

Management of Companies and Enterprises: 2002

Issued December 2004

EC02-55I-01

2002 Economic Census

Management of Companies and Enterprises

Industry Series



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-- Not applicable for this report.

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 to 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.

INDUSTRY CLASSIFICATIONS

Data from the 2002 Economic Census are published primarily according to the 2002 North American Industry Classification System (NAICS). NAICS was first adopted in the United States, Canada, and Mexico in 1997. The 2002 Economic Census covers 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 Food Services
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), largely covered by the census of governments conducted by the Census Bureau.)

The 20 NAICS sectors are subdivided into 100 subsectors (three-digit codes), 317 industry groups (four-digit codes), and, as implemented in the United States, 1,179 industries (six-digit codes).

RELATIONSHIP TO HISTORICAL INDUSTRY CLASSIFICATIONS

Prior to the 1997 Economic Census, data were published according to the Standard Industrial Classification (SIC) system. 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 1997 Economic Census *Bridge Between NAICS and SIC* demonstrates the relationships between NAICS and SIC industries. Where changes are significant, it may not be possible to construct time series that include data for points both before and after 1997.

Most industry classifications remained unchanged between 1997 and 2002, but NAICS 2002 includes substantial revisions within the construction and wholesale trade sectors, and a number of revisions for the retail trade and information sectors. These changes are noted in industry definitions and will be demonstrated in the *Bridge Between NAICS 2002 and NAICS 1997*.

For 2002, data for enterprise support establishments (those functioning primarily to support the activities of their company's operating establishments, such as a warehouse or a research and development laboratory) are included in the industry that reflects their activities (such as warehousing). For 1997, such establishments were termed auxiliaries and were excluded from industry totals.

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. (For selected industries, only payroll, employment, and classification are collected for individual establishments, while other data are collected on a consolidated basis.)

GEOGRAPHIC AREA CODING

Accurate and complete information on the physical location of each establishment is required to tabulate the census data for states, metropolitan and micropolitan statistical areas, counties, and corporate municipalities (places) including cities, towns, townships, 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 administrative sources is used as a basis for coding.

AVAILABILITY OF ADDITIONAL DATA

All results of the 2002 Economic Census are available on the Census Bureau Internet site (www.census.gov) and on digital versatile discs (DVD-ROMs) for sale by the Census Bureau. The American FactFinder system at the Internet site allows selective retrieval and downloading of the data. For more information, including a description of reports being issued, see the Internet site, write to the U.S. Census Bureau, Washington, DC 20233-6100, or call Customer Services at 301-763-4100.

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 service trades in 1933. Censuses of construction, manufacturing, and the other business 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 and 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 report forms.

The range of industries covered in the economic census expanded between 1967 and 2002. 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. New for 2002 is coverage of four industries classified in the agriculture, forestry, and fishing sector under the SIC system: landscape architectural services, landscaping services, veterinary services, and pet care services.

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. Reports for 1997 were published primarily on the Internet and copies of 1992 reports are also available there. CD-ROMs issued from the 1987, 1992, and 1997 Economic Censuses contain databases that include all or 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 the 2002 Economic Census and related surveys is published in the *Guide to the 2002 Economic Census* at www.census.gov/econ/census02/guide. More information on the methodology, procedures, and history of the census will be published in the *History of the 2002 Economic Census* at www.census.gov/econ/www/history.html.

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Management of Companies and Enterprises

SCOPE

The Management of Companies and Enterprises sector (sector 55) 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, and (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 decision making 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.

Many of the “kinds of business” included in this sector are not thought of as commercial businesses and the terms (such as “business,” “establishment,” and “firm”) used to describe them may not be descriptive of such services. However, these terms are applied to all “kinds of business” in order to maintain conformity in the measures of the production and delivery of goods and services and in the presentation of data.

Exclusions. The reports described below exclude establishments of firms with no paid employees. These “nonemployers,” typically self-employed individuals or partnerships operating businesses that they have not chosen to incorporate, are reported separately in *Nonemployer Statistics*. The contribution of nonemployers, relatively large for this sector, may be examined at www.census.gov/nonemployerimpact.

Definitions. Industry categories are defined in Appendix B, NAICS Codes, Titles, and Descriptions. Other terms are defined in Appendix A, Explanation of Terms.

REPORTS

The following reports provide statistics on this sector.

Industry Series. There is one report for all covered industries in this sector. The report presents, by kind of business for the United States, general statistics for establishments of firms with payroll on number of establishments, revenue, payroll, and employment; comparative statistics for 2002 and 1997; product lines; and concentration of business activity in the largest firms. The data in industry reports are preliminary and subject to change in the following reports.

Geographic Area Series. There is one report for all covered states, the District of Columbia, and the United States. This report presents, for establishments of firms with payroll, general statistics on number of establishments, revenue, payroll, and employment by kind of business.

Subject Series:

- **Product Lines.** This report presents product lines data for establishments of firms with payroll by kind of business. Data are presented for the United States and states. Establishments may report negative revenue for selected product lines. Because of this, percentages for product lines may be in excess of 100 or less than 0.

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- **Miscellaneous Subjects.** This report presents data for a variety of industry-specific topics for establishments of firms with payroll. Presentation of data varies by kind of business.
 - **ZIP Code Statistics.** This report presents data for establishments of firms with payroll by United States ZIP Code.
 - **Other reports.** Data for this sector are also included in reports with multisector coverage, including *Nonemployer Statistics*, *Comparative Statistics*, *Bridge Between 2002 NAICS and 1997 NAICS*, *Business Expenses*, and the Survey of Business Owners reports.

DOLLAR VALUES

All dollar values presented are expressed in current dollars; i.e., 2002 data are expressed in 2002 dollars, and 1997 data, in 1997 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.

COMPARABILITY OF THE 1997 AND 2002 ECONOMIC CENSUSES

Both the 2002 Economic Census and the 1997 Economic Census present data based on the North American Industry Classification System (NAICS). While there were revisions to some industries for 2002, none of those affect this sector.

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. Data presented in the Miscellaneous Subjects and Product Lines reports for this sector are subject to sampling errors, as well as nonsampling errors.

The accuracy of these tabulated data is determined by the joint effects of the various nonsampling errors or by the joint effects of sampling and nonsampling errors. No direct measurement of these effects has been obtained except for estimation for missing or misreported data, as by the percentages shown in the tables. 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. More information on the reliability of the data is included in Appendix C, Methodology.

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. Techniques employed to limit disclosure are discussed at www.census.gov/epcd/ec02/disclosure.htm.

AVAILABILITY OF MORE FREQUENT ECONOMIC DATA

The County Business Patterns program offers annual statistics on the number of establishments, employment, and payroll classified by industry within each county, and Statistics of U.S. Businesses program provides annual statistics classified by the employment size of the enterprise, further classified by industry for the United States, and by broader categories for states and metropolitan areas.

CONTACTS FOR DATA USERS

Questions about these data may be directed to the U.S. Census Bureau, Service Sector Statistics Division, Service Census Branch, 1-800-541-8345 or scb@census.gov.

ABBREVIATIONS AND SYMBOLS

The following abbreviations and symbols are used with these data:

D	Withheld to avoid disclosing data of individual companies; data are included in higher level totals
N	Not available or not comparable
S	Withheld because estimates did not meet publication standards
X	Not applicable
Z	Less than half the unit shown
a	0 to 19 employees
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
r	Revised
–	Represents zero (page image/print only)
(CC)	Consolidated city
(IC)	Independent city

Table 1. Summary Statistics for the United States: 2002

[These data are preliminary and are subject to change; they will be superseded by data released in later reports. Includes only establishments of firms with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A. Data based on the 2002 Economic Census. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see note at end of table]

2002 NAICS code	Kind of business	Establishments (number)	Revenue (\$1,000)	Annual payroll (\$1,000)	First-quarter payroll (\$1,000)	Paid employees for pay period including March 12 (number)
55	Management of companies and enterprises	50 102	119 477 966	190 807 531	50 877 352	2 853 788
551	Management of companies and enterprises	50 102	119 477 966	190 807 531	50 877 352	2 853 788
5511	Management of companies and enterprises	50 102	119 477 966	190 807 531	50 877 352	2 853 788
55111	Management of companies and enterprises	50 102	119 477 966	190 807 531	50 877 352	2 853 788
551111	Offices of bank holding companies	1 827	10 934 459	1 467 784	481 093	26 592
551112	Offices of other holding companies	10 545	46 493 669	7 876 874	2 394 978	110 324
551114	Corporate, subsidiary, and regional managing offices	37 730	62 049 838	181 462 873	48 001 281	2 716 872

Note: The data in this table are based on the 2002 Economic Census. To maintain confidentiality, the Census Bureau suppresses data to protect the identity of any business or individual. The census results in this table contain nonsampling error. Data users who create their own estimates using data from this table should cite the Census Bureau as the source of the original data only. See also explanation of terms and geographic definitions. For the full technical documentation, see Appendix C.

Table 2. Comparative Statistics for the United States (1997 NAICS Basis): 2002 and 1997

[These data are preliminary and are subject to change; they will be superseded by data released in later reports. Includes only establishments of firms with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A. Data based on the 2002 and 1997 Economic Censuses. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see note at end of table]

1997 NAICS code	Kind of business	Establishments (number)	Revenue (\$1,000)	Annual payroll (\$1,000)	Paid employees for pay period including March 12 (number)	
55	Management of companies and enterprises	2002..	50 102	119 477 966	190 807 531	2 853 788
		1997..	47 319	92 473 059	154 177 673	2 617 527
551	Management of companies and enterprises	2002..	50 102	119 477 966	190 807 531	2 853 788
		1997..	47 319	92 473 059	154 177 673	2 617 527
5511	Management of companies and enterprises	2002..	50 102	119 477 966	190 807 531	2 853 788
		1997..	47 319	92 473 059	154 177 673	2 617 527
55111	Management of companies and enterprises	2002..	50 102	119 477 966	190 807 531	2 853 788
		1997..	47 319	92 473 059	154 177 673	2 617 527
551111	Offices of bank holding companies	2002..	1 827	10 934 459	1 467 784	26 592
		1997..	2 390	21 306 325	1 608 425	26 921
551112	Offices of other holding companies	2002..	10 545	46 493 669	7 876 874	110 324
		1997..	9 666	41 190 916	7 483 034	98 908
551114	Corporate, subsidiary, and regional managing offices	2002..	37 730	62 049 838	181 462 873	2 716 872
		1997..	35 263	29 975 818	145 086 214	2 491 698

Note: The data in this table are based on the 2002 and 1997 Economic Censuses. To maintain confidentiality, the Census Bureau suppresses data to protect the identity of any business or individual. The census results in this table contain nonsampling error. Data users who create their own estimates using data from this table should cite the Census Bureau as the source of the original data only. See also explanation of terms and geographic definitions. For the full technical documentation, see Appendix C.

Table 3. Product Lines by Kind of Business for the United States: 2002

[These data are preliminary and are subject to change; they will be superseded by data released in later reports. Includes only establishments of firms with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A. Data based on the 2002 Economic Census. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see note at end of table]

2002 NAICS code	2002 Product line code	Kind of business and product line	Establishments with the product line		Product line revenue			Response coverage ² (percent)
			Number	Total revenue (\$1,000)	Amount ¹ (\$1,000)	As percent of total revenue of—		
						Establishments with the product line	All establishments ¹	
55		Management of companies and enterprises	50 102	X	119 477 966	X	100.0	72.0
	30060	Sale of products manufactured or assembled by other establishments of this enterprise and sold by employees of this establishment	1 932	33 181 379	30 075 724	90.6	25.2	69.3
	30061	Food and beverages	597	6 402 347	5 240 342	81.9	4.4	X
	30062	Chemicals and allied products	79	2 910 007	2 387 988	82.1	2.0	X
	30063	Drugs and pharmaceuticals	57	1 606 642	1 277 303	79.5	1.1	X
	30064	Computers and peripheral equipment	38	504 025	282 709	56.1	.2	X
	30065	Automobiles, trucks, and other motor vehicles	91	1 915 229	1 523 621	79.6	1.3	X
	30066	Other machinery and equipment	119	3 330 083	1 544 674	46.4	1.3	X
	30067	All other product sales	1 103	20 172 951	17 819 087	88.3	14.9	X
	30070	Products resold (products purchased from others and resold by this establishment without further manufacture, fabrication, processing, or assembly)	1 717	20 045 233	13 859 538	69.1	11.6	X
	30080	Sales, license fees, royalties, and other payments from the marketing of intangible property such as software, music, motion pictures, and other intellectual property	1 834	12 116 290	5 001 402	41.3	4.2	X
	30090	Franchise sales and fees	650	4 101 634	2 010 590	49.0	1.7	X
	30100	Research and development	213	3 150 546	368 134	11.7	.3	X
	30110	Interest and dividends	15 705	77 649 512	57 254 894	73.7	48.0	71.0
	30111	Interest	14 401	75 305 659	30 965 903	41.1	25.9	X
	30112	Dividends	5 521	43 821 835	26 288 991	60.0	22.0	X
	30120	Gains (losses) from assets sold or traded	4 994	38 725 809	4 322 621	11.2	3.6	X
	30130	Contributions, gifts, and grants	1 396	3 379 707	1 531 694	45.3	1.3	X
	30190	All other revenue	5 641	29 690 474	4 945 834	16.7	4.1	71.8
	30191	All other revenue	5 641	29 690 474	4 945 834	16.7	4.1	X
551		Management of companies and enterprises	50 102	X	119 477 966	X	100.0	72.0
	30060	Sale of products manufactured or assembled by other establishments of this enterprise and sold by employees of this establishment	1 932	33 181 379	30 075 724	90.6	25.2	69.3
	30061	Food and beverages	597	6 402 347	5 240 342	81.9	4.4	X
	30062	Chemicals and allied products	79	2 910 007	2 387 988	82.1	2.0	X
	30063	Drugs and pharmaceuticals	57	1 606 642	1 277 303	79.5	1.1	X
	30064	Computers and peripheral equipment	38	504 025	282 709	56.1	.2	X
	30065	Automobiles, trucks, and other motor vehicles	91	1 915 229	1 523 621	79.6	1.3	X
	30066	Other machinery and equipment	119	3 330 083	1 544 674	46.4	1.3	X
	30067	All other product sales	1 103	20 172 951	17 819 087	88.3	14.9	X
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	30111	Interest	14 401	75 305 659	30 965 903	41.1	25.9	X
	30112	Dividends	5 521	43 821 835	26 288 991	60.0	22.0	X
	30120	Gains (losses) from assets sold or traded	4 994	38 725 809	4 322 621	11.2	3.6	X
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	30191	All other revenue	5 641	29 690 474	4 945 834	16.7	4.1	X
5511		Management of companies and enterprises	50 102	X	119 477 966	X	100.0	72.0
	30060	Sale of products manufactured or assembled by other establishments of this enterprise and sold by employees of this establishment	1 932	33 181 379	30 075 724	90.6	25.2	69.3
	30061	Food and beverages	597	6 402 347	5 240 342	81.9	4.4	X
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	30067	All other product sales	1 103	20 172 951	17 819 087	88.3	14.9	X
	30070	Products resold (products purchased from others and resold by this establishment without further manufacture, fabrication, processing, or assembly)	1 717	20 045 233	13 859 538	69.1	11.6	X
	30080	Sales, license fees, royalties, and other payments from the marketing of intangible property such as software, music, motion pictures, and other intellectual property	1 834	12 116 290	5 001 402	41.3	4.2	X
	30090	Franchise sales and fees	650	4 101 634	2 010 590	49.0	1.7	X
	30100	Research and development	213	3 150 546	368 134	11.7	.3	X
	30110	Interest and dividends	15 705	77 649 512	57 254 894	73.7	48.0	71.0
	30111	Interest	14 401	75 305 659	30 965 903	41.1	25.9	X
	30112	Dividends	5 521	43 821 835	26 288 991	60.0	22.0	X
	30120	Gains (losses) from assets sold or traded	4 994	38 725 809	4 322 621	11.2	3.6	X
	30130	Contributions, gifts, and grants	1 396	3 379 707	1 531 694	45.3	1.3	X
	30190	All other revenue	5 641	29 690 474	4 945 834	16.7	4.1	71.8
	30191	All other revenue	5 641	29 690 474	4 945 834	16.7	4.1	X
55111		Management of companies and enterprises	50 102	X	119 477 966	X	100.0	72.0

See footnotes at end of table.

Table 3. Product Lines by Kind of Business for the United States: 2002—Con.

[These data are preliminary and are subject to change; they will be superseded by data released in later reports. Includes only establishments of firms with payroll. For meaning of abbreviations and symbols, see introductory text. For explanation of terms, see Appendix A. Data based on the 2002 Economic Census. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see note at end of table]

2002 NAICS code	2002 Product line code	Kind of business and product line	Establishments with the product line		Product line revenue			Response coverage ² (percent)
			Number	Total revenue (\$1,000)	Amount ¹ (\$1,000)	As percent of total revenue of—		
						Establishments with the product line	All establishments ¹	
55111		Management of companies and enterprises—Con.						
	30060	Sale of products manufactured or assembled by other establishments of this enterprise and sold by employees of this establishment	1 932	33 181 379	30 075 724	90.6	25.2	69.3
	30061	Food and beverages	597	6 402 347	5 240 342	81.9	4.4	X
	30062	Chemicals and allied products	79	2 910 007	2 387 988	82.1	2.0	X
	30063	Drugs and pharmaceuticals	57	1 606 642	1 277 303	79.5	1.1	X
	30064	Computers and peripheral equipment	38	504 025	282 709	56.1	.2	X
	30065	Automobiles, trucks, and other motor vehicles	91	1 915 229	1 523 621	79.6	1.3	X
	30066	Other machinery and equipment	119	3 330 083	1 544 674	46.4	1.3	X
	30067	All other product sales	1 103	20 172 951	17 819 087	88.3	14.9	X
	30070	Products resold (products purchased from others and resold by this establishment without further manufacture, fabrication, processing, or assembly)	1 717	20 045 233	13 859 538	69.1	11.6	X
	30080	Sales, license fees, royalties, and other payments from the marketing of intangible property such as software, music, motion pictures, and other intellectual property	1 834	12 116 290	5 001 402	41.3	4.2	X
	30090	Franchise sales and fees	650	4 101 634	2 010 590	49.0	1.7	X
	30100	Research and development	213	3 150 546	368 134	11.7	.3	X
	30110	Interest and dividends	15 705	77 649 512	57 254 894	73.7	48.0	71.0
	30111	Interest	14 401	75 305 659	30 965 903	41.1	25.9	X
	30112	Dividends	5 521	43 821 835	26 288 991	60.0	22.0	X
	30120	Gains (losses) from assets sold or traded	4 994	38 725 809	4 322 621	11.2	3.6	X
	30130	Contributions, gifts, and grants	1 396	3 379 707	1 531 694	45.3	1.3	X
	30190	All other revenue	5 641	29 690 474	4 945 834	16.7	4.1	71.8
	30191	All other revenue	5 641	29 690 474	4 945 834	16.7	4.1	X
551111		Offices of bank holding companies	1 827	X	10 934 459	X	100.0	62.4
	30080	Sales, license fees, royalties, and other payments from the marketing of intangible property such as software, music, motion pictures, and other intellectual property	24	7 107	6 889	96.9	.1	X
	30090	Franchise sales and fees	18	75 885	11 044	14.6	.1	X
	30110	Interest and dividends	1 777	10 825 552	9 989 831	92.3	91.4	59.9
	30111	Interest	1 370	9 760 534	6 892 284	70.6	63.0	X
	30112	Dividends	1 033	4 604 107	3 097 547	67.3	28.3	X
	30120	Gains (losses) from assets sold or traded	439	4 209 548	209 504	5.0	1.9	X
	30130	Contributions, gifts, and grants	10	38 380	2 078	5.4	Z	X
	30190	All other revenue	779	4 170 184	714 676	17.1	6.5	62.3
	30191	All other revenue	779	4 170 184	714 676	17.1	6.5	X
551112		Offices of other holding companies	10 545	X	46 493 669	X	100.0	73.1
	30070	Products resold (products purchased from others and resold by this establishment without further manufacture, fabrication, processing, or assembly)	277	449 596	391 127	87.0	.8	X
	30080	Sales, license fees, royalties, and other payments from the marketing of intangible property such as software, music, motion pictures, and other intellectual property	1 271	1 478 238	1 058 780	71.6	2.3	X
	30090	Franchise sales and fees	240	802 220	476 497	59.4	1.0	X
	30100	Research and development	74	85 836	23 199	27.0	.1	X
	30110	Interest and dividends	9 180	44 766 113	41 113 309	91.8	88.6	72.8
	30111	Interest	8 436	44 088 354	19 837 583	45.0	42.8	X
	30112	Dividends	3 540	32 866 833	21 275 726	64.7	45.9	X
	30120	Gains (losses) from assets sold or traded	2 379	20 820 606	2 469 713	11.9	5.3	X
	30130	Contributions, gifts, and grants	143	136 410	35 725	26.2	.1	X
	30190	All other revenue	2 208	5 741 744	829 578	14.4	1.8	72.6
	30191	All other revenue	2 208	5 741 744	829 578	14.4	1.8	X
551114		Corporate, subsidiary, and regional managing offices	37 730	X	62 049 838	X	100.0	72.9
	30060	Sale of products manufactured or assembled by other establishments of this enterprise and sold by employees of this establishment	1 932	33 181 379	30 075 724	90.6	48.5	70.1
	30061	Food and beverages	597	6 402 347	5 240 342	81.9	8.4	X
	30062	Chemicals and allied products	79	2 910 007	2 387 988	82.1	3.8	X
	30063	Drugs and pharmaceuticals	57	1 606 642	1 277 303	79.5	2.1	X
	30064	Computers and peripheral equipment	38	504 025	282 709	56.1	.5	X
	30065	Automobiles, trucks, and other motor vehicles	91	1 915 229	1 523 621	79.6	2.5	X
	30066	Other machinery and equipment	119	3 330 083	1 544 674	46.4	2.5	X
	30067	All other product sales	1 103	20 172 951	17 819 087	88.3	28.7	X
	30070	Products resold (products purchased from others and resold by this establishment without further manufacture, fabrication, processing, or assembly)	1 435	19 591 810	13 467 974	68.7	21.7	X
	30080	Sales, license fees, royalties, and other payments from the marketing of intangible property such as software, music, motion pictures, and other intellectual property	539	10 630 945	3 935 733	37.0	6.3	X
	30090	Franchise sales and fees	392	3 223 529	1 523 049	47.2	2.5	X
	30100	Research and development	136	3 064 710	344 935	11.3	.6	X
	30110	Interest and dividends	4 748	22 057 847	6 151 754	27.9	9.9	71.3
	30111	Interest	4 595	21 456 771	4 236 036	19.7	6.8	X
	30112	Dividends	948	6 350 895	1 915 718	30.2	3.1	X
	30120	Gains (losses) from assets sold or traded	2 176	13 695 655	1 643 404	12.0	2.6	X
	30130	Contributions, gifts, and grants	1 243	3 204 917	1 493 891	46.6	2.4	X
	30190	All other revenue	2 654	19 778 546	3 401 580	17.2	5.5	72.7
	30191	All other revenue	2 654	19 778 546	3 401 580	17.2	5.5	X

¹Product line revenue and/or product line percents may not sum to totals due to exclusion of selected lines to avoid disclosing data for individual companies, due to rounding, and/or due to exclusion of lines that did not meet publication criteria.
²Revenue of establishments reporting product line revenue as percent of total revenue.

Note: The data in this table are based on the 2002 Economic Census. To maintain confidentiality, the Census Bureau suppresses data to protect the identity of any business or individual. The census results in this table contain nonsampling error. Data users who create their own estimates using data from this table should cite the Census Bureau as the source of the original data only. See also explanation of terms and geographic definitions. For the full technical documentation, see Appendix C.

Table 4. **Industry Concentration by Largest Firms for the United States: 2002**

[Not applicable to this report]

Appendix A.

Explanation of Terms

ANNUAL PAYROLL

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 and reported on Internal Revenue Service (IRS) Form 941 as taxable Medicare Wages and tips (even if not subject to income or FICA tax). Also included are tips and gratuities received by employees from patrons and reported to employers. If an employee works at more than one location, the payroll is included in the one location where they spend most of their time. Also included are salaries of members of professional service organizations or associations that operate under state professional corporation statutes and file a corporate federal income tax return. Excluded are payrolls of departments or concessions operated by other companies at the establishment; payments to or withdrawals by proprietors or partners of an unincorporated company; and annuities or supplemental unemployment compensation benefits, even if income tax was withheld. 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 IRS on Form 941.

ESTABLISHMENTS

An establishment is a single physical location at which business is conducted and/or services are provided. It is not necessarily identical to 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 2002.

When two activities or more 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.

Leased service departments (separately owned businesses operated as departments or concessions of other service establishments or of retail businesses, such as a separately owned shoe-shine parlor in a barber shop, or a beauty shop in a department store) are treated as separate service establishments for census purposes. Leased retail departments located in service establishments (e.g., a gift shop located in a hotel) are considered separate retail establishments.

FIRST-QUARTER PAYROLL

Represents payroll paid to persons employed at any time during the quarter January to March 2002.

PAID EMPLOYEES FOR PAY PERIOD INCLUDING MARCH 12

Paid employees consists of full- and part-time employees, including salaried officers and executives of corporations, who were on the payroll during the pay period including March 12. Included are employees on paid sick leave, paid holidays, and paid vacations, and salaried members of professional service organizations or associations that operate under state professional corporation

statutes and file corporate federal income tax returns. Not included are proprietors and partners of unincorporated businesses; employees of departments or concessions operated by other companies at the establishment; full- and part-time leased employees whose payroll was filed under an employee leasing company's Employer Identification Number (EIN); and temporary staffing obtained from a staffing service. The definition of paid employees is the same as that used by the Internal Revenue Service (IRS) on Form 941.

REVENUE

Includes gross receipts from services provided, from the use of facilities, and from merchandise sold in 2002, whether or not payment was received in 2002. Revenue also includes income from interest, rental of real estate, or dividends; contributions, gifts, and grants of not-for-profit organizations exempt from federal income tax; receipts from services performed for FOREIGN parent firms, subsidiaries, branches, etc; the establishments share of receipts from departments, concessions, and vending and amusement machines operated by others; receipts from the rental and leasing of vehicles, equipment, instruments, and tools; the total value of service contracts; market value of compensation received in lieu of cash; amounts received for work subcontracted to others; franchise sales and fees, license fees, and royalties; and gains and losses from the sale of real estate (land and bulidings), investments, or other assets (except inventory held for resale).

Revenue does not include sales and other taxes (including Hawaii's General Excise Tax) collected directly from customers and paid directly to a local, state, or federal tax agency. Also excluded are gross receipts from departments and concessions operated by others; domestic intracompany transfers; and revenue of foreign parent firms and subsidiaries.

Appendix B.

NAICS Codes, Titles, and Descriptions

PART 1. 2002 NAICS

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 decision making 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 record keeping, 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 decision making role of the company or enterprise.

5511 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 decision making role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise.

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 decision making 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 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.

551112 OFFICES OF OTHER HOLDING COMPANIES

This 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.

551114 CORPORATE, SUBSIDIARY, AND REGIONAL MANAGING OFFICES

This 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 decision making role of the company or enterprise. Establishments in this industry may hold the securities of the company or enterprise.

PART 2. 1997 NAICS

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 decision making 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 record keeping, 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 decision making role of the company or enterprise.

5511 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 decision making role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise.

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 decision making 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 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.

551112 OFFICES OF OTHER HOLDING COMPANIES

This 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.

551114 CORPORATE, SUBSIDIARY, AND REGIONAL MANAGING OFFICES

This 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 decision making role of the company or enterprise. Establishments in this industry may hold the securities of the company or enterprise.

Appendix C.

Methodology

SOURCES OF THE DATA

For this sector, large- and medium-size firms, plus all firms known to operate more than one establishment, were sent report forms to be completed for each of their establishments and returned to the Census Bureau. For most very small firms, data from existing administrative records of other federal agencies were used instead. These records provide basic information on location, kind of business, revenue, payroll, number of employees, and legal form of organization.

Firms in the 2002 Economic Census are divided into those sent report forms and those not sent report forms. The coverage of and the method of obtaining census information from each are described below:

1. Establishments sent a report form:
 - a. Large employers, i.e., all multiestablishment firms, and all employer firms with payroll above a specified cutoff. (The term “employers” refers to firms with one or more paid employees at any time during 2002 as shown in the active administrative records of other federal agencies.)
 - b. A sample of small employers, i.e., single-establishment firms with payroll below a specified cutoff in classifications for which specialized data precludes reliance solely on administrative records sources. The sample was stratified by industry and geography.
2. Establishments not sent a report form:
 - a. Small employers, i.e., single-establishment firms with payroll below a specified cutoff, not selected into the small employer sample. Although the payroll cutoff varies by kind of business, small employers not sent a report form generally include firms with fewer than 10 employees and represent about 10 percent of total revenue of establishments covered in the census. Data on revenue, payroll, and employment for these small employers were derived or estimated from administrative records of other federal agencies.
 - b. All nonemployers, i.e., all firms with no paid employees during 2002. Receipts information for these firms was obtained from administrative records of other federal agencies. Although consisting of many firms, nonemployers account for less than 10 percent of total receipts of all establishments covered in the census. Data for nonemployers are not included in this report, but are released in the annual *Nonemployer Statistics* series.

The report forms used to collect information for establishments in this sector are available at help.econ.census.gov/econhelp/resources/.

A more detailed examination of census methodology is presented in the *History of the Economic Census* at www.census.gov/econ/www/history.html.

INDUSTRY CLASSIFICATION OF ESTABLISHMENTS

The classifications for all establishments are based on the *North American Industry Classification System, United States, 2002* manual. There were no changes between the 2002 edition and the 1997 edition affecting this sector. Tables at www.census.gov/epcd/naics02/ identify all industries that changed between the 1997 North American Industry Classification System (NAICS) and 2002 NAICS.

The method of assigning classifications and the level of detail at which establishments were classified depends on whether a report form was obtained for the establishment.

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1. Establishments that returned a report form were classified on the basis of their self-designation, product line revenue, and responses to other industry-specific inquiries.
 2. Establishments without a report form:
 - a. Small employers not sent a form were, where possible, classified on the basis of the most current kind-of-business classification available from one of the Census Bureau's current sample surveys or the 1997 Economic Census. Otherwise, the classification was obtained from administrative records of other federal agencies. If the census or administrative record classifications proved inadequate (none corresponded to a 2002 Economic Census classification in the detail required for employers), the firm was sent a brief inquiry requesting information necessary to assign a kind-of-business code.
 - b. Nonemployers were classified on the basis of information obtained from administrative records of other federal agencies.

RELIABILITY OF DATA

All data compiled in the economic census are subject to nonsampling errors. Nonsampling errors can be attributed to many sources during the development or execution of the census:

- 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.

Data presented in the Miscellaneous Subjects and the Product Lines reports for this sector are subject to sampling errors, as well as nonsampling errors. Specifically, these data are estimated based on information obtained from census report forms mailed to all large employers and to a sample of small employers in the universe. Sampling errors affect these estimates, insofar as they may differ from results that would be obtained from a complete enumeration.

The accuracy of these tabulated data is determined by the joint effects of the various nonsampling errors or by the joint effects of sampling and 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 recommends that data users incorporate this information into their analyses, as nonsampling error and sampling error could impact the conclusions drawn from economic census data.

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, payroll, and number of employees, 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 form, were available only from establishments responding to those inquiries.

Data for industry-specific inquiries in this sector were expanded in most cases to account for establishments that did not respond to the particular inquiry for which data are presented. Unless otherwise noted in specific reports, data for industry-specific inquiries were expanded in direct relationship to total revenue of all establishments included in the category. In a few cases, expansion on the basis of the revenue was not appropriate, and another basic data item was used as the basis for expansion of reported data to account for nonrespondents.

All reports in which industry-specific data were expanded include a coverage indicator for each publication category, which shows the revenue of establishments responding to the industry-specific inquiry as a percent of total revenue for all establishments for which data are shown. For some inquiries, coverage is determined by the ratio of total payroll or employment of establishments responding to the inquiry to total payroll or employment of all establishments in the category.

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. Techniques employed to limit disclosure are discussed at www.census.gov/epcd/ec02/disclosure.htm.

Appendix D. Geographic Notes

Not applicable for this report.

Appendix E. Metropolitan and Micropolitan Statistical Areas

Not applicable for this report.

