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**U.S. Census Bureau Contact:**

Demetria Hanna (301) 763-6600  
John Seabold (301) 763-3386  
e-mail: [csd.qfr@census.gov](mailto:csd.qfr@census.gov)

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

### **After-Tax Profits and Sales, Fourth Quarter 2009 - Seasonally Adjusted**

#### **Manufacturing Corporations**

U.S. manufacturing corporations' seasonally adjusted **after-tax profits** in the fourth quarter of 2009 totaled \$105.8 billion, up \$15.2 ( $\pm 0.5$ ) billion from the after-tax profits of \$90.6 billion recorded in the third quarter of 2009, and up \$179.6 ( $\pm 0.4$ ) billion from the after-tax losses of \$73.8 billion recorded in the fourth quarter of 2008.

Seasonally adjusted **sales** for the quarter totaled \$1,344.3 billion, up \$48.0 ( $\pm 12.6$ ) billion from the \$1,296.2 billion recorded in the third quarter of 2009, but down \$45.1 ( $\pm 5.5$ ) billion from the \$1,389.4 billion recorded in the fourth quarter of 2008.

After-tax profits per dollar of sales averaged 7.9 cents for the quarter, compared with 7.0 cents for the third quarter of 2009, and -5.3 cents for the fourth quarter of 2008.

#### **Nondurable Goods Manufacturers**

Nondurable goods manufacturers' seasonally adjusted **after-tax profits** in the fourth quarter of 2009 totaled \$68.1 billion, up \$6.3 ( $\pm 0.6$ ) billion from the after-tax profits of \$61.9 billion recorded in the third quarter of 2009, and up \$79.0 ( $\pm 0.3$ ) billion from the after-tax losses of \$10.9 billion recorded in the fourth quarter of 2008.

Seasonally adjusted **sales** for the quarter totaled \$716.5 billion, up \$30.7 ( $\pm 10.4$ ) billion from the \$685.8 billion recorded in the third quarter of 2009, and up \$6.4 ( $\pm 4.9$ ) billion from the \$710.2 billion recorded in the fourth quarter of 2008.

After-tax profits per dollar of sales averaged 9.5 cents for the quarter, compared with 9.0 cents for the third quarter of 2009, and -1.5 cents for the fourth quarter of 2008.

#### **Durable Goods Manufacturers**

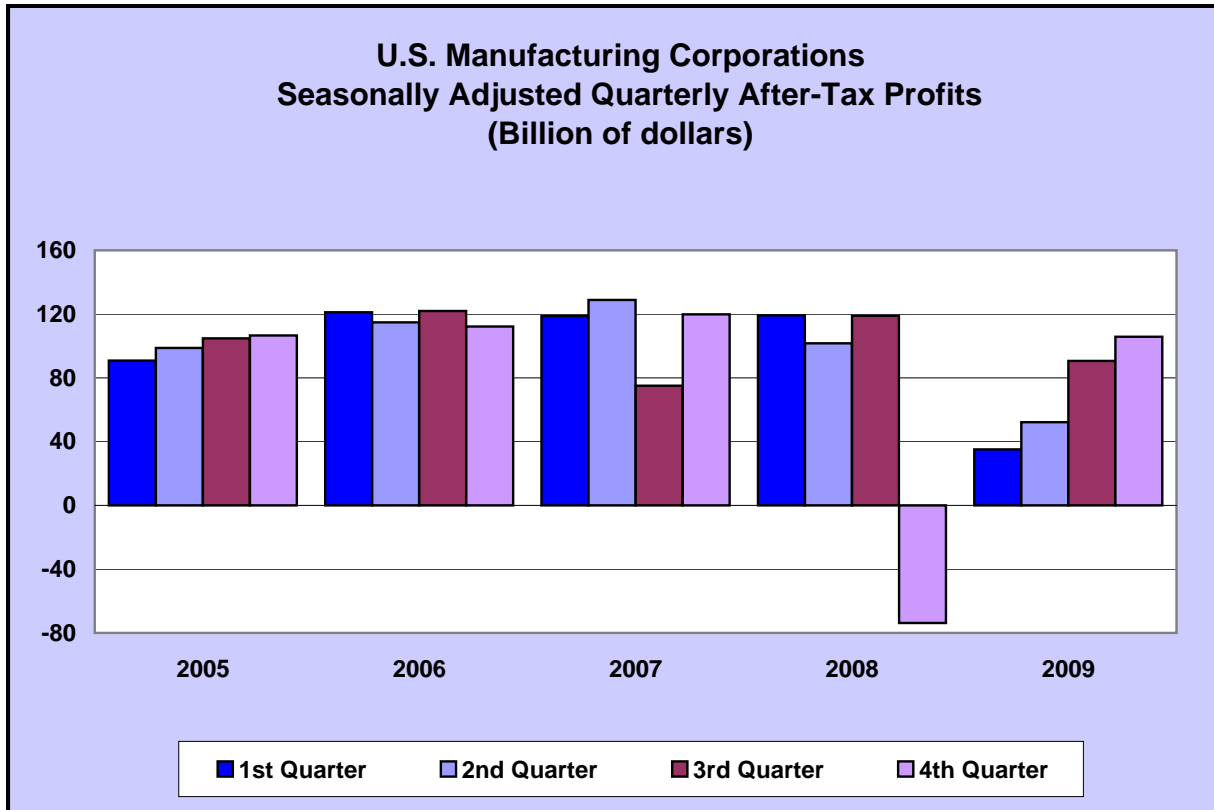
Durable goods manufacturers' seasonally adjusted **after-tax profits** in the fourth quarter of 2009 totaled \$37.7 billion, up \$9.0 ( $\pm 0.5$ ) billion from the after-tax profits of \$28.8 billion recorded in the third quarter of 2009, and up \$100.6 ( $\pm 0.3$ ) billion from the after-tax losses of \$62.9 billion recorded in the fourth quarter of 2008.

Seasonally adjusted **sales** for the quarter totaled \$627.7 billion, up \$17.3 ( $\pm 7.6$ ) billion from the \$610.4 billion recorded in the third quarter of 2009, but down \$51.5 ( $\pm 2.6$ ) billion from the \$679.2 billion recorded in the fourth quarter of 2008.

After-tax profits per dollar of sales averaged 6.0 cents for the quarter, compared with 4.7 cents for the third quarter of 2009, and -9.3 cents for the fourth quarter of 2008.

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

Fourth quarter seasonally-adjusted after-tax profits of U.S. manufacturing corporations in 2009 were up \$15.2 billion compared to third quarter 2009, and up \$179.6 billion compared to the same quarter a year ago.



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

**Manufacturing Corporations**

U.S. manufacturing corporations’ fourth quarter 2009 unadjusted **after-tax profits** totaled \$96.2 billion, up \$180.2 (±0.4) billion from the after-tax losses of \$84.0 billion recorded in the fourth quarter of 2008, and up \$1.0 (±0.5) billion from the after-tax profits of \$95.2 billion recorded in the third quarter of 2009.

Unadjusted **sales** for the fourth quarter of 2009 totaled \$1,358.2 billion, down \$43.0 (±5.5) billion from the \$1,401.3 billion recorded in the fourth quarter of 2008, but up \$41.4 (±12.6) billion from third quarter 2009 sales of \$1,316.9 billion.

After-tax profits per dollar of sales averaged 7.1 cents for the quarter, compared with -6.0 cents for the fourth quarter of 2008, and 7.2 cents for the third quarter of 2009.

**Nondurable Goods Manufacturers**

Nondurable goods manufacturers’ fourth quarter 2009 unadjusted **after-tax profits** totaled \$63.9 billion, up \$79.1 (±0.3) billion from the after-tax losses of \$15.1 billion recorded in the fourth quarter of 2008. Within industry categories, all industries reported increases for the quarter. The industries reporting the largest increases included petroleum and coal products, up \$30.3 (±0.1) billion; pharmaceuticals and medicines, up \$18.7 (±0.1) billion; basic chemicals, resins, and synthetics, up \$10.0 (±0.1) billion; and paper, up \$6.7 (±0.1) billion.

Compared with third quarter 2009 after-tax profits of \$66.3 billion, fourth quarter 2009 after-tax profits, at \$63.9 billion, were down \$2.4 ( $\pm 0.6$ ) billion. Within industry categories, quarter-over-quarter results were mostly down. Industries reporting decreases included petroleum and coal products, down \$4.2 ( $\pm 0.3$ ) billion; beverage and tobacco products, down \$1.6 ( $\pm 0.1$ ) billion; basic chemicals, resins, and synthetics, down \$1.1 ( $\pm 0.1$ ) billion; and plastics and rubber products, down \$0.9 ( $\pm 0.2$ ) billion. Industries reporting increases included pharmaceuticals and medicines, up \$5.9 ( $\pm 0.1$ ) billion; and all other chemicals, up \$1.1 ( $\pm 0.1$ ) billion.

Unadjusted **sales** for the fourth quarter of 2009 totaled \$717.8 billion, up \$7.2 ( $\pm 4.9$ ) billion from the \$710.5 billion recorded in the fourth quarter of 2008, and up \$23.2 ( $\pm 10.4$ ) billion from third quarter 2009 sales of \$694.5 billion.

After-tax profits per dollar of sales averaged 8.9 cents for the quarter, compared with -2.1 cents for the fourth quarter of 2008, and 9.5 cents for the third quarter of 2009.

### **Durable Goods Manufacturers**

Durable goods manufacturers' fourth quarter 2009 unadjusted **after-tax profits** totaled \$32.3 billion, up \$101.1 ( $\pm 0.3$ ) billion from the after-tax losses of \$68.8 billion recorded in the fourth quarter of 2008. Within industry categories, year-over-year results were mostly up. Industries reporting increases included motor vehicles and parts, up \$28.9 ( $\pm 0.1$ ) billion; all other electronic products, up \$22.1 ( $\pm 0.2$ ) billion; nonferrous metals, up \$19.7 ( $\pm 0.1$ ) billion; communications equipment, up \$9.6 ( $\pm 0.2$ ) billion; computer and peripheral equipment, up \$6.4 ( $\pm 0.1$ ) billion; and aerospace products and parts, up \$4.6 ( $\pm 0.1$ ) billion. Industries reporting decreases included nonmetallic mineral products, down \$0.6 ( $\pm 0.1$ ) billion; electrical equipment, appliances, and components, down \$0.3 ( $\pm 0.1$ ) billion; and machinery, down \$0.2 ( $\pm 0.1$ ) billion.

Compared to third quarter 2009 after-tax profits of \$28.9 billion, fourth quarter 2009 after-tax profits at \$32.3 billion, were up \$3.4 ( $\pm 0.5$ ) billion. Within industry categories, quarter-over-quarter results were mixed. Industries reporting increases included all other electronic products, up \$3.8 ( $\pm 0.1$ ) billion; motor vehicles and parts, up \$3.1 ( $\pm 0.4$ ) billion; computer and peripheral equipment, up \$2.6 ( $\pm 0.1$ ) billion; and communications equipment, up \$1.0 ( $\pm 0.2$ ) billion. Industries reporting decreases included nonmetallic mineral products, down \$3.3 ( $\pm 0.2$ ) billion; fabricated metal products, down \$2.2 ( $\pm 0.2$ ) billion; machinery, down \$0.8 ( $\pm 0.3$ ) billion; wood products, down \$0.6 ( $\pm 0.1$ ) billion; and furniture and related products, down \$0.6 ( $\pm 0.1$ ) billion.

Unadjusted **sales** for the fourth quarter of 2009 totaled \$640.5 billion, down \$50.3 ( $\pm 2.6$ ) billion from the \$690.7 billion recorded in the fourth quarter of 2008, but up \$18.1 ( $\pm 7.6$ ) billion from third quarter 2009 sales of \$622.3 billion.

After-tax profits per dollar of sales averaged 5.0 cents for the quarter, compared with -10.0 cents for the fourth quarter of 2008, and 4.6 cents for the third quarter of 2009.

### **Mining Corporations**

Fourth quarter 2009 unadjusted **after-tax profits** for mining corporations with assets of \$50 million and over totaled \$6.1 billion, up \$33.4 ( $\pm 0.3$ ) billion from the after-tax losses of \$27.3 billion recorded in the fourth quarter of 2008. Compared with third quarter 2009 after-tax profits of \$4.7 billion, fourth quarter 2009 after-tax profits were up \$1.3 ( $\pm 0.1$ ) billion.

Unadjusted sales for the fourth quarter of 2009 totaled \$48.8 billion, down \$4.3 ( $\pm 0.5$ ) billion from the \$53.1 billion recorded in the fourth quarter of 2008, but up \$3.7 ( $\pm 0.5$ ) billion from third quarter 2009 sales of \$45.1 billion.

After-tax profits per dollar of **sales** averaged 12.4 cents for the quarter, compared with -51.4 cents for the fourth quarter of 2008, and 10.5 cents for the third quarter of 2009.

## Wholesale Trade Corporations

Fourth quarter 2009 unadjusted **after-tax profits** for wholesale trade corporations with assets of \$50 million and over totaled \$6.5 billion, up \$11.5 ( $\pm 0.2$ ) billion from the after-tax losses of \$5.0 billion recorded in the fourth quarter of 2008. Compared with third quarter 2009 after-tax profits of \$4.6 billion, fourth quarter 2009 after-tax profits were up \$1.9 ( $\pm 0.2$ ) billion.

Unadjusted sales for the fourth quarter of 2009 totaled \$454.5 billion, not significantly different from fourth quarter 2008 sales of \$453.6, but up \$26.9 ( $\pm 6.5$ ) billion from third quarter 2009 sales of \$427.6 billion.

After-tax profits per dollar of **sales** averaged 1.4 cents for the quarter, compared with -1.1 cents for the fourth quarter of 2008, and 1.1 cents for the third 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 - Fourth quarter 2009* (QFR/09-Q4). 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.

### 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. Estimates of sampling error can be computed based on the sample and used to construct confidence intervals around the estimates. Statements of change appearing in this report include 90 percent confidence intervals. Thus, a statement in the report such as "up \$2.5 ( $\pm 0.2$ ) billion" estimates the interval (+\$2.3 billion to +\$2.7 billion) within which the actual value is likely to fall in 90 percent of samples of the same size and design, drawn from the same population. 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 in the text without a confidence interval, the change is statistically significant at the 90 percent confidence level.

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. The quarterly publication, *Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Fourth quarter 2009* (QFR/09-Q4), includes more detailed explanations of nonsampling and sampling error, and additional measures of sampling variability.

<b>Manufacturing, Mining, and Wholesale Trade Schedule of Release Dates for Calendar Year 2010</b>	
First Quarter 2010	June 14, 2010
Second Quarter 2010	September 13, 2010
Third Quarter 2010	December 13, 2010

**Table 1. U.S. Manufacturing Corporations - Selected Financial Data<sup>1</sup>**

Item	Seasonally adjusted			Unadjusted		
	4Q 2009	3Q 2009 <sup>2</sup>	4Q 2008 <sup>2</sup>	4Q 2009	3Q 2009 <sup>2</sup>	4Q 2008 <sup>2</sup>
Rate of return (after taxes):						
Cents per dollar of sales .....	7.87	6.99	(5.31)	7.09	7.23	(5.99)
Percent on equity (annual rate) .....	N/A	N/A	N/A	12.94	13.43	(12.47)
	(million dollars)					
Sales .....	1,344,265	1,296,232	1,389,374	1,358,221	1,316,859	1,401,261
Income after income taxes .....	105,832	90,624	(73,793)	96,233	95,184	(83,952)
Dividends paid (cash) .....	N/A	N/A	N/A	40,917	34,586	46,556

<sup>1</sup>Beginning 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.

<sup>2</sup>Revised.

**Table 2. U.S. Manufacturing Corporations - Seasonally Adjusted Sales and Net Income After-Tax<sup>1,2</sup>**

Industry group and year	Sales <sup>3</sup>				After-tax profits <sup>3</sup>			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All manufacturing:								
1998 .....	989,070	980,230	985,315	996,106	74,440	48,087	58,703	53,647
1999 .....	1,002,476	1,025,722	1,046,928	1,073,839	59,684	62,199	63,985	72,276
2000 .....	1,119,588	1,127,787	1,144,064	1,122,626	77,241	69,544	71,014	52,545
2001 .....	1,114,694	1,093,680	1,058,866	1,028,973	0	14,692	8,162	13,047
2002 .....	1,024,156	1,048,963	1,064,633	1,077,491	25,473	36,537	38,548	39,369
2003 .....	1,101,553	1,073,857	1,104,009	1,114,010	59,140	48,610	50,585	78,429
2004 .....	1,182,493	1,222,993	1,243,045	1,283,191	76,375	86,046	87,173	98,394
2005 .....	1,300,217	1,324,264	1,372,771	1,410,470	90,872	98,781	104,790	106,576
2006 .....	1,445,941	1,457,388	1,451,811	1,424,844	121,155	114,844	121,971	112,249
2007 .....	1,457,528	1,499,962	1,519,754	1,578,297	118,832	128,901	75,091	119,761
2008 .....	1,626,552	1,697,058	1,657,887	1,389,374	119,231	101,701	118,932	(73,793)
2009 .....	1,249,338	1,243,360	1,296,232	1,344,265	35,126	52,195	90,624	105,832
All nondurable manufacturing:								
1998 .....	451,607	444,853	442,987	442,010	29,478	28,018	29,732	19,621
1999 .....	445,184	452,188	460,145	477,171	26,111	28,399	30,118	32,992
2000 .....	506,681	514,634	526,849	505,122	37,061	38,212	35,641	31,493
2001 .....	507,789	506,171	488,518	471,603	31,238	33,821	25,484	21,566
2002 .....	463,506	478,732	497,251	515,338	26,517	28,793	29,216	33,837
2003 .....	541,045	514,304	532,150	526,243	43,722	33,864	28,090	42,919
2004 .....	572,057	593,142	602,863	627,891	41,438	46,972	49,765	53,211
2005 .....	638,209	646,767	689,461	704,977	56,175	57,547	61,339	65,019
2006 .....	720,461	722,855	726,749	702,198	69,109	71,426	71,711	65,161
2007 .....	715,335	749,829	760,978	816,953	70,915	73,789	67,104	71,381
2008 .....	856,228	923,780	911,950	710,175	74,191	76,337	83,306	(10,911)
2009 .....	635,007	649,093	685,787	716,534	45,826	54,751	61,855	68,112
All durable manufacturing:								
1998 .....	537,463	535,377	542,328	554,096	44,962	20,069	28,971	34,026
1999 .....	557,292	573,534	586,783	596,668	33,573	33,800	33,867	39,284
2000 .....	612,907	613,153	617,215	617,504	40,180	31,332	35,373	21,052
2001 .....	606,905	587,509	570,348	557,370	(31,238)	(19,129)	(17,322)	(8,519)
2002 .....	560,650	570,231	567,382	562,153	(1,044)	7,744	9,332	5,532
2003 .....	560,508	559,553	571,859	587,767	15,418	14,746	22,495	35,510
2004 .....	610,436	629,851	640,182	655,300	34,937	39,074	37,408	45,183
2005 .....	662,008	677,497	683,310	705,493	34,697	41,234	43,451	41,557
2006 .....	725,480	734,533	725,062	722,646	52,046	43,418	50,260	47,088
2007 .....	742,193	750,133	758,776	761,344	47,917	55,112	7,987	48,380
2008 .....	770,324	773,278	745,937	679,199	45,040	25,364	35,626	(62,882)
2009 .....	614,331	594,267	610,445	627,731	(10,700)	(2,556)	28,769	37,720

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

<sup>2</sup>Beginning 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.

<sup>3</sup>Revised.

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

Industry group	Sales			Operating profits <sup>1</sup>			After-tax profits		
	4Q	3Q	4Q	4Q	3Q	4Q	4Q	3Q	4Q
	2009	2009 <sup>2</sup>	2008 <sup>2</sup>	2009	2009 <sup>2</sup>	2008 <sup>2</sup>	2009	2009 <sup>2</sup>	2008 <sup>2</sup>
	(million dollars)								
All manufacturing <sup>3</sup> .....	1,358,221	1,316,859	1,401,261	70,551	88,484	44,133	96,233	95,184	(83,952)
All nondurable manufacturing .....	717,751	694,519	710,514	41,065	55,843	33,268	63,924	66,291	(15,130)
Food .....	144,587	136,439	150,177	11,552	10,243	9,243	8,818	8,838	5,453
Beverage and tobacco products .....	35,748	38,004	35,581	6,744	7,938	6,537	5,795	7,442	3,040
Textile mills and textile product mills .....	8,521	8,672	8,768	381	377	(378)	221	201	(774)
Apparel and leather products .....	21,575	22,485	22,397	1,522	1,841	1,644	1,086	1,520	(294)
Paper .....	29,412	29,537	31,535	2,341	3,110	1,101	1,234	2,078	(5,513)
Printing and related support activities .....	15,736	15,880	17,703	775	950	889	32	283	(1,607)
Petroleum and coal products .....	245,914	231,405	226,459	(106)	4,902	6,196	9,489	13,679	(20,798)
Chemicals .....	180,681	175,160	180,696	16,339	23,738	7,144	36,348	30,456	6,286
Basic chemicals, resins, and synthetics <sup>4</sup> .....	52,074	50,131	51,867	1,434	2,195	(3,032)	787	1,927	(9,205)
Pharmaceuticals and medicines <sup>4</sup> .....	83,016	78,492	79,258	9,131	15,533	5,409	28,285	22,385	9,585
All other chemicals <sup>4</sup> .....	45,592	46,536	49,571	5,774	6,009	4,767	7,276	6,143	5,905
Plastics and rubber products .....	35,578	36,937	37,197	1,517	2,745	893	902	1,796	(923)
All durable manufacturing .....	640,470	622,340	690,747	29,486	32,641	10,865	32,308	28,893	(68,822)
Wood products .....	14,488	15,993	15,711	240	728	(515)	(390)	168	(1,855)
Nonmetallic mineral products .....	22,129	26,257	24,298	(430)	1,832	(297)	(2,285)	995	(1,720)
Primary metals .....	43,238	41,302	52,595	1,129	1,172	(1,760)	255	(121)	(21,604)
Iron, steel, and ferroalloys <sup>4</sup> .....	21,422	20,533	27,447	(661)	(507)	(691)	(959)	(1,449)	(3,050)
Nonferrous metals <sup>4</sup> .....	17,689	17,048	20,037	1,293	1,316	(1,515)	933	1,231	(18,737)
Foundries <sup>4</sup> .....	4,126	3,721	5,111	497	363	446	281	98	182
Fabricated metal products .....	55,815	57,433	68,134	2,233	4,734	2,490	1,206	3,380	(422)
Machinery .....	78,821	77,147	94,937	4,848	5,034	6,133	3,931	4,741	4,105
Computer and electronic products .....	142,072	134,873	143,337	6,985	6,508	3,902	20,980	13,546	(17,065)
Computer and peripheral equipment <sup>4</sup> .....	43,924	41,666	42,513	1,620	1,476	2,064	7,520	4,934	1,156
Communications equipment <sup>4</sup> .....	31,769	31,173	34,445	(172)	40	229	3,835	2,815	(5,739)
All other electronic products <sup>4</sup> .....	66,378	62,033	66,379	5,537	4,992	1,609	9,625	5,797	(12,482)
Electrical equipment, appliances, and components .....	47,395	45,143	51,259	3,802	3,506	4,095	4,073	3,861	4,386
Transportation equipment .....	185,160	172,901	183,354	6,152	3,454	(6,805)	958	(2,462)	(32,401)
Motor vehicles and parts <sup>4</sup> .....	110,399	101,598	111,998	(459)	(1,657)	(12,096)	(3,985)	(7,058)	(32,913)
Aerospace products and parts <sup>4</sup> .....	63,192	59,488	57,940	5,813	3,917	4,301	4,513	3,913	(117)
Furniture and related products .....	13,553	14,393	15,918	192	971	420	(49)	511	(1,750)
Miscellaneous manufacturing .....	37,799	36,898	41,203	4,336	4,703	3,202	3,630	4,274	(496)
All mining <sup>3</sup> .....	48,849	45,123	53,149	8,543	7,493	5,778	6,051	4,719	(27,301)
All wholesale trade <sup>3</sup> .....	454,531	427,621	453,619	10,949	8,545	6,183	6,483	4,604	(5,041)

<sup>1</sup>Operating profits are profits before nonoperating income, expense items, and income taxes.

<sup>2</sup>Revised.

<sup>3</sup>Manufacturing 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.

<sup>4</sup>Included in major industry above.