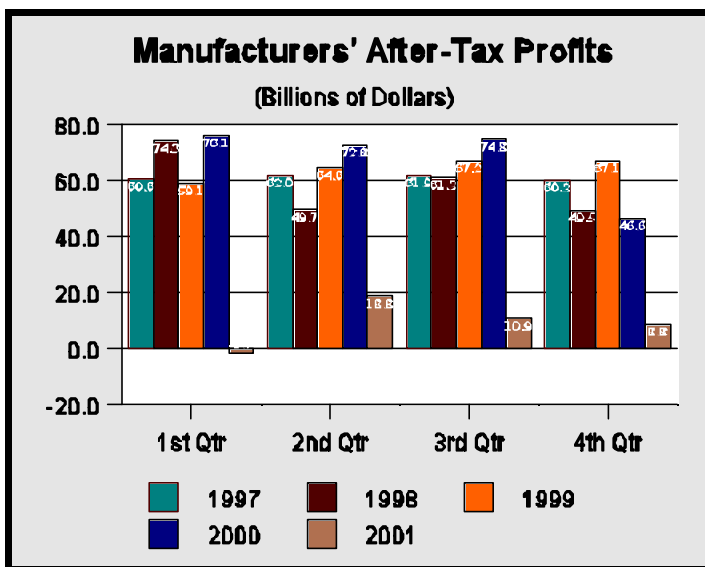


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**ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT---FOURTH QUARTER 2001
 FOR U.S. MANUFACTURING, MINING, AND TRADE CORPORATIONS**

NOTE: This release marks the first time that the Quarterly Financial Report (QFR) program publishes data on the North American Industry Classification System (NAICS) basis. Data for the fourth quarter 2000 through third quarter 2001 are restated on the NAICS basis comparable to fourth quarter 2001 data presented in this release. Comparison to earlier Standard Industrial Classification system data presented in this release (Table 3) are useful only for trend analysis. For additional information on QFR publication visit our website at <http://www.census.gov/csd/qfr/>, on NAICS please visit



**Manufacturers' After-Tax Profits and Sales
 Seasonally Adjusted**

Manufacturing corporations' seasonally adjusted after-tax profits for the fourth quarter of 2001 were \$8.8 billion, following the \$10.9 billion profits in the third quarter 2001, and down \$37.8 (± 1.9) billion from the \$46.6 billion in fourth quarter of 2000, the Commerce Department's Census Bureau reported. Manufacturers' after-tax profits have declined significantly from the \$70 billion levels reached in the earlier quarters of 2000. In general, profits of nondurable goods manufacturers have been more than offsetting losses by durable goods manufacturers.

Manufacturers' sales have also declined during recent quarters. Fourth quarter 2001 sales were \$1,032.7 billion, down \$38.4 (± 7.0) billion from the prior quarter, and down \$86.4 (± 9.0) billion from the fourth quarter 2000.

Durable goods manufacturers had fourth quarter 2001 after-tax losses of \$11.0 billion, following losses in the first three quarters of the year, and weak profits of \$17.5 billion in the fourth quarter 2000. Sales for the fourth quarter 2001 were \$559.4 billion, with losses averaging 2.0 cents per dollar of sales for the quarter and following losses in the third quarter of 2.8 cents, second quarter of 2.7 cents, and first quarter of 5.4 cents per dollar of sales.

Nondurable goods manufacturers' fourth quarter 2001 after-tax profits were \$19.7 billion, down \$7.4 (± 0.6) billion from the previous quarter, and down \$9.4 (± 1.0) billion from the fourth quarter 2000. Sales were \$473.3 billion, with profits averaging 4.2 cents per dollar of sales, down 1.3 (± 0.1) cents from the previous quarter, and down 1.6 (± 0.2) cents from the fourth quarter 2000.

After-Tax Profits and Sales - Not Seasonally Adjusted

Manufacturing corporations' unadjusted after-tax profits in the fourth quarter 2001 were \$4.3 billion, down \$37.3 (± 1.9) billion or 89.6 (± 2.6) percent from the fourth quarter of 2000. Sales at \$1,041.4 billion were down \$87.4 (± 9.0) billion from the same quarter a year ago.

Durable goods manufacturers posted fourth quarter 2001 after-tax losses of \$12.9 billion, compared to a profit of \$15.4 billion in fourth quarter of 2000. Sales at \$567.0 billion were down \$56.0 (± 6.9) billion, or 9.0 (± 1.0) percent from the same quarter a year ago. Losses for the current quarter averaged 2.3 cents per dollar of sales, compared to a profit of 2.5 cents in the fourth quarter of 2000.

Nondurable goods manufacturers reported after-tax profits of \$17.2 billion, down \$9.1 (± 1.0) billion from the fourth quarter 2000; sales of \$474.4 billion, were down \$31.4 (± 5.7) billion from that quarter. Profits averaged 3.6 cents per dollar of sales, down 1.6 (± 0.2) cents from the fourth quarter 2000.

Manufacturers Industry Detail - Not Seasonally Adjusted

Durable Goods Manufacturers:

Durable goods manufacturers' after-tax losses of \$12.9 billion for the fourth quarter of 2001 compare to weak profits of \$15.4 billion or 2.5 cents per dollar of sales a year earlier. Five of the ten major durable goods categories had after-tax losses in the fourth quarter 2001. The largest was in computer and electronics products with a \$9.5 billion loss, primarily in communications equipment; followed by transportation equipment, where motor vehicles and parts had a loss of \$6.4 billion. The negative profits in communications equipment were attributed to both operating losses and nonrecurring charges, while the loss in motor vehicles and parts was due to operating losses, lower nonoperating income and higher nonrecurring charges. Primary metals showed a loss of nearly \$2 billion and fabricated metals of \$1.1 billion in the fourth quarter 2001.

Durable goods manufacturers' after-tax losses abated in the fourth quarter 2001 following a larger loss in the third quarter 2001 of \$19.8 billion. Communications equipment manufacturers' losses decreased from \$20.6 billion in the third quarter to \$8.9 billion in the fourth quarter due to lesser nonrecurring charges. Motor vehicles and parts showed increased losses, going from \$1.7 billion in the third quarter to \$6.4 billion in the fourth quarter due to lower nonoperating income. Primary metals' losses increased from \$0.2 billion in the third quarter to \$1.9 billion in the fourth quarter; and fabricated metals went from a profit of \$1.4 billion in the third quarter to a loss of \$1.1 billion in the fourth quarter. Computer and peripheral equipment showed some improvement in the fourth quarter with profits of \$2.2 billion following a loss in the third quarter of \$4.7 billion. Electrical equipment, appliances and components continued with positive profits of \$3.4 billion in the fourth quarter, although this is their third consecutive quarterly decline in profits.

Sales by durable goods manufacturers in the fourth quarter 2001, at \$567.0 billion, were down \$56.0 (± 6.9) billion from a year earlier. Computer and electronics products accounted for about two thirds, \$37.5 (± 3.7) billion, of the drop. Machinery and primary metals were down \$6.9 (± 2.5) billion and \$7.0 (± 1.3) billion respectively, while transportation was nearly unchanged at \$184.6 billion.

Nondurable Goods Manufacturers:

Although after-tax profits of nondurable goods manufacturers, at \$17.2 billion, more than offset losses by durable goods manufacturers, they were down \$9.1 (± 1.0) billion from the fourth quarter 2000. Petroleum's decline of \$10.0 (± 0.1) billion resulted from operations, lower nonoperating income, and higher nonrecurring charges. Food products' \$3.3 (± 0.7) billion decrease in profits resulted from nonrecurring charges. All other chemicals, and apparel and leather profits were also down. Pharmaceuticals gain of \$4.6 (± 0.3) billion resulted from operations and lower nonrecurring charges. Basic chemicals' increase of \$2.5 (± 0.1) billion resulted from higher nonrecurring income, and beverage and tobacco's \$1.1 (± 0.2) billion increase came from nonoperating income. Paper, and plastics and rubber products recorded losses for the quarter.

When compared to the third quarter of 2001, nondurable goods manufacturers' after-tax profits were down \$11.0 (± 0.6) billion. The largest decline was in petroleum, down \$7.5 (± 0.1) billion, which came from operations and nonrecurring charges.

Food products' decrease of \$2.9 (± 0.2) billion and paper products' decrease of \$2.3 (± 0.1) billion came mainly from nonrecurring charges. Plastic and rubber products' decline of \$1.6 (± 0.1) billion came from nonoperating charges. Beverage and tobacco, apparel and leather, printing, and all other chemicals reported modest declines. Basic chemicals' increase of \$3.5 (± 0.1) billion came from nonrecurring income. Pharmaceuticals' \$1.7 (± 0.2) billion increase resulted from nonoperating income.

After-Tax Profits and Sales of Mining and Trade Corporations - Not Seasonally Adjusted

Mining Corporations:

Fourth quarter 2001 after-tax losses of large mining corporations with assets of \$50 million and over were reported at \$0.5 billion, compared to a profit of \$6.4 billion same quarter a year ago. Sales for these mining corporations for the fourth quarter 2001 were \$21.4 billion, down \$10.4 (± 0.9) billion from the same quarter a year ago. After-tax losses per dollar of sales averaged 2.3 cents compared to 20.0 cents profits per dollar of sales in the fourth quarter 2000.

Wholesale Trade Corporations:

Fourth quarter 2001 after-tax profits of large wholesale corporations with assets of \$50 million and over were \$2.9 billion, down \$0.6 (± 0.2) billion from the fourth quarter 2000. Sales for these wholesalers were \$305.2 billion, down \$25.1 (± 4.2) billion from the same quarter a year ago. After-tax profits per dollar of sales averaged 1.0 cents in the fourth quarter 2001 unchanged from a year earlier.

Retail Trade Corporations:

Fourth quarter 2001 after-tax profits of large retail corporations with assets of \$50 million and over were reported at \$9.3 billion, up 8.2 (± 4.1) percent from fourth quarter 2000. Sales for these retailers in fourth quarter 2001 were \$374.5 billion, up 5.1 (± 0.1) percent from a year ago. After-tax profits per dollar of sales averaged 2.5 cents in the fourth quarter 2001 also unchanged from a year ago.

These advance data, based on quarterly financial reports from about 8,300 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations—Fourth quarter 2001 (QF-01-4). The publication includes statements of income and retained earnings, balance sheets, and related financial and operating ratios. The aggregated data are classified by industry and asset size. The publication becomes available for sale approximately two weeks from the date of this release from the Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954 (202-512-1800). The cost for an annual subscription is \$39 domestic and \$48.75 foreign. Remittances from foreign countries must be by international money order or by draft on a U.S. bank. Files are also available on 3.5 inch flexible diskettes from U.S. Department of Commerce, Census Bureau (MS1921), P.O. Box 277943, Atlanta, GA 30384-7943 (301-457-4100). The annual subscription cost is \$80. First quarter 2002 advance data are scheduled for release on June 14, 2002.

EXPLANATORY NOTES: The data presented in this report are estimated from a sample survey and therefore are subject to sampling variability as well as nonsampling variability such as response error, nonreporting, and coverage errors. Estimates of sampling variability are presented in the publication. A statement such as "up 2.5 (± 0.15) cents," appearing in the text, indicates the range (+2.35 to +2.65 cents) in which the actual change is likely to have occurred. The range given for the change is a 90 percent confidence interval that accounts only for sampling variability. If the range had contained zero (0), it would have been uncertain whether there was an increase or decrease; that is, the change would not have been statistically significant. For any comparison cited without a confidence interval, the change is statistically significant. The quarterly publication includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

TABLE 1
QUARTERLY FINANCIAL REPORT FOR MANUFACTURING CORPORATIONS

Item	Seasonally Adjusted			Unadjusted		
	4Q 2001	3Q 2001	4Q 2000	4Q 2001	3Q 2001	4Q 2000
Rate of return (after taxes):						
Cents per dollar of sales	0.8	1.0	4.2	0.4	0.8	3.7
Percent on equity (annual rate)	NA	NA	NA	1.0	1.8	9.1
	(million dollars)					
Sales	1,032,675	1,071,107	1,119,058	1,041,413	1,072,167	1,128,790
Income after income taxes	8,764	10,906	46,600	4,342	8,411	41,679
Dividends paid (cash)	NA	NA	NA	27,881	22,123	32,058

TABLE 2
SALES AND PROFITS FOR MANUFACTURING, MINING, AND TRADE CORPORATIONS
NOT SEASONALLY ADJUSTED

Industry Group	Sales			Operating Profits*			After-Tax Profits		
	4Q 2001	3Q 2001	4Q 2000	4Q 2001	3Q 2001	4Q 2000	4Q 2001	3Q 2001	4Q 2000
	(million dollars)								
All manufacturing ¹	1,041,413	1,072,167	1,128,790	30,897	45,245	61,002	4,342	8,411	41,679
All nondurable manufacturing	474,403	496,160	505,782	28,153	37,449	37,355	17,200	28,166	26,289
Food	85,235	83,114	81,841	5,716	5,562	5,686	141	3,089	3,407
Beverage and tobacco products	35,883	39,179	36,860	5,854	6,774	5,874	4,642	5,213	3,498
Textile mills and textile product mills	11,080	11,425	12,123	459	401	410	80	(63)	(320)
Apparel and leather products	22,174	24,067	24,785	831	1,683	1,236	371	1,248	1,281
Paper	37,658	39,959	42,202	1,762	2,704	2,782	(1,563)	715	629
Printing and related support activities	17,602	17,393	18,740	551	1,074	968	70	425	195
Petroleum and coal products	106,658	117,603	125,067	2,005	6,781	9,386	1,270	8,749	11,279
Chemicals	127,774	131,332	131,557	10,257	10,819	10,079	13,225	8,255	7,026
Basic chemicals, resins, and synthetics ²	34,602	38,531	41,503	(1)	542	675	3,002	(527)	533
Pharmaceuticals and medicines ²	57,062	54,740	52,890	8,063	7,793	6,501	8,727	6,983	4,086
All other chemicals ²	36,110	38,061	37,164	2,194	2,484	2,903	1,496	1,799	2,408
Plastics and rubber products	30,340	32,088	32,607	719	1,649	934	(1,037)	536	(705)
All durable manufacturing	567,010	576,008	623,008	2,744	7,797	23,647	(12,858)	(19,755)	15,390
Wood products	14,779	16,638	14,441	29	844	269	(209)	526	(154)
Nonmetallic mineral products	21,899	25,034	22,884	899	2,578	1,754	31	1,541	490
Primary metals	32,610	34,892	39,547	(256)	648	779	(1,882)	(208)	(980)
Iron, steel, and ferroalloys ²	13,220	14,651	15,295	(381)	(172)	(432)	(1,416)	(747)	(1,612)
Nonferrous metals ²	13,947	15,026	19,466	27	553	930	(353)	475	586
Foundries ²	5,444	5,214	4,787	98	266	282	(112)	65	46
Fabricated metal products	47,008	49,481	49,872	1,723	3,380	2,262	(1,058)	1,439	748
Machinery	62,630	65,601	70,490	1,087	3,016	4,089	123	2,172	2,631
Computer and electronic products	118,692	121,193	156,237	(7,776)	(11,285)	4,060	(9,496)	(30,953)	4,204
Computer and peripheral equipment ²	39,831	39,122	45,309	572	(1,185)	2,615	2,243	(4,725)	3,066
Communications equipment ²	23,901	27,367	36,368	(6,660)	(6,284)	(4,100)	(8,871)	(20,615)	(4,176)
All other electronic products ²	54,959	54,704	74,560	(1,688)	(3,816)	5,544	(2,867)	(5,613)	5,314
Electrical equipment, appliances, and components	44,178	44,108	46,056	4,135	4,100	5,518	3,436	3,995	4,642
Transportation equipment	184,642	179,910	185,150	242	1,413	3,571	(5,119)	(28)	3,231
Motor vehicles and parts ²	129,597	128,397	132,007	(2,769)	(2,490)	(437)	(6,389)	(1,693)	1,383
Aerospace products and parts ²	45,251	42,604	42,802	2,321	3,065	3,134	846	1,184	1,436
Furniture and related products	14,641	14,509	14,558	629	831	781	340	256	432
Miscellaneous manufacturing	25,931	24,642	23,773	2,033	2,270	564	975	1,504	146
All mining ¹	21,446	26,923	31,852	1,763	4,245	5,943	(498)	1,234	6,369
All wholesale trade ¹	305,201	308,328	330,326	7,793	7,174	7,401	2,932	2,608	3,519
All retail trade ¹	374,479	327,913	356,432	20,251	12,271	19,066	9,265	5,222	8,564

*Operating profits are profits before nonoperating income and expense items and income taxes.

¹Mining and trade data are the quarterly results of companies in those divisions with assets over \$50 million; whereas, data for manufacturing corporations represent the quarterly results of companies with assets over \$250,000.

²Included in major industry above

TABLE 3

QUARTERLY FINANCIAL REPORT FOR MANUFACTURING CORPORATIONS--SEASONALLY ADJUSTED

Industry Group and Year	Sales				After-Tax Profits			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All manufacturing:								
1994	784,470	803,022	825,316	841,751	36,415	41,162	45,415	52,068
1995	871,266	872,748	883,573	899,782	52,756	52,005	49,341	44,196
1996	914,249	932,576	948,288	961,383	51,152	54,055	61,200	58,707
1997	965,857	972,276	986,564	995,357	60,584	62,045	61,893	60,237
1998	989,859	981,852	985,653	993,585	74,303	49,659	61,184	49,514
1999	1,003,020	1,027,026	1,047,914	1,070,981	59,083	64,552	67,237	67,055
2000	1,120,194	1,128,694	1,145,991	1,119,058	76,089	72,833	74,752	46,600
2001	1,114,906	1,094,344	1,071,107	1,032,675	(1,674)	18,799	10,906	8,764
All nondurable manufacturing:								
1994	387,232	394,752	405,709	410,014	18,977	19,823	22,449	26,568
1995	425,589	427,654	430,813	436,046	25,865	28,187	27,596	22,256
1996	442,130	452,330	457,664	463,258	28,033	28,297	32,107	30,486
1997	463,114	456,394	461,172	463,992	33,384	30,678	30,492	28,751
1998	452,104	445,968	443,456	440,394	29,684	28,671	30,696	17,710
1999	445,121	453,017	460,989	475,994	26,269	29,248	31,196	30,812
2000	505,913	515,528	527,849	504,306	37,194	39,205	36,852	29,115
2001	506,201	505,382	490,210	473,307	31,395	34,749	27,064	19,714
All durable manufacturing:								
1994	397,238	408,270	419,607	431,737	17,438	21,339	22,966	25,500
1995	445,677	445,094	452,760	463,736	26,891	23,818	21,745	21,940
1996	472,119	480,246	490,624	498,125	23,119	25,758	29,093	28,221
1997	502,743	515,882	525,392	531,365	27,200	31,367	31,401	31,486
1998	537,755	535,884	542,197	553,191	44,619	20,988	30,488	31,804
1999	557,899	574,009	586,925	594,987	32,814	35,304	36,041	36,243
2000	614,281	613,166	618,142	614,752	38,895	33,628	37,900	17,485
2001	608,705	588,962	580,897	559,368	(33,069)	(15,950)	(16,158)	(10,950)

TABLE 4

INCOME STATEMENT FOR RETAIL TRADE CORPORATIONS - ASSETS \$50 MILLION AND OVER

Item	4Q	3Q	4Q
	2000	2001	2001
	(million dollars)		
Net sales, receipts, and operating revenues	356,432	327,913	374,479
Less: Depreciation, depletion, and amortization	6,403	6,734	6,938
Less: All other operating costs and expenses	330,964	308,908	347,290
Income (or loss) from operations	19,066	12,271	20,251
Net nonoperating income (expense)	(4,446)	(3,332)	(4,624)
Income (or loss) before income taxes	14,619	8,939	15,627
Less: Provision for current and deferred domestic income taxes	6,055	3,717	6,362
Income (or loss) after income taxes	8,564	5,222	9,265
Cash dividends charged to retained earnings in current quarter	1,286	1,291	1,363
Net income retained in business	7,278	3,931	7,902
Retained earnings at beginning of quarter	147,982	159,378	162,460
Other direct credits (or charges) to retained earnings (net)	(1,023)	(898)	(1,759)
Retained earnings at end of quarter	154,236	162,411	168,603

TABLE 5

INCOME STATEMENT RATIOS FOR RETAIL TRADE CORPORATIONS - ASSETS \$50 MILLION AND OVER

Item	4Q 2000	3Q 2001	4Q 2001
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.8	2.1	1.9
Less: All other operating costs and expenses	92.9	94.2	92.7
Income (or loss) from operations	5.3	3.7	5.4
Net nonoperating income (expense)	(1.2)	(1.0)	(1.3)
Income (or loss) before income taxes	4.1	2.7	4.2
Less: Provision for current and deferred domestic income taxes	1.7	1.1	1.7
Income (or loss) after income taxes	2.4	1.6	2.5

TABLE 6

OPERATING RATIOS FOR RETAIL TRADE CORPORATIONS - ASSETS \$50 MILLION AND OVER

Item	4Q 2000	3Q 2001	4Q 2001
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	25.52	14.81	25.19
After income taxes	14.95	8.65	14.94
Annual rate of profit on total assets:			
Before income taxes	9.51	5.46	9.55
After income taxes	5.57	3.19	5.66

Schedule of Advance Data Release Dates—2002		
Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First 2002	June 14, 2002	July 16, 2002
Second 2002	September 13, 2002	October 16, 2002
Third 2002	December 13, 2002	

Beginning fourth quarter 2000, data are presented according to the North American Industry Classification System (NAICS). Comparison to earlier data are useful only for trend analysis primarily due to the publishing industry being classified as manufacturing activity in the Standard Industrial Classification system, and reclassified to the service industry under NAICS.

Conversion to the North American Industry Classification System

This release of data for the fourth quarter of 2001 reflects the conversion of the Quarterly Financial Report to the North American Industry Classification System (NAICS) from the Standard Industrial Classification (SIC) system. With NAICS, there are major changes in how industries are defined, requiring the movement of many corporations to different industry categories. All data in this report, including estimates for Fourth Quarter 2000 through Third-Quarter 2002, which were previously published on an SIC basis, were developed from samples of corporations selected on a NAICS basis.

Nearly all published industry groupings have been affected by the conversion to NAICS. Major changes include the following:

- Publishing, part of SIC Manufacturing Major Group 27, has been deleted from the Manufacturing sector, and Eating and Drinking Places, SIC Retail Trade Major Group 58, (included in All Other Retail Trade in the SIC Publication) has been deleted from the Retail Trade sector. These industries have been moved to NAICS sectors outside of Manufacturing, Mining and Trade. Printing and Related Support Activities, the remainder of SIC 27, now comprises NAICS subsector 323.
- A new group has been created, NAICS subsector 334, Computer and Electronic Product Manufacturing. This group is primarily comprised of parts of SIC Major Groups 35 Machinery, Except Electrical; 36, Electrical and Electronic Equipment; and 38, Instruments and Related Products. The new group presents for the first time separate financial data for manufacturers of Computer and Peripheral Equipment, as well as for Communications Equipment.
- Most of the remainder of SIC Major Group 35, Machinery, Except Electrical, is now included in NAICS subsector 333, Machinery Manufacturing; and the remainder of SIC Major Group 36, Electrical and Electronic Equipment, is in NAICS subsector 335, Electrical Equipment, Appliance and Component Manufacturing.
- SIC Major Group 38, Instruments and Related Products, was reorganized with the major sections moving to NAICS subsector 334, Computer and Electronic Product Manufacturing; NAICS subsector 333, Machinery Manufacturing, and NAICS subsectors 339, Miscellaneous Manufacturing.
- Food Manufacturing, NAICS subsector 311, and Beverage and Tobacco products Manufacturing, NAICS subsector 312, previously combined on an SIC basis, are now published separately.
- NAICS subsector 331, Primary Metal Manufacturing, formerly SIC Major Group 33, has a new industry group, Foundries. Foundries was previously included in the SIC Ferrous and Non-Ferrous categories.
- A number of other NAICS groups, while largely consistent with their SIC counterparts, have small but noticeable changes due to the transfer of certain product lines from one group to another. One example is NAICS subsector 336, Transportation Equipment Manufacturing, which includes products such as vehicle seating, lighting, and air-conditioning that were not part of SIC 37, Transportation Equipment.
- NAICS expands the definition of Manufacturing to include companies that perform the entrepreneurial functions of manufacturing, but contract out the actual making of the product. This includes companies contracting overseas for manufacturing their products. The operations of those foreign plants are not fully consolidated in the financial reports, but are reported on the equity or cost basis of accounting. This change resulted in the reclassification of a number of companies from Wholesale Trade in the SIC publication to Manufacturing in the NAICS publication.

For a comprehensive treatment of the SIC to NAICS Conversion, see the 1997 NAICS manual, or visit the NAICS Web site at <http://www.census.gov/naics>.