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FIRST QUARTER 2010 DATA FROM THE QUARTERLY FINANCIAL REPORT: U.S. MANUFACTURING, MINING, AND WHOLESALE TRADE CORPORATIONS

After-Tax Profits and Sales, First Quarter 2010 - Seasonally Adjusted

Manufacturing Corporations

U.S. manufacturing corporations' seasonally adjusted **after-tax profits** in the first quarter of 2010 totaled \$107.8 billion, up \$4.5 (± 0.4) billion from the after-tax profits of \$103.3 billion recorded in the fourth quarter of 2009, and up \$71.8 (± 0.8) billion from the after-tax profits of \$36.0 billion recorded in the first quarter of 2009.

Seasonally adjusted **sales** for the quarter totaled \$1,406.1 billion, up \$57.9 (± 4.3) billion from the \$1,348.3 billion recorded in the fourth quarter of 2009, and up \$163.3 (± 6.7) billion from the \$1,242.8 billion recorded in the first quarter of 2009.

After-tax profits per dollar of sales averaged 7.7 cents for the quarter, not significantly different from fourth quarter of 2009, but greater than the 2.9 cents recorded in the first quarter of 2009.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' seasonally adjusted **after-tax profits** in the first quarter of 2010 totaled \$66.3 billion, down \$2.3 (± 0.4) billion from the after-tax profits of \$68.6 billion recorded in the fourth quarter of 2009, but up \$19.8 (± 0.4) billion from the after-tax profits of \$46.6 billion recorded in the first quarter of 2009.

Seasonally adjusted **sales** for the quarter totaled \$748.3 billion, up \$30.4 (± 3.5) billion from the \$718.0 billion recorded in the fourth quarter of 2009, and up \$114.4 (± 3.2) billion from the \$633.9 billion recorded in the first quarter of 2009.

After-tax profits per dollar of sales averaged 8.9 cents for the quarter, compared with 9.6 cents for the fourth quarter of 2009, and 7.3 cents for the first quarter of 2009.

Durable Goods Manufacturers

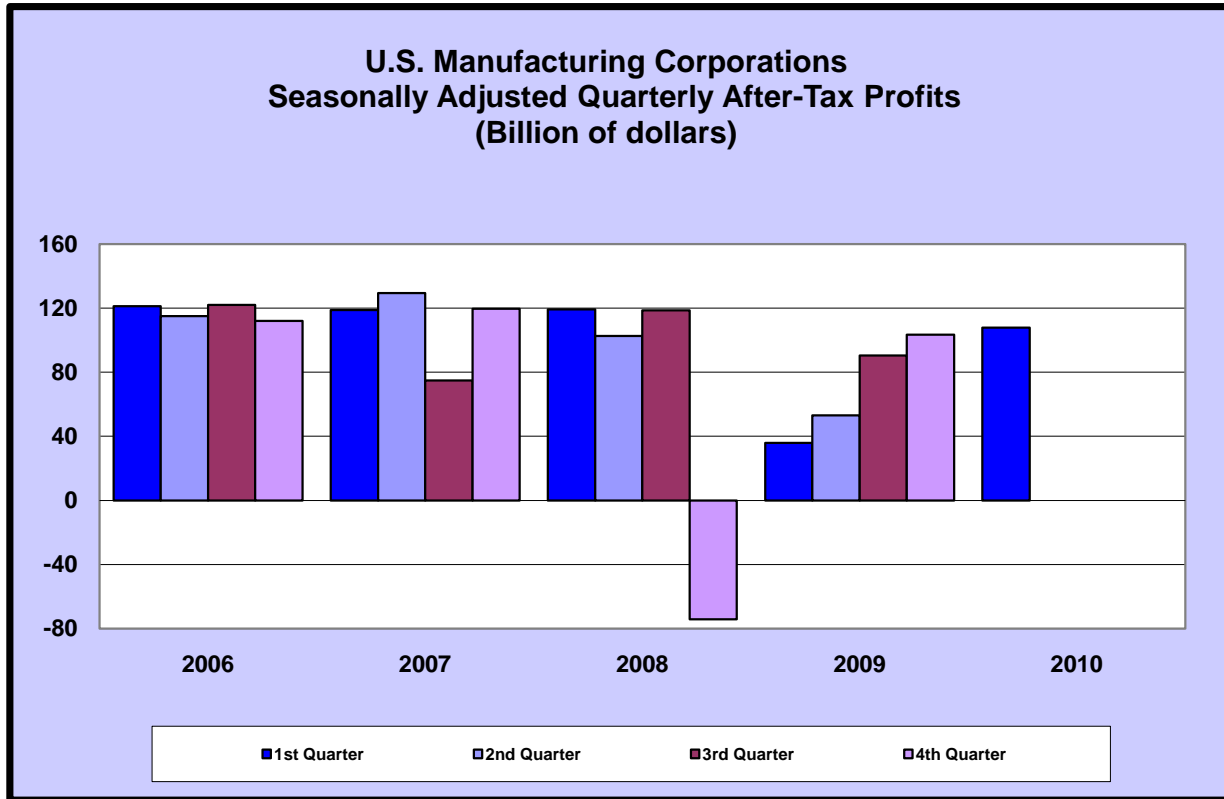
Durable goods manufacturers' seasonally adjusted **after-tax profits** in the first quarter of 2010 totaled \$41.5 billion, up \$6.8 (± 0.3) billion from the after-tax profits of \$34.7 billion recorded in the fourth quarter of 2009, and up \$52.1 (± 0.5) billion from the after-tax losses of \$10.6 billion recorded in the first quarter of 2009.

Seasonally adjusted **sales** for the quarter totaled \$657.8 billion, up \$27.5 (± 2.6) billion from the \$630.3 billion recorded in the fourth quarter of 2009, and up \$48.9 (± 5.3) billion from the \$608.9 billion recorded in the first quarter of 2009.

After-tax profits per dollar of sales averaged 6.3 cents for the quarter, compared with 5.5 cents for the fourth quarter of 2009, and -1.7 cents for the first quarter of 2009.

Manufacturing Corporations' Quarterly After-Tax Profits, 2006-2010—Seasonally Adjusted

First quarter seasonally-adjusted after-tax profits of U.S. manufacturing corporations in 2010 were up \$4.5 billion compared to fourth quarter 2009, and up \$71.8 billion compared to the same quarter a year ago. Seasonally-adjusted after-tax profits of U.S. manufacturing corporations have registered quarter-to-quarter increases in each of the past five quarters.



After-Tax Profits and Sales, First Quarter 2010 - Not Seasonally Adjusted

Manufacturing Corporations

U.S. manufacturing corporations' first quarter 2010 unadjusted **after-tax profits** totaled \$104.9 billion, up \$71.1 (± 0.8) billion from the after-tax profits of \$33.8 billion recorded in the first quarter of 2009, and up \$10.7 (± 0.4) billion from the after-tax profits of \$94.2 billion recorded in the fourth quarter of 2009.

Unadjusted **sales** for the first quarter of 2010 totaled \$1,353.3 billion, up \$156.6 (± 6.7) billion from the \$1,196.7 billion recorded in the first quarter of 2009, but not significantly different from the fourth quarter 2009 sales of \$1,355.9 billion.

After-tax profits per dollar of sales averaged 7.8 cents for the quarter, compared with 2.8 cents for the first quarter of 2009, and 7.0 cents for the fourth quarter of 2009.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' first quarter 2010 unadjusted **after-tax profits** totaled \$63.4 billion, up \$19.4 (± 0.4) billion from the after-tax profits of \$44.0 billion recorded in the first quarter of 2009. Within industry categories, most industries reported increases for the quarter. The industries reporting the largest increases included petroleum and coal products, up \$6.3 (± 0.1) billion; basic chemicals, resins, and synthetics, up \$3.7 (± 0.1) billion; beverage and tobacco products, up \$2.3 (± 0.1) billion; and paper, up \$1.5 (± 0.1) billion.

Compared with fourth quarter 2009 after-tax profits of \$65.8 billion, first quarter 2010 after-tax profits, at \$63.4 billion, were down \$2.3 (± 0.4) billion. Within industry categories, quarter-over-quarter results were mixed. Industries reporting the largest decreases included pharmaceuticals and medicines, down \$12.5 (± 0.1) billion; and all other chemicals, down \$1.4 (± 0.1) billion. Industries reporting the largest increases included petroleum and coal products, up \$7.6 (± 0.1) billion; basic chemicals, resins, and synthetics, up \$2.2 (± 0.1) billion; and beverage and tobacco products, up \$1.2 (± 0.1) billion.

Unadjusted **sales** for the first quarter of 2010 totaled \$723.8 billion, up \$111.1 (± 3.2) billion from the \$612.6 billion recorded in the first quarter of 2009, and up \$6.6 (± 3.5) billion from fourth quarter 2009 sales of \$717.1 billion.

After-tax profits per dollar of sales averaged 8.8 cents for the quarter, compared with 7.2 cents for the first quarter of 2009, and 9.2 cents for the fourth quarter of 2009.

Durable Goods Manufacturers

Durable goods manufacturers' first quarter 2010 unadjusted **after-tax profits** totaled \$41.5 billion, up \$51.7 (± 0.5) billion from the after-tax losses of \$10.2 billion recorded in the first quarter of 2009. Within industry categories, year-over-year results were mostly up. Industries reporting the largest increases included motor vehicles and parts, up \$16.7 (± 0.2) billion; all other electronic products, up \$13.6 (± 0.3) billion; communications equipment, up \$5.7 (± 0.1) billion; computer and peripheral equipment, up \$3.5 (± 0.1) billion; and nonferrous metals, up \$3.1 (± 0.1) billion. One industry reported a decrease, aerospace products and parts, down \$0.3 (± 0.1) billion.

Compared to fourth quarter 2009 after-tax profits of \$28.4 billion, first quarter 2010 after-tax profits at \$41.5 billion, were up \$13.1 (± 0.3) billion. Within industry categories, quarter-over-quarter results were mixed. Industries reporting the largest increases included motor vehicles and parts, up \$6.9 (± 0.1) billion; fabricated metal products, up \$2.4 (± 0.3) billion; machinery, up \$1.9 (± 0.2) billion; and nonmetallic mineral products, up \$1.7 (± 0.1) billion. Industries reporting decreases included aerospace products and parts, down \$1.3 (± 0.1) billion; miscellaneous manufacturing, down \$0.9 (± 0.4) billion; computer and peripheral equipment, down \$0.8 (± 0.1) billion; and electrical equipment, appliances, and components, down \$0.4 (± 0.1) billion.

Unadjusted **sales** for the first quarter of 2010 totaled \$629.6 billion, up \$45.5 (± 5.3) billion from the \$584.1 billion recorded in the first quarter of 2009, but down \$9.2 (± 2.6) billion from fourth quarter 2009 sales of \$638.8 billion.

After-tax profits per dollar of sales averaged 6.6 cents for the quarter, compared with -1.8 cents for the first quarter of 2009, and 4.5 cents for the fourth quarter of 2009.

Mining Corporations

First quarter 2010 unadjusted **after-tax profits** for mining corporations with assets of \$50 million and over totaled \$12.9 billion, up \$31.2 (± 0.2) billion from the after-tax losses of \$18.3 billion recorded in the first quarter of 2009, and up \$6.8 (± 0.2) billion compared with fourth quarter 2009 after-tax profits of \$6.0 billion.

Unadjusted **sales** for the first quarter of 2010 totaled \$51.6 billion, up \$7.3 (± 0.4) billion from the \$44.3 billion recorded in the first quarter of 2009, and up \$2.9 (± 0.3) billion from fourth quarter 2009 sales of \$48.7 billion.

After-tax profits per dollar of sales averaged 24.9 cents for the quarter, compared with -41.5 cents for the first quarter of 2009, and 12.4 cents for the fourth quarter of 2009.

Wholesale Trade Corporations

First quarter 2010 unadjusted **after-tax profits** for wholesale trade corporations with assets of \$50 million and over totaled \$5.2 billion, up \$5.7 (± 0.3) billion from the after-tax losses of \$0.5 billion recorded in the first quarter of 2009, but down \$1.2 (± 0.1) billion compared with fourth quarter 2009 after-tax profits of \$6.4 billion.

Unadjusted sales for the first quarter of 2010 totaled \$441.1 billion, up \$56.1 (± 11.4) billion from first quarter 2009 sales of \$385.1, but down \$8.9 (± 5.9) billion from fourth quarter 2009 sales of \$450.0 billion.

After-tax profits per dollar of sales averaged 1.2 cents for the quarter, compared with -0.1 cents for the first quarter of 2009, and 1.4 cents for the fourth quarter of 2009.

SPECIAL NOTICES

Beginning with data collected for fourth quarter 2010 (released in March 2011) the Quarterly Financial Report (QFR) will implement a new methodology to account for nonrespondent companies. The new methodology will, on average, produce more accurate data estimates and better reflect current financial standing than the existing methodology. Estimates for the prior four quarters (fourth quarter 2009 through third quarter 2010) will be restated using this new imputation methodology to provide comparability of the data across these quarters. For more information on the new methodology, call the Statistical Research and Methods staff on 1-301-763-3310.

Beginning with the fourth quarter 2009, corporations within selected service industries were mailed questionnaires and included in the QFR survey. The 2007 North American Industry Classification System (NAICS) industries included were all 3-digit subsectors in Sector 51 (Information); and all 4-digit industry groups in Sector 54 (Professional, Scientific, and Technical Services), excluding Industry Group 5411 (Legal Services). The aggregated service sector data will be released for the first time in March 2011 (for fourth quarter 2010), when five quarters of data are available. The service sector data will be released in conjunction with the Manufacturing, Mining, and Wholesale Trade data, providing estimated statements of income and retained earnings, balance sheets, and related financial and operating ratios.

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 - First quarter 2010* (QFR/10-Q1). 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 (± 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 - First quarter 2010* (QFR/10-Q1), includes more detailed explanations of nonsampling and sampling error, and additional measures of sampling variability.

Manufacturing, Mining, and Wholesale Trade Schedule of Release Dates for Calendar Year 2010	
Second Quarter 2010	September 13, 2010
Third Quarter 2010	December 13, 2010

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

Item	Seasonally adjusted			Unadjusted		
	1Q	4Q	1Q	1Q	4Q	1Q
	2010	2009 ²	2009 ²	2010	2009 ²	2009 ²
Rate of return (after taxes):						
Cents per dollar of sales	7.66	7.66	2.89	7.75	6.95	2.83
Percent on equity (annual rate)	N/A	N/A	N/A	13.77	12.50	5.20
	(million dollars)					
Sales	1,406,121	1,348,258	1,242,798	1,353,340	1,355,946	1,196,693
Income after income taxes	107,775	103,277	35,953	104,945	94,205	33,808
Dividends paid (cash)	N/A	N/A	N/A	44,063	48,530	43,863

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:								
1999	1,002,478	1,025,712	1,046,924	1,073,856	59,676	62,171	64,002	72,297
2000	1,119,592	1,127,766	1,144,047	1,122,671	77,236	69,508	71,037	52,554
2001	1,114,697	1,093,646	1,058,835	1,029,042	8	14,652	8,186	13,049
2002	1,024,163	1,048,916	1,064,572	1,077,616	25,490	36,498	38,569	39,361
2003	1,101,553	1,073,776	1,103,919	1,114,247	59,163	48,583	50,607	78,397
2004	1,182,454	1,222,793	1,242,962	1,283,696	76,412	86,025	87,217	98,310
2005	1,300,032	1,323,838	1,372,740	1,411,489	90,911	98,812	104,848	106,385
2006	1,445,517	1,456,392	1,451,814	1,426,945	121,210	115,020	121,927	112,043
2007	1,456,559	1,498,135	1,519,787	1,582,189	118,774	129,390	74,864	119,481
2008	1,624,752	1,693,860	1,658,065	1,394,447	119,147	102,478	118,508	(74,150)
2009	1,242,798	1,234,920	1,291,760	1,348,258	35,953	53,049	90,394	103,277
2010	1,406,121				107,775			
All nondurable manufacturing:								
1999	445,182	452,180	460,144	477,188	26,113	28,400	30,118	32,984
2000	506,677	514,619	526,839	505,162	37,073	38,207	35,644	31,473
2001	507,775	506,152	488,501	471,662	31,264	33,811	25,490	21,537
2002	463,481	478,709	497,231	515,426	26,554	28,778	29,225	33,803
2003	540,999	514,265	532,148	526,349	43,759	33,853	28,108	42,869
2004	571,992	593,048	602,905	628,083	41,481	46,956	49,814	53,117
2005	638,062	646,583	689,596	705,329	56,221	57,564	61,417	64,807
2006	720,160	722,512	726,922	702,950	69,209	71,507	71,834	64,706
2007	714,685	749,319	761,230	818,345	71,139	74,007	67,223	70,604
2008	855,026	922,898	912,337	711,877	74,623	76,691	83,398	(12,019)
2009	633,914	648,251	686,030	717,950	46,552	55,303	62,059	68,611
2010	748,306				66,314			
All durable manufacturing:								
1999	557,296	573,532	586,780	596,668	33,563	33,771	33,884	39,313
2000	612,915	613,147	617,208	617,509	40,163	31,301	35,393	21,081
2001	606,922	587,494	570,334	557,380	(31,256)	(19,159)	(17,304)	(8,488)
2002	560,682	570,207	567,341	562,190	(1,064)	7,720	9,344	5,558
2003	560,554	559,511	571,771	587,898	15,404	14,730	22,499	35,528
2004	610,462	629,745	640,057	655,613	34,931	39,069	37,403	45,193
2005	661,970	677,255	683,144	706,160	34,690	41,248	43,431	41,578
2006	725,357	733,880	724,892	723,995	52,001	43,513	50,093	47,337
2007	741,874	748,816	758,557	763,844	47,635	55,383	7,641	48,877
2008	769,726	770,962	745,728	682,570	44,524	25,787	35,110	(62,131)
2009	608,884	586,669	605,730	630,308	(10,599)	(2,254)	28,335	34,666
2010	657,815				41,461			

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		
	1Q	4Q	1Q	1Q	4Q	1Q	1Q	4Q	1Q
	2010	2009 ²	2009 ²	2010	2009 ²	2009 ²	2010	2009 ²	2009 ²
	(million dollars)								
All manufacturing ³	1,353,340	1,355,946	1,196,693	85,807	69,188	50,888	104,945	94,205	33,808
All nondurable manufacturing	723,752	717,125	612,610	48,876	40,024	42,201	63,423	65,771	44,027
Food	137,425	144,122	137,333	9,910	11,001	8,198	8,332	8,872	7,017
Beverage and tobacco products	40,249	35,842	33,599	7,036	6,749	6,244	7,063	5,813	4,780
Textile mills and textile product mills	8,548	8,497	8,084	491	320	(145)	342	154	(360)
Apparel and leather products	20,756	21,467	20,687	1,850	1,361	1,331	1,656	925	909
Paper	29,707	29,271	28,606	1,534	1,726	1,628	663	1,089	(881)
Printing and related support activities	14,775	15,545	15,724	685	689	304	218	(110)	(352)
Petroleum and coal products	251,206	246,031	165,490	6,737	(93)	3,141	17,030	9,430	10,721
Chemicals	184,807	180,738	170,928	18,475	16,513	20,323	26,841	38,542	21,993
Basic chemicals, resins, and synthetics ⁴	56,769	52,226	47,250	3,182	1,741	535	3,027	826	(668)
Pharmaceuticals and medicines ⁴	79,548	83,019	75,834	8,772	9,224	13,131	18,192	30,676	17,018
All other chemicals ⁴	48,490	45,492	47,843	6,521	5,548	6,657	5,622	7,040	5,644
Plastics and rubber products	36,279	35,612	32,160	2,158	1,757	1,177	1,278	1,055	201
All durable manufacturing	629,588	638,821	584,083	36,931	29,165	8,686	41,521	28,434	(10,219)
Wood products	14,378	14,479	12,996	320	291	(216)	(113)	(703)	(594)
Nonmetallic mineral products	17,940	21,535	19,604	(1,277)	(525)	(1,075)	(669)	(2,387)	(1,280)
Primary metals	47,047	43,076	40,044	1,773	1,207	(1,047)	1,314	542	(3,377)
Iron, steel, and ferroalloys ⁴	23,542	21,299	20,512	(143)	(631)	(1,477)	(860)	(926)	(2,298)
Nonferrous metals ⁴	19,157	17,655	15,047	1,416	1,387	(2)	1,867	1,014	(1,260)
Foundries ⁴	4,349	4,122	4,486	501	451	432	306	454	181
Fabricated metal products	56,952	55,614	58,951	4,860	2,174	3,963	3,487	1,076	1,032
Machinery	76,207	76,659	79,734	5,460	4,371	4,035	5,350	3,434	2,442
Computer and electronic products	140,276	141,630	125,090	9,607	7,894	1,079	20,403	19,801	(2,504)
Computer and peripheral equipment ⁴	43,763	43,882	37,598	1,874	1,670	185	6,750	7,550	3,216
Communications equipment ⁴	31,041	30,788	30,180	1,257	734	641	3,634	3,565	(2,093)
All other electronic products ⁴	65,472	66,960	57,312	6,476	5,490	253	10,020	8,685	(3,627)
Electrical equipment, appliances, and components	44,580	47,287	43,364	3,688	3,760	2,831	3,569	3,994	3,447
Transportation equipment	182,457	187,043	154,683	7,745	5,428	(4,357)	5,138	(843)	(11,240)
Motor vehicles and parts ⁴	115,222	112,337	85,165	1,931	(1,137)	(10,272)	1,189	(5,759)	(15,559)
Aerospace products and parts ⁴	55,298	63,175	56,367	4,643	5,812	4,712	3,214	4,513	3,525
Furniture and related products	13,336	13,469	13,364	591	148	106	307	(102)	(242)
Miscellaneous manufacturing	36,415	38,029	36,254	4,164	4,418	3,367	2,735	3,622	2,098
All mining ³	51,573	48,668	44,263	11,609	8,915	4,847	12,860	6,041	(18,347)
All wholesale trade ³	441,136	449,991	385,079	8,575	10,939	3,220	5,187	6,371	(480)

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.