

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR IMMEDIATE RELEASE
WEDNESDAY, JUNE 14, 2006 AT 10:00 A.M EDT

Dave Lassman / Jessica Wellwood
Service Sector Statistics Division
(301) 763-2960

CB06-91

U.S. Government Estimates of Quarterly Revenue for Selected Services

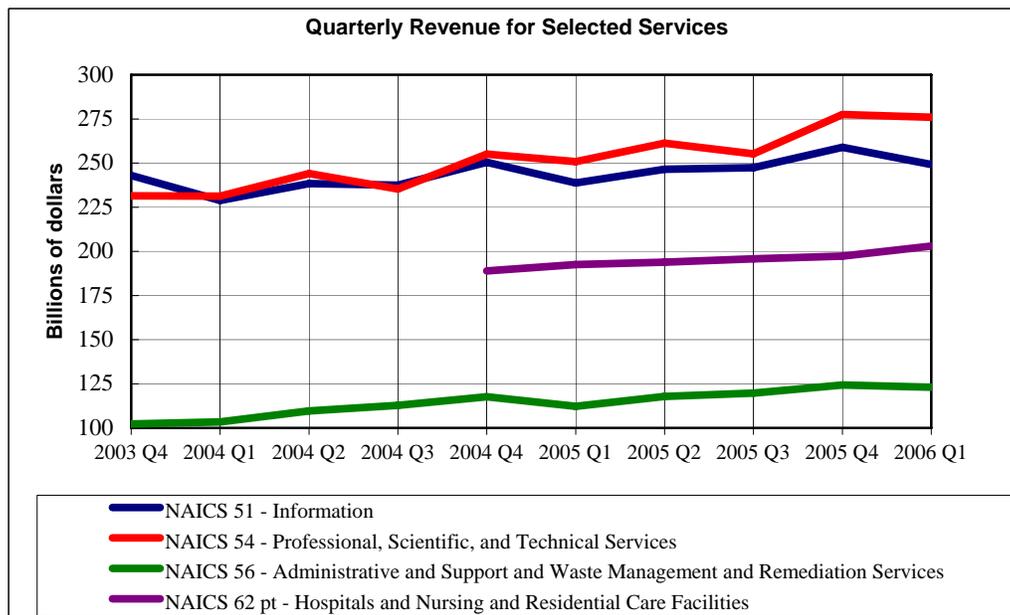
Information The Department of Commerce's Census Bureau announced today that the estimate of U.S. information sector revenue for the first calendar quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$249.2 billion, a decrease of 3.8 percent ($\pm 0.5\%$) from the fourth quarter of 2005 and up 4.4 percent ($\pm 0.7\%$) from the first quarter of 2005. The third to fourth quarter percent change was revised from 4.9 percent ($\pm 0.5\%$) to 4.7 percent ($\pm 0.5\%$). The telecommunications industry estimate was \$91.7 billion, a decrease of 0.5 percent ($\pm 0.3\%$) from the fourth quarter of 2005 and up 2.1 percent ($\pm 1.0\%$) from the first quarter of 2005. The publishing subsector estimate was \$68.2 billion, a decrease of 7.9 percent ($\pm 1.0\%$) from the fourth quarter of 2005 and up 6.3 percent ($\pm 1.8\%$) from the first quarter of 2005.

Professional, scientific, and technical services The estimate of U.S. professional, scientific, and technical services revenue for the first quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$275.9 billion, a decrease of 0.6 percent ($\pm 2.0\%$)* from the fourth quarter of 2005 and up 10.0 percent ($\pm 1.8\%$) from the first quarter of 2005. The third to fourth quarter percent change was revised from 8.3 percent ($\pm 2.0\%$) to 8.7 percent ($\pm 2.0\%$).

Administrative and support and waste management and remediation services The estimate of U.S. administrative and support and waste management and remediation services revenue for the first quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$123.0 billion, a decrease of 1.0 percent ($\pm 1.7\%$)* from the fourth quarter of 2005 and up 9.6 percent ($\pm 2.3\%$) from the first quarter of 2005. The third to fourth quarter percent change was revised from 3.6 percent ($\pm 1.7\%$) to 3.8 percent ($\pm 1.7\%$).

Hospitals and nursing and residential care facilities The estimate of U.S. hospitals and nursing and residential care facilities revenue for the first quarter of 2006, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$203.0 billion, an increase of 2.9 percent ($\pm 0.7\%$) from the fourth quarter of 2005 and up 5.4 percent ($\pm 1.5\%$) from the first quarter of 2005. The third to fourth quarter percent change was revised from 1.0 percent ($\pm 0.8\%$) to 0.8 percent ($\pm 0.7\%$).

For survey description and an explanation of the measures of sampling variability included in this report, please see the last page of this publication.



Second quarter 2006 revenue is scheduled to be released on September 13, 2006, at 10:00 a.m. EDT

This report is available on the day of issue through the Department of Commerce's STAT-USA Website; for more information, call (202) 482-1986.

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Our internet site is <http://www.census.gov/qss>

Table 1. Selected Services - Estimated Quarterly Revenue for Employer Firms

[Estimates have not been adjusted for seasonal variation, holiday or trading-day differences, or price changes. Estimates are based on data from the Quarterly Services Survey and, except for NAICS 622 and 623, have been adjusted using results of the 2004 Service Annual Survey]

NAICS code ¹	Kind of business	Total revenue (millions of dollars)						Percent change			
		1Q	4Q	3Q	2Q	1Q	4Q	1Q 2006	4Q 2005	1Q 2006	4Q 2005
		2006	2005	2005	2005	2005	2004	from	from	from	from
	(p)	(r)					4Q 2005	3Q 2005	1Q 2005	4Q 2004	
							(p)	(r)	(p)	(r)	
51	Information	249,181	258,920	247,405	246,452	238,729	250,423	-3.8	4.7	4.4	3.4
511	Publishing industries	68,246	74,116	69,866	68,158	64,220	70,022	-7.9	6.1	6.3	5.8
51111	Newspaper publishers	12,186	13,227	12,446	12,714	12,005	12,916	-7.9	6.3	1.5	2.4
51112	Periodical publishers	10,470	11,864	11,391	10,903	9,765	10,889	-11.7	4.2	7.2	9.0
5111 pt	Book, database and directory, and other publishers ²	14,429	15,638	16,736	14,996	14,420	15,343	-7.7	-6.6	0.1	1.9
5112	Software publishers	31,161	33,387	29,293	29,545	28,030	30,874	-6.7	14.0	11.2	8.1
512	Motion picture and sound recording industries	19,608	22,517	19,770	20,729	21,158	24,360	-12.9	13.9	-7.3	-7.6
513	Broadcasting and telecommunications	135,080	135,905	132,308	133,066	129,633	131,769	-0.6	2.7	4.2	3.1
5131	Radio and television broadcasting	13,005	13,614	11,654	12,672	12,114	14,007	-4.5	16.8	7.4	-2.8
5132	Cable networks and program distribution	30,357	30,104	29,102	29,343	27,670	27,610	0.8	3.4	9.7	9.0
5133	Telecommunications	91,718	92,187	91,552	91,051	89,849	90,152	-0.5	0.7	2.1	2.3
51331	Wired telecommunications carriers	48,528	50,202	50,336	50,782	51,225	52,275	-3.3	-0.3	-5.3	-4.0
51332	Wireless telecommunications carriers (except satellite)	37,978	37,195	36,570	35,461	33,771	33,372	2.1	1.7	12.5	11.5
5133 pt	Other telecommunications ³	5,212	4,790	4,646	4,808	4,853	4,505	8.8	3.1	7.4	6.3
514	Information services and data processing services	26,247	26,382	25,461	24,499	23,718	24,272	-0.5	3.6	10.7	8.7
5141	Information services	10,411	10,357	9,920	9,607	9,509	9,798	0.5	4.4	9.5	5.7
5142	Data processing services	15,836	16,025	15,541	14,892	14,209	14,474	-1.2	3.1	11.5	10.7
54	Professional, scientific, and technical services ⁴	275,908	277,489	255,216	261,301	250,812	255,067	-0.6	8.7	10.0	8.8
5412	Accounting, tax preparation, bookkeeping, and payroll services	32,958	22,723	20,698	25,723	30,388	21,262	45.0	9.8	8.5	6.9
5413	Architectural, engineering, and related services ⁵	51,428	53,031	49,729	47,739	44,529	46,209	-3.0	6.6	15.5	14.8
5415	Computer systems design and related services	46,851	46,541	45,832	46,406	44,380	44,491	0.7	1.5	5.6	4.6
5416	Management, scientific, and technical consulting services	39,488	37,432	34,503	34,384	32,580	32,570	5.5	8.5	21.2	14.9
5418	Advertising and related services	18,627	19,122	17,508	17,606	15,868	17,400	-2.6	9.2	17.4	9.9
541 pt	Other professional, scientific, and technical services ⁶	86,556	98,640	86,946	89,443	83,067	93,135	-12.3	13.4	4.2	5.9
56	Administrative and support and waste management and remediation services ⁷	123,039	124,300	119,750	117,826	112,211	117,626	-1.0	3.8	9.6	5.7
561	Administrative and support services ⁷	107,867	107,535	103,582	103,069	98,498	102,038	0.3	3.8	9.5	5.4
5613	Employment services	41,386	41,352	40,085	38,573	37,595	39,950	0.1	3.2	10.1	3.5
5615	Travel arrangement and reservation services	8,376	8,077	7,950	8,414	7,462	6,985	3.7	1.6	12.2	15.6
561 pt	Other administrative and support services ⁸	58,105	58,106	55,547	56,082	53,441	55,103	Z	4.6	8.7	5.4
562	Waste management and remediation services	15,172	16,765	16,168	14,757	13,713	15,588	-9.5	3.7	10.6	7.6
62 pt	Selected health care services ⁹	202,952	197,271	195,775	193,831	192,528	188,932	2.9	0.8	5.4	4.4
622	Hospitals	165,092	160,129	159,486	157,959	157,494	153,354	3.1	0.4	4.8	4.4
623	Nursing and residential care facilities	37,860	37,142	36,289	35,872	35,034	35,578	1.9	2.4	8.1	4.4

(p) Preliminary estimate. (r) Revised estimate. Z Less than .05 percent.

(1) For a full description of the NAICS codes used in this table, see www.census.gov/epcd/www/naics.html.

(2) Includes NAICS 51113 (book publishers), 51114 (database and directory publishers), and 51119 (other publishers).

(3) Includes NAICS 51333 (telecommunications resellers), 51334 (satellite telecommunications), and 51339 (other telecommunications).

(4) Excludes NAICS 54112 (offices of notaries), 54132 (landscape architectural services), and 54194 (veterinary services).

(5) Excludes NAICS 54132 (landscape architectural services).

(6) Includes NAICS 5411 (legal services except NAICS 54112 (offices of notaries)), 5414 (specialized design services), 5417 (scientific research and development services), and 5419 (other professional, scientific, and technical services except NAICS 54194 (veterinary services)).

(7) Excludes NAICS 56173 (landscaping services).

(8) Includes NAICS 5611 (office administrative services), 5612 (facilities support services), 5614 (business support services), 5616 (investigation and security services), 5617 (services to buildings and dwellings except NAICS 56173 (landscaping services)), and 5619 (other support services).

(9) Includes NAICS 622 (hospitals) and 623 (nursing and residential care facilities).

Note: Sector totals and subsector totals may include data for kinds of business not shown. Table 2 provides estimated measures of sampling variability. Data users who create their own estimates using data from this report should cite the U.S. Census Bureau as the source of the original data only. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at www.census.gov/svsd/www/qssreliability.html.

Table 2. Selected Services - Estimated Measures of Sampling Variability

[Estimates are shown as percents and are based on data from the Quarterly Services Survey]

NAICS code ¹	Kind of business	Median coefficient ¹ of variation for quarterly total revenue	Median standard error ¹ for percent change	
			Ratio of two consecutive quarters	Current quarter to current quarter last year
51	Information	0.6	0.3	0.4
511	Publishing industries	1.5	0.6	1.1
51111	Newspaper publishers	1.1	0.4	1.0
51112	Periodical publishers	2.0	1.4	1.6
5111 pt	Book, database and directory, and other publishers	1.6	1.3	1.2
5112	Software publishers	3.4	1.2	2.2
512	Motion picture and sound recording industries	2.6	2.1	1.8
513	Broadcasting and telecommunications	0.6	0.2	0.4
5131	Radio and television broadcasting	1.8	1.4	1.8
5132	Cable networks and program distribution	1.0	0.3	0.4
5133	Telecommunications	0.9	0.2	0.6
51331	Wired telecommunications carriers	1.2	0.3	0.7
51332	Wireless telecommunications carriers (except satellite)	0.5	0.1	0.2
5133 pt	Other telecommunications	7.9	1.9	5.9
514	Information services and data processing services	1.0	0.9	1.1
5141	Information services	2.6	1.2	2.1
5142	Data processing services	1.9	1.0	1.2
54	Professional, scientific, and technical services	2.0	1.2	1.1
5412	Accounting, tax preparation, bookkeeping, and payroll services	5.7	2.5	2.1
5413	Architectural, engineering, and related services	3.9	3.1	5.8
5415	Computer systems design and related services	2.8	1.5	2.2
5416	Management, scientific, and technical consulting services	4.5	1.5	2.7
5418	Advertising and related services	3.5	2.0	2.8
541 pt	Other professional, scientific, and technical services	2.9	2.6	2.4
56	Administrative and support and waste management and remediation services	3.8	1.0	1.4
561	Administrative and support services	4.3	1.1	1.5
5613	Employment services	11.3	1.8	2.9
5615	Travel arrangement and reservation services	4.5	2.5	4.4
561 pt	Other administrative and support services	2.0	1.4	1.5
562	Waste management and remediation services	4.1	2.0	3.6
62 pt	Selected health care services	1.5	0.4	0.9
622	Hospitals	1.5	0.5	1.0
623	Nursing and residential care facilities	3.2	1.0	2.1

(1) The medians are based on estimates for the most recent four quarters if available.

Note: Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at www.census.gov/svsd/www/qssreliability.html.

Survey Description

The U.S. Census Bureau conducts the Quarterly Services Survey (QSS) to provide national estimates of quarterly revenue for employer firms located in the United States and classified in select service industries. The QSS sample includes firms classified in NAICS 51 (Information services), NAICS 54 (Professional, scientific, and technical services), NAICS 56 (Administrative and support and waste management and remediation services), or NAICS 62 (Hospitals and nursing and residential care facilities). Each quarter, questionnaires are mailed to a probability sample of approximately 6,000 employer firms selected from the larger Service Annual Survey (SAS) sample. The QSS sample includes firms of all sizes and is updated on a quarterly basis to account for new service businesses, deaths, and other changes to the survey universe. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. For NAICS 51 (Information sector), imputed revenue amounts to about 9 percent of the total revenue estimate; for NAICS 54 (Professional, scientific, and technical services) imputed revenue amounts to about 26 percent; for NAICS 56 (Administrative and support and waste management and remediation services) imputed revenue amounts to about 32 percent, and for NAICS 62 (Hospitals and nursing and residential care facilities) imputed revenue amounts to about 18 percent. Quarterly revenue estimates are obtained by summing weighted data (either reported or imputed), where the weight for a particular unit is the reciprocal of its probability of being selected into the sample. The quarterly revenue estimates are adjusted using SAS results. Additional information on the QSS can be found on the Census Bureau website at: www.census.gov/qss.

Reliability of the Estimates

The estimates in this report may differ from the actual, but unknown, population values. For a particular estimate, statisticians define this difference as the total error of the estimate. When describing the accuracy of survey results, it is convenient to discuss total error as the sum of sampling error and nonsampling error.

Nonsampling error is the difference between the actual population parameter and the value that would be derived by surveying the entire set of units identified as the survey universe (the sampling frame). There are many potential contributors to nonsampling error – the inclusion of erroneous units in the survey (overcoverage), the exclusion of eligible units from the survey (undercoverage), nonresponse, misreporting, mistakes in recording and coding responses, misinterpretation of questions, and other errors of collection, response, coverage, or processing. Though nonsampling error is not measured directly, the Census Bureau employs quality control procedures throughout the process to minimize this type of error.

Sampling error is the average difference between the estimate and the result that would be obtained from a complete enumeration of the sampling frame conducted under the same survey conditions. This error occurs because only a subset of the entire sampling frame is measured in a sample survey. Common measures of sampling error are the sampling variance, the standard error, and the coefficient of variation (CV). The sampling variance is defined as the squared difference, averaged over all possible samples of the same size and design, between the estimator and its average value. The standard error is the square root of the sampling variance. The CV expresses the standard error as a percentage of the estimate to which it refers. For example, an estimate of 200 units that has an estimated standard error of 10 units has an estimated CV of 5 percent. The sampling variance, standard error, and CV of an estimate can be estimated from the selected sample because the sample was selected using probability sampling. Standard errors and coefficients of variation are given in Table 2 of this report.

The first page of this release gives statements about the change in revenue from a prior period. Each change estimate is accompanied by a number in parentheses, called the “margin of error.” The margin of error can be used to construct a 90-percent confidence interval, which is interpreted as follows. If, for each possible sample, an estimate and its approximate standard error are obtained, then for approximately 90 percent of the possible samples, the interval from 1.65 standard errors below to 1.65 standard errors above the estimate would include the average of the estimates derived from all possible samples. If, for example, a particular change estimate is +1.2 percent and its associated margin of error is ± 1.5 percentage points, then the 90-percent confidence interval for the change estimate is -0.3 percent to +2.7 percent. If the interval contains 0, then one does not have sufficient evidence to conclude at the 90-percent confidence level that the actual change is different from zero. Each comparison stated in this report has undergone statistical testing and is significant at the 90-percent confidence level, unless otherwise noted.

Data users should take into account the estimates of sampling error and the potential effects of nonsampling error when using the statistics in this publication.