

Miscellaneous Subjects

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1997 Economic Census

Management of Companies and Enterprises (Part)
(Industry 551114)

Subject Series



U S C E N S U S B U R E A U

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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 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.

ALL-NEW INDUSTRY CLASSIFICATIONS

Data from the 1997 Economic Census are published primarily on the basis of the North American Industry Classification System (NAICS), unlike earlier censuses, which were published according to the Standard Industrial Classification (SIC) system. NAICS is in the process of being adopted in the United States, Canada, and Mexico. Most economic census reports cover one of 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 Foodservices
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), covered by the census of governments conducted by the Census Bureau.)

The 20 NAICS sectors are subdivided into 96 subsectors (three-digit codes), 313 industry groups (four-digit codes), and, as implemented in the United States, 1170 industries (five- and six-digit codes).

RELATIONSHIP TO SIC

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 industry definitions discuss the relationships between NAICS and SIC industries. Where changes are significant, it will not be possible to construct time series that include data for points both before and after 1997.

For 1997, data for auxiliary establishments (those functioning primarily to manage, service, or support the activities of their company's operating establishments, such as a central administrative office or warehouse) will not be included in the sector-specific reports. These data will be published separately.

GEOGRAPHIC AREA CODING

Accurate and complete information on the physical location of each establishment is required to tabulate the census data for the states, metropolitan areas (MAs), counties, parishes, and corporate municipalities including cities, towns, 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 Internal Revenue Service tax forms is used as a basis for coding.

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.

DOLLAR VALUES

All dollar values presented are expressed in current dollars; i.e., 1997 data are expressed in 1997 dollars, and 1992 data, in 1992 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.

AVAILABILITY OF ADDITIONAL DATA

Reports in Print and Electronic Media

All results of the 1997 Economic Census are available on the Census Bureau Internet site (www.census.gov) and on compact discs (CD-ROM) for sale by the Census Bureau. Unlike previous censuses, only selected highlights are published in printed reports. For more information, including a description of electronic and printed reports being issued, see the Internet site, or write to U.S. Census Bureau, Washington, DC 20233-8300, or call Customer Services at 301-457-4100.

Special Tabulations

Special tabulations of data collected in the 1997 Economic Census may be obtained, depending on availability of time and personnel, in electronic or tabular form. The data will be summaries subject to the same rules prohibiting disclosure of confidential information (including name, address, kind of business, or other data for individual business establishments or companies) that govern the regular publications.

Special tabulations are prepared on a cost basis. A request for a cost estimate, as well as exact specifications on the type and format of the data to be provided, should be directed to the Chief of the division named below, U.S. Census Bureau, Washington, DC 20233-8300. To discuss a special tabulation before submitting specifications, call the appropriate division:

Manufacturing and Construction Division	301-457-4673
Service Sector Statistics Division	301-457-2668

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 covering service trades in 1933. Censuses of construction, manufacturing, and the other business service 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, 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 questionnaires.

The range of industries covered in the economic censuses expanded between 1967 and 1992. 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.

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. All of the census reports printed since 1967 are still available for sale on microfiche from the Census Bureau. CD-ROMs issued from the 1987 and 1992 Economic Censuses contain databases including 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 each of the economic censuses and related surveys is published in the *Guide to the 1997 Economic Census and Related Statistics* at www.census.gov/econguide. More information on the methodology, procedures, and history of the censuses will be published in the *History of the 1997 Economic Census* at www.census.gov/econ/www/history.html.

ABBREVIATIONS AND SYMBOLS

The following abbreviations and symbols are used with the 1997 Economic Census data:

A	Standard error of 100 percent or more.	V	Represents less than 50 vehicles or .05 percent.
D	Withheld to avoid disclosing data of individual companies; data are included in higher level totals.	X	Not applicable.
F	Exceeds 100 percent because data include establishments with payroll exceeding revenue.	Y	Disclosure withheld because of insufficient coverage of merchandise lines.
N	Not available or not comparable.	Z	Less than half the unit shown.
Q	Revenue not collected at this level of detail for multiestablishment firms.	a	0 to 19 employees.
S	Withheld because estimates did not meet publication standards.	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.
		p	10 to 19 percent estimated.
		q	20 to 29 percent estimated.
		r	Revised.
		s	Sampling error exceeds 40 percent.
		nec	Not elsewhere classified.
		nsk	Not specified by kind.
		–	Represents zero (page image/print only).
		(CC)	Consolidated city.
		(IC)	Independent city.

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Management of Companies and Enterprises (Part)

SCOPE

The Management of Companies and Enterprises sector comprises (1) Industries 551111 and 551112, Holding Companies, which include establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions, and (2) Industry 551114, Corporate, Subsidiary, and Regional Managing Offices, which includes establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decisionmaking role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise. Data for the two groups of industries are presented in separate reports. Establishments in this sector perform essential activities that are often undertaken, in-house, by establishments in many sectors of the economy. By consolidating the performance of these activities of the enterprise at one establishment, economies of scale are achieved. Government establishments primarily engaged in administering, overseeing, and managing governmental programs are classified in Sector 92, Public Administration. 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 are classified in Industry 56111, Office Administrative Services.

GENERAL

Statistics on sector 55 are presented in two series of reports.

Geographic area reports. Separate reports for each group of industries present general statistics on number of establishments, revenue/sales, payroll, and employment for each state, the District of Columbia, and the United States.

Miscellaneous subjects reports. This report presents sources of sales, employment by type, and other data for industry-specific inquiries, for establishments of firms with payroll for Industry 551114, Corporate, Subsidiary, and Regional Managing Offices. There is no Miscellaneous Subjects Report for Industries 551111 and 551112.

GEOGRAPHIC AREAS COVERED

Data are presented for:

1. The United States as a whole.
2. States and the District of Columbia.

COMPARABILITY OF THE 1992 AND 1997 CENSUSES

The 1997 Economic Census is the first census to present data based on the new North American Industry Classification System (NAICS). Previous census data were presented according to the Standard Industrial Classification (SIC) system developed some 60 years ago. Due to this change, comparability between census years may be limited. Comparative statistics will be included as part of the Core Business Statistics Reports.

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.

AVAILABILITY OF MORE FREQUENT ECONOMIC DATA

The Census Bureau County Business Patterns program offers annual statistics on the number of establishments, employment, and payroll classified by industry within each county. The program also includes data for establishments of firms that do not have annual payroll.

Table 1. Exported Services for the United States: 1997

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business	All auxiliaries						Auxiliaries responding to inquiry on exported services ¹						
								Reporting receipts from exported services				Reporting no exported services		
		Estab-lish-ments (no.)	Employees (no.)	Receipts (\$1,000)	Estab-lish-ments (no.)	Employees (no.)	Receipts (\$1,000)	Estab-lish-ments (no.)	Employees (no.)	Receipts (\$1,000)	Receipts from exported services (\$1,000)	Estab-lish-ments (no.)	Employees (no.)	Receipts (\$1,000)
551114	Corporate, subsidiary, & regional managing offices	35 263	2 491 698	29 975 818	17 352	1 287 009	25 266 821	185	28 803	8 745 178	967 968	17 167	1 258 206	16 521 643

¹Data are presented for establishments which respond to the inquiry. No estimation was made for nonrespondents.

Table 2. Research and Development for the United States: 1997

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business	All auxiliaries			Auxiliaries responding to inquiry on research and development funding ¹					
		Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Establishments (number)	Employees (number)	Reporting source of funds for research and development			
							Establishments (number)	Federal Government contracts and subcontracts (\$1,000)	Nonfederal sources (\$1,000)	Other establishments of enterprise (\$1,000)
551114	Corporate, subsidiary, & regional managing offices	35 263	2 491 698	145 086 214	18 025	1 353 001	210	64 081	176 186	3 781 934

¹Data are presented for establishments which respond to the inquiry. No estimation was made for nonrespondents.

Table 3. Establishments Reporting Sales for the United States: 1997

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business	All auxiliaries			Auxiliaries responding to inquiry on sales ¹						
		Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Reporting sales to customers outside the company			
								Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Sales (\$1,000)
551114	Corporate, subsidiary, & regional managing offices	35 263	2 491 698	145 086 214	21 533	1 548 319	92 691 551	3 325	347 459	20 998 101	29 975 818

¹Data are presented for establishments which respond to the inquiry. No estimation was made for nonrespondents.

Table 4. Value of Inventories for the United States: 1997

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business	All auxiliaries			Auxiliaries responding to inquiry on value of inventories ¹					
		Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Establishments (number)	Employees (number)	Reporting inventories			
							Establishments (number)	Employees (number)	Value of inventories	
									End-of-1997 (\$1,000)	End-of-1996 (\$1,000)
551114	Corporate, subsidiary, & regional managing offices	35 263	2 491 698	145 086 214	17 183	1 299 425	2 699	300 118	37 235 282	35 183 183

¹Data are presented for establishments which respond to the inquiry. No estimation was made for nonrespondents.

Table 5. **Value of Billings to Other Establishments of the Same Company for the United States: 1997**

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business	All auxiliaries			Auxiliaries responding to inquiry on billings ¹							
		Estab-lish-ments (no.)	Em-ploy-ees (no.)	Annual payroll (\$1,000)	Estab-lish-ments (no.)	Em-ploy-ees (no.)	Reporting billings to other establishments of the same company			Reporting no billings to other establishments of the same company		
							Estab-lish-ments (no.)	Em-ploy-ees (no.)	Annual payroll (\$1,000)	Billings (\$1,000)	Estab-lish-ments (no.)	Em-ploy-ees (no.)
551114	Corporate, subsidiary, & regional managing offices	35 263	2 491 698	145 086 214	15 898	1 220 441	'2 305	'251 938	'16 516 460	'51 488 420	'13 593	'968 503

¹Data are presented for establishments which respond to the inquiry. No estimation was made for nonrespondents.

Table 6. Sales by Type for the United States: 1997

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business or sales by type	All auxiliaries			Auxiliaries responding to inquiry on sales by type ¹				
		Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Establishments ² (number)	Employees ² (number)	Annual payroll ² (\$1,000)	Auxiliaries reporting sales by type ³	
								Establishments (number)	Sales (\$1,000)
551114	Corporate, subsidiary, & regional managing offices	35 263	2 491 698	145 086 214	14 628	1 043 140	64 457 214	2 481	22 428 739
	Products manufactured at this establishment	-	-	-	-	-	-	-	-
	Products manufactured by other estabs of this enterprise ...	-	-	-	-	-	-	-	-
	Products resold	-	-	-	-	-	-	-	-
	Franchise fees	-	-	-	-	-	-	-	-
	Investment income	-	-	-	-	-	-	-	-
	Mineral extraction	-	-	-	-	-	-	-	-
	Construction	-	-	-	-	-	-	-	-
	Transport & warehousing	-	-	-	-	-	-	-	-
	Equipment repairs	-	-	-	-	-	-	-	-
	Research & development	-	-	-	-	-	-	-	-
	Professional, scientific, & technical services	-	-	-	-	-	-	-	-
	Management & administrative support	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-

¹Data are presented for establishments which respond to the inquiry. No estimation was made for nonrespondents.

²Data are presented for establishments reporting zero sales or reporting sales by type.

³Data are presented for establishments reporting sales by type. Total sales by type for each NAICS code is a summation of reported details by type and will not equal the total sales values published in Table 3, Establishments Reporting Sales for the United States.

Table 7. Billings by Type for the United States: 1997

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business or billings by type	All auxiliaries			Auxiliaries responding to inquiry on billings by type ¹				
		Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Establishments ² (number)	Employees ² (number)	Annual payroll ² (\$1,000)	Auxiliaries reporting billings by type ³	
								Establishments (number)	Billings (\$1,000)
551114	Corporate, subsidiary, & regional managing offices	35 263	2 491 698	145 086 214	14 809	1 051 139	66 070 318	2 626	69 539 325
	Products manufactured at this establishment	X	X	X	X	X	X	X	582 737
	Products manufactured by other estabs of this enterprise	X	X	X	X	X	X	X	23 695 811
	Products resold	X	X	X	X	X	X	X	10 449 247
	Franchise fees	X	X	X	X	X	X	X	1 523 228
	Investment income	X	X	X	X	X	X	X	163 189
	Mineral extraction	X	X	X	X	X	X	X	240 068
	Construction	X	X	X	X	X	X	X	403 567
	Transport & warehousing	X	X	X	X	X	X	X	1 384 069
	Equipment repairs	X	X	X	X	X	X	X	41 909
	Research & development	X	X	X	X	X	X	X	1 511 339
	Professional, scientific, & technical services	X	X	X	X	X	X	X	14 192 863
	Management & administrative support	X	X	X	X	X	X	X	6 887 475
	Other	X	X	X	X	X	X	X	8 463 823

¹Data are presented for establishments which respond to the inquiry. No estimation was made for nonrespondents.

²Data are presented for establishments reporting zero billings or reporting billings by type.

³Data are presented for establishments reporting billings by type. Total billings by type for each NAICS code is a summation of reported details by type and will not equal the total billings values published in Table 5, Value of Billings to Other Establishments of the Same Company for the United States.

Table 8. Employment by Function for the United States: 1997

[Includes only establishments with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A]

NAICS code	Kind of business or employees by function	Establishments (number)	Employees (number)	Annual payroll (\$1,000)	Coverage ratio
551114	Corporate, subsidiary, & regional managing offices ..	35 263	2 491 698	145 086 214	52.8
	Administrative & management	X	1 728 417	X	X
	Executive & general management	X	460 567	X	X
	Accounting, billing, tax preparation, & bookkeeping	X	429 798	X	X
	Personnel/human relations	X	130 492	X	X
	Advertising	X	36 312	X	X
	Marketing/marketing research—except direct sales staff	X	143 269	X	X
	Legal	X	38 320	X	X
	Computer systems design & custom computer programming.....	X	188 547	X	X
	Electronic data processing	X	67 222	X	X
	Other	X	233 890	X	X
	Sales employees	X	155 258	X	X
	Research & development	X	141 523	X	X
	Security	X	18 324	X	X
	Building services	X	45 233	X	X
	Repair & maintenance	X	32 466	X	X
	Trucking	X	21 974	X	X
	Warehousing	X	81 390	X	X
	Manufacturing	X	37 194	X	X
	All other.....	X	229 919	X	X

Appendix A.

Explanation of Terms

ANNUAL PAYROLL (\$1,000)

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. For corporations, payroll includes amounts paid to officers and executives; for unincorporated businesses, it does not include profit or other compensation of proprietors or partners. 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 Internal Revenue Service (IRS) on Form 941.

NUMBER OF ESTABLISHMENTS

An establishment is a single physical location at which business is conducted. It is not necessarily identical with 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 1997.

When two or more activities 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.

NUMBER OF PAID EMPLOYEES FOR PAY PERIOD INCLUDING MARCH 12

Paid employees consist of the full-time and part-time employees who were on the payroll during the pay period including March 12, including salaried officers and executives of corporations. Included are employees on paid sick leave, paid holidays, and paid vacations; not included are proprietors and partners of unincorporated businesses. The definition of paid employees is the same as that used on IRS Form 941.

REVENUE/SALES (\$1,000)

Revenue of holding companies primarily includes net investment income, interest, and dividends.

Sales of Corporate, Subsidiary, and Regional Managing Offices is defined as income received from sources outside of the company. Included are merchandise sales, receipts for services provided, franchise and license fees, royalties, and other nonoperating revenues. These sales exclude all excise and sales taxes that are paid directly to taxing agencies. Also excluded are transactions with other establishments of the owning company.

Appendix B.

NAICS Codes, Titles, and Descriptions

55 MANAGEMENT OF COMPANIES AND ENTERPRISES

The Management of Companies and Enterprises sector comprises (1) establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or (2) establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decisionmaking role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise.

Establishments in this sector perform essential activities that are often undertaken, in-house, by establishments in many sectors of the economy. By consolidating the performance of these activities of the enterprise at one establishment, economies of scale are achieved.

Government establishments primarily engaged in administering, overseeing, and managing governmental programs are classified in Sector 92, Public Administration. 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 are classified in Industry 56111, Office Administrative Services.

551 Management of Companies and Enterprises

Industries in the Management of Companies and Enterprises subsector include three main types of establishments: (1) those that hold the securities of (or other equity interests in) companies and enterprises; (2) those (except government establishments) that administer, oversee, and manage other establishments of the company or enterprise but do not hold the securities of these establishments; and (3) those that both administer, oversee, and manage other establishments of the company or enterprise and hold the securities of (or other equity interests in) these establishments. Those establishments that administer, oversee, and manage normally undertake the strategic or organizational planning and decisionmaking role of the company or enterprise.

5511 Management of Companies and Enterprises

This NAICS industry group includes establishments classified in the following NAICS industry(ies): 55111, Management of Companies and Enterprises

55111 Management of Companies and Enterprises

This industry comprises (1) establishments primarily engaged in holding the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing the management decisions or (2) establishments (except government establishments) that administer, oversee, and manage other establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decisionmaking role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise.

551111 Offices of Bank Holding Companies

This U.S. industry comprises legal entities known as bank holding companies primarily engaged in holding the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing the management decisions of these firms. The holding companies in this industry do not administer, oversee, and manage other establishments of the company or enterprise whose securities they hold.

The data published with NAICS code 51111 include these parts of the following SIC industries:

6712 Offices of bank holding companies

551112 Offices of Other Holding Companies

This U.S. industry comprises legal entities known as holding companies (except bank holding) primarily engaged in holding the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing the management decisions of these firms. The holding companies in this industry do not administer, oversee, and manage other establishments of the company or enterprise whose securities they hold.

The data published with NAICS code 5111 include these parts of the following SIC industries:

6082 (pt) Agreement & Edge Act Corporations, primarily holding investments

6719 Offices of other holding companies

5511121 Agreement and Edge Act Corporations Primarily Engaged in Holding Investments

Establishments of Agreement and Edge Act corporations primarily engaged in holding investments in overseas companies (or banking corporations), operating

under Federal or state charter. Also included are domestically-owned Federal- or state-chartered institutions that only operate outside the United States.

5511129 Offices of Other Holding Companies

Establishments primarily engaged in holding or owning the securities of (or other equity interests in) firms (other than banks), for the purpose of exercising control and/or influencing the management decisions of these firms either directly or through subsidiaries.

551114 Corporate, Subsidiary, and Regional Managing Offices

This U.S. industry comprises establishments (except government establishments) primarily engaged in administering, overseeing, and managing other establishments

of the company or enterprise. These establishments normally undertake the strategic or organizational planning and decisionmaking role of the company or enterprise. Establishments in this industry may hold the securities of the company or enterprise.

These establishments were included as auxiliaries in the 1987 Standard Industrial Classification (SIC) System. Auxiliaries were classified based upon the industry served so that data published with NAICS code 551114 could potentially include any SIC.

Appendix C.

Coverage and Methodology

MAIL/NONMAIL UNIVERSE

For this sector, all establishments of firms with annual payroll were sent questionnaires to be completed and returned to the Census Bureau.

INDUSTRY CLASSIFICATION OF ESTABLISHMENTS

The classifications for all establishments in this sector were assigned in accordance with the 1997 North American Industry Classification System (NAICS) Manual, United States. NAICS is a common classification system developed by the United States, Canada, and Mexico. This system replaces the 1987 Standard Industrial Classification (SIC) that was used in previous censuses. Appendix A of the 1997 NAICS manual provides information on the comparability between the 1987 SIC and the 1997 NAICS. More information on NAICS is available in the NAICS manual and at www.census.gov/naics. Establishments were classified on the basis of their self-designation, sources of revenue, and other industry-specific inquiries.

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.

The accuracy of these tabulated data is determined by the joint effects of the various 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. This information is used in conjunction with other information available to the Census Bureau to develop estimates for nonemployers and other establishments for which responses were not received in time for publication.

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, revenue/sales, payroll, number of employees, and legal form of organization, 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, were available only from the establishments in the mail universe that completed the appropriate inquiries on the questionnaire.

There were no published data for industry-specific inquiries for Holding Companies. For Corporate, Subsidiary, and Regional Managing Offices data for the industry-specific inquiries are presented on an "as reported" basis, so totals for those inquiries cannot be directly compared to a corresponding basic data inquiry (e.g., the total of the employment by type industry-specific inquiry may not equal the employment basic inquiry for a particular geography due to nonresponse or other data problems).

Appendix D. Geographic Notes

Not applicable for this report.

Appendix E. Metropolitan Areas

Not applicable for this report.

