

U.S. Census Bureau News

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

FOR RELEASE MONDAY, SEPTEMBER 13, 2010 AT 10 A.M. EDT

CB10-139

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

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

Manufacturing Corporations

U.S. manufacturing corporations' seasonally adjusted **after-tax profits** in the second quarter of 2010 totaled \$120.4 billion, up \$8.4 (± 0.4) billion from the after-tax profits of \$112.0 billion recorded in the first quarter of 2010, and up \$67.3 (± 1.0) billion from the after-tax profits of \$53.1 billion recorded in the second quarter of 2009.

Seasonally adjusted **sales** for the quarter totaled \$1,438.1 billion, up \$35.9 (± 4.7) billion from the \$1,402.2 billion recorded in the first quarter of 2010, and up \$204.2 (± 13.9) billion from the \$1,233.8 billion recorded in the second quarter of 2009.

After-tax profits per dollar of sales averaged 8.4 cents for the quarter, compared with 8.0 cents for the first quarter of 2010, and 4.3 cents for the second quarter of 2009.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' seasonally adjusted **after-tax profits** in the second quarter of 2010 totaled \$61.5 billion, down \$3.8 (± 0.3) billion from the after-tax profits of \$65.3 billion recorded in the first quarter of 2010, but up \$5.6 (± 0.5) billion from the after-tax profits of \$55.9 billion recorded in the second quarter of 2009.

Seasonally adjusted **sales** for the quarter totaled \$755.8 billion, up \$10.7 (± 3.3) billion from the \$745.0 billion recorded in the first quarter of 2010, and up \$108.1 (± 6.8) billion from the \$647.6 billion recorded in the second quarter of 2009.

After-tax profits per dollar of sales averaged 8.1 cents for the quarter, compared with 8.8 cents for the first quarter of 2010, and 8.6 cents for the second quarter of 2009.

Durable Goods Manufacturers

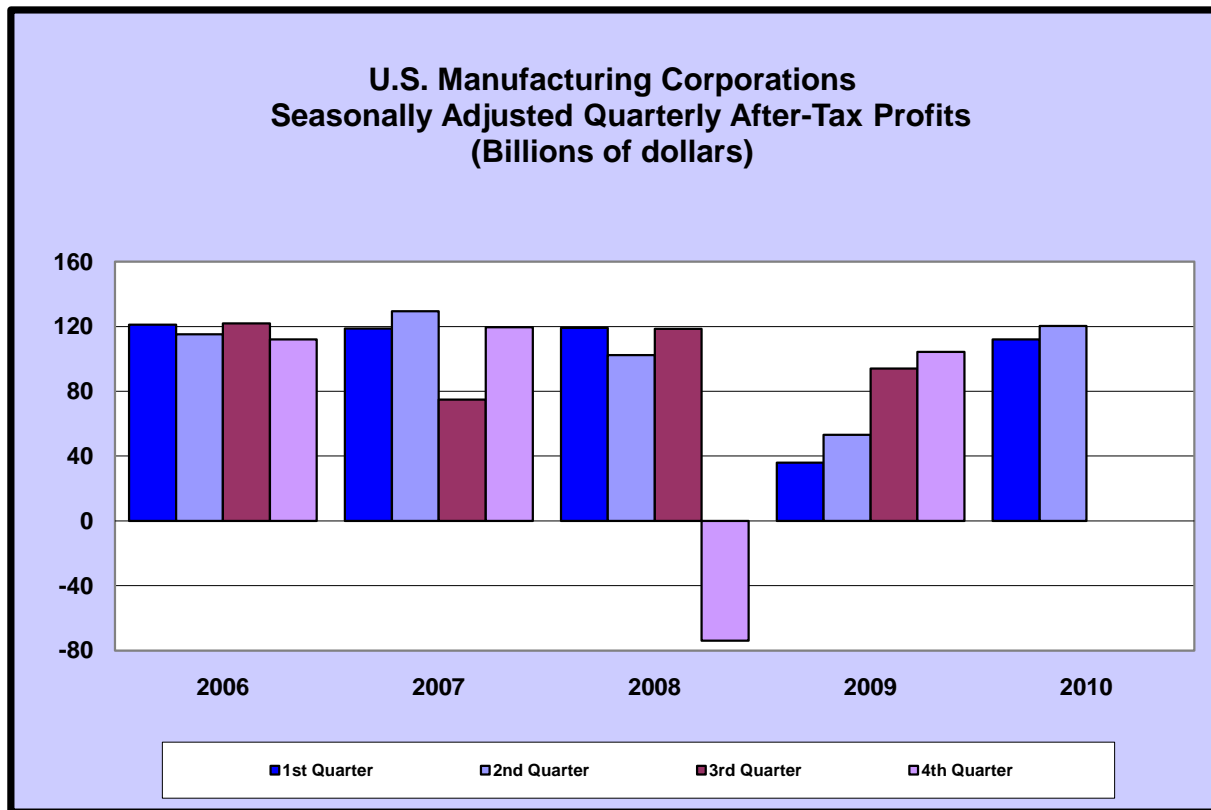
Durable goods manufacturers' seasonally adjusted **after-tax profits** in the second quarter of 2010 totaled \$58.9 billion, up \$12.2 (± 0.3) billion from the after-tax profits of \$46.7 billion recorded in the first quarter of 2010, and up \$61.8 (± 0.8) billion from the after-tax losses of \$2.8 billion recorded in the second quarter of 2009.

Seasonally adjusted **sales** for the quarter totaled \$682.3 billion, up \$25.2 (± 2.6) billion from the \$657.1 billion recorded in the first quarter of 2010, and up \$96.1 (± 8.2) billion from the \$586.2 billion recorded in the second quarter of 2009.

After-tax profits per dollar of sales averaged 8.6 cents for the quarter, compared with 7.1 cents for the first quarter of 2010, and -0.5 cents for the second quarter of 2009.

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

Second quarter seasonally-adjusted after-tax profits of U.S. manufacturing corporations, up \$8.4 billion compared to first quarter 2010, and up \$67.3 billion compared to the same quarter a year ago, represent a continuation of the steady recovery in manufacturers' profits from the low recorded in 2008.



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

Manufacturing Corporations

U.S. manufacturing corporations' second quarter 2010 unadjusted **after-tax profits** totaled \$127.5 billion, up \$67.5 (± 1.0) billion from the after-tax profits of \$60.0 billion recorded in the second quarter of 2009, and up \$18.1 (± 0.4) billion from the after-tax profits of \$109.4 billion recorded in the first quarter of 2010.

Unadjusted **sales** for the second quarter of 2010 totaled \$1,459.1 billion, up \$205.2 (± 13.9) billion from the \$1,253.8 billion recorded in the second quarter of 2009, and up \$109.1 (± 4.7) billion from the first quarter 2010 sales of \$1,349.9 billion.

After-tax profits per dollar of sales averaged 8.7 cents for the quarter, compared with 4.8 cents for the second quarter of 2009, and 8.1 cents for the first quarter of 2010.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' second quarter 2010 unadjusted **after-tax profits** totaled \$62.1 billion, up \$5.5 (± 0.5) billion from the after-tax profits of \$56.6 billion recorded in the second quarter of 2009. Most nondurable goods industries reported increases for the quarter. Industries reporting the largest increases included basic chemicals, resins, and synthetics, up \$11.8 (± 0.1) billion; beverage and tobacco products, up \$1.8 (± 0.1) billion; plastics and rubber products, up \$1.3 (± 0.1) billion; and paper, up \$1.0 (± 0.1) billion. Industries reporting the largest decreases included petroleum and coal products, down \$7.8 (± 0.1) billion; and pharmaceuticals and medicines, down \$3.1 (± 0.1) billion.

Compared with first quarter 2010 after-tax profits of \$63.4 billion, second quarter 2010 after-tax profits, at \$62.1 billion, were down \$1.3 (± 0.3) billion. Within industry categories, quarter-over-quarter results were mixed. Industries reporting the largest decreases included petroleum and coal products, down \$15.0 (± 0.1) billion; pharmaceuticals and medicines, down \$2.0 (± 0.1) billion; and food, down \$0.9 (± 0.1) billion. Industries reporting the largest increases included basic chemicals, resins, and synthetics, up \$10.2 (± 0.1) billion; and beverage and tobacco products, up \$2.4 (± 0.1) billion; paper, up \$1.8 (± 0.1) billion; and plastics and rubber products, up \$1.3 (± 0.1) billion.

Unadjusted **sales** for the second quarter of 2010 totaled \$770.8 billion, up \$109.3 (± 6.8) billion from the \$661.5 billion recorded in the second quarter of 2009, and up \$49.0 (± 3.3) billion from first quarter 2010 sales of \$721.8 billion.

After-tax profits per dollar of sales averaged 8.1 cents for the quarter, compared with 8.6 cents for the second quarter of 2009, and 8.8 cents for the first quarter of 2010.

Durable Goods Manufacturers

Durable goods manufacturers' second quarter 2010 unadjusted **after-tax profits** totaled \$65.4 billion, up \$62.0 (± 0.8) billion from the after-tax profits of \$3.4 billion recorded in the second quarter of 2009. All durable goods industries reported increases for the quarter. Industries reporting the largest increases included motor vehicles and parts, up \$26.7 (± 0.3) billion; all other electronic products, up \$8.8 (± 0.3) billion; nonferrous metals, up \$4.9 (± 0.1) billion; nonmetallic mineral products, up \$4.4 (± 0.1) billion; machinery, up \$4.0 (± 0.2) billion; and computer and peripheral equipment, up \$3.5 (± 0.1) billion.

Compared to first quarter 2010 after-tax profits of \$46.0 billion, second quarter 2010 after-tax profits at \$65.4 billion, were up \$19.4 (± 0.3) billion. All durable goods industries reported increases for the quarter. Industries reporting the largest increases included nonferrous metals, up \$3.1 (± 0.1) billion; motor vehicles and parts, up \$2.6 (± 0.2) billion; machinery, up \$2.5 (± 0.1) billion; miscellaneous manufacturing, up \$2.3 (± 0.6) billion; and electrical equipment, appliances, and components, up \$2.0 (± 0.2) billion.

Unadjusted **sales** for the second quarter of 2010 totaled \$688.2 billion, up \$95.9 (± 8.2) billion from the \$592.3 billion recorded in the second quarter of 2009, and up \$60.1 (± 2.6) billion from first quarter 2010 sales of \$628.1 billion.

After-tax profits per dollar of sales averaged 9.5 cents for the quarter, compared with 0.6 cents for the second quarter of 2009, and 7.3 cents for the first quarter of 2010.

Mining Corporations

Second quarter 2010 unadjusted **after-tax profits** for mining corporations with assets of \$50 million and over totaled \$9.2 billion, up \$6.4 (± 0.1) billion from the after-tax profits of \$2.8 billion recorded in the second quarter of 2009, but down \$3.4 (± 0.1) billion compared with first quarter 2010 after-tax profits of \$12.6 billion.

Unadjusted **sales** for the second quarter of 2010 totaled \$49.6 billion, up \$6.2 (± 0.5) billion from the \$43.5 billion recorded in the second quarter of 2009, but down \$2.7 (± 0.4) billion from first quarter 2010 sales of \$52.4 billion.

After-tax profits per dollar of sales averaged 18.6 cents for the quarter, compared with 6.4 cents for the second quarter of 2009, and 24.1 cents for the first quarter of 2010.

Wholesale Trade Corporations

Second quarter 2010 unadjusted **after-tax profits** for wholesale trade corporations with assets of \$50 million and over totaled \$7.3 billion, up \$3.7 (± 0.3) billion from the after-tax profits of \$3.6 billion recorded in the second quarter of 2009, and up \$2.4 (± 0.2) billion compared with first quarter 2010 after-tax profits of \$4.9 billion.

Unadjusted **sales** for the second quarter of 2010 totaled \$459.0 billion, up \$54.6 (± 12.0) billion from second quarter 2009 sales of \$404.3, and up \$24.8 (± 5.8) billion from first quarter 2010 sales of \$434.1 billion.

After-tax profits per dollar of sales averaged 1.6 cents for the quarter, compared with 0.9 cents for the second quarter of 2009, and 1.1 cents for the first quarter of 2010.

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 - Second quarter 2010* (QFR/10-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.

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 - Second quarter 2010* (QFR/10-Q2), 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	
Third Quarter 2010	December 13, 2010

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

Item	Seasonally adjusted			Unadjusted		
	2Q	1Q	2Q	2Q	1Q	2Q
	2010	2010 ²	2009 ²	2010	2010 ²	2009 ²
Rate of return (after taxes):						
Cents per dollar of sales	8.37	7.99	4.30	8.74	8.10	4.79
Percent on equity (annual rate)	N/A	N/A	N/A	16.33	14.32	9.07
	(million dollars)					
Sales	1,438,065	1,402,176	1,233,822	1,459,056	1,349,944	1,253,821
Income after income taxes	120,418	112,023	53,074	127,492	109,392	60,009
Dividends paid (cash)	N/A	N/A	N/A	42,104	43,775	41,863

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	1,046,926	1,073,855	59,768	62,035	64,055	72,303
2000	1,119,591	1,127,765	1,144,050	1,122,672	77,292	69,390	71,102	52,571
2001	1,114,694	1,093,643	1,058,840	1,029,043	11	14,575	8,252	13,078
2002	1,024,167	1,048,889	1,064,604	1,077,608	25,429	36,482	38,624	39,393
2003	1,101,556	1,073,729	1,103,989	1,114,224	59,062	48,612	50,654	78,420
2004	1,182,457	1,222,711	1,243,094	1,283,667	76,289	86,098	87,248	98,316
2005	1,299,979	1,323,743	1,372,991	1,411,394	90,810	98,874	104,882	106,383
2006	1,445,392	1,456,310	1,452,184	1,426,814	121,131	115,098	121,876	112,084
2007	1,456,290	1,498,155	1,520,318	1,581,891	118,800	129,311	74,866	119,550
2008	1,624,266	1,694,104	1,658,811	1,394,048	119,196	102,301	118,563	(74,017)
2009	1,242,394	1,233,822	1,286,131	1,343,967	35,957	53,074	94,099	104,265
2010	1,402,176	1,438,065			112,023	120,418		
All nondurable manufacturing:								
1999	445,182	452,181	460,145	477,185	26,145	28,416	30,139	32,927
2000	506,677	514,622	526,841	505,156	37,080	38,233	35,668	31,437
2001	507,776	506,155	488,505	471,652	31,230	33,856	25,518	21,519
2002	463,482	478,712	497,240	515,410	26,476	28,846	29,260	33,797
2003	540,995	514,271	532,171	526,326	43,640	33,940	28,159	42,859
2004	571,969	593,064	602,961	628,053	41,331	47,055	49,906	53,075
2005	637,958	646,652	689,712	705,273	56,047	57,681	61,553	64,728
2006	719,913	722,667	727,140	702,897	69,002	71,644	72,051	64,565
2007	714,147	749,707	761,558	818,227	70,837	74,243	67,497	70,443
2008	854,037	923,673	912,864	711,712	74,142	77,061	83,751	(12,181)
2009	632,918	647,644	684,242	715,377	45,832	55,905	62,454	68,098
2010	745,041	755,761			65,331	61,495		
All durable manufacturing:								
1999	557,296	573,531	586,781	596,670	33,623	33,619	33,916	39,376
2000	612,914	613,143	617,209	617,516	40,212	31,157	35,434	21,134
2001	606,918	587,488	570,335	557,391	(31,219)	(19,281)	(17,266)	(8,441)
2002	560,685	570,177	567,364	562,198	(1,047)	7,636	9,364	5,596
2003	560,561	559,458	571,818	587,898	15,422	14,672	22,495	35,561
2004	610,488	629,647	640,133	655,614	34,958	39,043	37,342	45,241
2005	662,021	677,091	683,279	706,121	34,763	41,193	43,329	41,655
2006	725,479	733,643	725,044	723,917	52,129	43,454	49,825	47,519
2007	742,143	748,448	758,760	763,664	47,963	55,068	7,369	49,107
2008	770,229	770,431	745,947	682,336	45,054	25,240	34,812	(61,836)
2009	609,476	586,178	601,889	628,590	(9,875)	(2,831)	31,645	36,167
2010	657,135	682,304			46,692	58,923		

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
	2010	2010 ²	2009 ²	2010	2010 ²	2009 ²	2010	2010 ²	2009 ²
	(million dollars)								
All manufacturing ³	1,459,056	1,349,944	1,253,821	119,276	87,152	75,254	127,492	109,392	60,009
All nondurable manufacturing	770,820	721,808	661,523	63,822	48,873	51,104	62,110	63,396	56,585
Food	136,529	135,499	134,868	9,832	9,894	10,361	7,436	8,311	8,226
Beverage and tobacco products	43,484	39,367	38,421	9,098	6,942	8,169	9,367	7,006	7,589
Textile mills and textile product mills	9,216	8,762	8,562	507	513	228	372	370	132
Apparel and leather products	22,233	21,008	19,848	2,054	1,883	1,456	1,868	1,726	999
Paper	30,535	29,462	28,374	1,864	1,533	2,670	2,445	664	1,476
Printing and related support activities	15,809	15,041	15,282	1,225	669	925	586	152	222
Petroleum and coal products	275,120	251,065	204,098	11,842	6,746	1,607	1,980	17,015	9,819
Chemicals	197,210	185,786	177,249	24,602	18,570	23,318	35,554	26,940	26,886
Basic chemicals, resins, and synthetics ⁴	63,001	56,924	47,739	4,481	3,019	1,440	13,066	2,888	1,284
Pharmaceuticals and medicines ⁴	80,159	80,199	78,442	12,961	9,060	13,896	16,506	18,518	19,574
All other chemicals ⁴	54,050	48,664	51,069	7,160	6,491	7,981	5,982	5,533	6,028
Plastics and rubber products	40,682	35,818	34,820	2,799	2,123	2,368	2,502	1,213	1,235
All durable manufacturing	688,236	628,136	592,298	55,454	38,279	24,151	65,382	45,996	3,425
Wood products	17,877	14,537	14,658	986	339	324	484	(74)	(154)
Nonmetallic mineral products	24,542	17,986	23,496	1,536	(1,213)	1,106	1,974	187	(2,384)
Primary metals	54,184	47,539	37,963	3,487	1,975	(393)	5,113	1,198	(1,518)
Iron, steel, and ferroalloys ⁴	27,905	23,482	18,270	1,006	(75)	(1,644)	(134)	(865)	(1,759)
Nonferrous metals ⁴	21,250	19,796	15,752	1,875	1,559	854	4,855	1,762	4
Foundries ⁴	5,029	4,261	3,941	606	491	396	391	301	237
Fabricated metal products	61,917	56,532	56,868	5,787	4,917	4,129	4,673	3,718	2,638
Machinery	87,807	75,003	77,184	7,635	4,786	4,792	7,214	4,683	3,177
Computer and electronic products	148,339	140,432	126,903	13,625	9,111	3,305	20,929	19,653	7,247
Computer and peripheral equipment ⁴	46,125	43,822	37,550	4,257	2,048	851	7,161	6,984	3,686
Communications equipment ⁴	33,039	30,941	30,332	2,698	1,203	743	4,027	3,710	2,651
All other electronic products ⁴	69,175	65,670	59,021	6,670	5,860	1,711	9,741	8,959	910
Electrical equipment, appliances, and components	47,633	44,579	45,426	5,129	3,584	4,436	5,505	3,519	3,976
Transportation equipment	193,547	181,817	159,390	12,416	9,956	1,586	13,821	10,009	(13,653)
Motor vehicles and parts ⁴	121,526	113,683	86,728	5,903	4,113	(5,123)	8,423	5,833	(18,309)
Aerospace products and parts ⁴	60,240	56,245	60,495	5,304	4,675	5,594	4,519	3,441	4,307
Furniture and related products	14,461	13,362	13,960	909	586	588	611	312	354
Miscellaneous manufacturing	37,928	36,348	36,451	3,943	4,239	4,279	5,058	2,792	3,740
All mining ³	49,643	52,359	43,473	8,924	11,191	5,355	9,214	12,626	2,790
All wholesale trade ³	458,957	434,133	404,348	12,090	8,227	7,802	7,339	4,909	3,629

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.