

HIGHLIGHTS OF CHANGES AND ENHANCEMENTS

The conversion of the M3 survey from the Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS) will result in many changes in the composition of the categories for which we collect and publish data. In addition, we will take this opportunity to introduce other enhancements to the content of our publications. Following are some of the highlights of these changes and enhancements:

- The new M3 survey will reflect the fact that under NAICS some activities are classified as manufacturing that were classified outside the manufacturing sector under the old SIC. Examples of these activities are Retail Bakeries, Bottled Spring Water, Custom Drapes, Custom Tailors, Tire Retreading, Software Reproduction, Custom Wood Cabinets, and Dental Laboratories. For a more complete list of incoming manufacturing activities, go to the Census Bureau NAICS site at <http://www.census.gov/epcd/www/naics.html> and click on the option for correspondence between the NAICS and SIC.
- The new M3 survey will reflect the fact that under NAICS some activities that were previously classified as manufacturing under the old SIC are now assigned to sectors outside manufacturing. Examples of these activities are Logging, Publishing, and some Research and Development. For a more complete list of outgoing activities, refer to the NAICS site listed in the previous bullet.
- The NAICS creates a new subsector, 334 (Computers and Electronic Products), that brings together industries producing Electronic Products and their Components. The manufacturing of Computers, Communications Equipment, and Semiconductors, for example, are grouped in the same subsector because of the technological similarities in their production processes. Under the SIC system, Computers was classified in Major Group 35 (Industrial Machinery) while Communications Equipment and Semiconductors were classified in Major Group 36 (Electronic and Other Electrical Equipment).
- When we first issue NAICS-based press releases data (May 25, 2001), we will modify their content. For the first time, we will publish inventories data on the Advance Report on Durable Goods.
- The Advance Report on Durable Goods will provide more detail than before. Data provided on the report will include Computers and Related Products, Communications Equipment, Semiconductors, Motor Vehicles and Parts, and Aircraft and Parts. All of these subcategories were previously not published until the Preliminary Report on Manufacturers' Shipments, Inventories, and Orders which is usually released about a week after the advance report.

- The Preliminary Report on Manufacturers' Shipments, Inventories, and Orders will provide more detail for key industries than before. For example, instead of publishing a single Motor Vehicles and Parts figure, we will publish separate data for Automobiles, Light Trucks and Utility Vehicles, Heavy Duty Trucks, and Motor Vehicle Bodies, Parts, and Trailers.
- Another example of more detailed data we will provide on the revised Preliminary Report is in the Computer industry. Instead of publishing a single number for Computers and Office Products, we will publish separate data for Electronic Computers and Computer Storage Devices.
- On the revised Preliminary Report, we will publish separate data for Semiconductors and Electronic Components. Previously Semiconductors was included in the Electronic Components category.
- Some new aggregate series will be published in the Preliminary Report for the first time and others will be discontinued, at least temporarily. The new aggregates will be Consumer Durable Goods, Consumer Nondurable Goods, and their sum, Consumer Goods. We will discontinue the publishing of the aggregates for Automotive Equipment, Home Goods and Apparel, Consumer Staples, Machinery and Equipment, Business Supplies, Other Materials, Supplies, and Intermediate Products, Producers' Durable Equipment, Household Durable Goods, and Health Care Equipment and Products. Most of the discontinued series were originally created to allow comparison with production data produced by the Federal Reserve Board. In fact, we allocated data from our collected SIC category levels to the aggregated series based on weights used in the Federal Reserve Board's market categories. We will consider reintroducing the discontinued aggregates after the production series is converted to the NAICS.