# Economic Classification Policy Committee; Initiative to Create a Product Classification System, Phase I: Exploratory Effort to Classify Service Products

AGENCY: Office of Management and Budget, Executive Office of the President

ACTION: Proposed Development of a Comprehensive and Integrated North American Product

Classification System

**SUMMARY:** Under Title 44 U. S. C. 3504(e), the Office of Management and Budget (OMB), through its Economic Classification Policy Committee (ECPC), is seeking public comment on the proposed development of a comprehensive classification system for products produced by North American Industry Classification System (NAICS) industries. The ECPC proposes, over the long term, to develop a comprehensive and integrated North American Product Classification System for the products produced by industries classified under the North American Industry Classification System (NAICS) and, over the short term, to explore the feasibility of identifying and classifying products produced by selected NAICS service industries. The ECPC is particularly seeking proposals for an initial identification of the service products created by industries in selected service sectors as well as comments on related discussions of needs and uses for product data, guiding principles for the product classification development, and organization and tasks of the product classification committees. In addition, the ECPC is seeking information sources in the academic and business communities that can be used by the classification committees to identify the products created by the service industries included in Phase I (see Industry Appendix).

**DATES:** To ensure consideration, all comments on the development of a product classification system and proposals for products must be received electronically or in writing no later than June 15, 1999.

ADDRESSES: Please send comments and proposals for products electronically either by e-mail to prodclass@ccmail.census.gov or by using the response form found on www.census.gov/products. Proposals may also be mailed to Michael F. Mohr, Coordinator, ECPC Initiative to Classify Service Products, Bureau of the Census, U.S. Department of Commerce, Room 2633-3, Washington, DC 20233, telephone number (301) 457-2589, FAX (301) 457-1536. Proposals will become part of the library of background information to guide the work of the classification committees. All comments and proposals received in response to this notice will be available for public inspection at the Bureau of the Census, U.S. Department of Commerce, 4700 Silver Hill Road, Suitland, MD 20233. Please telephone the Bureau of the Census at (301) 457-2589 to make an appointment. Those making proposals will be notified directly of action taken by the ECPC.

Those wishing to identify information sources for the service industries included in Phase I should do so either through the web site at www.census.gov/products, or by e-mail to prodclass@ccmail.census.gov, or by contacting Michael F. Mohr, Coordinator, ECPC Initiative to Classify Service Products, Bureau of the Census, U.S. Department of Commerce, Room 2633-3, Washington, DC 20233, telephone number (301) 457-2589, FAX (301) 457-1536.

Web Page: A Web Page for the product classification initiative can be found at www.census.gov/products. This site provides extensive information on, and will report news about, the initiative; it also provides a structured medium through which interested parties can participate electronically in Phase I by identifying information sources and submitting proposals for the products produced by the covered service industries.

Electronic Availability: This document is available on the World Wide Web from the Census Bureau at the address <a href="http://www.census.gov/products">http://www.census.gov/products</a> under the listing Federal Register Notice. This document is also available via File Transfer Protocol (FTP) at the address <a href="https://example.census.gov/pub/epcd/www/products/products99.txt">https://example.census.gov/pub/epcd/www/products/products99.txt</a>. A more comprehensive treatment of the subject matter contained in this notice is provided in a Discussion Paper that is also available electronically at the foregoing addresses. Copies of the NAICS manual referenced in this notice can be ordered from the National Technical Information Service at the address <a href="http://www.ntis.gov/naics">http://www.ntis.gov/naics</a> or (800) 553-6847.

FOR FURTHER INFORMATION CONTACT: Parties wishing further information on the work described in this notice should contact Michael F. Mohr, Coordinator: ECPC Initiative to Classify Service Products, Bureau of the Census, U.S. Department of Commerce, Room 2633-3, Washington, DC 20233, E-mail michael.f.mohr@ccmail.census.gov, telephone number (301) 457-2589, FAX (301)457-1536.

#### SUPPLEMENTARY INFORMATION:

# Background

In a **Federal Register** notice of July 26, 1994 (59 *FR* 38092-38096), OMB announced that the ECPC had agreed to work in concert with Mexico's Instituto Nacional de Estadística, Geografía e Informática (INEGI) and Statistics Canada to develop a new and common industry classification system - the North American Industry Classification System (NAICS) - that would replace the existing system used in the United States, the Standard Industrial Classification System (SIC). Final agreement on NAICS was announced in a **Federal Register** notice of April 9, 1997 (62 FR 17287-17337). This agreement resulted in the publication in 1998 of the new North American Industry Classification System, United States, 1997 manual.

In addition to announcing the development of NAICS, the 1994 **Federal Register** notice also indicated that each country would provide product data compiled within the framework of its respective statistical system, to meet the need for such information. Recognizing the increasing international trade in goods and services, each country envisaged working cooperatively to help improve existing commodity classification systems, including the Harmonized System (HS) of the Customs Cooperation Council and the United Nations' Provisional Central Product Classification System (CPC) for services.(1) In particular, the three countries agreed that such cooperation would entail coordinating their product classification efforts and keeping each other informed of proposals for change in this area. Integral to the product classification accord was a common recognition by the statistical agencies of the three countries that "market-oriented, or demand-based, groupings of economic data are required for many purposes, including studies of market share, demand for goods and services, import competition in domestic markets and similar studies."(2)

In recognition of the product classification accord, the ECPC committed to expanding the list of commodities and services that would be available from the 1997 Economic Censuses. The ECPC also established two product code task forces to implement this commitment - the Investment Goods Product Code Task Force and the Service Product Code Task Force. Although preliminary work on service products classification began in 1993, that work was subsequently terminated because the total restructuring of the industry classification system consumed all available resources within the statistical agencies.(3)

Having now largely accomplished the industry classification objectives for NAICS, the ECPC is announcing a new initiative to develop a comprehensive classification system for the products produced by NAICS industries. This initiative will be conducted as a joint effort by Canada, Mexico, and the United States. The long-term objective of the joint initiative is to develop a market-oriented/demand-based classification system for products that (a) is not industry-of-origin based but can be linked to the NAICS industry structure, (b) is consistent across the three NAICS countries, and (c) promotes improvements in the identification and classification of service products across international classification systems, such as the Central Product Classification System of the United Nations.

# **Product Classification System Initiative**

The ECPC anticipates that the initiative to classify service products will be a comprehensive effort that addresses both the conceptual issues and the data collection issues necessary to ensure that the system is conceptually sound, feasible to implement, and relevant to analytical and operational objectives. The initiative will be implemented in two phases. An interim, or exploratory, phase to be launched in early 1999 and completed during 2000 (Phase I), will develop preliminary product classifications for a subset of NAICS service industries. These results will be incorporated in the 2002 Economic Census and related programs. A second, or final, phase of this initiative will be launched after the 2002 Economic Census. Exploiting the lessons and insights gained from the deliberations of Phase I and the data collection activities of the 2002 Economic Census, this phase (Phase II) will develop a complete and fully integrated product classification system that extends to all NAICS industries. The results of Phase II will be incorporated in the 2007 Economic Census and related programs.

In undertaking this effort, the ECPC recognizes that the development of even a preliminary classification system for selected service products will be a complex endeavor that will tax the expertise of the statistical agencies which currently lack familiarity with how industry produces these service products. Accordingly, the ECPC is actively seeking information sources in the academic and business communities that can be used by the classification committees to identify the products created by the service industries included in Phase I (see Industry Appendix). Commentors who wish to provide such information should refer to the ADDRESSES section of this notice.

The ECPC is seeking proposals for the initial identification of service products as well as comments on the discussion of needs and uses and guiding principles for the product classification, and the organization and tasks of the classification committees. In accordance with the proposed classification development process outlined below, the ECPC requests that respondents to this notice support their proposals for the identification and definition of service products for service industries included in Phase I of this initiative with documentation that provides information to support the following tasks:

- 1. Developing a model/description of the production process for each industry;
- 2. Identifying/defining the final products sold by each industry;
- 3. Developing formal definitions for the identified products; and
- 4. Proposing suggestions for organizing the products identified for each sector into a market-oriented classification system that will allow users to:
- 5. identify the quantity and price(s) of each product produced by each industry,
- 6. aggregate common products across all industries, and
- 7. group and aggregate products in a manner that satisfies the demand-side classification framework adopted by the three NAICS countries.

#### Phase I: Classification of Service Products

The first or interim phase of the initiative proposes to identify and classify the products produced by the industries in four NAICS service sectors - Information (Sector 51); Finance and Insurance (Sector 52) except Insurance (Subsector 524); Professional, Scientific, and Technical Services (Sector 54); and Administrative and Support, Waste Management and Remediation Services (Sector 56).(4)

#### **Needs and Uses**

There are two reasons for the focus on services in Phase I. First, the value of final production produced by industries included in NAICS service sectors now accounts for about 45 percent of private sector Gross Domestic Product (GDP) in the U.S., and these sectors include some of the fastest growing segments of the economy, such as computer services, communications, management consulting, temporary help services, and health services. Second, despite its importance in the overall private economy, the U.S. currently has no product classification system for service industries. In contrast, the Census Bureau has been collecting product-level data for manufacturing industries since at least the 1899 Census of Manufactures; by 1939 it was collecting data for approximately 6,400 manufactured products. Moreover, the Census Bureau has had a published list of manufactured products and product codes since 1947 - the Numerical List of Manufactured and Mineral Products, which has been revised and updated every five years (in conjunction with the economic censuses). By 1967 the list of manufactured products had grown to 10,500, but more than 12,000 products were included under the NAICS classification system for the 1997 Economic Census.

The collection of product data for these manufactured products by the Census Bureau and the collection of associated producer price data by the Bureau of Labor Statistics (BLS) have long provided national accountants and researchers with the information necessary to estimate, monitor, and analyze the growth in real output, prices, productivity, international trade, and competitiveness in the manufacturing sector. In turn, these manufacturing estimates and analyses have long served to influence and guide the formulation of government policies, including industrial, international trade, fiscal, and monetary policies. And, within the business community, Census Bureau tabulations of the detailed products made and used by manufacturers have been highly valued and much utilized, as a reliable and comprehensive source of information on trends and new developments in the product markets in which businesses operate and compete.

Over the last several decades, however, the share of U.S. national output derived from service sector industries has grown to exceed the share derived from manufacturing and all other goods-producing sectors combined. Moreover, that share seems certain to grow over the long-term and, perhaps, accelerate its pace. In recognition of this profound structural change, the ECPC believes it is critical to provide the business and economics community - business analysts, policy makers, researchers, and statistical agencies - with the kind of comprehensive, well-organized data on the products produced by

service industries that presently exist for the products produced by manufacturing and other goods-producing industries.

Thus, the overriding objective of Phase I of the initiative is to systematically explore the development of a formal classification system for service products that can be used throughout the public and private communities of users to coordinate the collection, tabulation, and analysis of data on the value of the detailed products sold or produced for final consumption by selected service industries and on the prices charged for those products. Although preliminary, the results from Phase I will be available to guide the collection of data for service products in the affected industries during the 2002 Economic Census. In contrast to Phase I, the ultimate objective of Phase II of the initiative will be to develop an agreed-upon, integrated, and comprehensive list of products, product definitions, and product codes that (1) encompasses the products of both goods- and service-producing industries alike and (2) accommodates a demand-side/market-oriented classification framework for grouping and aggregating these products.

# **Guiding Principles**

The ECPC is proposing three general principles to guide the overall process of classifying the products produced by industries:

- 1. An understanding of the production process of the reporting units included in the respective industries is a required first principle for identifying and defining the product(s) actually produced for final consumption by those industries.(5)
- 2. The aim of the product classification process should be to identify, define, and classify the final products produced and transacted by the reporting units within each industry. The final products of reporting units in an industry are those that are created and transacted (sold or transferred) by the reporting units to economic entities outside of the individual reporting units.
- 3. The classification of products produced by industries should be based on a market-oriented, or demand-based, conceptual framework.(6)

With respect to the first principle, the ECPC believes it is necessary to approach the process of product classification for industries from the perspective of the production process because it provides the necessary conceptual framework for: (a) identifying the activities performed by a given industry, (b) facilitating an ordered consideration of information and competing hypotheses about the role of any products derived from those activities in the production process, (c) developing informed judgements about the final products produced by the industry, and (d) providing insights into the transaction unit that is appropriate and feasible for measuring the respective products and the reporting unit that is appropriate for collecting the data. Put simply, in order to satisfy the second principle, it is necessary to

distinguish the final products produced by a given industry's production process from the intermediate outputs produced and consumed by that process. While this approach has significance for industries generally, it is especially important in the case of service industries where, in contrast to goods-producing industries such as manufacturing, there exists much confusion about what many service industries do and how they do it.

Finally, once the products of the industries have been identified and defined, it is necessary to organize those products according to a consistent classification principle that is acceptable and useful to all segments of the data using community. The third principle reflects the ECPC's commitment to satisfy this requirement in a manner that reflects the consensus reached on this issue by the three NAICS countries. The guiding role of the third principle in classifying and grouping products was enunciated by Triplett [1994a, p. 6], who noted that a product grouping system "should incorporate, and facilitate the analysis of, the relationships among products - demand relations, substitution relations, marketing relationships, uses by consumers or by other ultimate purchasers."

#### **Guidelines for Product Identification in Service Industries**

Identifying the final products of each industry is the first step in developing a product classification system. Recognizing that this step can be difficult for many service industries, the ECPC intends that private sector respondents to this Initiative and the classification committees will formulate proposals for the products of a given service industry in the context of the following definitions and guidelines.

- Conceptual Definition of a Service Product: A service is a change in the condition of a person, or a good belonging to some economic entity, brought about as the result of the activity of some other economic entity, with the approval of the first person or economic entity.(7) To correctly define the product(s) of a service industry it is essential to specify exactly what the producer agrees to sell and what the customer agrees to buy. That is, a determination must be made of what is implicitly or explicitly "contracted for" when a transaction takes place. Further, it is important to distinguish between the output the industry produces and the activities carried out by the industry to produce the output.(8)
- Final Service Product: The final products of reporting units in an industry are the service products (simple, composite, or bundle) that are created and transacted (sold or transferred) by the reporting units to other reporting units, enterprises, institutions or persons; domestic or international.
- Types of Service Products: The final service products may include one or more of the following broad types:(9)
  - (a) *simple service:* a standard service whose real output can often be measured in physical units or counts; e.g., a traditional haircut or basic phone service.

- (b) *composite service*: a product that embodies several distinct services that are produced together (by virtue of regulations, production process, safety or hygiene requirements, or industry practice). The customer is not free to pick and choose among the several services in the composite -- the consumer buys all or none; e.g., a conventional hotel room rental includes maid service, salon haircuts include shampooing, or the final product (diagnosis or course of treatment) created by a doctor's office visit may embody a variety of required diagnostic services (see related discussion in section C below).
- (c) service bundle: a product containing a collection of services negotiated between the service provider and the customer and whose composition may vary by customer; e.g., traditional phone service plus call waiting and/or caller ID, etc., a bundle of information services that can be transmitted through a common medium (cable, satellite) and that may include voice, data and/or visual services, etc., or different bundles of janitorial services, or legal services, or accounting services, etc.
- Product Detail: Identify and define products for your selected industry at a level of detail that accords with
  prevailing marketing practices and record keeping practices in the industry.

#### **Classification Committees**

Phase I of the initiative will be accomplished through the creation of four classification committees (one per sector) that will operate simultaneously and draw on the combined talent and resources of the Federal statistical agencies. The ECPC also will strive to provide each committee with consultancy support from private sector industry experts. The committees will implement a comprehensive product classification process for each NAICS service industry in the Industry Appendix below. The process will include:

- 1. Developing a model/description of the production process for each industry;
- 2. Identifying/defining the final products sold by each industry;
- 3. Developing formal definitions for the identified products; and
- 4. Proposing suggestions for organizing the products identified for each sector into a market-oriented classification system that will allow users to:
- a. identify the quantity and price(s) of each product produced by each industry,
- b. aggregate common products across all industries, and
- c. group and aggregate products in a manner that satisfies the demand-side classification framework adopted by the three NAICS countries.

In addition, each classification committee will consider issues related to the unit of measurement and to the feasibility of measuring and reporting data on output and prices for the products identified for the respective service industries, including industry record-keeping practices and reporting units.

#### Donald R. Arbuckle,

Acting Administrator and Deputy Administrator, Office of Information and Regulatory Affairs.

#### References

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United Nations [1998], Central Product Classification (CPC), Version 1.0, Statistical Papers, Series M, No. 77, Very 1.0, Department of Economics and Social Affairs, Statistics Division, New York.

## **Industry Appendix**

## U.S. Industries Arranged by NAICS Sectors, Subsectors, and Industry Groups

#### **51 INFORMATION**

- 511 Publishing Industries
- 5111 Newspaper, Periodical, Book, and Database Publishers
- 51111 Newspaper Publishers
- 51112 Periodical Publishers
- 51113 Book Publishers
- 51114 Database and Directory Publishers
- 51119 Other Publishers
- 511191 Greeting Card Publishers
- 511199 All Other Publishers
- 5112 Software Publishers
- 51121 Software Publishers
- 512 Motion Picture & Sound Recording Industries
- 5121 Motion Picture & Video Industries
- 51211 Motion Picture & Video Production
- 51212 Motion Picture & Video Distribution
- 51213 Motion Picture & Video Exhibition
- 512131 Motion Picture & Theaters (except Drive-Ins)
- 512132 Drive-In Motion Picture Theaters 51219 Postproduction Services and Other Motion Picture and Video Industries
- 512191 Teleproduction and Other Postproduction Services
- 512199 Other Motion Picture and Video Industries
- 513 Broadcasting & Telecommunications
- 5131 Radio & Television Broadcasting
- 51311 Radio Broadcasting

- 513111 Radio Networks 513112 Radio Stations 51312 Television Broadcasting 5132 Cable Networks & Program Distribution 51321 Cable Networks 51322 Cable & Other Program Distribution 5133 Telecommunications 51332 Wireless Telecommunications Carriers (except Satellite) 513321 Paging 513322 Cellular & Other Wireless Telecommunications 51333 Telecommunications Resellers 51334 Satellite Telecommunications 51339 Other Telecommunications 514 Information Services & Data Processing Services 5141 Information Services 51411 News Syndicates 51412 Libraries & Archives 51419 Other Information Services 514191 On-Line Information Services 514199 All Other Information Services 5142 Data Processing Services 51421 Data Processing Services **52 FINANCE & INSURANCE** 521 Monetary Authorities - Central Bank 5211 Monetary Authorities - Central Bank 52111 Monetary Authorities - Central Bank 522 Credit Intermediation & Related Activities 5221 Depository Credit Intermediation 52211 Commercial Banking 52212 Savings Institutions 52213 Credit Unions 52219 Other Depository Credit Intermediation 5222 Nondepository Credit Intermediation 52221 Credit Card Issuing
- 522291 Consumer Lending522292 Real Estate Credit

52229 Other Nondepository Credit Intermediation

52222 Sales Financing

522293 International Trade Financing
522294 Secondary Market Financing
522298 All Other Nondepository Credit Intermediation
5223 Activities Related to Credit Intermediation
52231 Mortgage & Nonmortgage Brokers
52232 Financial Transactions Processing, Reserve, & Clearinghouse Activities
52239 Other Activities Related to Credit Intermediation
523 Securities, Commodity Contracts & Other Financial Investments & Related Activities
5231 Securities & Commodity Contracts Intermediation & Brokerage
52311 Investment Banking & Securities Dealing
52312 Securities Brokerage
52313 Commodity Contracts Dealing
52314 Commodity Contracts Brokerage
5232 Securities &Commodity Exchanges
52321 Securities & Commodity Exchanges
5239 Other Financial Investment Activities
52391 Miscellaneous Intermediation
52392 Portfolio Management
52393 Investment Advice
52399 All Other Financial Investment Activities
523991 Trust, Fiduciary & Custody Activities
523999 Miscellaneous Financial Investment Activities
525 Funds, Trusts & Other Financial Vehicles
5251 Insurance & Employee Benefit Funds
52511 Pension Funds
52512 Health & Welfare Funds
52519 Other Insurance Funds
5259 Other Investment Pools & Funds
52591 Open-End Investment Funds
52592 Trusts, Estates & Agency Accounts
52593 Real Estate Investment Trusts<> 52599 Other Financial Vehicles

# 54 PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES

- 541 Professional, Scientific & Technical Services
- 5411 Legal Services
- 54111 Offices of Lawyers
- 54112 Offices of Notaries
- 54119 Other Legal Services
- 541191 Title Abstract & Settlement Offices

541199 All Other Legal Services 5412 Accounting, Tax Preparation, Bookkeeping & Payroll Services 54121 Accounting, Tax Preparation, Bookkeeping & Payroll Services 541211 Offices of Certified Public Accountants 541213 Tax Preparation Services 541214 Payroll Services 541219 Other Accounting Services 5413 Architectural, Engineering & Related Services 54131 Architectural Services 54132 Landscape Architectural Services 54133 Engineering Services 54134 Drafting Services 54135 Building Inspection Services 54136 Geophysical Surveying & Mapping Services 54137 Surveying & Mapping (except Geophysical) Services 54138 Testing Laboratories 5414 Specialized Design Services 54141 Interior Design Services 54142 Industrial Design Services 54143 Graphic Design Services 54149 Other Specialized Design Services 5415 Computer Systems Design & Related Services 54151 Computer Systems Design & Related Services 541511 Custom Computer Programming Services 541512 Computer Systems Design Services 541513 Computer Facilities Management Services 541519 Other Computer Related Services 5416 Management, Scientific, & Technical Consulting Services 54161 Management Consulting Services 541611 Administrative Management & General Management Consulting Services 541612 Human Resources & Executive Search Consulting Services 541613 Marketing Consulting Services 541614 Process, Physical Distribution & Logistics Consulting Services 541618 Other Management Consulting Services 54162 Environmental Consulting Services 54169 Other Scientific & Technical Consulting Services 5417 Scientific Research & Development Services 54171 Research & Development in the Physical, Engineering & Life Sciences

54172 Research & Development in the Social Sciences & Humanities

5418 Advertising & Related Services
54181 Advertising Agencies
54182 Public Relations Agencies
54183 Media Buying Agencies
54184 Media Representatives
54185 Display Advertising
54186 Direct Mail Advertising
54187 Advertising Material Distribution Services
54189 Other Services Related to Advertising
5419 Other Professional, Scientific, and Technical Services
54191 Marketing Research & Public Opinion Polling
54192 Photographic Services
541921 Photography Studios, Portrait
541922 Commercial Photography
54193 Translation & Interpretation Services
54194 Veterinary Services
54199 All Other Professional, Scientific & Technical Services
56 ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION
SERVICES
561 Administrative & Support Services
5611 Office Administrative Services
56111 Office Administrative Services
5612 Facilities Support Services
56121 Facilities Support Services
5613 Employment Services
56131 Employment Placement Agencies
56132 Temporary Help Services
56133 Employee Leasing Services
5614 Business Support Services
56141 Document Preparation Services
56142 Telephone Call Centers
561421 Telephone Answering Services
561422 Telemarketing Bureaus
56143 Business Service Centers
561431 Private Mail Centers
561439 Other Business Service Centers (including Copy Shops)
56144 Collection Agencies
56145 Credit Bureaus

56149 Other Business Support Services 561491 Repossession Services 561492 Court Reporting & Stenotype Services 561499 All Other Business Support Services 5615 Travel Arrangement & Reservation Services 56151 Travel Agencies 56152 Tour Operators 56159 Other Travel Arrangement & Reservation Services 561591 Convention and Visitors Bureaus 561599 All Other Travel Arrange & Reservation Services 5616 Investigation & Security Services 56161 Investigation, Guard & Armored Car Services 561611 Investigation Services 561612 Security Guards & Patrol Services 561613 Armored Car Services 56162 Security Systems Services 561621 Security Systems Services (except Locksmiths) 561622 Locksmiths 5617 Services to Buildings & Dwellings 56171 Exterminating & Pest Control Services 56172 Janitorial Services 56173 Landscaping Services 56174 Carpet & Upholstery Cleaning Services 56179 Other Services to Buildings & Dwellings 5619 Other Support Services 56191 Packaging & Labeling Services 56192 Convention & Trade Show Organizers 56199 All Other Support Services 562 Waste Management & Remediation Services 5621 Waste Collection 56211 Waste Collection 562111 Solid Waste Collection 562112 Hazardous Waste Collection 562119 Other Waste Collection 5622 Waste Treatment & Disposal 56221 Waste Treatment & Disposal 562211 Hazardous Waste Treatment & Disposal 562212 Solid Waste Landfill 562213 Solid Waste Combustors & Incinerators

- 562219 Other Nonhazardous Waste Treatment & Disposal
- 5629 Remediation & Other Waste Management Services
- 56291 Remediation Services
- 56292 Materials Recovery Facilities
- 56299 All Other Waste Management Services
- 562991 Septic Tank & Related Services
- 562998 All Other Miscellaneous Waste Management Services

- 1. The provisional CPC has since been replaced by version 1.0; see United Nations [1998].
- 2. See Economic Classification Policy Committee [1994], 59 FR 38094.
- 3. Nonetheless, the ECPC's product classification objectives with respect to investment goods were largely achieved.
- 4. In addition to these four sectors, NAICS service sectors also include: Real Estate and Rental and Leasing (Sector 53); Management of Companies and Enterprises (Sector 55); Educational Services (Sector 61); Health Care and Social Assistance (Sector 62); Arts, Entertainment, and Recreation (Sector 71); Accommodation and Food Services (Sector 72); and Other Services (except Public Administration) (Sector 81).
- 5. The ECPC recognized the dual importance of this principle for classifying both service industries and the products produced by such industries early on; see Economic Classification Policy Committee [1993a], Section 6.5.
- 6. This classification principle was first established in several papers by Triplett [1990, 1994a, and 1994b]; see also Economic Classification Policy Committee [1993b].
- 7. See Hill [1977, p.318].
- 8. See Sherwood [1997, p.3].
- 9. These service product types were suggested by Chadeau [1997, p.2].