance relative to industry or area averages.

INDUSTRY CLASSIFICATIONS

Data from the 2002 Economic Census are published primarily according to the 2002 North American Industry Classification System (NAICS). NAICS was first adopted in the United States, Canada, and Mexico in 1997. The 2002 Economic Census covers the following NAICS sectors:

21	Mining
22	Utilities
23	Construction
31-33	Manufacturing
42	Wholesale Trade
44-45	Retail Trade
48-49	Transportation and Warehousing
51	Information
52	Finance and Insurance
53	Real Estate and Rental and Leasing
54	Professional, Scientific, and Technical Services
55	Management of Companies and Enterprises
56	Administrative and Support and Waste Management and Remediation Services
61	Educational Services
62	Health Care and Social Assistance
71	Arts, Entertainment, and Recreation
72	Accommodation and Food Services
81	Other Services (except Public Administration)

(Not listed above are the Agriculture, Forestry, Fishing, and Hunting sector (NAICS 11), partially covered by the census of agriculture conducted by the U.S. Department of Agriculture, and the Public Administration sector (NAICS 92), largely covered by the census of governments conducted by the Census Bureau.)

The 20 NAICS sectors are subdivided into 100 subsectors (three-digit codes), 317 industry groups (four-digit codes), and, as implemented in the United States, 1,179 industries (six-digit codes).

RELATIONSHIP TO HISTORICAL INDUSTRY CLASSIFICATIONS

Prior to the 1997 Economic Census, data were published according to the Standard Industrial Classification (SIC) system. While many of the individual NAICS industries correspond directly to industries as defined under the SIC system, most of the higher level groupings do not. Particular care should be taken in comparing data for retail trade, wholesale trade, and manufacturing, which are sector titles used in both NAICS and SIC, but cover somewhat different groups of industries. The 1997 Economic Census *Bridge Between NAICS and SIC* demonstrates the relationships between NAICS and SIC industries. Where changes are significant, it may not be possible to construct time series that include data for points both before and after 1997.

Most industry classifications remained unchanged between 1997 and 2002, but NAICS 2002 includes substantial revisions within the construction and wholesale trade sectors, and a number of revisions for the retail trade and information sectors. These changes are noted in industry definitions and will be demonstrated in the *Bridge Between NAICS 2002 and NAICS 1997*.

For 2002, data for enterprise support establishments (those functioning primarily to support the activities of their company's operating establishments, such as a warehouse or a research and development laboratory) are included in the industry that reflects their activities (such as warehousing). For 1997, such establishments were termed auxiliaries and were excluded from industry totals.

BASIS OF REPORTING

The economic census is conducted on an establishment basis. A company operating at more than one location is required to file a separate report for each store, factory, shop, or other location. Each establishment is assigned a separate industry classification based on its primary activity and not that of its parent company. (For selected industries, only payroll, employment, and classification are collected for individual establishments, while other data are collected on a consolidated basis.)

GEOGRAPHIC AREA CODING

Accurate and complete information on the physical location of each establishment is required to tabulate the census data for states, metropolitan and micropolitan statistical areas, counties, and corporate municipalities (places) including cities, towns, townships, villages, and boroughs. Respondents were required to report their physical location (street address, municipality, county, and state) if it differed from their mailing address. For establishments not surveyed by mail (and those single-establishment companies that did not provide acceptable information on physical location), location information from administrative sources is used as a basis for coding.

AVAILABILITY OF ADDITIONAL DATA

All results of the 2002 Economic Census are available on the Census Bureau Internet site (www.census.gov) and on digital versatile discs (DVD-ROMs) for sale by the Census Bureau. The American FactFinder system at the Internet site allows selective retrieval and downloading of the data. For more information, including a description of reports being issued, see the Internet site, write to the U.S. Census Bureau, Washington, DC 20233-6100, or call Customer Services at 301-763-4100.

HISTORICAL INFORMATION

The economic census has been taken as an integrated program at 5-year intervals since 1967 and before that for 1954, 1958, and 1963. Prior to that time, individual components of the economic census were taken separately at varying intervals.

The economic census traces its beginnings to the 1810 Decennial Census, when questions on manufacturing were included with those for population. Coverage of economic activities was expanded for the 1840 Decennial Census and subsequent censuses to include mining and some commercial activities. The 1905 Manufactures Census was the first time a census was taken apart

from the regular decennial population census. Censuses covering retail and wholesale trade and construction industries were added in 1930, as were some service trades in 1933. Censuses of construction, manufacturing, and the other business censuses were suspended during World War II.

The 1954 Economic Census was the first census to be fully integrated, providing comparable census data across economic sectors and using consistent time periods, concepts, definitions, classifications, and reporting units. It was the first census to be taken by mail, using lists of firms provided by the administrative records of other federal agencies. Since 1963, administrative records also have been used to provide basic statistics for very small firms, reducing or eliminating the need to send them census report forms.

The range of industries covered in the economic census expanded between 1967 and 2002. The census of construction industries began on a regular basis in 1967, and the scope of service industries, introduced in 1933, was broadened in 1967, 1977, and 1987. While a few transportation industries were covered as early as 1963, it was not until 1992 that the census broadened to include all of transportation, communications, and utilities. Also new for 1992 was coverage of financial, insurance, and real estate industries. With these additions, the economic census and the separate census of governments and census of agriculture collectively covered roughly 98 percent of all economic activity. New for 2002 is coverage of four industries classified in the agriculture, forestry, and fishing sector under the SIC system: landscape architectural services, landscaping services, veterinary services, and pet care services.

Printed statistical reports from the 1992 and earlier censuses provide historical figures for the study of long-term time series and are available in some large libraries. Reports for 1997 were published primarily on the Internet and copies of 1992 reports are also available there. CD-ROMs issued from the 1987, 1992, and 1997 Economic Censuses contain databases that include all or nearly all data published in print, plus additional statistics, such as ZIP Code statistics, published only on CD-ROM.

SOURCES FOR MORE INFORMATION

More information about the scope, coverage, classification system, data items, and publications for the 2002 Economic Census and related surveys is published in the *Guide to the 2002 Economic Census* at www.census.gov/econ/census02/guide. More information on the methodology, procedures, and history of the census will be published in the *History of the 2002 Economic Census* at www.census.gov/econ/www/history.html.

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Professional, Scientific, and Technical Services

SCOPE

The Professional, Scientific, and Technical Services sector (sector 54) comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide services to clients in a variety of industries and, in some cases, to households. Activities performed include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services.

This sector excludes establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics. These establishments are classified in Sector 56, Administrative and Support and Waste Management and Remediation Services.

Data for this sector are shown for establishments of firms subject to federal income tax, and separately, of firms that are exempt from federal income tax under provisions of the Internal Revenue Code.

Many of the “kinds of business” included in this sector are not thought of as commercial businesses and the terms (such as “business,” “establishment,” and “firm”) used to describe them may not be descriptive of such services. However, these terms are applied to all “kinds of business” in order to maintain conformity in the measures of the production and delivery of goods and services and in the presentation of data.

Exclusions. The tabulations for this sector do not include central administrative offices, warehouses, or other establishments that serve professional, scientific, and technical service establishments within the same organization. Data for such establishments are classified according to the nature of the service they provide. For example, separate headquarters establishments are reported in NAICS sector 55, Management of Companies and Enterprises.

The reports described below exclude establishments of firms with no paid employees. These “nonemployers,” typically self-employed individuals or partnerships operating businesses that they have not chosen to incorporate, are reported separately in *Nonemployer Statistics*. The contribution of nonemployers, relatively large for this sector, may be examined at www.census.gov/nonemployerimpact.

Definitions. Industry categories are defined in Appendix B, NAICS Codes, Titles, and Descriptions. Other terms are defined in Appendix A, Explanation of Terms.

REPORTS

The following reports provide statistics on this sector.

Industry Series. There are nine reports, each covering a group of related industries. The reports present, by kind of business for the United States, general statistics for establishments of firms with payroll on number of establishments, receipts/revenue, expenses of tax-exempt establishments, payroll, and employment; comparative statistics for 2002 and 1997; product lines; and concentration of business activity in the largest firms. The data in industry reports are preliminary and subject to change in the following reports.

Geographic Area Series. There is a separate report for each state, the District of Columbia, and the United States. Each state report presents, for establishments of firms with payroll, general statistics on number of establishments, receipts/revenue, expenses of tax-exempt establishments, payroll, and employment by kind of business for the state, metropolitan and micropolitan statistical areas, counties, and places with 2,500 inhabitants or more. Greater kind-of-business detail is shown for larger areas. The United States report presents data for the United States as a whole for detailed kind-of-business classifications.

Subject Series:

- **Product Lines.** This report presents product lines data for establishments of firms with payroll by kind of business. Data are presented for the United States and states. Establishments may report negative revenue for selected product lines. Because of this, percentages for product lines may be in excess of 100 or less than 0.
- **Establishment and Firm Size (Including Legal Form of Organization).** This report presents receipts/revenue, payroll, and employment data for the United States by receipts/revenue size, by employment size, and by legal form of organization for establishments of firms with payroll; and by receipts/revenue size (including concentration by largest firms), by employment size, and by number of establishments operated (single units and multiunits) for firms with payroll.
- **Miscellaneous Subjects.** This report presents data for a variety of industry-specific topics for establishments of firms with payroll. Presentation of data varies by kind of business.

ZIP Code Statistics. This report presents data for establishments of firms with payroll by United States ZIP Code.

Other reports. Data for this sector are also included in reports with multisector coverage, including *Nonemployer Statistics*, *Comparative Statistics*, *Bridge Between 2002 NAICS and 1997 NAICS*, *Business Expenses*, and the Survey of Business Owners reports.

GEOGRAPHIC AREAS COVERED

The level of geographic detail varies by report. Maps are available at www.census.gov/econ2002maps. Notes specific to areas in the state are included in Appendix D, Geographic Notes. Data may be presented for –

1. The United States as a whole.
2. States and the District of Columbia.
3. Metropolitan and micropolitan statistical areas. A core based statistical area (CBSA) contains a core area with a substantial population nucleus, together with adjacent communities having a high degree of social and economic integration with that core. CBSAs are differentiated into metropolitan and micropolitan statistical areas based on size criteria. Both metropolitan and micropolitan statistical areas are defined in terms of entire counties, and are listed in Appendix E, Metropolitan and Micropolitan Statistical Areas.
 - a. Metropolitan Statistical Areas (metro areas). Metro areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.
 - b. Micropolitan Statistical Areas (micro areas). Micro areas have at least one urban cluster of at least 10,000, but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.
 - c. Metropolitan Divisions (metro divisions). If specified criteria are met, a metro area containing a single core with a population of 2.5 million or more may be subdivided to form smaller groupings of counties referred to as Metropolitan Divisions.

-
- d. Combined Statistical Areas (combined areas). If specified criteria are met, adjacent metro and micro areas, in various combinations, may become the components of a new set of areas called Combined Statistical Areas. The areas that combine retain their own designations as metro or micro areas within the larger combined area.
4. Counties and county equivalents defined as of January 1, 2002. Counties are the primary divisions of states, except in Louisiana where they are called parishes and in Alaska where they are called boroughs, census areas, and city and boroughs. Maryland, Missouri, Nevada, and Virginia have one place or more that is independent of any county organization and constitutes primary divisions of their states. These places are treated as counties and as places.
 5. Economic places.
 - a. Municipalities of 2,500 inhabitants or more defined as of January 1, 2002. These are areas of significant population incorporated as cities, boroughs, villages, or towns according to the 2000 Census of Population. For the economic census, boroughs, census areas, and city and boroughs in Alaska and boroughs in New York are not included in this category.
 - b. Consolidated cities defined as of January 1, 2002. Consolidated cities are consolidated governments that consist of separately incorporated municipalities.
 - c. Townships in Michigan, New Jersey, and Pennsylvania, and towns in New York, Wisconsin, and the six New England states with 10,000 inhabitants or more (according to the 2000 Census of Population).
 - d. Balance of county. Areas outside the entities listed above, including incorporated municipalities with populations of fewer than 2,500, towns and townships not qualifying as noted above, and the remainders of counties outside places are categorized as "Balance of county."

DOLLAR VALUES

All dollar values presented are expressed in current dollars; i.e., 2002 data are expressed in 2002 dollars, and 1997 data, in 1997 dollars. Consequently, when making comparisons with prior years, users of the data should consider the changes in prices that have occurred.

All dollar values are shown in thousands of dollars.

COMPARABILITY OF THE 1997 AND 2002 ECONOMIC CENSUSES

Both the 2002 Economic Census and the 1997 Economic Census present data based on the North American Industry Classification System (NAICS). However, for 2002, data for NAICS 54132, Landscape Architectural Services, and NAICS 54194, Veterinary Services, are included. These NAICS industries were out of scope in 1997.

Data for this sector for 2002 include totals for taxable and tax-exempt businesses together, not present in 1997 reports. For 1997, only data for taxable establishments were shown at county and place levels in the Geographic Area Series. For 2002, data for taxable and tax-exempt establishments, as well as the combined totals, are shown at these geographic levels.

These tables for 2002 include professional, scientific, and technical service establishments that primarily serve other establishments of the same enterprise. These "enterprise support" establishments were not included in data for the professional, scientific, and technical services sector in 1997, but were instead included in the "Other auxiliary establishments" kind-of-business category in the "Auxiliaries, Excluding Corporate, Subsidiary, and Regional Managing Offices" reports.

For 2002, the revenue data for tax-exempt establishments include gains or losses from the sale of real estate, investments, or other assets. In 1997, these gains or losses were excluded from revenue. Also, the 2002 expenses data for tax-exempt establishments exclude program service grants, contributions and gifts paid, specific assistance to individuals, and benefits paid to or for members. In 1997, these types of expenses were included.

RELIABILITY OF DATA

All data compiled for this sector are subject to nonsampling errors. Nonsampling errors can be attributed to many sources: inability to identify all cases in the actual universe; definition and classification difficulties; differences in the interpretation of questions; errors in recording or coding the data obtained; and other errors of collection, response, coverage, processing, and estimation for missing or misreported data. Data presented in the Miscellaneous Subjects and Product Lines reports for this sector are subject to sampling errors, as well as nonsampling errors.

The accuracy of these tabulated data is determined by the joint effects of the various nonsampling errors or by the joint effects of sampling and nonsampling errors. No direct measurement of these effects has been obtained except for estimation for missing or misreported data, as by the percentages shown in the tables. Precautionary steps were taken in all phases of the collection, processing, and tabulation of the data in an effort to minimize the effects of nonsampling errors. More information on the reliability of the data is included in Appendix C, Methodology.

DISCLOSURE

In accordance with federal law governing census reports (Title 13 of the United States Code), no data are published that would disclose the operations of an individual establishment or business. However, the number of establishments in a kind-of-business classification is not considered a disclosure; therefore, this information may be released even though other information is withheld. Techniques employed to limit disclosure are discussed at www.census.gov/epcd/ec02/disclosure.htm.

AVAILABILITY OF MORE FREQUENT ECONOMIC DATA

The Census Bureau conducts the Service Annual Survey (SAS) each year. This survey, while providing more frequent observations, yields less kind-of-business and geographic detail than the economic census. In addition, the County Business Patterns program offers annual statistics on the number of establishments, employment, and payroll classified by industry within each county, and Statistics of U.S. Businesses program provides annual statistics classified by the employment size of the enterprise, further classified by industry for the United States, and by broader categories for states and metropolitan areas.

CONTACTS FOR DATA USERS

Questions about these data may be directed to the U.S. Census Bureau, Service Sector Statistics Division, Service Census Branch, 1-800-541-8345 or scb@census.gov.

ABBREVIATIONS AND SYMBOLS

The following abbreviations and symbols are used with these data:

D	Withheld to avoid disclosing data of individual companies; data are included in higher level totals
N	Not available or not comparable
S	Withheld because estimates did not meet publication standards
X	Not applicable
Z	Less than half the unit shown
a	0 to 19 employees
b	20 to 99 employees
c	100 to 249 employees
e	250 to 499 employees
f	500 to 999 employees
g	1,000 to 2,499 employees
h	2,500 to 4,999 employees
i	5,000 to 9,999 employees
j	10,000 to 24,999 employees
k	25,000 to 49,999 employees
l	50,000 to 99,999 employees
m	100,000 employees or more

r Revised
– Represents zero (page image/print only)
(CC) Consolidated city
(IC) Independent city
CDP Census designated place

Table 1. Summary Statistics for the United States: 2002—Con.

[Includes only establishments of firms with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A. Data based on the 2002 Economic Census. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see note at end of table. Enterprise support establishments are included. Because of this, comparability to 1997 Economic Census data may be limited. Table 2 of the United States Geographic Area Series report presents data on enterprise support establishments that are included in the 2002 data. See introductory text for an explanation of the treatment of enterprise support establishments in the 2002 Economic Census compared to the 1997 Economic Census.]

NAICS code	Tax status and kind of business	Establishments (number)	Receipts/revenue (\$1,000)	Expenses (\$1,000)	Annual payroll (\$1,000)	First-quarter payroll (\$1,000)	Paid employees for pay period including March 12 (number)	Percent of receipts/revenue—	
								From administrative records ¹	Estimated ²
ESTABLISHMENTS SUBJECT TO FEDERAL INCOME TAX—Con.									
54	Professional, scientific, and technical services—Con.								
541	Professional, scientific, and technical services—Con.								
5417	Scientific research and development services ...	12 288	45 983 038	N	36 449 157	9 556 408	483 131	5.4	15.6
54171	Research and development in the physical, engineering, and life sciences	11 037	44 089 033	N	33 536 592	8 752 851	439 829	5.2	15.9
541710	Research and development in the physical, engineering, and life sciences	11 037	44 089 033	N	33 536 592	8 752 851	439 829	5.2	15.9
5417101	Research and development in the physical and engineering sciences	6 198	24 836 529	N	18 566 026	4 756 942	249 783	4.7	15.3
5417102	Research and development in the life sciences	4 839	19 252 504	N	14 970 566	3 995 909	190 046	5.8	16.7
54171023	Research and development in biotechnology	2 250	10 475 153	N	8 981 967	2 396 934	105 454	5.6	15.7
54171029	Research and development in other life sciences	2 589	8 777 351	N	5 988 599	1 598 975	84 592	6.1	17.9
54172	Research and development in the social sciences and humanities	1 251	1 894 005	N	2 912 565	803 557	43 302	10.9	8.9
541720	Research and development in the social sciences and humanities	1 251	1 894 005	N	2 912 565	803 557	43 302	10.9	8.9
5418	Advertising and related services	38 047	56 680 662	N	19 484 306	4 856 900	409 429	16.1	7.5
54181	Advertising agencies	12 489	21 103 772	N	9 598 636	2 429 165	153 862	8.5	7.6
541810	Advertising agencies	12 489	21 103 772	N	9 598 636	2 429 165	153 862	8.5	7.6
54182	Public relations agencies	6 847	6 204 729	N	2 678 669	643 043	44 922	28.4	10.2
541820	Public relations agencies	6 847	6 204 729	N	2 678 669	643 043	44 922	28.4	10.2
54183	Media buying services	888	1 150 307	N	455 935	111 722	7 834	12.4	8.9
541830	Media buying services	888	1 150 307	N	455 935	111 722	7 834	12.4	8.9
54184	Media representatives	2 397	2 728 526	N	895 539	221 130	19 130	24.8	8.0
541840	Media representatives	2 397	2 728 526	N	895 539	221 130	19 130	24.8	8.0
5418401	Radio and television advertising representatives	930	1 214 979	N	441 493	112 034	8 150	17.9	8.9
5418402	Publishers' advertising representatives	1 467	1 513 547	N	454 046	109 096	10 980	30.4	7.2
54185	Display advertising	2 526	4 616 626	N	930 448	229 704	26 666	15.8	6.0
541850	Display advertising	2 526	4 616 626	N	930 448	229 704	26 666	15.8	6.0
54186	Direct mail advertising	3 754	10 544 455	N	2 729 932	676 275	76 490	18.4	7.1
541860	Direct mail advertising	3 754	10 544 455	N	2 729 932	676 275	76 490	18.4	7.1
54187	Advertising material distribution services	646	1 487 845	N	357 684	85 787	10 006	10.7	4.0
541870	Advertising material distribution services	646	1 487 845	N	357 684	85 787	10 006	10.7	4.0
54189	Other services related to advertising	8 500	8 844 402	N	1 837 463	460 074	70 519	21.6	6.8
541890	Other services related to advertising	8 500	8 844 402	N	1 837 463	460 074	70 519	21.6	6.8
5418901	Welcoming services	94	30 890	N	8 642	1 377	331	20.2	28.7
5418902	Advertising specialties goods distributor	4 419	6 514 121	N	1 109 860	270 158	30 290	19.6	4.8
5418903	Sign painting and lettering shop	2 844	889 024	N	271 033	64 563	12 231	43.8	7.4
5418909	All other advertising services	1 143	1 410 367	N	447 928	123 976	27 667	16.7	15.3
5419	Other professional, scientific, and technical services	66 525	41 693 231	N	13 779 163	3 201 788	508 389	26.6	8.1
54191	Marketing research and public opinion polling	5 460	10 890 323	N	4 080 844	1 008 632	122 359	11.9	8.6
541910	Marketing research and public opinion polling	5 460	10 890 323	N	4 080 844	1 008 632	122 359	11.9	8.6
54192	Photographic services	18 741	6 538 064	N	1 656 052	371 230	79 630	28.3	12.7
541921	Photography studios, portrait	14 545	4 751 987	N	1 143 508	248 971	63 880	25.9	14.5
541922	Commercial photography	4 196	1 786 077	N	512 544	122 259	15 750	34.6	7.8
54193	Translation and interpretation services	1 572	876 102	N	268 912	67 077	9 721	29.7	4.7
541930	Translation and interpretation services	1 572	876 102	N	268 912	67 077	9 721	29.7	4.7
54194	Veterinary services	25 642	16 623 278	N	5 590 538	1 254 082	238 731	28.3	3.4
541940	Veterinary services	25 642	16 623 278	N	5 590 538	1 254 082	238 731	28.3	3.4
54199	All other professional, scientific, and technical services	15 110	6 765 464	N	2 182 817	500 767	57 948	44.5	14.6
541990	All other professional, scientific, and technical services	15 110	6 765 464	N	2 182 817	500 767	57 948	44.5	14.6

¹Includes receipts/revenue information obtained from administrative records of other federal agencies.

²Includes receipts/revenue information that was imputed based on historic data, administrative data, industry averages, or other statistical methods.

Note: The data in this table are based on the 2002 Economic Census. To maintain confidentiality, the Census Bureau suppresses data to protect the identity of any business or individual. The census results in this table contain nonsampling error. Data users who create their own estimates using data from this table should cite the Census Bureau as the source of the original data only. See also explanation of terms and geographic definitions. For the full technical documentation, see Appendix C.

Table 2. Enterprise Support Statistics for the United States: 2002

[Includes only establishments of firms with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A. Data based on the 2002 Economic Census. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see note at end of table]

NAICS code	Kind of business	Establishments (number)	Receipts/revenue (\$1,000)	Annual payroll (\$1,000)	First-quarter payroll (\$1,000)	Paid employees for pay period including March 12 (number)
54	Professional, scientific, and technical services	3 187	1 640 841	26 729 729	7 189 878	361 198
541	Professional, scientific, and technical services	3 187	1 640 841	26 729 729	7 189 878	361 198
5411	Legal services	49	D	D	D	f
5412	Accounting, tax preparation, bookkeeping, and payroll services	1 436	100 240	3 965 548	1 063 381	77 193
5413	Architectural, engineering, and related services	159	280 173	3 310 412	869 938	45 136
5414	Specialized design services	33	D	D	D	g
5415	Computer systems design and related services	219	120 044	1 473 089	365 794	20 103
5417	Scientific research and development services	1 033	1 034 437	17 314 917	4 715 361	208 625
54171	Research and development in the physical, engineering, and life sciences	880	949 554	15 118 255	4 079 162	178 872
541710	Research and development in the physical, engineering, and life sciences	880	949 554	15 118 255	4 079 162	178 872
5417101	Research and development in the physical and engineering sciences	550	689 536	8 523 630	2 245 419	106 298
5417102	Research and development in the life sciences	330	260 018	6 594 625	1 833 743	72 574
54171023	Research and development in biotechnology	153	77 956	4 056 369	1 101 454	42 032
54171029	Research and development in other life sciences	177	182 062	2 538 256	732 289	30 542
54172	Research and development in the social sciences and humanities	153	84 883	2 196 662	636 199	29 753
541720	Research and development in the social sciences and humanities	153	84 883	2 196 662	636 199	29 753
5418	Advertising and related services	188	52 248	278 809	78 862	4 185
5419	Other professional, scientific, and technical services	70	22 272	218 122	53 538	3 916

Note: The data in this table are based on the 2002 Economic Census. To maintain confidentiality, the Census Bureau suppresses data to protect the identity of any business or individual. The census results in this table contain nonsampling error. Data users who create their own estimates using data from this table should cite the Census Bureau as the source of the original data only. See also explanation of terms and geographic definitions. For the full technical documentation, see Appendix C.

Appendix A.

Explanation of Terms

ANNUAL PAYROLL

Payroll includes all forms of compensation such as salaries, wages, commissions, dismissal pay, bonuses, vacation allowances, sick-leave pay, and employee contributions to qualified pension plans paid during the year to all employees and reported on Internal Revenue Service (IRS) Form 941 as taxable Medicare Wages and tips (even if not subject to income or FICA tax). Also included are tips and gratuities received by employees from patrons and reported to employers. If an employee works at more than one location, the payroll is included in the one location where they spend most of their time. Also included are salaries of members of professional service organizations or associations that operate under state professional corporation statutes and file a corporate federal income tax return. Excluded are payrolls of departments or concessions operated by other companies at the establishment; payments to or withdrawals by proprietors or partners of an unincorporated company; and annuities or supplemental unemployment compensation benefits, even if income tax was withheld. Payroll is reported before deductions for social security, income tax, insurance, union dues, etc. This definition of payroll is the same as that used by the IRS on Form 941.

ESTABLISHMENTS

An establishment is a single physical location at which business is conducted and/or services are provided. It is not necessarily identical to a company or enterprise, which may consist of one establishment or more. Economic census figures represent a summary of reports for individual establishments rather than companies. For cases where a census report was received, separate information was obtained for each location where business was conducted. When administrative records of other federal agencies were used instead of a census report, no information was available on the number of locations operated. Each economic census establishment was tabulated according to the physical location at which the business was conducted. The count of establishments represents those in business at any time during 2002.

When two activities or more were carried on at a single location under a single ownership, all activities generally were grouped together as a single establishment. The entire establishment was classified on the basis of its major activity and all data for it were included in that classification. However, when distinct and separate economic activities (for which different industry classification codes were appropriate) were conducted at a single location under a single ownership, separate establishment reports for each of the different activities were obtained in the census.

Leased service departments (separately owned businesses operated as departments or concessions of other service establishments or of retail businesses, such as a separately owned shoe-shine parlor in a barber shop, or a beauty shop in a department store) are treated as separate service establishments for census purposes. Leased retail departments located in service establishments (e.g., a gift shop located in a hotel) are considered separate retail establishments.

EXPENSES

Expenses include payroll, employee benefits, payroll taxes, interest and rent expenses; cost of supplies used for operation; cost of merchandise sold; depreciation expenses; fundraising expenses; contracted or purchased services; and other expenses charged to operations during 2002. Expenses exclude program service grants; contributions and gifts paid; specified assistance to individuals; benefits paid to or for members; outlays for the purchase of real estate; construction and all other capital improvements; funds invested; assessments or dues paid to the parent

or other chapters of the same organization; income taxes; sales and other taxes collected directly from customers or clients and paid directly to a local, state, or federal tax agency; and, for fund-raising organizations, funds transferred to charities and other organizations.

FIRST-QUARTER PAYROLL

Represents payroll paid to persons employed at any time during the quarter January to March 2002.

PAID EMPLOYEES FOR PAY PERIOD INCLUDING MARCH 12

Paid employees consist of full- and part-time employees, including salaried officers and executives of corporations, who were on the payroll during the pay period including March 12. Included are employees on paid sick leave, paid holidays, and paid vacations, and salaried members of professional service organizations or associations that operate under state professional corporation statutes and file corporate federal income tax returns. Not included are proprietors and partners of unincorporated businesses; employees of departments or concessions operated by other companies at the establishment; full- and part-time leased employees whose payroll was filed under an employee leasing company's Employer Identification Number (EIN); and temporary staffing obtained from a staffing service. The definition of paid employees is the same as that used by the Internal Revenue Service (IRS) on Form 941.

RECEIPTS/REVENUE

Receipts (basic dollar volume measure for service establishments of firms subject to federal income tax). Includes gross receipts from customers or clients for services provided, from the use of facilities, and from merchandise sold in 2002 whether or not payment was received in 2002. For advertising agencies, travel industries, and other service establishments operating on a commission basis, receipts include commissions, fees, and other operating income, NOT gross billings and sales. Excise taxes on gasoline, liquor, tobacco, etc., that are paid by the manufacturer or wholesaler and passed on in the cost of goods purchased by the service establishment, are also included. The establishment's share of receipts from departments, concessions, and vending and amusement machines operated by others are included as part of receipts. Receipts also include amounts received from the rental and leasing of vehicles, equipment, instruments, and tools; the total value of service contracts; market value of compensation received in lieu of cash; amounts received for work subcontracted to others; and dues and assessments from members and affiliates. Receipts from services performed for foreign parent firms, subsidiaries, and branches are included.

Receipts are net after deductions for refunds and allowances for merchandise returned by customers. Receipts do not include sales and other taxes (including Hawaii's General Excise Tax) collected directly from customers and paid directly to a local, state, or federal tax agency. Also excluded are gross receipts from departments and concessions operated by others; sales of used equipment previously rented or leased to customers; domestic intracompany transfers; proceeds from the sale of real estate (land and buildings), investments, or other assets (except inventory held for resale); income from interest, rental of real estate, dividends, contributions, and grants; receipts of foreign parent firms and subsidiaries; and other nonoperating income, such as franchise fees. Receipts do not include service receipts of manufacturers, wholesalers, retail establishments, or other businesses whose primary activity is other than service. They do, however, include receipts other than from services rendered (e.g., sale of merchandise to individuals or other businesses) by establishments primarily engaged in performing services and classified in the service industries.

Revenue (basic dollar volume measure for firms exempt from federal income tax). Includes receipts from customers or clients for services provided in 2002, whether or not payment was received in 2002, and gross sales of merchandise, minus returns and allowances. Also included are income from interest, dividends, gross rents (including display space rentals and share of receipts from departments operated by other companies), gross contributions, gifts, grants (whether or not restricted for use in operations), royalties, dues and assessments from members

and affiliates, commissions earned from the sale of merchandise owned by others (including commissions from vending machine operators), and gross receipts from fundraising activities. Revenue now includes gains or losses from the sale of real estate (land and buildings), investments, or other assets (except inventory held for resale). Receipts from taxable business activities of firms exempt from federal income tax (unrelated business income) are also included in revenue.

Revenue does not include sales and other taxes collected directly from customers or clients and paid directly to a local, state, or federal tax agency; gross receipts of departments or concessions operated by others; and amounts transferred to operating funds from capital or reserve funds.

Appendix B.

NAICS Codes, Titles, and Descriptions

54 PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

The Professional, Scientific, and Technical Services sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services.

This sector excludes establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning, billing and record keeping, personnel, and physical distribution and logistics. These establishments are classified in Sector 56, Administrative and Support and Waste Management and Remediation Services.

541 PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

Industries in the Professional, Scientific, and Technical Services subsector group establishments engaged in processes where human capital is the major input. These establishments make available the knowledge and skills of their employees, often on an assignment basis, where an individual or team is responsible for the delivery of services to the client. The individual industries of this subsector are defined on the basis of the particular expertise and training of the services provider.

The distinguishing feature of the Professional, Scientific, and Technical Services subsector is the fact that most of the industries grouped in it have production processes that are almost wholly dependent on worker skills. In most of these industries, equipment and materials are not of major importance, unlike health care, for example, where “high tech” machines and materials are important collaborating inputs to labor skills in the production of health care. Thus, the establishments classified in this subsector sell expertise. Much of the expertise requires degrees, though not in every case.

5411 LEGAL SERVICES

This industry group includes establishments classified in the following industries: 54111, Offices of Lawyers, and 54119, Other Legal Services.

54111 OFFICES OF LAWYERS

This industry comprises offices of legal practitioners known as lawyers or attorneys (i.e., counselors-at-law) primarily engaged in the practice of law. Establishments in this industry may provide expertise in a range or in specific areas of law, such as: criminal law, corporate law, family and estate law, patent law, real estate law, or tax law.

541110 OFFICES OF LAWYERS

This industry comprises offices of legal practitioners known as lawyers or attorneys (i.e., counselors-at-law) primarily engaged in the practice of law. Establishments in this industry may provide expertise in a range or in specific areas of law, such as criminal law, corporate law, family and estate law, patent law, real estate law, or tax law.

5411101 OFFICES OF LAWYERS

Establishments, headed by members of the bar, primarily engaged in the practice of law. These establishments may specialize in a particular form of law practice or provide a range of legal services.

5411102 LEGAL AID SOCIETIES AND SIMILAR LEGAL SERVICES

Establishments primarily engaged in providing legal aid or advice and are nonprofit and tax-exempt.

54119 OTHER LEGAL SERVICES

This industry comprises establishments of legal practitioners (except lawyers and attorneys) primarily engaged in providing specialized legal or paralegal services.

541191 TITLE ABSTRACT AND SETTLEMENT OFFICES

This industry comprises establishments (except offices of lawyers and attorneys) primarily engaged in one or more of the following activities: (1) researching public land records to gather information relating to real estate titles; (2) preparing documents necessary for the transfer of the title, financing, and settlement; (3) conducting final real estate settlements and closings; and (4) filing legal and other documents relating to the sale of real estate. Real estate settlement offices, title abstract companies, and title search companies are included in this industry.

541199 ALL OTHER LEGAL SERVICES

This industry comprises establishments of legal practitioners (except offices of lawyers and attorneys, settlement offices, and title abstract offices). These establishments are primarily engaged in providing specialized legal or paralegal services.

5412 ACCOUNTING, TAX PREPARATION, BOOKKEEPING, AND PAYROLL SERVICES

This industry comprises establishments primarily engaged in providing services, such as: auditing of accounting records, designing accounting systems, preparing financial statements, developing budgets, preparing tax returns, processing payrolls, bookkeeping, and billing.

54121 ACCOUNTING, TAX PREPARATION, BOOKKEEPING, AND PAYROLL SERVICES

This industry comprises establishments primarily engaged in providing services, such as: auditing of accounting records, designing accounting systems, preparing financial statements, developing budgets, preparing tax returns, processing payrolls, bookkeeping, and billing.

541211 OFFICES OF CERTIFIED PUBLIC ACCOUNTANTS

This industry comprises establishments of accountants that are certified to audit the accounting records of public and private organizations and to attest to compliance with generally accepted accounting practices. Offices of certified public accountants (CPAs) may provide one or more of the following accounting services: (1) auditing financial statements; (2) designing accounting systems; (3) preparing financial statements; (4) developing budgets; and (5) providing advice on matters related to accounting. These establishments may also provide related services, such as bookkeeping, tax return preparation, and payroll processing.

541213 TAX PREPARATION SERVICES

This industry comprises establishments (except offices of CPAs) engaged in providing tax return preparation services without also providing accounting, bookkeeping, billing, or payroll processing services. Basic knowledge of tax law and filing requirements is required.

541214 PAYROLL SERVICES

This industry comprises establishments (except offices of CPAs) engaged in the following without also providing accounting, bookkeeping, or billing services: (1) collecting information on hours worked, pay rates, deductions, and other payroll-related data from their clients and (2) using that information to generate paychecks, payroll reports, and tax filings. These establishments may use data processing and tabulating techniques as part of providing their services.

541219 OTHER ACCOUNTING SERVICES

This industry comprises establishments (except offices of CPAs) engaged in providing accounting services (except tax return preparation services only or payroll services only). These establishments may also provide tax return preparation or payroll services. Accountant (except CPA) offices, bookkeeper offices, and billing offices are included in this industry.

5413 ARCHITECTURAL, ENGINEERING, AND RELATED SERVICES

This industry group includes establishments classified in the following industries: 54131, Architectural Services, 54132, Landscape Architectural Services, 54133, Engineering Services, 54134, Drafting Services, 54135, Building Inspection Services, 54136, Geophysical Surveying and Mapping Services, 54137, Surveying and Mapping (Except Geophysical) Services, and 54138, Testing Laboratories.

54131 ARCHITECTURAL SERVICES

This industry comprises establishments primarily engaged in planning and designing residential, institutional, leisure, commercial, and industrial buildings and structures by applying knowledge of design, construction procedures, zoning regulations, building codes, and building materials.

541310 ARCHITECTURAL SERVICES

This industry comprises establishments primarily engaged in planning and designing residential, institutional, leisure, commercial, and industrial buildings and structures by applying knowledge of design, construction procedures, zoning regulations, building codes, and building materials.

54132 LANDSCAPE ARCHITECTURAL SERVICES

This industry comprises establishments primarily engaged in planning and designing the development of land areas for projects, such as parks and other recreational areas; airports; highways; hospitals; schools; land subdivisions; and commercial, industrial, and residential areas, by applying knowledge of land characteristics, location of buildings and structures, use of land areas, and design of landscape projects.

541320 LANDSCAPE ARCHITECTURAL SERVICES

This industry comprises establishments primarily engaged in planning and designing the development of land areas for projects, such as parks and other recreational areas; airports; highways; hospitals; schools; land subdivisions; and commercial, industrial, and residential areas, by applying knowledge of land characteristics, location of buildings and structures, use of land areas, and design of landscape projects.

54133 ENGINEERING SERVICES

This industry comprises establishments primarily engaged in applying physical laws and principles of engineering in the design, development, and utilization of machines, materials, instruments, structures, processes, and systems. The assignments undertaken by these establishments may involve any of the following activities: provision of advice, preparation of feasibility studies, preparation of preliminary and final plans and designs, provision of technical services during the construction or installation phase, inspection and evaluation of engineering projects, and related services.

541330 ENGINEERING SERVICES

This industry comprises establishments primarily engaged in applying physical laws and principles of engineering in the design, development, and utilization of machines, materials, instruments, structures, processes, and systems. The assignments undertaken by these establishments may involve any of the following activities: provision of advice, preparation of feasibility studies, preparation of preliminary and final plans and designs, provision of technical services during the construction or installation phase, inspection and evaluation of engineering projects, and related services.

54134 DRAFTING SERVICES

This industry comprises establishments primarily engaged in drawing detailed layouts, plans, and illustrations of buildings, structures, systems, or components from engineering and architectural specifications.

541340 DRAFTING SERVICES

This industry comprises establishments primarily engaged in drawing detailed layouts, plans, and illustrations of buildings, structures, systems, or components from engineering and architectural specifications.

54135 BUILDING INSPECTION SERVICES

This industry comprises establishments primarily engaged in providing building inspection services. These establishments typically evaluate all aspects of the building structure and component systems and prepare a report on the physical condition of the property, generally for buyers or others involved in real estate transactions. Building inspection bureaus and establishments providing home inspection services are included in this industry.

541350 BUILDING INSPECTION SERVICES

This industry comprises establishments primarily engaged in providing building inspection services. These establishments typically evaluate all aspects of the building structure and component systems and prepare a report on the physical condition of the property, generally for buyers or others involved in real estate transactions. Building inspection bureaus and establishments providing home inspection services are included in this industry.

54136 GEOPHYSICAL SURVEYING AND MAPPING SERVICES

This industry comprises establishments primarily engaged in gathering, interpreting, and mapping geophysical data. Establishments in this industry often specialize in locating and measuring the extent of subsurface resources, such as oil, gas, and minerals, but they may also conduct surveys for engineering purposes. Establishments in this industry use a variety of surveying techniques depending on the purpose of the survey, including magnetic surveys, gravity surveys, seismic surveys, or electrical and electromagnetic surveys.

541360 GEOPHYSICAL SURVEYING AND MAPPING SERVICES

This industry comprises establishments primarily engaged in gathering, interpreting, and mapping geophysical data. Establishments in this industry often specialize in locating and measuring the extent of subsurface resources, such as oil, gas, and minerals, but they may also conduct surveys for engineering purposes. Establishments in this industry use a variety of surveying techniques depending on the purpose of the survey, including magnetic surveys, gravity surveys, seismic surveys, or electrical and electromagnetic surveys.

54137 SURVEYING AND MAPPING (EXCEPT GEOPHYSICAL) SERVICES

This industry comprises establishments primarily engaged in performing surveying and mapping services of the surface of the earth, including the sea floor. These services may include surveying and mapping of areas above or below the surface of the earth, such as the creation of view easements or segregating rights in parcels of land by creating underground utility easements.

541370 SURVEYING AND MAPPING (EXCEPT GEOPHYSICAL) SERVICES

This industry comprises establishments primarily engaged in performing surveying and mapping services of the surface of the earth, including the sea floor. These services may include surveying and mapping of areas above or below the surface of the earth, such as the creation of view easements or segregating rights in parcels of land by creating underground utility easements.

54138 TESTING LABORATORIES

This industry comprises establishments primarily engaged in performing physical, chemical, and other analytical testing services, such as acoustics or vibration testing, assaying, biological testing (except medical and veterinary), calibration testing, electrical and electronic testing, geotechnical testing, mechanical testing, nondestructive testing, or thermal testing. The testing may occur in a laboratory or on-site.

541380 TESTING LABORATORIES

This industry comprises establishments primarily engaged in performing physical, chemical, and other analytical testing services, such as acoustics or vibration testing, assaying, biological testing (except medical and veterinary), calibration testing, electrical and electronic testing, geotechnical testing, mechanical testing, nondestructive testing, or thermal testing. The testing may occur in a laboratory or on-site.

5414 SPECIALIZED DESIGN SERVICES

This industry group comprises establishments providing specialized design services (except architectural, engineering, and computer systems design).

54141 INTERIOR DESIGN SERVICES

This industry comprises establishments primarily engaged in planning, designing, and administering projects in interior spaces to meet the physical and aesthetic needs of people using them, taking into consideration building codes, health and safety regulations, traffic patterns and floor planning, mechanical and electrical needs, and interior fittings and furniture. Interior designers and interior design consultants work in areas, such as hospitality design, health care design, institutional design, commercial and corporate design, and residential design. This industry also includes interior decorating consultants engaged exclusively in providing aesthetic services associated with interior spaces.

541410 INTERIOR DESIGN SERVICES

This industry comprises establishments primarily engaged in planning, designing, and administering projects in interior spaces to meet the physical and aesthetic needs of people using them, taking into consideration building codes, health and safety regulations, traffic patterns and floor planning, mechanical and electrical needs, and interior fittings and furniture. Interior designers and interior design consultants work in areas, such as hospitality design, health care design, institutional design, commercial and corporate design, and residential design. This industry also includes interior decorating consultants engaged exclusively in providing aesthetic services associated with interior spaces.

54142 INDUSTRIAL DESIGN SERVICES

This industry comprises establishments primarily engaged in creating and developing designs and specifications that optimize the use, value, and appearance of their products. These services can include the determination of the materials, construction, mechanisms, shape, color, and surface finishes of the product, taking into consideration human characteristics and needs, safety, market appeal, and efficiency in production, distribution, use, and maintenance. Establishments providing automobile or furniture industrial design services or industrial design consulting services are included in this industry.

541420 INDUSTRIAL DESIGN SERVICES

This industry comprises establishments primarily engaged in creating and developing designs and specifications that optimize the use, value, and appearance of their products. These services can include the determination of the materials, construction, mechanisms, shape, color, and surface finishes of the product, taking into consideration human characteristics and needs, safety, market appeal, and efficiency in production, distribution, use, and maintenance. Establishments providing automobile or furniture industrial design services or industrial design consulting services are included in this industry.

54143 GRAPHIC DESIGN SERVICES

This industry comprises establishments primarily engaged in planning, designing, and managing the production of visual communication in order to convey specific messages or concepts, clarify complex information, or project visual identities. These services can include the design of printed materials, packaging, advertising, signage systems, and corporate identification (logos). This industry also includes commercial artists engaged exclusively in generating drawings and illustrations requiring technical accuracy or interpretative skills.

541430 GRAPHIC DESIGN SERVICES

This industry comprises establishments primarily engaged in planning, designing, and managing the production of visual communication in order to convey specific messages or concepts, clarify complex information, or project visual identities. These services can include the design of printed materials, packaging, advertising, signage systems, and corporate identification (logos). This industry also includes commercial artists engaged exclusively in generating drawings and illustrations requiring technical accuracy or interpretative skills.

54149 OTHER SPECIALIZED DESIGN SERVICES

This industry comprises establishments primarily engaged in providing professional design services (except architectural, landscape architecture, engineering, interior, industrial, graphic, and computer system design).

541490 OTHER SPECIALIZED DESIGN SERVICES

This industry comprises establishments primarily engaged in providing professional design services (except architectural, landscape architecture, engineering, interior, industrial, graphic, and computer system design).

5415 COMPUTER SYSTEMS DESIGN AND RELATED SERVICES

This industry comprises establishments primarily engaged in providing expertise in the field of information technologies through one or more of the following activities: (1) writing, modifying, testing, and supporting software to meet the needs of a particular customer; (2) planning and designing computer systems that integrate computer hardware, software, and communication technologies; (3) on-site management and operation of clients' computer systems and/or data processing facilities; and (4) other professional and technical computer-related advice and services.

54151 COMPUTER SYSTEMS DESIGN AND RELATED SERVICES

This industry comprises establishments primarily engaged in providing expertise in the field of information technologies through one or more of the following activities: (1) writing, modifying, testing, and supporting software to meet the needs of a particular customer; (2) planning and designing computer systems that integrate computer hardware, software, and communication technologies; (3) on-site management and operation of clients' computer systems and/or data processing facilities; and (4) other professional and technical computer-related advice and services.

541511 CUSTOM COMPUTER PROGRAMMING SERVICES

This industry comprises establishments primarily engaged in writing, modifying, testing, and supporting software to meet the needs of a particular customer.

541512 COMPUTER SYSTEMS DESIGN SERVICES

This industry comprises establishments primarily engaged in planning and designing computer systems that integrate computer hardware, software, and communication technologies. The hardware and software components of the system may be provided by this establishment or company as part of integrated services or may be provided by third parties or vendors. These establishments often install the system and train and support users of the system.

5415121 COMPUTER SYSTEMS INTEGRATORS

Establishments primarily engaged in developing or modifying computer software, and packaging or bundling the software with computer hardware (computers and computer peripheral equipment) to create and market an integrated system for specific applications. These establishments must provide each of the following services: (1) the development or modification of the computer software; (2) the marketing of purchased computer hardware; and (3) involvement in all phases of system development from design through installation.

5415122 COMPUTER SYSTEMS CONSULTANTS (EXCEPT SYSTEMS INTEGRATORS)

Establishments primarily engaged in consulting with clients and planning and designing systems that integrate computer hardware, software, and communication technologies.

541513 COMPUTER FACILITIES MANAGEMENT SERVICES

This industry comprises establishments primarily engaged in providing on-site management and operation of clients' computer systems and/or data processing facilities. Establishments providing computer systems or data processing facilities support services are included in this industry.

541519 OTHER COMPUTER RELATED SERVICES

This industry comprises establishments primarily engaged in providing computer related services (except custom programming, systems integration design, and facilities management services). Establishments providing computer disaster recovery services or software installation services are included in this industry.

5416 MANAGEMENT, SCIENTIFIC, AND TECHNICAL CONSULTING SERVICES

This industry group includes establishments classified in the following industries: 54161, Management Consulting Services, 54162, Environmental Consulting Services, and 54169, Other Scientific and Technical Consulting Services.

54161 MANAGEMENT CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on management issues, such as strategic and organizational planning; financial planning and budgeting; marketing objectives and policies; human resource policies, practices, and planning; production scheduling; and control planning.

541611 ADMINISTRATIVE MANAGEMENT AND GENERAL MANAGEMENT CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing operating advice and assistance to businesses and other organizations on administrative management issues, such as financial planning and budgeting, equity and asset management, records management, office

planning, strategic and organizational planning, site selection, new business startup, and business process improvement. This industry also includes establishments of general management consultants that provide a full range of administrative; human resource; marketing; process, physical distribution, and logistics; or other management consulting services to clients.

541612 HUMAN RESOURCES AND EXECUTIVE SEARCH CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations in one or more of the following areas: (1) human resource and personnel policies, practices, and procedures; (2) employee benefits planning, communication, and administration; (3) compensation systems planning; (4) wage and salary administration; and (5) executive search and recruitment.

5416121 ACTUARIAL CONSULTING

Establishments primarily engaged in applying statistical calculation especially of life expectancy in assessing life, health, social, and casualty insurance; annuities; pensions; and compensation and benefits planning.

5416122 EXECUTIVE PLACEMENT SERVICES

Establishments primarily engaged in executive search and recruitment services or executive placement services.

5416123 HUMAN RESOURCES AND PERSONNEL MANAGEMENT CONSULTING

Establishments primarily engaged in one or more of the following: (1) providing operating advice and assistance in areas such as human resource and personnel policies, practices and procedures; (2) employee benefits planning, communication, and administration; (3) compensation systems planning; and (4) wage and salary administration.

541613 MARKETING CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing operating advice and assistance to businesses and other organizations on marketing issues, such as developing marketing objectives and policies, sales forecasting, new product developing and pricing, licensing and franchise planning, and marketing planning and strategy.

541614 PROCESS, PHYSICAL DISTRIBUTION, AND LOGISTICS CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing operating advice and assistance to businesses and other organizations in areas, such as: (1) manufacturing operations improvement; (2) productivity improvement; (3) production planning and control; (4) quality assurance and quality control; (5) inventory management; (6) distribution networks; (7) warehouse use, operations, and utilization; (8) transportation and shipment of goods and materials; and (9) materials management and handling.

541618 OTHER MANAGEMENT CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing management consulting services (except administrative and general management consulting; human resources consulting; marketing consulting; or process, physical distribution, and logistics consulting). Establishments providing telecommunications or utilities management consulting services are included in this industry.

54162 ENVIRONMENTAL CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on environmental issues, such as the control of environmental contamination from pollutants, toxic substances, and hazardous materials. These establishments

identify problems (e.g., inspect buildings for hazardous materials), measure and evaluate risks, and recommend solutions. They employ a multidisciplinary staff of scientists, engineers, and other technicians with expertise in areas such as air and water quality, asbestos contamination, remediation, and environmental law. Establishments providing sanitation or site remediation consulting services are included in this industry.

541620 ENVIRONMENTAL CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on environmental issues, such as the control of environmental contamination from pollutants, toxic substances, and hazardous materials. These establishments identify problems (e.g., inspect buildings for hazardous materials), measure and evaluate risks, and recommend solutions. They employ a multidisciplinary staff of scientists, engineers, and other technicians with expertise in areas, such as air and water quality, asbestos contamination, remediation, and environmental law. Establishments providing sanitation or site remediation consulting services are included in this industry.

54169 OTHER SCIENTIFIC AND TECHNICAL CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on scientific and technical issues (except environmental).

541690 OTHER SCIENTIFIC AND TECHNICAL CONSULTING SERVICES

This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on scientific and technical issues (except environmental).

5416901 ECONOMIC AND RELATED CONSULTING SERVICES

Establishments primarily engaged in providing advice and assistance to businesses and other organizations on economic and related business issues.

5416909 ALL OTHER SCIENTIFIC AND TECHNICAL CONSULTING SERVICES

Establishments primarily engaged in providing advice and assistance to businesses and other organizations on scientific and other technical issues (except economic).

5417 SCIENTIFIC RESEARCH AND DEVELOPMENT SERVICES

This industry group comprises establishments engaged in conducting original investigation undertaken on a systematic basis to gain new knowledge (research) and/or the application of research findings or other scientific knowledge for the creation of new or significantly improved products or processes (experimental development). The industries within this industry group are defined on the basis of the domain of research; that is, on the scientific expertise of the establishment.

54171 RESEARCH AND DEVELOPMENT IN THE PHYSICAL, ENGINEERING, AND LIFE SCIENCES

This industry comprises establishments primarily engaged in conducting research and experimental development in the physical, engineering, or life sciences, such as agriculture, electronics, environmental, biology, botany, biotechnology, computers, chemistry, food, fisheries, forests, geology, health, mathematics, medicine, oceanography, pharmacy, physics, veterinary, and other allied subjects.

541710 RESEARCH AND DEVELOPMENT IN THE PHYSICAL, ENGINEERING, AND LIFE SCIENCES

This industry comprises establishments primarily engaged in conducting research and experimental development in the physical, engineering, or life sciences, such as agriculture, electronics, environmental, biology, botany, biotechnology, computers, chemistry, food, fisheries, forests, geology, health, mathematics, medicine, oceanography, pharmacy, physics, veterinary, and other allied subjects.

5417101 RESEARCH AND DEVELOPMENT IN THE PHYSICAL AND ENGINEERING SCIENCES

Establishments primarily engaged in conducting research and experimental development in the physical sciences, engineering, electronics, computer, chemistry, oceanography, geology, mathematics, physics, environmental, and other allied subjects.

5417102 RESEARCH AND DEVELOPMENT IN THE LIFE SCIENCES

Establishments primarily engaged in conducting research and experimental development in medicine, health, biology, botany, biotechnology, agriculture, fisheries, forests, pharmacy, and other life sciences including veterinary sciences.

54171023 RESEARCH AND DEVELOPMENT IN BIOTECHNOLOGY

Establishments primarily engaged in conducting research and experimental development in biotechnology.

54171029 RESEARCH AND DEVELOPMENT IN OTHER LIFE SCIENCES

Establishments primarily engaged in conducting research and experimental development in medicine, health, biology, botany, agriculture, fisheries, forests, pharmacy, veterinary and other life sciences.

54172 RESEARCH AND DEVELOPMENT IN THE SOCIAL SCIENCES AND HUMANITIES

This industry comprises establishments primarily engaged in conducting research and analyses in cognitive development, sociology, psychology, language, behavior, economic, and other social science and humanities research.

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This industry comprises establishments primarily engaged in conducting research and analyses in cognitive development, sociology, psychology, language, behavior, economic, and other social science and humanities research.

5418 ADVERTISING AND RELATED SERVICES

This industry comprises establishments primarily engaged in creating advertising campaigns and placing such advertising in periodicals, newspapers, radio and television, or other media. These establishments are organized to provide a full range of services (i.e., through in-house capabilities or subcontracting), including advice, creative services, account management, production of advertising material, media planning, and buying (i.e., placing advertising).

54181 ADVERTISING AGENCIES

This industry comprises establishments primarily engaged in creating advertising campaigns and placing such advertising in periodicals, newspapers, radio and television, or other media. These establishments are organized to provide a full range of services (i.e., through in-house capabilities or subcontracting), including advice, creative services, account management, production of advertising material, media planning, and buying (i.e., placing advertising).

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54182 PUBLIC RELATIONS AGENCIES

This industry comprises establishments primarily engaged in designing and implementing public relations campaigns. These campaigns are designed to promote the interests and image of their clients. Establishments providing lobbying, political consulting, or public relations consulting are included in this industry.

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This industry comprises establishments primarily engaged in designing and implementing public relations campaigns. These campaigns are designed to promote the interests and image of their clients. Establishments providing lobbying, political consulting, or public relations consulting are included in this industry.

54183 MEDIA BUYING SERVICES

This industry comprises establishments primarily engaged in purchasing advertising time or space from media outlets and reselling it to advertising agencies or individual companies directly.

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This industry comprises establishments primarily engaged in purchasing advertising time or space from media outlets and reselling it to advertising agencies or individual companies directly.

54184 MEDIA REPRESENTATIVES

This industry comprises establishments of independent representatives primarily engaged in selling media time or space for media owners.

541840 MEDIA REPRESENTATIVES

This industry comprises establishments of independent representatives primarily engaged in selling media time or space for media owners.

5418401 RADIO AND TELEVISION ADVERTISING REPRESENTATIVES

Establishments primarily engaged in selling time or space to advertisers or advertising agencies for radio or television station (or network) owners.

5418402 PUBLISHERS' ADVERTISING REPRESENTATIVES

Establishments primarily engaged in selling time or space to advertisers or advertising agencies for newspapers, magazines, and other publications.

54185 DISPLAY ADVERTISING

This industry comprises establishments primarily engaged in creating and designing public display advertising, campaign materials, such as printed, painted, or electronic displays, and/or placing such displays on indoor or outdoor billboards and panels, or on or within transit vehicles or facilities, shopping malls, retail (in-store) displays, and other display structures or sites.

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This industry comprises establishments primarily engaged in creating and designing public display advertising, campaign materials, such as printed, painted, or electronic displays, and/or placing such displays on indoor or outdoor billboards and panels, or on or within transit vehicles or facilities, shopping malls, retail (in-store) displays, and other display structures or sites.

54186 DIRECT MAIL ADVERTISING

This industry comprises establishments primarily engaged in (1) creating and designing advertising campaigns for the purpose of distributing advertising materials (e.g., coupons, flyers, samples) or specialties (e.g., key chains, magnets, pens with customized messages imprinted) by mail or other direct distribution; and/or (2) preparing advertising materials or specialties for mailing or other direct distribution. These establishments may also compile, maintain, sell, and rent mailing lists.

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This industry comprises establishments primarily engaged in (1) creating and designing advertising campaigns for the purpose of distributing advertising materials (e.g., coupons, flyers, samples) or specialties (e.g., key chains, magnets, pens with customized messages imprinted) by mail or other direct distribution; and/or (2) preparing advertising materials or specialties for mailing or other direct distribution. These establishments may also compile, maintain, sell, and rent mailing lists.

54187 ADVERTISING MATERIAL DISTRIBUTION SERVICES

This industry comprises establishments primarily engaged in the direct distribution or delivery of advertisements (e.g., circulars, coupons, handbills) or samples. Establishments in this industry use methods such as delivering advertisements or samples door-to-door, placing flyers or coupons on car windshields in parking lots, or handing out samples in retail stores.

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This industry comprises establishments primarily engaged in the direct distribution or delivery of advertisements (e.g., circulars, coupons, handbills) or samples. Establishments in this industry use methods such as delivering advertisements or samples door-to-door, placing flyers or coupons on car windshields in parking lots, or handing out samples in retail stores.

54189 OTHER SERVICES RELATED TO ADVERTISING

This industry comprises establishments primarily engaged in providing advertising services (except advertising agency services, public relations agency services, media buying agency services, media representative services, display advertising services, direct mail advertising services, advertising material distribution services, and marketing consulting services).

541890 OTHER SERVICES RELATED TO ADVERTISING

This industry comprises establishments primarily engaged in providing advertising services (except advertising agency services, public relations agency services, media buying agency services, media representative services, display advertising services, direct mail advertising services, advertising material distribution services, and marketing consulting services).

5418901 WELCOMING SERVICES

Establishments primarily engaged in providing promotional business services to tourists and new residents of a community.

5418902 ADVERTISING SPECIALTIES GOODS DISTRIBUTORS

Establishments primarily engaged in consulting with clients on the design and use of advertising specialties and arranging for the distribution of the advertising specialties (such as t-shirts, key chains, magnets, pens, etc.) with customized messages for clients who use these materials for promotional purposes.

5418903 SIGN PAINTING AND LETTERING SHOP

Establishments primarily engaged in making signs to individual order or in office door and window lettering.

5418909 ALL OTHER ADVERTISING SERVICES

This industry comprises establishments primarily engaged in providing advertising services (except advertising agency services, public relations agency services, media buying agency services, media representative services, display advertising services, direct mail advertising services, advertising material distribution services, sign painting and lettering shops, marketing consulting services, and welcoming services).

5419 OTHER PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

This industry group comprises establishments engaged in professional, scientific, and technical services (except legal services; accounting, tax preparation, bookkeeping, and related services; architectural, engineering, and related services; specialized design services; computer systems design and related services; management, scientific, and technical consulting services; scientific research and development services; and advertising and related services).

54191 MARKETING RESEARCH AND PUBLIC OPINION POLLING

This industry comprises establishments primarily engaged in systematically gathering, recording, tabulating, and presenting marketing and public opinion data.

541910 MARKETING RESEARCH AND PUBLIC OPINION POLLING

This industry comprises establishments primarily engaged in systematically gathering, recording, tabulating, and presenting marketing and public opinion data.

54192 PHOTOGRAPHIC SERVICES

This industry comprises establishments primarily engaged in providing still, video, or digital photography services. These establishments may specialize in a particular field of photography, such as commercial and industrial photography, portrait photography, and special events photography. Commercial or portrait photography studios are included in this industry.

541921 PHOTOGRAPHY STUDIOS, PORTRAIT

This industry comprises establishments known as portrait studios primarily engaged in providing still, video, or digital portrait photography services.

541922 COMMERCIAL PHOTOGRAPHY

This industry comprises establishments primarily engaged in providing commercial photography services, generally for advertising agencies, publishers, and other business and industrial users.

54193 TRANSLATION AND INTERPRETATION SERVICES

This industry comprises establishments primarily engaged in translating written material and interpreting speech from one language to another and establishments primarily engaged in providing sign language services.

541930 TRANSLATION AND INTERPRETATION SERVICES

This industry comprises establishments primarily engaged in translating written material and interpreting speech from one language to another and establishments primarily engaged in providing sign language services.

54194 VETERINARY SERVICES

This industry comprises establishments of licensed veterinary practitioners primarily engaged in the practice of veterinary medicine, dentistry, or surgery for animals; and establishments primarily engaged in providing testing services for licensed veterinary practitioners.

541940 VETERINARY SERVICES

This industry comprises establishments of licensed veterinary practitioners primarily engaged in the practice of veterinary medicine, dentistry, or surgery for animals; and establishments primarily engaged in providing testing services for licensed veterinary practitioners.

54199 ALL OTHER PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

This industry comprises establishments primarily engaged in the provision of professional, scientific, or technical services (except legal services; accounting, tax preparation, bookkeeping, and related services; architectural, engineering, and related services; specialized design services; computer systems design and related services; management, scientific, and technical consulting services; scientific research and development services; advertising and related services; market research and public opinion polling; photographic services; translation and interpretation services; and veterinary services).

541990 ALL OTHER PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

This industry comprises establishments primarily engaged in the provision of professional, scientific, or technical services (except legal services; accounting, tax preparation, bookkeeping, and related services; architectural, engineering, and related services; specialized design services; computer systems design and related services; management, scientific, and technical consulting services; scientific research and development services; advertising and related services; market research and public opinion polling; photographic services; translation and interpretation services; and veterinary services).

Appendix C.

Methodology

SOURCES OF THE DATA

For this sector, large- and medium-size firms, plus all firms known to operate more than one establishment, were sent report forms to be completed for each of their establishments and returned to the Census Bureau. For most very small firms, data from existing administrative records of other federal agencies were used instead. These records provide basic information on location, kind of business, receipts/revenue, payroll, number of employees, and legal form of organization.

Firms in the 2002 Economic Census are divided into those sent report forms and those not sent report forms. The coverage of and the method of obtaining census information from each are described below:

1. Establishments sent a report form:
 - a. Large employers, i.e., all multiestablishment firms, and all employer firms with payroll above a specified cutoff. (The term “employers” refers to firms with one or more paid employees at any time during 2002 as shown in the active administrative records of other federal agencies.)
 - b. A sample of small employers, i.e., single-establishment firms with payroll below a specified cutoff in classifications for which specialized data precludes reliance solely on administrative records sources. The sample was stratified by industry and geography.
2. Establishments not sent a report form:
 - a. Small employers, i.e., single-establishment firms with payroll below a specified cutoff, not selected into the small employer sample. Although the payroll cutoff varies by kind of business, small employers not sent a report form generally include firms with less than 10 employees and represent about 10 percent of total receipts/revenue of establishments covered in the census. Data on receipts/revenue, payroll, and employment for these small employers were derived or estimated from administrative records of other federal agencies.
 - b. All taxable nonemployers, i.e., all firms subject to federal income tax with no paid employees during 2002. Receipts information for these firms was obtained from administrative records of other federal agencies. Although consisting of many firms, nonemployers account for less than 10 percent of total receipts of all establishments covered in the census. Data for nonemployers are not included in this report, but are released in the annual *Nonemployer Statistics* series.

The report forms used to collect information for establishments in this sector are available at help.econ.census.gov/econhelp/resources/.

A more detailed examination of census methodology is presented in the *History of the Economic Census* at www.census.gov/econ/www/history.html.

INDUSTRY CLASSIFICATION OF ESTABLISHMENTS

The classifications for all establishments are based on the *North American Industry Classification System, United States, 2002* manual. Changes between 1997 and 2002 affecting this sector are discussed in the text at the beginning of this report. Tables at www.census.gov/epcd/naics02/ identify all industries that changed between the 1997 North American Industry Classification System (NAICS) and 2002 NAICS.

The method of assigning classifications and the level of detail at which establishments were classified depends on whether a report form was obtained for the establishment.

1. Establishments that returned a report form were classified on the basis of their self-designation, product line receipts/revenue, and responses to other industry-specific inquiries.
2. Establishments without a report form:
 - a. Small employers not sent a form were, where possible, classified on the basis of the most current kind-of-business classification available from one of the Census Bureau's current sample surveys or the 1997 Economic Census. Otherwise, the classification was obtained from administrative records of other federal agencies. If the census or administrative record classifications proved inadequate (none corresponded to a 2002 Economic Census classification in the detail required for employers), the firm was sent a brief inquiry requesting information necessary to assign a kind-of-business code.
 - b. Nonemployers were classified on the basis of information obtained from administrative records of other federal agencies.

METHOD OF ASSIGNING TAX STATUS

For kind-of-business classifications where there were substantial numbers of taxable and tax-exempt establishments, establishments were classified based on the federal income tax filing requirement for the establishment or organization. This classification was based primarily on the response to an inquiry on the census report form. Establishments that indicated that all or part of their income was exempt from federal income tax under provisions of section 501 of the Internal Revenue Service (IRS) code were classified as tax-exempt; establishments indicating no such exemption were classified as taxable. All government-operated hospitals were classified as tax-exempt. For establishments without a report form, the tax status classification was based on administrative records of other federal agencies.

For selected kind-of-business classifications that are comprised primarily of tax-exempt establishments, all establishments in those classifications were defined as tax-exempt. All establishments in the remaining kind-of-business classifications (comprised primarily of taxable establishments) were defined as taxable.

RELIABILITY OF DATA

All data compiled in the economic census are subject to nonsampling errors. Nonsampling errors can be attributed to many sources during the development or execution of the census:

- inability to identify all cases in the actual universe;
- definition and classification difficulties;
- differences in the interpretation of questions;
- errors in recording or coding the data obtained; and
- other errors of collection, response, coverage, processing, and estimation for missing or misreported data.

Data presented in the Miscellaneous Subjects and the Product Lines reports for this sector are subject to sampling errors, as well as nonsampling errors. Specifically, these data are estimated based on information obtained from census report forms mailed to all large employers and to a sample of small employers in the universe. Sampling errors affect these estimates, insofar, as they may differ from results that would be obtained from a complete enumeration.

The accuracy of these tabulated data is determined by the joint effects of the various nonsampling errors or by the joint effects of sampling and nonsampling errors. No direct measurement of these effects has been obtained except for estimation for missing or misreported data; however, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data in an effort to minimize the effects of nonsampling errors.

The Census Bureau obtains limited information extracted from administrative records of other federal agencies, such as gross receipts from federal income tax records and employment and payroll from payroll tax records. This information is used in conjunction with other information available to the Census Bureau to develop estimates for nonemployers, small employers, and other establishments for which responses were not received in time for publication.

Key tables in this report include a column for “Percent of receipts/revenue from administrative records.” This includes receipts/revenue information obtained from administrative records of other federal agencies. The “Percent of receipts/revenue estimated” includes receipts/revenue information that was imputed based on historic company ratios or administrative records, or on industry averages.

The Census Bureau recommends that data users incorporate this information into their analyses, as nonsampling error and sampling error could impact the conclusions drawn from economic census data.

TREATMENT OF NONRESPONSE

Census report forms included two different types of inquiries, “basic” and “industry-specific.” Data for the basic inquiries, which include location, kind of business or operation, receipts/revenue, payroll, and number of employees, were available from a combination of sources for all establishments. Data for industry-specific inquiries, tailored to the particular kinds of business or operation covered by the report form, were available only from establishments responding to those inquiries.

Data for industry-specific inquiries in this sector were expanded in most cases to account for establishments that did not respond to the particular inquiry for which data are presented. Unless otherwise noted in specific reports, data for industry-specific inquiries were expanded in direct relationship to total receipts/revenue of all establishments included in the category. In a few cases, expansion on the basis of the receipts/revenue was not appropriate, and another basic data item was used as the basis for expansion of reported data to account for nonrespondents.

All reports in which industry-specific data were expanded include a coverage indicator for each publication category, which shows the receipts/revenue of establishments responding to the industry-specific inquiry as a percent of total receipts/revenue for all establishments for which data are shown. For some inquiries, coverage is determined by the ratio of total payroll or employment of establishments responding to the inquiry to total payroll or employment of all establishments in the category.

DISCLOSURE

In accordance with federal law governing census reports (Title 13 of the United States Code), no data are published that would disclose the operations of an individual establishment or business. However, the number of establishments in a kind-of-business classification is not considered a disclosure; therefore, this information may be released even though other information is withheld. Techniques employed to limit disclosure are discussed at www.census.gov/epcd/ec02/disclosure.htm.

Appendix D. Geographic Notes

Not applicable for this report.

Appendix E. Metropolitan and Micropolitan Statistical Areas

Not applicable for this report.

