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SECOND QUARTER 2009 DATA FROM THE QUARTERLY FINANCIAL REPORT: U.S. MANUFACTURING, MINING, AND WHOLESALE TRADE CORPORATIONS

After-Tax Profits and Sales, Second Quarter 2009 - Seasonally Adjusted

Manufacturing Corporations

U.S. manufacturing corporations' seasonally adjusted **after-tax profits** in the second quarter of 2009 totaled \$53.8 billion, up \$19.0 (± 0.5) billion from the after-tax profits of \$34.8 billion recorded in the first quarter of 2009, but down \$46.6 (± 0.9) billion from the \$100.4 billion after-tax profits recorded in the second quarter of 2008.

Seasonally adjusted **sales** for the quarter totaled \$1,245.4 billion, down \$16.6 (± 5.5) billion from the \$1,262.0 billion recorded in the first quarter of 2009, and down \$443.6 (± 16.9) billion from the \$1,689.0 billion recorded in the second quarter of 2008.

After-tax profits per dollar of sales averaged 4.3 cents for the quarter, compared with 2.8 cents for the first quarter of 2009, and 6.0 cents for the second quarter of 2008.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' seasonally adjusted **after-tax profits** in the second quarter of 2009 totaled \$51.6 billion, up \$7.4 (± 0.4) billion from the after-tax profits of \$44.2 billion recorded in the first quarter of 2009, but down \$23.5 (± 0.5) billion from the \$75.1 billion after-tax profits recorded in the second quarter of 2008.

Seasonally adjusted **sales** for the quarter totaled \$649.0 billion, up \$11.2 (± 2.9) billion from the \$637.8 billion recorded in the first quarter of 2009, but down \$270.8 (± 8.8) billion from the \$919.9 billion recorded in the second quarter of 2008.

After-tax profits per dollar of sales averaged 7.9 cents for the quarter, compared with 6.9 cents for the first quarter of 2009, and 8.2 cents for the second quarter of 2008.

Durable Goods Manufacturers

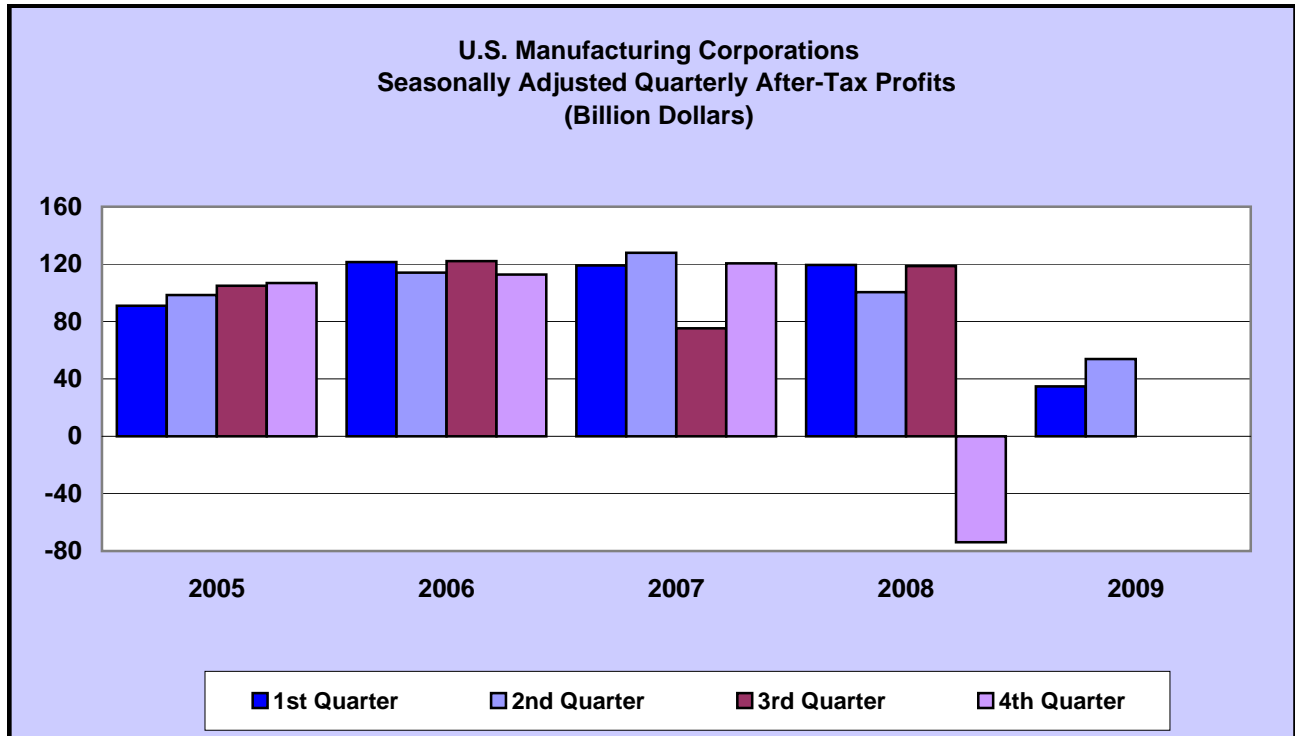
Durable goods manufacturers' seasonally adjusted **after-tax profits** in the second quarter of 2009 totaled \$2.3 billion, up \$11.6 (± 0.4) billion from the after-tax losses of \$9.4 billion recorded in the first quarter of 2009, but down \$23.1 (± 0.6) billion from the \$25.4 billion after-tax profits recorded in the second quarter of 2008.

Seasonally adjusted **sales** for the quarter totaled \$596.4 billion, down \$27.8 (± 3.8) billion from the \$624.1 billion recorded in the first quarter of 2009, and down \$172.8 (± 9.3) billion from the \$769.1 billion recorded in the second quarter of 2008.

After-tax profits per dollar of sales averaged 0.4 cents for the quarter, compared with -1.5 cents for the first quarter of 2009, and 3.3 cents for the second quarter of 2008.

Manufacturing Corporations' Quarterly After-Tax Profits, 2005-2009—Seasonally Adjusted

Second quarter seasonally-adjusted after-tax profits of U.S. manufacturing corporations in 2009 were up compared to first quarter 2009, but were still the lowest for any second quarter in the 2005-2009 period.



After-Tax Profits and Sales, Second Quarter 2009 - Not Seasonally Adjusted

Manufacturing Corporations

U.S. manufacturing corporations' second quarter 2009 unadjusted **after-tax profits** totaled \$62.8 billion, down \$46.5 (± 0.9) billion from the \$109.4 billion after-tax profits recorded in the second quarter of 2008, but up \$30.4 (± 0.5) billion from the after-tax profits of \$32.5 billion recorded in the first quarter of 2009.

Unadjusted **sales** for the second quarter of 2009 totaled \$1,270.2 billion, down \$454.0 (± 16.9) billion from the \$1,724.2 billion recorded in the second quarter of 2008, but up \$61.0 (± 5.5) billion from first quarter 2009 sales of \$1,209.2 billion.

After-tax profits per dollar of sales averaged 5.0 cents for the quarter, compared with 6.3 cents for the second quarter of 2008, and 2.7 cents for the first quarter of 2009.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' second quarter 2009 unadjusted **after-tax profits** totaled \$54.7 billion, down \$23.3 (± 0.5) billion from the \$78.0 billion recorded in the second quarter of 2008. Within industry categories, year-over-year results were mostly down. Industries reporting decreases included petroleum and coal products, down \$23.3 (± 0.1) billion; all other chemicals, down \$2.3 (± 0.2) billion; and basic chemical products, down \$2.1 (± 0.1) billion. Industries reporting increases included beverage and tobacco products, up \$4.7 (± 0.1) billion; paper products, up \$0.7 (± 0.1) billion; and pharmaceuticals and medicine products, up \$0.5 (± 0.1) billion.

Compared with first quarter 2009 after-tax profits of \$42.4 billion, second quarter 2009 after-tax profits, at \$54.7 billion, were up \$12.3 (± 0.4) billion. Within industry categories, quarter-over-quarter results were mostly up. Industries reporting increases included beverage and tobacco products, up \$2.8 (± 0.1) billion; pharmaceuticals and medicine products, up \$2.6 (± 0.1) billion; paper products, up \$2.2 (± 0.1) billion; basic chemical products, up \$1.8 (± 0.2) billion; plastics and rubber products, up \$1.1 (± 0.1) billion; and food products, up \$1.0 (± 0.1) billion. One industry reported a decrease, petroleum and coal products, down \$1.1 (± 0.1) billion.

Unadjusted **sales** for the second quarter of 2009 totaled \$666.4 billion, down \$277.4 (± 8.8) billion from the \$943.7 billion recorded in the second quarter of 2008, but up \$51.5 (± 2.9) billion from first quarter 2009 sales of \$614.9 billion.

After-tax profits per dollar of sales averaged 8.2 cents for the quarter, compared with 8.3 cents for the second quarter of 2008, and 6.9 cents for the first quarter of 2009.

Durable Goods Manufacturers

Durable goods manufacturers' second quarter 2009 unadjusted **after-tax profits** totaled \$8.2 billion, down \$23.2 (± 0.6) billion from the \$31.4 billion after-tax profits recorded in the second quarter of 2008. Within industry categories, year-over-year results were mostly down. Industries reporting decreases included iron, steel, and ferroalloy products, down \$5.2 (± 0.2) billion; machinery products, down \$5.2 (± 0.4) billion; all other electronic products, down \$4.1 (± 0.3) billion; fabricated metal products, down \$3.8 (± 0.3) billion; electrical equipment, appliances, and components, down \$3.5 (± 0.3) billion; nonferrous metal products, down \$2.9 (± 0.1) billion; computer and peripheral equipment, down \$1.7 (± 0.2) billion; aerospace products, down \$1.1 (± 0.3) billion; and wood products, down \$0.7 (± 0.1) billion. Two industries reported increases: motor vehicles and parts, up \$6.5 (± 0.1) billion; and nonmetallic mineral products, up \$0.6 (± 0.1) billion.

Compared to first quarter 2009 after-tax losses of \$9.9 billion, second quarter 2009 after-tax profits at \$8.2 billion, were up \$18.1 (± 0.4) billion. Within the industry categories, quarter-over-quarter results were mostly up. Industries reporting increases included communications equipment, up \$5.0 (± 0.1) billion; all other electronic products, up \$4.5 (± 0.1) billion; nonmetallic mineral products, up \$2.3 (± 0.2) billion; fabricated metal products, up \$1.9 (± 0.2) billion; miscellaneous manufacturing, up \$1.5 (± 0.1) billion; machinery products, up \$1.5 (± 0.1) billion; nonferrous metal products, up \$1.4 (± 0.1) billion; and aerospace products, up \$0.7 (± 0.1) billion. One industry reported a decrease, motor vehicles and parts, down \$2.3 (± 0.1) billion.

Unadjusted **sales** for the second quarter of 2009 totaled \$603.8 billion, down \$176.7 (± 9.3) billion from the \$780.4 billion recorded in the second quarter of 2008, but up \$9.5 (± 3.8) billion from first quarter 2009 sales of \$594.3 billion.

After-tax profits per dollar of sales averaged 1.4 cents for the quarter, compared with 4.0 cents for the second quarter of 2008, and -1.7 cents for the first quarter of 2009.

Mining Corporations

Second quarter 2009 unadjusted **after-tax profits** for mining corporations with assets of \$50 million and over totaled \$3.8 billion, down \$5.8 (± 0.1) billion from the \$9.6 billion after-tax profits recorded in the second quarter of 2008. Compared with first quarter 2009 after-tax losses of \$18.1 billion, second quarter 2009 after-tax profits were up \$21.9 (± 0.1) billion.

Unadjusted **sales** for the second quarter of 2009 totaled \$43.2 billion, down \$22.1 (± 0.4) billion from the \$65.3 billion recorded in the second quarter of 2008, and down \$1.1 (± 0.3) billion from first quarter 2009 sales of \$44.3 billion.

After-tax profits per dollar of sales averaged 8.8 cents for the quarter, compared with 14.8 cents for the second quarter of 2008, and -40.9 cents for the first quarter of 2009.

Wholesale Trade Corporations

Second quarter 2009 unadjusted **after-tax profits** for wholesale trade corporations with assets of \$50 million and over totaled \$3.7 billion, down \$5.4 (± 0.2) billion from the \$9.1 billion after-tax profits recorded in the second quarter of 2008. Compared with first quarter 2009 after-tax losses of \$0.2 billion, second quarter 2009 after-tax profits were up \$4.0 (± 0.1) billion.

Unadjusted **sales** for the second quarter of 2009 totaled \$407.7 billion, down \$107.2 (± 5.4) billion from the \$515.0 billion recorded in the second quarter of 2008, but up \$21.8 (± 3.4) billion from first quarter 2009 sales of \$385.9 billion.

After-tax profits per dollar of sales averaged 0.9 cents for the quarter, compared with 1.8 cents for the second quarter of 2008, and -0.1 cents for the first quarter of 2009.

ACCESS TO QFR DATA

This press release can be viewed today in portable document format (.pdf) at our QFR internet website <http://www.census.gov/econ/qfr/index.html>. Data in the release are drawn from a more comprehensive data set published in the *Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Second quarter 2009* (QFR/09-Q2). This quarterly publication is available for downloading at our QFR internet website <http://www.census.gov/econ/qfr/index.html>. The quarterly publication includes summary statements of income and retained earnings, balance sheets, and related financial and operating ratios for manufacturing, mining, and trade corporations. Data presented are classified by industry and asset size.

NEW with Second Quarter 2009! Complete Retail Trade Income Statement and Balance Sheet Financial Tables will be available at the QFR website with the Retail Trade release on September 21, 2009.

RELIABILITY OF THE ESTIMATES

Data in this press release are based on quarterly financial reports from approximately 9,000 U.S. corporations. The data are estimated from a sample survey and are subject to sampling and nonsampling errors. Sampling error occurs because only a subset of the entire population is measured. Nonsampling error encompasses all other factors that contribute to the total error of a survey, including response errors, nonresponse, and coverage errors. Although no direct measures of nonsampling error are available, precautionary steps were taken in all phases of the collection, processing and tabulation of the data in an effort to minimize their influence.

Statements of change appearing in this report include 90% confidence intervals based on estimates of sampling variability. A statement such as "up \$2.5 (± 0.2) billion," appearing in the text, indicates the range (+\$2.3 billion to +\$2.7 billion) in which the actual change is likely to have occurred. If the range of estimated change contains zero (0), then it is uncertain whether there is an increase or decrease; that is, the change is not statistically different from zero (0). For any comparison cited without a confidence interval, the change is statistically significant at the 90% confidence level. The quarterly publication, *Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Second quarter 2009* (QFR/09-Q2), includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

Schedule of Release Dates for Calendar Year 2009

Reference Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
Second Quarter 2009	September 14, 2009	September 21, 2009
Third Quarter 2009	December 14, 2009	December 21, 2009

Table 1. U.S. Manufacturing Corporations - Selected Financial Data¹

Item	Seasonally adjusted			Unadjusted		
	2Q 2009	1Q 2009 ²	2Q 2008 ²	2Q 2009	1Q 2009 ²	2Q 2008 ²
Rate of return (after taxes):						
Cents per dollar of sales	4.32	2.76	5.95	4.95	2.68	6.34
Percent on equity (annual rate)	N/A	N/A	N/A	9.15	4.82	14.19
	(million dollars)					
Sales	1,245,391	1,261,954	1,688,988	1,270,162	1,209,157	1,724,172
Income after income taxes	53,814	34,775	100,449	62,816	32,459	109,360
Dividends paid (cash)	N/A	N/A	N/A	43,147	45,360	50,886

¹Beginning with the 2007Q4 data release, updated RegARIMA models for seasonal adjustment were implemented to improve the identification of seasonal patterns in unadjusted net sales and net income after taxes for all manufacturing, all nondurable manufacturing, and all durable manufacturing.

²Revised.

Table 2. U.S. Manufacturing Corporations - Seasonally Adjusted Sales and Net Income After-Tax^{1,2}

Industry group and year	Sales ³				After-tax profits ³			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All manufacturing:								
1998	989,075	980,220	985,310	996,118	74,482	48,074	58,698	53,640
1999	1,002,489	1,025,698	1,046,920	1,073,864	59,705	62,187	63,983	72,281
2000	1,119,617	1,127,734	1,144,032	1,122,694	77,247	69,534	71,011	52,555
2001	1,114,742	1,093,595	1,058,802	1,029,072	7	14,675	8,161	13,056
2002	1,024,258	1,048,825	1,064,481	1,077,714	25,489	36,507	38,546	39,386
2003	1,101,711	1,073,607	1,103,736	1,114,457	59,173	48,552	50,564	78,492
2004	1,182,802	1,222,396	1,242,561	1,284,179	76,460	85,846	87,199	98,528
2005	1,300,751	1,323,036	1,371,917	1,412,393	90,996	98,400	104,866	106,803
2006	1,447,217	1,454,592	1,450,410	1,428,231	121,396	114,143	122,090	112,730
2007	1,459,796	1,495,107	1,517,530	1,583,892	119,058	127,943	75,192	120,548
2008	1,630,411	1,688,988	1,659,571	1,402,002	119,444	100,449	118,617	(73,867)
2009	1,261,954	1,245,391			34,775	53,814		
All nondurable manufacturing:								
1998	451,606	444,848	442,985	442,019	29,519	28,011	29,726	19,609
1999	445,183	452,180	460,143	477,187	26,132	28,392	30,114	32,993
2000	506,680	514,618	526,837	505,162	37,069	38,205	35,636	31,501
2001	507,779	506,149	488,499	471,663	31,247	33,804	25,478	21,584
2002	463,488	478,700	497,223	515,443	26,531	28,758	29,207	33,881
2003	541,014	514,232	532,121	526,418	43,738	33,799	28,062	43,028
2004	572,028	592,939	602,830	628,273	41,485	46,761	49,796	53,402
2005	638,206	646,262	689,435	705,732	56,242	57,143	61,433	65,357
2006	720,651	721,569	726,817	703,533	69,206	70,701	71,947	65,694
2007	715,644	747,594	761,174	819,304	70,972	72,790	67,435	72,143
2008	856,721	919,864	913,294	714,742	74,202	75,050	82,492	(11,605)
2009	637,824	649,030			44,170	51,564		
All durable manufacturing:								
1998	537,469	535,372	542,325	554,099	44,963	20,063	28,972	34,031
1999	557,306	573,518	586,777	596,677	33,573	33,795	33,869	39,288
2000	612,937	613,116	617,195	617,532	40,178	31,329	35,375	21,054
2001	606,963	587,446	570,303	557,409	(31,240)	(19,129)	(17,317)	(8,528)
2002	560,770	570,125	567,258	562,271	(1,042)	7,749	9,339	5,505
2003	560,697	559,375	571,615	588,039	15,435	14,753	22,502	35,464
2004	610,774	629,457	639,731	655,906	34,975	39,085	37,403	45,126
2005	662,545	676,774	682,482	706,661	34,754	41,257	43,433	41,446
2006	726,566	733,023	723,593	724,698	52,190	43,442	50,143	47,036
2007	744,152	747,513	756,356	764,588	48,086	55,153	7,757	48,405
2008	773,690	769,124	746,277	687,260	45,242	25,399	36,125	(62,262)
2009	624,130	596,361			(9,395)	2,250		

¹The seasonally adjusted estimates provided in this table were derived using a combination of SIC-based and NAICS-based estimates.

²Beginning with the 2007Q4 data release, updated RegARIMA models for seasonal adjustment were implemented to improve the identification of seasonal patterns in unadjusted net sales and net income after taxes for all manufacturing, all nondurable manufacturing, and all durable manufacturing.

³Revised.

Table 3. U.S. Manufacturing, Mining, and Trade Corporations – Not Seasonally Adjusted Sales and Profits

Industry group	Sales			Operating profits ¹			After-tax profits		
	2Q	1Q	2Q	2Q	1Q	2Q	2Q	1Q	2Q
	2009	2009 ²	2008 ²	2009	2009 ²	2008 ²	2009	2009 ²	2008 ²
	(million dollars)								
All manufacturing ³	1,270,162	1,209,157	1,724,172	77,473	51,685	108,861	62,816	32,459	109,360
All nondurable manufacturing	666,386	614,896	943,742	52,409	42,553	64,834	54,658	42,378	77,966
Food	135,914	138,069	151,843	10,292	8,081	10,207	7,702	6,659	7,874
Beverage and tobacco products	38,012	33,339	36,773	7,769	5,859	7,047	6,686	3,874	1,957
Textile mills and textile product mills	8,663	8,074	10,491	234	(138)	481	133	(353)	289
Apparel and leather products	20,721	21,206	21,155	1,609	1,373	1,535	1,033	886	1,426
Paper	28,887	28,671	36,487	2,638	1,682	1,837	1,420	(807)	762
Printing and related support activities	15,971	15,942	19,851	862	281	1,400	224	(369)	631
Petroleum and coal products	204,506	165,490	415,153	1,803	3,141	14,691	9,670	10,721	33,014
Chemicals	178,329	171,544	209,414	24,913	21,086	25,287	26,563	21,617	30,476
Basic chemicals, resins, and synthetics ⁴	49,361	48,430	73,796	1,167	351	3,008	774	(976)	2,905
Pharmaceuticals and medicines ⁴	77,248	74,965	75,407	15,475	14,048	13,166	19,580	16,938	19,040
All other chemicals ⁴	51,720	48,148	60,210	8,271	6,688	9,113	6,209	5,656	8,531
Plastics and rubber products	35,384	32,562	42,575	2,288	1,188	2,349	1,228	150	1,537
All durable manufacturing	603,776	594,261	780,430	25,064	9,132	44,028	8,158	(9,919)	31,394
Wood products	14,967	12,992	17,447	340	(222)	864	(145)	(598)	556
Nonmetallic mineral products	24,071	20,193	29,174	984	(1,033)	1,213	1,364	(921)	755
Primary metals	38,720	41,428	78,696	(428)	(1,305)	7,430	(1,366)	(2,871)	7,030
Iron, steel, and ferroalloys ⁴	19,248	21,834	44,705	(1,557)	(1,727)	4,535	(1,660)	(1,716)	3,524
Nonferrous metals ⁴	15,508	15,069	27,830	759	4	2,232	132	(1,254)	3,049
Foundries ⁴	3,964	4,525	6,161	370	419	662	162	99	457
Fabricated metal products	58,257	59,388	78,397	4,186	3,898	7,628	2,903	1,017	6,712
Machinery	81,828	82,986	104,446	5,953	4,959	10,026	4,019	2,558	9,170
Computer and electronic products	132,517	129,056	144,953	2,856	564	3,571	6,504	(3,386)	12,749
Computer and peripheral equipment ⁴	37,566	36,723	38,974	1,206	78	(353)	3,081	2,677	4,777
Communications equipment ⁴	33,004	32,828	34,605	7	(26)	(176)	2,544	(2,462)	3,002
All other electronic products ⁴	61,948	59,506	71,374	1,643	512	4,100	878	(3,601)	4,969
Electrical equipment, appliances, and components	45,322	43,232	54,335	4,429	2,830	6,945	3,970	3,446	7,469
Transportation equipment	157,223	154,793	213,131	1,634	(4,282)	886	(13,568)	(11,631)	(18,295)
Motor vehicles and parts ⁴	85,641	85,260	130,876	(5,166)	(10,218)	(7,428)	(18,286)	(15,965)	(24,830)
Aerospace products and parts ⁴	59,628	56,389	63,961	5,505	4,715	6,700	4,256	3,528	5,368
Furniture and related products	14,018	13,424	18,176	554	112	969	270	(249)	749
Miscellaneous manufacturing	36,853	36,769	41,676	4,556	3,611	4,495	4,207	2,716	4,498
All mining ³	43,171	44,303	65,308	5,767	5,066	20,495	3,787	(18,109)	9,635
All wholesale trade ³	407,726	385,877	514,971	8,010	3,339	13,226	3,720	(239)	9,127

¹Operating profits are profits before nonoperating income, expense items, and income taxes.

²Revised.

³Manufacturing data are the quarterly results of companies within that division with total assets of \$250 thousand and over at the time of sample selection; whereas, data for mining and trade corporations represent the quarterly results of companies with total assets of \$50 million and over at the time of sample selection.

⁴Included in major industry above.