

Part VIII--Proposed New Industry Structure for Information

Section A--NAICS Structure

North American Industry Classification System

(NAICS)

Agreement Number 18

This Document represents the proposed agreement for the North American Industry Classification System (NAICS) on the boundaries of the following sector and the 4-digit industries of which it is composed:

Information, to be described as:

Information and Cultural Industries in Canada

Informacion en Medios Masivos in Mexico

Information in the United States

It also displays an aggregation structure that is accepted by all three countries, along with a brief description of the structure and its details (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	Publishing
XXX	Newspaper, Periodical, Book, and Data Base Publishing
XXXX	Newspaper Publishing
XXXX	Periodical Publishing
XXXX	Book Publishing
XXXX	Database Publishing
XXXX	Other Publishing
XXX	Software Publishing
XXXX	Software Publishing

XX	Motion Picture and Sound Recording
XXX	Motion Picture and Video Industries
XXXX	Motion Picture and Video Production
XXXX	Motion Picture and Video Distribution
XXXX	Teleproduction and Other Post-Production Services
XXXX	Motion Picture and Video Exhibition
XXXX	Other Motion Picture and Video Industries
XXX	Sound Recording Industries
XXXX	Record Production Companies
XXXX	Integrated Record Companies
XXXX	Music Publishing
XXXX	Sound Recording Studios
XXXX	Other Sound Recording Industries
XX	Broadcasting and Telecommunications
XXX	Radio and Television Broadcasting
XXXX	Radio Broadcasting
XXXX	Television Broadcasting
XXX	Cable Networks and Program Distribution
XXXX	Cable Networks
XXXX	Cable and Program Distribution
XXX	Telecommunications
XXXX	Wired Telecommunications Carriers
XXXX	Wireless Telecommunications Carriers, Except Satellite
XXXX	Telecommunications Resellers
XXXX	Satellite Telecommunications
XXXX	Other Telecommunications
XX	Information Services and Data and Transaction Processing
XXX	Information Services
XXXX	News Syndicates
XXXX	Libraries and Archives
XXXX	Other Information Services
XXX	Data and Transaction Processing
XXXX	Data and Transaction Processing

Attachment 2--North American Industry Classification System

Draft Classification For:

Information and Cultural Industries in Canada

Information en Medios Masivos in Mexico

Information in the United States

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

The draft classification includes four subsectors, Publishing; Motion Picture and Sound Recording; Broadcasting and Telecommunications; and Information Services and Data and Transaction Processing Services. These are further subdivided into 9 industry groups and 29 industries.

A General Outline

The expressions “information age” and “global information economy” are used with considerable frequency today. The general idea of an “information economy” includes both the notion of industries primarily producing, processing, and distributing information, as well as the idea that every industry is using available information and information technology to reorganize and make themselves more productive.

For the purpose of developing NAICS, it is the transformation of information into a commodity that is produced, manipulated and distributed by a number of growing industries that is at issue. The proposed Information sector groups three types of establishments: those engaged in producing, manipulating and distributing information and cultural products; those that provide the means to transmit or distribute these products as well as data or communications; and those that process data or transactions. (Cultural products are those that directly express attitudes, opinions, ideas, values, and artistic creativity; provide entertainment; or offer information and analysis concerning the past and present. Included in this definition are popular, mass-produced, products as well as cultural products that normally have a more limited audience, such as poetry books, literary magazines or classical records.) These activities are currently classified throughout the existing national classifications; traditional publishing is in manufacturing, broadcasting in communications, software production in business services, film production in amusement services, etc.

The unique characteristics of information and cultural products, and of the processes involved in their production and distribution, justify the creation of an Information sector, distinct from the goods-producing and service-producing sectors. Some of these characteristics are:

1. Unlike traditional goods, an “information or cultural product” such as a newspaper or television program does not necessarily have tangible qualities, nor is it necessarily associated with a particular form. A movie can be shown at a movie theater, on a television broadcast, through video on demand or rented at a local video store. A sound recording can be aired on radio, embedded in multi-media products or sold at a record store.

2. Unlike traditional services, the delivery of these products does not require direct contact between the supplier and the consumer.

3. The value of these products to the consumer does not lie in their tangible qualities but in

their information, educational, cultural or entertainment content.

4. Unlike goods or services, information and cultural products can be copied easily. The law has long recognized this; copyright law protects the intangible property of intellectual creations such as books and sound recordings. Copyright applies to all original literary, dramatic, musical, and artistic works, including databases and computer programs.

5. The intangible property aspect of information and cultural products makes the processes involved in their production and distribution very different from goods and services. Only those possessing the rights to these works are authorized to reproduce, alter, improve and distribute them. Acquiring and using these rights often involves significant costs. In addition, technology is revolutionizing the distribution of these products. It is possible to distribute them in a physical form, via broadcast or on line.

6. Distributors of information and cultural products can easily add value to the products they distribute. For instance, broadcasters add advertising not contained in the original product. This capacity means that unlike traditional distributors, they derive revenue not from sale of the distributed product to the final consumer, but from those who pay for the privilege of adding information to the original product. Similarly, a CD-ROM publisher can acquire the rights to thousands of previously published newspaper and periodical articles and add new value by providing search and software and organizing the information in a way that facilitates research and retrieval. These products often command a much higher price than the original information.

The distribution modes for information commodities may either eliminate the necessity for traditional manufacture, or reverse the conventional order of manufacture-distribute: A newspaper distributed on line, for example, can be printed locally or by the final consumer. Similarly, it is anticipated that packaged software, which today is mainly bought through the traditional retail channels, will soon be available mainly on line. The NAICS Information sector is designed to make such economic changes transparent as they occur, or to facilitate designing surveys that will monitor the new phenomena and provide data to analyze the changes. Other classification systems tend to obscure economic changes of this kind.

Many of the industries in the NAICS information sector are engaged in producing and manipulating products protected by copyright law, or in distributing them (other than distribution by traditional wholesale and retail methods). Examples are traditional publishing industries, software and database publishing industries and film and sound industries. Broadcasting and telecommunication industries, and information providers and processors, are also included in the information sector, because their technologies are so closely linked to other industries in the information sector.

Although many new industries have been created for this sector, most of the activities it contains have existed for some time and are distributed throughout the existing classifications. The following paragraphs provide a brief description of the individual components of this sector.

The Publishing subsector groups establishments engaged in the publishing of newspapers, periodicals, and books, as well as database and software publishing. In general, publishers issue copies of works for which they possess copyright for sale to the general public, in one or more formats including traditional print form, CD-ROM or on line. Publishers may publish works originally created by others for which they have obtained the rights, and/or works that they have created in-house.

In most other classification systems, publishing is treated as a subsidiary activity to a manufacturing activity--book and newspaper publishing, for example, are depicted as subsidiary

activities to printing, and placed with printing in the classification. In NAICS, publishing--the reporting, writing, editing, and other processes that are required to create an edition of a newspaper, for example--is treated as a major economic activity in its own right, and classified in the Information sector, whereas printing remains in the NAICS Manufacturing sector. In part, the NAICS classification reflects the fact that publishing increasingly takes place in establishments that are physically separate from the associated printing establishments. More crucially, the NAICS classification of book and newspaper publishing is intended to portray their roles in a modern economy, in which they do not resemble manufacturing activities.

Software publishing is included here because the activity--creation of a copyrighted product and bringing it to market--is equivalent to the creation process for other types of intellectual products. Reproduction of pre-packaged software is treated in NAICS as a manufacturing activity; on-line distribution of software products is in the Information sector, and custom design of software to client specifications remains in business services. These distinctions arise because of the different ways that software is created, reproduced, and distributed.

The Motion Picture and Sound Recording subsector groups establishments involved in the production and distribution of motion pictures and sound recordings (those involved exclusively in the wholesaling of sound recordings are classified in Wholesale Trade). While motion picture and sound recordings are also "published," the processes involved are sufficiently different from those traditional publishing industries to warrant placing them in the Motion Picture and Sound Recording subsector. The production and distribution of these products involves a complex process and several distinct industries.

The Motion Picture and Video Industries industry group includes separate industries for Motion Picture and Video Production, Motion Picture and Video Distribution, Teleproduction and Other Post-Production Services, Motion Picture and Video Exhibition, and Other Motion Picture and Video Industries. The distribution industry includes establishments primarily engaged in acquiring the distribution rights (major input) for films and programs, and charging such clients as movie theaters and broadcasters to show them; those engaged in wholesaling videos to retail stores and rental outlets are classified in Wholesale Trade.

The Sound Recording Industries industry group contains new classes for Record Production Companies, Integrated Record Companies, Music Publishing, Sound Recording Studios, and Other Sound Recording Industries. Record production companies are primarily engaged in searching out, identifying and contracting artists for which they arrange and finance the production of master tapes for which they hold the reproduction rights. Establishments in this industry do not own duplication facilities or have distribution capabilities, so they commercialize these rights through leasing/licensing agreements with third parties. Integrated record production companies (major record labels) integrate the production, manufacturing and/or distribution functions, commercializing reproduction rights through these vertically integrated operations. While establishments engaged in record production derive most of their revenues from leasing/licensing the reproduction rights of master recordings and from mechanical royalties, integrated record companies derive most of their revenues from the exploitation of their rights to distribute duplicate sound recordings. The industrial structure proposed for this area is a major revision of existing classifications; the purpose of this restructuring is to reflect the actual activity structure of the sound recording industry, which is not well articulated in current classifications.

The structure of the Broadcasting and Telecommunications subsector was decided upon in a previously signed preliminary agreement (Number 2), but at the time, the sector in which it

would be included had not been determined. The three countries have agreed to place it in the Information sector. The following is a summary of the previously signed agreement.

The Broadcasting and Telecommunications subsector includes establishments providing point-to-point communications and the services related to that activity. The industry groups (Radio and Television Broadcasting, Cable Networks and Program Distribution, and Telecommunications) are based on differences in the methods of communication and in the nature of services provided. The Radio and Television Broadcasting industry group includes establishments that operate broadcasting studios and facilities for over the air or satellite delivery of radio and television programs of entertainment, news, talk, and the like. These establishments are often engaged in the production and purchase of programs and generating revenues from the sale of air time to advertisers, and from donations, subsidies, and/or the sale of programs. The Cable Network and Program Distribution industry group includes two types of establishments. Cable Networks establishments operate studios and facilities for the broadcasting of programs that are typically narrow cast in nature (limited format such as news, sports, education, and youth-oriented programming). The services of these establishments are typically sold on a subscription or fee basis. Delivery of the programs to customers is handled by other establishments, in the Cable and Program Distribution industry, that operate cable systems, direct-to-home satellite systems, or other similar systems. The Telecommunications industry group is primarily engaged in operating, maintaining, and/or providing access to facilities for the transmission of voice, data, text, sound, and full motion picture video between network termination points. A transmission facility may be based on a single technology or a combination of technologies.

The Information Services and Data and Transaction Processing subsector is subdivided into two industry groups. The Information Services industry group includes establishments that provide, store, or provide access to information. The Data and Transaction Processing industry group includes establishments that process data and transactions.

Limitations and Constraints of the Classification

The concept of an Information sector is new and for that reason its definition could be very broad or very narrow. For instance, it can be argued that establishments engaged in activities such as advertising, marketing research, public opinion polling and credit reporting should be included here since they are, in one way or another, engaged in producing, manipulating and distributing information and/or cultural products. These establishments, however, also share characteristics with establishments found in the Professional, Scientific and Technical Services subsector and it is proposed to classify them in that sector. Similarly, independent artists, writers, and performers could be classified here since they provide the creative input essential to the production of many of the industries found in this sector. However, it has been decided to classify all such establishments in a single industry in the Performing Arts, Spectator Sports, and Related Industries subsector.

The Information sector is largely a restructuring of existing classifications. For example, many of the activities that are classified in Publishing and in Sound Recording Industries are currently classified in the Manufacturing sectors in the existing national classifications. As a result, the definition of existing broad aggregates such as manufacturing or business services have changed.

The identification of new and emerging industries is one of the principle goals of the NAICS

project, and in this case many such industries are introduced in the classification (the extent varies by country.) However, many users have expressed the wish that this goal be achieved while minimizing breaks in time series. These two objectives are often conflicting and the degree to which proposed NAICS industries relate to existing national classification systems varies from country to country. This issue is elaborated in the Changes to the National Classification section.

Relationship to ISIC

Twenty-six of the 29 proposed NAICS industries are contained within Divisions 22, Publishing, Printing and Reproduction of Recorded Media; 64, Post and Telecommunications; 72, Computer and Related Activities; and 92, Recreational, Cultural and Sporting Activities of the Current International Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. The following NAICS industries cannot be assigned to an ISIC division without being subdivided: Other Publishing; Radio Broadcasting; and Television Broadcasting. However, the discrepancies between these proposed NAICS industries and ISIC are minor and do not have a significant impact on the comparability of data. Accordingly, most of the NAICS Information sector can be retabulated to reach consistency at the two-digit level of ISIC.

Changes to the National Classification

For Canada, the most fundamental change to the 1980 Canadian Standard Industrial Classification (CSIC) is the grouping in one sector of industries currently classified in several sectors. Publishing has been moved from Manufacturing (CSIC 28), broadcasting and telecommunication industries from Communication Industries (CSIC 48), film industries from Amusement and Recreational Service Industries (CSIC 96), record companies from Manufacturing (CSIC 39), libraries from Educational Services Industries (CSIC 85), and software publishing and data processing from Business Service Industries (CSIC 77).

The current classification for traditional publishing separates establishments engaged in publishing only from those engaged in publishing and printing. In the proposed NAICS classification, these establishments are classified to five different 4-digit industries according to the type of publishing (newspaper, book, database, etc.) whether or not they are also engaged in printing activities. Software publishing, currently a component of the Computer Services industry (CSIC 7721), is now classified in this subsector.

The classification of video wholesaling to the existing Motion Picture and Video Distribution class (CSIC 9612) is changed; video wholesaling is now assigned to the Wholesale Trade area. Establishments primarily engaged in videotaping are moving from the Motion Picture and Video Production industry (CSIC 9611) to the NAICS class for Photography in the Management, Employment, Administrative and Support Services subsector. The three existing classes for motion picture and video exhibition (CSIC 9621, 9622, 9629) are collapsed into one NAICS class. Independent motion picture directors, currently classified to the Motion Picture and Video Production industry, are moving to the Performing Arts, Spectator Sports and Related Industries subsector of NAICS.

Sound recording activities are now classified to a separate industry group in five newly created 4-digit industries. This is significantly different from the current practice of assigning these activities in different areas of the CSIC, the most important being wholesale trade and manufacturing.

Other significant changes include the movement of libraries (part of CSIC 8541) and archives (part of CSIC 8551) from Educational Service Industries to this sector and of news syndicates (part of CSIC 7799), on-line information services (part of CSIC 7799) and data processing services (part of CSIC 7721) from the Business Services division to this sector.

For Mexico, economic activities emanating from various CMAP sectors have been reclassified into the new Information sector. Editing and a combination of editing and printing were taken from the Manufacturing Sector, group CMAP 3420, corresponding to printing and editing. From group CMAP 3832, Manufacture and/or Assembly of Electronic Radio, Television, Communications and Medical Equipment, recording, editing and record reproducing studios were transferred when these studios are integrated in this manner.

The following classes were reclassified from the current Transportation and Communications Sector; CMAP classes 720003, Telephone Services; 720004, Public Telephone Services; 720005, Telegraph Services; and 720006, Other Telecommunications Services, except for facsimile services in the latter category, found under the Organization Services subsector, together with Business Centers.

Services related to cinematography, radio and television were taken from the current Recreation, Cultural and Sports Services (CMAP classes 941101, 941102, 941103, 941104, 941105, 941201, 941202 and 941203), both from the public and private sectors. Library services, currently classified by the CMAP together with museums, botanical gardens and the like, under CMAP branches 9421 and 9422, were also reclassified under this new sector.

Finally, from the current CMAP 9510 branch, Provision of Professional, Technical and Specialized Services, the following CMAP classes were taken: from CMAP 951004, Systems Analysis and Information Processing Services, the corresponding parts to software editing services, on-line consulting services and rented computer time; CMAP 951014, News Agencies' Services; and CMAP 951023, Other Professional, Technical and Specialized Services previously mentioned, pre-recorded telephone information services.

For the United States, the Information sector is a new grouping and includes industries that were included in different divisions of the 1987 SIC. The concepts underlying the creation of this sector and the industry descriptions address the increasing use of electronic means of dissemination that is not considered in the 1987 SIC.

The Newspaper, Periodical, Book and Database Publishing industry group is currently included in the Manufacturing division of the 1987 SIC (Industry Groups 271, 272, 273, 274 and part of 1987 SIC 2771). The industries included in the NAICS Information sector are those involved in publishing, or publishing and printing combined. Establishments engaged in printing only remain in the Manufacturing sector of NAICS.

The Software Publishing industry is part of the 1987 SIC 7372, Prepackaged Software, in the 1987 SIC in the Business Services major group. The reproduction of prepackaged software only is included in the Computer and Electronic Components subsector in the NAICS Manufacturing sector.

The Motion Picture and Video Industries industry group includes industries classified in the Motion Pictures major group of the 1987 SIC. Parts of 1987 SIC 7819, Services Allied Motion Pictures, were reclassified in other sectors to create more homogeneous, production based categories. A new industry is created for Teleproduction and Other Post-production Services from 1987 SIC 7819, Services Allied to Motion Picture Production, and the remainder of 1987 SIC 7819 was combined with 1987 SIC 7829, Services Allied to Motion Picture Distribution.

Five new industries are created within the Sound Recording Industries industry group. None of these industries exist in the 1987 SIC and, in most instances, there is no indication in the 1987 SIC Manual of the appropriate industry in which they should be included. Because of this, it is difficult to predict the impact of this change, though in most instances it is expected to have a

minor effect on existing time series.

Changes to the U.S. SIC system for the Broadcasting and Telecommunications industries subsector were addressed in a previous NAICS agreement (Agreement number 2).

The Information Services and Data and Transaction Processing subsector includes a number of information service-related industries. The News Syndicates and Libraries and Archives industries correspond to 1987 SIC 7383, News Syndicates, and 8231, Libraries. News Syndicates were previously located in the Business Services major group and Libraries were located in the Educational Services major group. The Other Information Services industry primarily includes establishments classified in 1987 SIC 7375, Information Retrieval Services. U.S. national detail preserves this industry and provides a residual class for all other information services. The Data and Transaction Processing industry corresponds to 1987 SIC 7374, Computer Processing and Data Preparation and Processing Services. Both Information Retrieval Services and Computer Processing and Data Preparation and Processing Services were located in the Business Services major group.

Achievement of Objectives

The classification meets the objectives for the North American Industry Classification System. It is comprised of industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. The hierarchical structure also follows the production concept.

The classification achieves comparability for the three participating countries. All countries agree on the definitions of the industries. The classification improves comparability with other countries. Based on existing data, each country expects to be able to publish data regularly, or in the near future, at the 4-digit NAICS level of this structure.

Other objectives of the NAICS project have also been met. The classification meets the objectives of an industry classification. In an effort to identify high technology and new emerging industries, new industries in the Sound Recording industry group and the Broadcasting and Telecommunications subsector have been identified. The classifications are homogeneous and account for most of the activities that define them. In addition, they are economically significant.

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 sector presented in *Part VIII, 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 sector covered in Part VIII 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 industries; N-new industry; R-revised; and * means "part of". The abbreviation NEC is used for Not Elsewhere Classified.

1997 NAICS and U.S. description		1987 Status code	SIC code	1987 SIC description
XX	Publishing			
XXX	Newspaper, Periodical, Book and Database Publishing			
XXXX	Newspaper Publishing	E	2711	Newspapers: Publishing, or Publishing and Printing
XXXX	Periodical Publishing	E	2721	Periodicals: Publishing, or Publishing and Printing
XXXX	Book Publishing	E	2731	Books: Publishing, or Publishing and Printing
XXXX	Database Publishing	N	*2741	Miscellaneous Publishing (database publishers)
XXXX	Other Publishing			
XXXXX	Greeting Card Publishing	R	*2771	Greeting Cards
XXXXX	All Other Publishing	R	*2741	Miscellaneous Publishing (except database publishing)
XXX	Software Publishing			
XXXX	Software Publishing	R	*7372	Prepackaged Software
XX	Motion Picture and Sound Recording			
XXX	Motion Picture and Video Industries			
XXXX	Motion Picture and Video Production	E	7812	Motion Picture and Video Tape Production
XXXX	Motion Picture and Video Distribution	E	*7822	Motion Picture and Video Tape Distribution (except video tape and cassette wholesalers)
XXXX	Teleproduction and Other Post-Production Services	N	*7819	Services Allied to Motion Picture Production (teleproduction and post-production services)
XXXX	Motion Picture and Video Exhibition			
XXXXX	Motion Picture Theaters, except Drive-Ins	E	7832	Motion Picture Theaters, Except Drive-In
XXXXX	Drive-In Motion Picture Theaters	E	7833	Drive-In Motion Picture Theaters
XXXX	Other Motion Picture and Video Industries	N	*7819	Services Allied to Motion Picture Production (except casting bureaus, wardrobe and equipment rental, talent payment services, teleproduction and other post-productions services)
			7829	Services Allied to Motion Picture Distribution
XXX	Sound Recording Industries			
XXXX	Record Production Companies	N	*6794	Patent Owners and Lessors (music royalties, sheet and record)

XXXX	Integrated Record Companies	N	*3652	Phonograph Records and Prerecorded Audio Tapes and Disks (integrated record companies, except duplication only)
XXXX	Music Publishing	N	*6794	Patent Owners and Lessors (music publishing)
XXXX	Sound Recording Studios	N	*7389	Business Services, NEC (recording studios)
XXXX	Other Sound Recording Industries	N	*7389 *7922	Business Services, NEC (audio taping services) Theatrical Producers (Except Motion Picture) and Miscellaneous Theatrical Services (producers of radio programs)
XX	Broadcasting and Telecommunications			
XXX	Radio and Television Broadcasting			
XXXX	Radio Broadcasting			
XXXXXX	Radio Networks	N	*4832	Radio Broadcasting Stations (networks)
XXXXXX	Radio Stations	N	*4832	Radio Broadcasting Stations (except networks)
XXXX	Television Broadcasting	E	4833	Television Broadcasting Stations
XXX	Cable Networks and Program Distribution			
XXXX	Cable Networks	N	*4841	Cable and Other Pay Television Services (cable networks)
XXXX	Cable and Program Distribution	N	*4841	Cable and Other Pay Television Services (except cable networks)
XXX	Telecommunications			
XXXX	Wired Telecommunications Carriers	N	*4813 4822	Telephone Communications, Except Radiotelephone (except resellers) Telegraph and Other Message Communications
XXXX	Wireless Telecommunications Carriers, Except Satellite			
XXXXXX	Paging	N	*4812	Radiotelephone Communications (paging carriers)
XXXXXX	Cellular and Other Wireless Telecommunications	N	*4812	Radiotelephone Communications (cellular carriers)
XXXX	Telecommunications Resellers	N	*4899 *4812 *4813	Communications Services, NEC (radio dispatch) Radiotelephone Communications (paging and cellular resellers) Telephone Communications, Except Radiotelephone (resellers)
XXXX	Satellite Telecommunications	N	*4899	Communications Services, NEC (Satellite communications)
XXXX	Other Telecommunications	N	*4899	Communications Services, NEC (except radio dispatch, satellite communications)
XX	Information Services and Data and Transaction Processing			

XXX	Information Services			
XXXX	News Syndicates	E	7383	News Syndicates
XXXX	Libraries and Archives	E	8231	Libraries
XXXX	Other Information Services			
XXXXX	On-Line Information Services	E	7375	Information Retrieval Services
XXXXX	All Other Information Services	N	*8999	Services, NEC (miscellaneous information providers)
XXX	Data and Transaction Processing			
XXXX	Data and Transaction Processing	E	7374	Computer Processing and Data Preparation and Processing 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. The abbreviation NEC is used for Not Elsewhere Classified.

1987 SIC code	1987 SIC description	1997 U.S. description
2711	Newspapers: Publishing, or Publishing and Printing	Newspaper Publishing
2721	Periodicals: Publishing, or Publishing and Printing	Periodical Publishing
2731	Books: Publishing, or Publishing and Printing	Book Publishing
2741@	Miscellaneous Publishing	
	Database Publishing	Database Publishing
	Miscellaneous Publishing, Except Database	All Other Publishing
2771	Greeting Cards	Greeting Card Publishing
4812@	Radiotelephone Communications	
	Paging Carriers	Paging
	Cellular Carriers	Cellular and Other Wireless Telecommunications
	Paging and Cellular Resellers	Telecommunications Resellers (pt.)
4813@	Telephone Communications, Except Radiotelephone	
	Except Resellers	Wired Telecommunications Carriers (pt.)
	Resellers	Telecommunications Resellers (pt.)
4822@	Telegraph and Other Message Communications	Wired Telecommunications Carriers (pt.)
4832	Radio Broadcasting Stations	
	Networks	Radio Networks
	Stations	Radio Stations
4833	Television Broadcasting Stations	Television Broadcasting
4841	Cable and Other Pay Television Services	
	Cable Networks	Cable Networks
	Except Cable Networks	Cable and Program Distribution
4899	Communications Services, Not Elsewhere Classified	
	Radio Dispatch	Cellular and Other Wireless Telecommunications (pt.)
	Satellite Communications	Satellite Telecommunications
	Except Radio Dispatch and Satellite Communications	Other Telecommunications
7372	Prepackaged Software	
	Software Publishing	Software Publishing
	Reproduction of Software	Reproduction of Software
7374	Computer Processing and Data Preparation and Processing Services	Data and Transaction Processing
7375	Information Retrieval Services	On-Line Information Services

7383	News Syndicates	New Syndicates
7389	Business Services, Not Elsewhere Classified	
	Sound Recording Studios	Sound Recording Studios
	Audio Taping Services	Other Sound Recording Industries (pt.)
7812	Motion Picture and Video Tape Production	Motion Picture and Video Production
7819	Services Allied to Motion Picture Production	
	Teleproduction and Post-Production Services	Teleproduction and Other Post-Production Services
	Casting Bureaus	Employment Agencies (pt.) (Included in Management, Employment, Administrative and Support Services subsector)
	Wardrobe Rental (Motion Pictures)	Rental and Leasing of Formal Wear and Costumes (pt.) (Included in Rental and Leasing subsector)
	Rental of Motion Picture Equipment	Rental and Leasing of Machinery and Equipment (pt.) (Included in Rental and Leasing subsector)
	Talent Payment Services	Payroll Services (Included in Professional Scientific and Technical Services subsector)
	Except Casting Bureaus, Wardrobe and Equipment Rental, Teleproduction and Other Post-Production Services	Other Motion Picture and Video Services (pt.)
7822	Motion Picture and Video Tape Distribution	
	Distribution, Except Video Tape and Cassette Wholesalers	Motion Picture and Video Distribution (Included in Wholesale Trade Sector)
	Video Tape and Cassette Wholesalers	
7829	Services Allied to Motion Picture Distribution	Other Motion Picture and Video Services (pt.)
7832	Motion Picture Theaters, Except Drive-Ins	Motion Picture Theaters, Except Drive-In
7833	Drive-In Motion Picture Theaters	Drive-In Motion Picture Theaters
7922@	Theatrical Producers (Except Motion Picture) and Miscellaneous Theatrical Services	
	Producers of Radio Programs	Other Sound Recording Industries (pt.)
8231	Libraries	Libraries and Archives
6794@	Patent Owners and Lessors	
	Record Production Companies	Record Production Companies
	Music Publishing	Music Publishing
3652@	Phonograph Records and Prerecorded Audio Tapes and Disk	
	Integrated Record Companies, Except Duplication Only	Integrated Record Companies
8999@	Services, Not Elsewhere Classified	
	Miscellaneous Information Providers	All Other Information Services

NOTE: Detail for SIC's 7389, 7922, 6794, 3652 and 8999 only represent those parts applicable to the Information Sector.

Description of Changes to the U.S. System

1. One new industry was created in the Publishing subsector.

Database Publishing was created from part of 1987 SIC 2741, Miscellaneous Publishing. It was established because of the growth of this type of publishing and is supported by the production process.

All Other Publishing was revised from part of 1987 SIC 2741, Miscellaneous Publishing, by the removal of database publishing.

Software Publishing was created from part of 1987 SIC 7372 Prepackaged Software. Reproduction of software only is included in the Computer and Electronic Component Manufacturing subsector.

Four of the five 1987 publishing industries remained largely unchanged and time series will not be significantly affected.

2. Seven new industries were created in the Motion Picture and Sound Recording subsector. The Teleproduction and Other Post-Production Services industry was created from part of 1987 SIC 7819, Services Allied to Motion Picture Production, based upon a request by the industry and is supported by production based principles.

Other Motion Picture and Video Industries was created from part of 1987 SIC 7819, Services Allied to Motion Picture Production, and 1987 SIC 7829, Services Allied to Motion Picture Distribution, to form a residual industry containing establishments that provide specialized services in support of the motion picture production and distribution industries.

The Record Production Companies industry was created from part of 1987 SIC 6794, Patent Owners and Lessors. This industry was created to include establishments that perform a specialized role in searching out and contracting musical artists. This industry is supported by the production process.

The Integrated Record Companies industry was created from part of 1987 SIC 3652, Phonograph Records and Prerecorded Audio Tapes and Disks. This industry was established to include establishments that reproduce and distribute musical recordings. This industry is supported by the production process.

The Music Publishing industry was created from part of 1987 SIC 6794, Patent Owners and Lessors, to recognize the specialized role it has in promoting the use of musical works in recordings, film, television, and other media. Music publishers are primarily engaged in owning the copyright of musical compositions, and administering the exploitation of the bundle of rights that flow from the ownership of this copyright. The industry is supported by production based principles.

The Sound Recording Studios industry was created from part of 1987 SIC 7389, Business Services, Not Elsewhere Classified. This industry was established to include establishments that perform a specialized role in providing facilities and expertise in recording performances, and is supported by production based principles.

Other Sound Recording Services was created from part of 1987 SIC 7922, Theatrical Producers (Except Motion Picture) and Miscellaneous Theatrical Services, and part of 1987 SIC 7389, Business Services, NEC. This industry was created as a residual to include establishments that provide specialized audio and sound related services. It is supported by production based principles.

3. There are 11 new industries in the Broadcasting and Telecommunications subsector. These were published in the **Federal Register** on July 26, 1995. Please refer to page 38448 for details.

4. There is one new industry in the Information Services and Data and Transaction Processing subsector. The All Other Information Services industry was created to include a variety of information service related establishments not included in other industries in this sector. While this class is expected to be very small at the present time, it represents a residual industry that may contain new types of establishments in the future as more advanced information technologies emerge and grow. The U.S. national On-Line Information Services industry (1987 SIC 7375, Information Retrieval Services) includes establishments that provide access to, and distribution of, information that has been stored electronically for retrieval.