

Part V--Proposed New Industry Structure for Printing and Related Support Activities.

Section A--NAICS Structure

North American Industry Classification System

(NAICS)

Agreement Number 15

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following subsector:
Printing and Related Support Activities

The detailed NAICS structure along with a brief description of the structure is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. Comments received will be shared among the countries and additional discussions will be held before a final decision on the structure is made. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries. This NAICS structure was presented and provisionally accepted at the NAICS Committee meeting held on September 27, 1995 - September 29, 1995 in Mexico City, Mexico.

Accepted	Signature	Date
Canada	/S/ Jacob Ryten	9/29/95
Mexico	/S/ Enrique Ordaz	9/29/95
United States	/S/ Jack E. Triplett	9/29/95

ATTACHMENT 1--NAICS STRUCTURE

- XX Printing and Related Support Activities
- XXX Printing and Related Support Activities
- XXXX Printing
- XXXX Support Activities for Printing

Attachment 2--North American Industry Classification System

Draft Classification for:

Printing and Related Support Activities

Representatives of the statistical agencies of Canada, Mexico, and the United States agree to a draft industrial classification for these industries.

The draft classification applies to the subsector, Printing and Related Support Activities. The subsector is subdivided into a single industry group and two industries. The subsector will be part of the Manufacturing sector of the classification.

A General Outline

Printing and Related Support Activities industries print products such as newspapers, books, periodicals, business forms, greeting cards, and other material. Support activities, such as bookbinding, plate making, and data imaging are also included in this subsector. These activities are an integral part of the printing industry, and a product (a printing plate, a bound book, or a computer disk or file) that is an integral part of the printing industry is almost always provided by these operations.

Processes used in printing include a variety of methods used to transfer an image from a plate, screen, or computer file to some medium, such as paper, plastic, metal, textile articles or wood. The most prominent of these methods is to transfer the image from a plate or screen to the medium (lithographic, gravure, screen and flexographic printing). A rapidly growing new technology uses a computer file to “drive” the printing mechanism directly to create the image (non-impact printing). A number of important boundary issues involving printing and other sectors are noted in the *Some Changes to National Classifications* section.

In contrast to many other classification systems that locate publishing of printed materials in manufacturing, NAICS locates the publishing of printed products in a separate subsector, Publishing, which is part of the new NAICS Information sector, to be published separately. Though printing and publishing are often carried out by the same enterprise (a newspaper, for example), it is less and less the case that these distinct activities are carried out in the same establishment. More information on this change is contained in the text to the proposed NAICS Information sector.

Limitations and Constraints of the Classification

Most of the printing activities that take place in one country exist in the others. It is not possible in all countries to identify separately production process industries or specialized end use production categories. For example, in Canada and the United States, unique production establishments exist for the printing of books and business forms, and these processes can be recognized in the U.S. classification. In Mexico, however, book or business forms printers also print other types of products. Similarly, printing in Canada and the United States occurs largely in establishments that use a single printing process, such as lithographic or screen printing; in Mexico, diverse types of printing equipment are used in the same establishment.

For these reasons, only broad categories for printing (of all types) and support activities for printing were created for NAICS. Each country will publish additional categories that comprise subdivisions of NAICS industries, to present data for activities that are nationally significant.

For those users requiring detailed commodity information, each country will publish information on the products of these industries. Efforts are also underway to harmonize the commodity classifications to allow for greater comparability of these statistics.

Relationship to ISIC

Both 4-digit industries in this subsector are contained within Division 22, Publishing, Printing, and Reproduction of Recorded Media, of the current Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. However, two activities that are included in the NAICS Printing and Related Support Activities subsector are classified elsewhere in ISIC. Printing on textile articles is included in ISIC 1729, Manufacture of Other Textiles, NEC. Lithographic and gravure commercial printing of labels and tags is included in ISIC 2109, Manufacture of Other Articles of Paper and Paperboard.

Some Changes to the National Classifications

For all three countries, publishing, including integrated publishing and printing establishments, has been moved out of the Printing and Related Support Activities subsector into the new NAICS Information sector.

For Canada, a major change to the Printing and Related Support Activities subsector is to move printing on purchased fabric articles (mostly "T" shirts) from the Clothing Industries major group to this subsector. The production process involved here is printing, and not the manufacture of clothing. Another change is the redefinition of certain types of printing, sometimes referred to as "quick printing." This printing is done in relatively small, often "store front" establishments; these establishments use small printers, and usually bundle printing with other services, such as mailing, fax and similar types of activities. Because printing is only one of a number of services performed in the same establishment, "quick printers" have been located in the NAICS Management, Employment, Administrative and Support Services subsector. This redefinition must be carefully constructed to ensure that commercial printing is not misclassified in the Management, Employment, Administrative and Support Services subsector.

For Mexico, changes to this subsector are minor.

For the United States, changes parallel those made for Canada. Printing on purchased fabric articles and the redefinition of quick printing were made for the United States, as they were in Canada. Printing on signs and advertising specialties was also moved here from its current U.S. classification in Miscellaneous Manufacturing in order to attain comparability with Canada and Mexico, and because the production process is primarily printing. A similar change, made for the identical reasons, involves printing on tags and labels.

Achievement of Objectives

The classification meets the objectives for the North American Industry Classification System (NAICS). It includes industries that group establishments with similar production

processes, that is, it applies the production-oriented economic concept. In the main, the hierarchical structure of the classification also follows the production concept.

Other objectives of the NAICS project are not as relevant in this area of the classification as in others. These objectives are the delineation of new and emerging industries, service industries and industries engaged in the production of advanced technologies. The industrial sector in question is relatively mature, generally produces goods and has employed relatively stable technology. An evolving new technology in the printing industry involves the creation of a computer file that directly drives printing equipment. Thus, no printing plate is needed. This technology, however, does not yet account for a significant share of production in any of the three countries, and therefore has not been separated in the classification.

The industries have high specialization ratios, and they are economically significant. While disruptions to time series exist, they have been minimized. The statistical agencies can develop statistical "links," to enable the re-tabulation of time series on the new NAICS classification structure.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry (4-digit) level of the structure. All countries agree on the detailed definitions of the industries.

Section B-Annex: United States National Industry Detail

As explained in the *Structure* presentation of this notice, for a number of reasons 4-digit industries in the NAICS industry subsector presented in *Part V, Section A--Attachment 1*, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national detailed industries below the NAICS industry level, so long as the national detail can be aggregated to the NAICS classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the NAICS industry subsector covered in Part V of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that the NAICS 4-digit industries will also represent the most detailed U.S. industries.

TABLE 1

The definitions of status codes are as follows: E-existing industry; L-null industry for the U.S.; N-new industry R-revised industry;; and * means “part of”. The abbreviations NEC is used for Not Elsewhere Classified.

1997 NAICS and U.S. description		Status code	1987 SIC code	1987 SIC description
XX	Printing and Related Support Activities			
XXX	Printing and Related Support Activities			
XXXX	Printing			
XXXXX	Book Printing	E	2732	Book Printing
XXXXX	Commercial Lithographic Printing	R	*2752 *2771 *2782 *3993 *3999	Commercial Printing, Lithographic (Except Quick Printing) Greeting Cards (lithographic printing of greeting cards) Blankbooks, Loose-leaf Binders and Devices (lithographic printing of checkbooks) Signs and Advertising Specialties (lithographic printing of advertising specialties) Manufacturing Industries, NEC (lithographic printing of eyeglass frames for the trade)
XXXXX	Commercial Gravure Printing	R	2754 *2771 *2782 *3993 *3999	Commercial Printing, Gravure Greeting Cards (gravure printing of greeting cards) Blankbooks, Loose-leaf Binders and Devices (gravure printing of checkbooks) Signs and Advertising Specialties (gravure printing of advertising specialties) Manufacturing Industries, NEC (gravure printing of eyeglass frames for the trade)
XXXXX	Commercial Screen Printing	N	*2759 *2771 *2782 *3993 *3999	Commercial Printing, NEC (screen printing) Greeting Cards (screen printing of greeting cards) Blankbooks, Loose-leaf Binders and Devices (screen printing of checkbooks) Signs and Advertising Specialties (screen printing of advertising specialties) Manufacturing Industries, NEC (screen printing of eyeglass frames for the trade)
XXXXX	Commercial Flexographic Printing	N	*2759 *2771	Commercial Printing, NEC (flexographic printing) Greeting Cards (flexographic printing of greeting cards)

			*2782	Blankbooks, Loose-leaf Binders and Devices (flexographic printing of checkbooks)
			*3993	Signs and Advertising Specialties (flexographic printing of advertising specialties)
			*3999	Manufacturing Industries, NEC (flexographic printing of eyeglass frames for the trade)
XXXXXX	Other Commercial Printing	R	*2759	Commercial Printing, NEC (other commercial printing)
			*2771	Greeting Cards (other printing of greeting cards)
			*2782	Blankbooks, Loose-leaf Binders and Devices (other printing of checkbooks)
			*3993	Signs and Advertising Specialties (other printing of advertising specialties for the trade)
			*3999	Manufacturing Industries, NEC (other printing of eyeglass frames for the trade)
XXXXXX	Manifold Business Form Printing	E	2761	Manifold Business Forms
XXXXXX	Bankbook, Loose-leaf Binder and Device Manufacturing	R	*2782	Blankbooks, Loose-leaf Binders and Devices (except checkbooks)
XXXXXX	Printing on Apparel	N	*2396	Automotive Trimmings, Apparel Findings, and Related Products (Printing and Embossing on Fabric Articles)
XXXXX	Support Activities for Printing			
XXXXXX	Tradebinding and Related Work	E	2789	Bookbinding and Related Work
XXXXXX	Prepress Services	R	2791	Typesetting
			2796	Platemaking and Related Services

TABLE 2

The abbreviation "pt" means "part of". @ means time series break has been created that is greater than 3% of the 1992 revenues for the 1987 SIC industry.

1987 SIC code	1987 SIC description	1997 U.S. description
2711	Newspapers: Publishing, or Publishing and Printing	Included in new Information sector
2721	Periodicals: Publishing, or Publishing and Printing	Included in new Information sector
2731	Books: Publishing, or Publishing and Printing	Included in new Information sector
2732	Book Printing	Book Printing
2741	Miscellaneous Publishing	Included in new Information sector
2752	Commercial Printing, Lithographic	Commercial Lithographic Printing (pt)
	Commercial Printing, Lithographic (Except Quick Printing)	Commercial Lithographic Printing (pt)
	Quick Printing	Included in Other Services sector
2754	Commercial Printing, Gravure	Commercial Gravure Printing (pt)
2759@	Commercial Printing, NEC	
	Screen Printing	Commercial Screen Printing (pt)
	Flexographic Printing	Commercial Flexographic Printing (pt)
	Other Commercial Printing	Other Commercial Printing (pt)
2761	Manifold Business Forms	Manifold Business Form Printing (pt)
2771@	Greeting Cards	
	Lithographic Printing of Greeting Cards	Commercial Lithographic Printing (pt)
	Gravure Printing of Greeting Cards	Commercial Gravure Printing (pt)
	Flexographic Printing of Greeting Cards	Commercial Flexographic Printing (pt)
	Screen Printing of Greeting Cards	Commercial Screen Printing (pt)
	Other Printing of Greeting Cards	Other Commercial Printing (pt)
	Publishing Greeting Cards	Included in new Information sector
2782@	Blankbooks, Loose-leaf Binders and Devices	
	Lithographic Printing of Checkbooks	Commercial Lithographic Printing (pt)
	Gravure Printing of Checkbooks	Commercial Gravure Printing (pt)
	Flexographic Printing of Checkbooks	Commercial Flexographic Printing (pt)
	Screen Printing of Checkbooks	Commercial Screen Printing (pt)
	Other Printing of Checkbooks	Other Commercial Printing (pt)
	Blankbooks, Loose-leaf Binders and Devices	Blankbook, Loose-leaf Binder and Device Manufacturing
2789	Bookbinding and Related Work	Tradebinding and Related Work
2791@	Typesetting	Prepress Services (pt)
2796@	Platemaking and Related Services	Prepress Services (pt)

3993@

Signs and Advertising Specialties

Lithographic Printing of Advertising Specialties
Gravure Printing of Advertising Specialties
Flexographic Printing of Advertising Specialties
Screen Printing of Advertising Specialties
Other Printing of Advertising Specialties
Electric Signs

Non-Electric Wood Signs

Non-Electric Metal Signs

Non-Electric Plastics Signs

Commercial Lithographic Printing (pt)
Commercial Gravure Printing (pt)
Commercial Flexographic Printing (pt)
Commercial Screen Printing (pt)
Other Commercial Printing (pt)
Electric Signs (Included in Electrical Equipment,
Appliance, and Component Manufacturing
subsector)
Other Wood Product Manufacturing (pt) (Included
in Wood Product Manufacturing, Except Furniture
subsector)
All Other Fabricated Metal Product Manufacturing
(pt) (Included in Fabricated Metal Product
Manufacturing subsector)
All Other Plastic Product Manufacturing (pt)
(Included in Rubber and Plastic Product
Manufacturing subsector)

3999@

Manufacturing Industries, NEC

Lithographic Printing of Eyeglass Frames for the Trade
Gravure Printing of Eyeglass Frames for the Trade
Flexographic Printing of Eyeglass Frames for the Trade
Screen Printing of Eyeglass Frames for the Trade
Other Printing of Eyeglass Frames for the Trade
Other

Commercial Lithographic Printing (pt)
Commercial Gravure Printing (pt)
Commercial Flexographic Printing (pt)
Commercial Screen Printing (pt)
Other Commercial Printing (pt)
Other Miscellaneous Manufacturing (pt) (To Be
Included in Miscellaneous Manufacturing
subsector)

2396@

Automotive Trimmings, Apparel Findings, and Related
Products

Printing and Embossing on Fabric Articles
Automotive Trimmings

Apparel Findings and Trimmings

Other Apparel Trimmings

Printing on Apparel
Motor Vehicle Fabric Accessory and Seat
Manufacturing (pt) (Included in Transportation
Equipment Manufacturing subsector)
Apparel Belts, Apparel Accessories, and Other
Apparel Manufacturing (pt) (Included in Apparel
Manufacturing subsector)
All Other Miscellaneous Textile Product Mills (pt)
(Included in Textile Product Mills subsector)

Description of Changes to the U.S. System

Three new industries were added to the 1997 industry structure for this industry subsector.

Commercial Screen Printing was created from part of 1987 SIC 2759, Commercial Printing, NEC; part of 1987 SIC 2771, Greeting Cards; part of 1987 SIC 2782, Blankbooks, Loose-leaf Binders, and Devices; part of 1987 SIC 3993, Signs and Advertising Specialties; and part of 1987 SIC 3999, Manufacturing Industries, NEC. This change was made in response to a proposal from the industry and it corresponds to the production-oriented industry concept accepted for NAICS.

Commercial Flexographic Printing was created from part of 1987 SIC 2759, Commercial Printing, NEC; part of 1987 SIC 2771, Greeting Cards; part of 1987 SIC 2782, Blankbooks, Loose-leaf Binders, and Devices; and part of 1987 SIC 3993, Manufacturing Industries, NEC, and part of 1987 SIC 3999, Manufacturing Industries, NEC. This change corresponds to the production-oriented industry concept accepted for NAICS.

Printing on Apparel was created from part of 1987 SIC 2396, Automotive Trimmings, Apparel Findings, and Related Products. This change was made for international comparability, and because the process involved is printing, not apparel manufacture.

Four industries were removed from this industry group and transferred to the new NAICS Information sector. They are:

1987 SIC 2711, Newspapers: Publishing, or Publishing and Printing.

1987 SIC 2721, Periodicals: Publishing, or Publishing and Printing.

1987 SIC 2731, Books: Publishing, or Publishing and Printing.

1987 SIC 2741, Miscellaneous Publishing.

These four industries were transferred to the newly created Information sector in response to the increased use of electronic and other means for information transformation, manipulation, and dissemination, and because the production processes that characterize publishing are neither printing nor manufacturing. Where printing of newspapers, periodicals and books takes place in a separate establishment (increasingly the case), these printing activities remain in manufacturing. More information is contained in the text for the NAICS Information sector, published separately.

Two activities were transferred into the 1997 NAICS Printing and Related Support Activities subsector.

Advertising specialty manufacturing transferred from part of 1987 SIC 3993, Signs and Advertising Displays, into Commercial Printing, depending on the printing process.

Printing eyeglasses for the trade transferred from part of 1987 SIC 3999, Manufacturing Industries, NEC, into Commercial Printing, depending on the printing process. Transferring these two activities into the Printing and Related Support Activities subsector was necessary to align the U.S. classification with those of Canada and Mexico, and because the activities are printing processes.

One activity was transferred out of the 1977 NAICS subsector for Printing and

Allied Industries.

Quick printing, 1987 industry code 2752 with transferred to the Other Services subsectors. This change was made to better conform with production services.

Also, several activities were transferred within the Printing and Related Support Activities subsector. The number of printing industries decreased from 14 in 1987 to 11 in 1997. For time series linkage, 5 of the 14 1987 industries are comparable within three percent of the 1997 industries.