

Summary Information on the North American Industry Classification System (NAICS)

NAICS—A Work in Progress

NAICS Implementation Plans, BEA's Source Data Suppliers

NAICS Implementation Plans, BEA Estimates

Prepared for

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NAICS—A WORK IN PROGRESS

Classification System	Changes from Previous System	Issues
<p>1987 SIC Completed for use in the 1987 Economic Censuses.</p>	<ul style="list-style-type: none"> * Slight modifications to SIC Divisions * 34 new industries created from 1982 SIC industries * 34 industries in 1982 SIC absorbed by others 	<ul style="list-style-type: none"> * Vaguely defined organizing principles * Limited detail for services * Lacking technological focus * Out of date—little changed from the 1940's.
<p>NAICS 1997 Specification completed in 1997. Final OMB Notice: April 9, 1997.</p>	<ul style="list-style-type: none"> * Widespread revisions * Focused use of a single organizing principal based on production processes * 3-country compatibility * 8 new services sectors * a new Information sector 	<ul style="list-style-type: none"> * Unable to reach 3-country agreement for some sectors * Insufficient cross-program coordination * Challenge of transition from SIC to NAICS was much larger than expected * Information Sector was out of date very quickly
<p>NAICS 2002 Specification completed in 2000. Final OMB Notice: January 16, 2001.</p>	<ul style="list-style-type: none"> * Improved recognition of influences of technology * Addressed only sectors that were issues in NAICS 1997 * Structure of Construction sector greatly changed * Refinements made to Trade and Information Sectors 	<ul style="list-style-type: none"> * 3-country agreement still lacking in Trade Sectors * Distributive Industries (The Trades, and Transportation and Warehousing) and Information Sectors still out of line with some technology-influenced changes
<p>NAICS 2007 Specification to be completed in 2005. OMB Notice: 2006.</p>	<ul style="list-style-type: none"> * Planned focus currently is on the Distributive Sectors * Structural changes probable within Information Sector * Potential accommodation of moves to align some UN classifications with NAICS 	<p>Current concerns include:</p> <ul style="list-style-type: none"> * Widespread moves of NAICS toward UN systems may substantially increase implementation problems * Need for cross-program coordination
<p>Addendum: North American Product Classification System</p> <p>NAPCS</p> <p>Currently in Development</p>	<ul style="list-style-type: none"> * Will establish the first complete product classification system for the U.S. * Current focus: development of product lists for services * 4 NAICS sectors completed * 5 more sectors started 	<ul style="list-style-type: none"> * Need for cross-program coordination <p>Structure issues:</p> <ul style="list-style-type: none"> * Grouping processes not yet conceptualized * How to concord with NAICS * Extent of relationship to CPC and other international product classifications

NAICS IMPLEMENTATION PLANS, BEA'S SOURCE-DATA SUPPLIERS

Selected BEA Data Sources	NAICS Estimates	Available
Census –Economic Censuses	1997	1999-2001
Annual Survey of Manufactures	1998	2000
Manufacturers' Shipments, Inventories, and Orders	1992-2001	2001
Service Annual Survey	1998-1999	2001
Annual Wholesale Trade Survey	1992-1999	2001
Annual Retail Trade Survey	1992-1999	2001
Wholesale Trade Monthly	1992-2001	2001
Retail Trade Monthly	1992-2001	2001
Annual Capital Expenditures Survey	1998-1999	2001
IRS –Statistics of Income	1998	2000
BLS –Covered Employment and Wages* (Regionally detailed ES-202 Data)	2001	2002
Current Employment Statistics*	2003	2003
Producer Price Indexes*	2004	2004

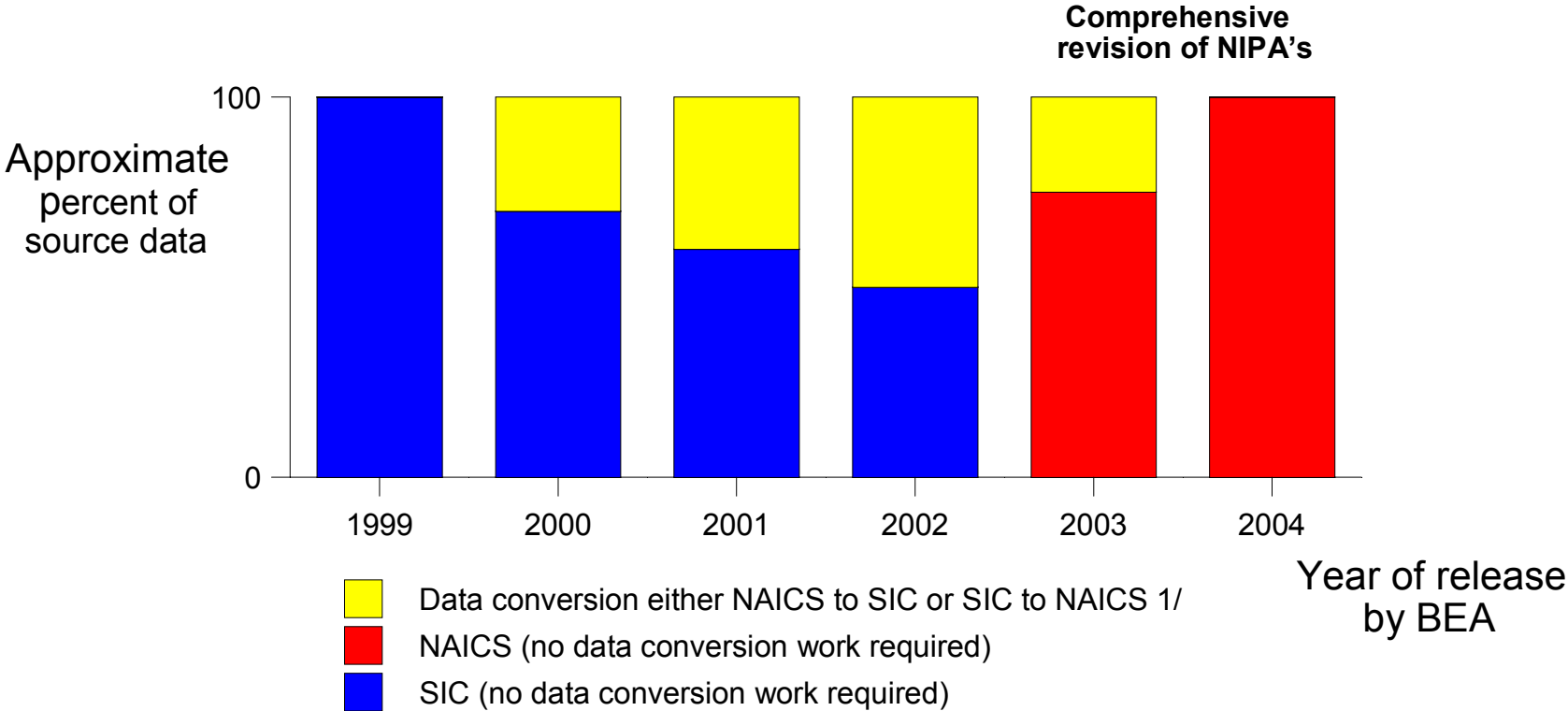
*BLS estimates are converting from the SIC directly to NAICS 2002; other conversions are first to NAICS 1997.

NAICS IMPLEMENTATION PLANS, BEA ESTIMATES

Selected BEA Programs	NAICS Estimates	Release Date on NAICS Basis	NAICS/SIC Overlap
Foreign Direct Investment in the United States (FDIUS) Operations Data	1997	1999	1997
Inventories and Sales for Manufacturing and Trade	1997-2000	2001	1997
State Personal Income and Earnings by Industry*	2001	2002	None
Benchmark Input-Output Accounts	1997	2002	None
FDIUS Balance of Payments Data	1997-2001	2002	1997
U.S. Direct Investment Abroad (USDIA) Operations Data	1999	2002	1999
National Income and Product Accounts (NIPA's)	2000-2002	2003	2000
Fixed Assets	1997-2002	2004	1997
Gross Domestic Product by Industry	2000-2002	2004	2000
Gross State Product	2000-2002	2004	2000
Annual I-O Accounts	2000-2001	2004	None
USDIA Balance of Payments Data	1999-2003	2004	1999

*State Personal Income and Earnings by Industry are the only BEA estimates that will convert directly to NAICS 2002; other conversions are first to NAICS 1997.

Source Data Conversion Required by BEA during Transition-to-NAICS Period (Schematic)



1/ See NAICS Implementation Plans, "BEA's Source Data Suppliers."