

MA325F(06)-1

## Current Industrial Reports

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**SUMMARY OF FINDINGS.** In 2006, total manufacturers' estimated shipments of paint and

allied products amounted to \$20,836.3 million, an increase of 4.5 percent from the 2005 shipments of \$19,945.2 million. Shipments of architectural coatings increased 5.2 percent to \$8,931.1 million in 2006, from \$8,485.8 million in 2005. Shipments of OEM coatings amounted to \$6,094.2 million in 2006, a slight increase in comparison to the 2005 shipments total of \$6,032.0 million. Shipments of special-purpose coatings increased 7.7 percent to \$4,328.2 million in 2006, from \$4,020.1 million in 2005. Shipments of miscellaneous allied paint products increased 5.4 percent to \$1,482.8 million in 2006, from \$1,407.2 million in 2005.

For general CIR information, explanation of general terms and historical note, see the appendix.

Address inquiries concerning these data to Primary Goods Industries Branch, Manufacturing and Construction Division, (MCD), Washington, DC 20233-6900 or call Betty Sutter, 301-763-5164.  
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# U S C E N S U S B U R E A U

*Helping You Make Informed Decisions*

U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU

Table 1. Summary of Estimated United States Total Quantity and Value of Shipments of Paint and Allied Products: 2001-2006  
 [Quantity in millions of gallons. Value in millions of dollars]

Year	Total		Architectural coatings		Product coatings OEM		Special purpose coatings		Miscellaneous allied paint products	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
2006.....	1,532.8	20,836.3	748.7	8,931.1	387.3	6,094.2	207.2	4,328.2	189.6	1,482.8
2005.....	1,570.3	19,945.2	759.3	8,485.8	410.1	6,032.0	r/ 211.1	r/ 4,020.1	r/ 189.8	r/ 1,407.2
2004.....	1,534.3	19,233.2	803.6	8,623.3	404.2	5,867.3	154.5	3,525.8	171.9	1,216.7
2003.....	1,473.5	18,092.0	762.0	8,006.2	398.5	5,541.4	165.1	3,369.0	148.0	1,175.3
2002.....	1,433.9	17,465.8	709.8	7,610.1	408.7	5,556.2	172.2	3,153.9	143.2	1,145.6
2001.....	1,392.9	17,274.7	667.0	7,038.3	406.5	5,566.6	161.2	3,408.1	158.2	1,261.7

r/Revised by 5 percent or more from previously published data.

Note: Data for 2001 through 2006 are estimates of the total U.S. value of shipments of paint, varnish, and lacquer. These estimates were developed by increasing the product class totals shown in Table 2 by adjustment factors. For 2002 through 2006 these factors are: 0.984 for "Architectural coatings", 1.007 for "Product coatings OEM", 1.001 for "Special purpose coatings," and 1.024 for "Miscellaneous paint products." For example, the quantity and value of OEM coatings for 2005 shown in Table 2 amounted to 407,277 and \$ 5,990,098 respectively. Adjusting these data by the factor of 1.007 (multiplying 407,277 and 5,990,098 by 1.007) equals the adjusted and rounded quantity and value of 410.1 and \$ 6,032.0 shown in Table 1. For 2001, the adjustment factors are: 1.002 for "Architectural coatings," 0.993 for "Product coatings OEM," 1.051 for "Special-purpose coatings," and 1.048 for "Miscellaneous allied paint products." These factors are used because the annual survey panel was selected to measure approximately 95 percent of the total shipments in the paint industry (NAICS 325510 former SIC 2851). The adjustment factors (based on the 2002 and 1997 Census of Manufactures' relationships) bring each product class value up to 100 percent. Quarterly data for 2006 and 2005 reflect the adjusted totals in Table 1 and are shown in Table 3 along with the quarterly data originally published in the Current Industrial Reports quarterly series MQ325F, "Paint, Varnish, and Lacquer."

Table 2. Quantity and Value of Shipments of Paint and Allied Products: 2006 and 2005  
 [Quantity in thousand of gallons. Value in thousand of dollars]

Product code	Product description	2006		2005	
		Quantity	Value	Quantity	Value
325510	Paint and allied products 1/.....	1,537,658	20,900,048	1,575,163	20,004,280
3255101	Architectural coatings.....	760,855	9,076,354	771,686	8,623,821
	Exterior solvent-type.....	66,013	914,585	r/ 75,618	r/ 923,424
3255101111	Solvent thinned paints and tinting bases, including barn and roof paints.....	17,891	207,764	r/ 19,972	r/ 210,932
3255101115	Solvent thinned enamels and tinting bases, including exterior-interior floor enamels.....	14,091	244,816	14,916	237,772
3255101119	Solvent thinned undercoaters and primers.....	7,898	97,375	9,767	115,295
3255101121	Solvent thinned clear finishes and sealers.....	4,888	72,951	5,685	74,240
3255101125	Solvent thinned stains, including shingle and shake.....	13,995	192,379	14,998	196,205
3255101129	Other exterior solvent thinned coatings, including bituminous paints.....	7,250	99,300	10,280	88,980
	Exterior water-type.....	187,005	2,356,329	193,803	2,256,713
3255101131	Water thinned paints and tinting bases, including barn and roof paints.....	106,845	1,366,745	r/ 110,918	r/ 1,332,835
3255101135	Water thinned exterior-interior deck and floor enamels.....	4,734	57,490	r/ 3,609	r/ 38,034
3255101139	Water thinned undercoaters and primers.....	28,939	341,184	28,992	318,816
3255101141	Water thinned stains and sealers.....	21,118	280,678	23,364	291,691
3255101145	Other exterior water thinned coatings.....	25,369	310,232	26,920	275,337
	Interior solvent-type.....	59,729	793,919	57,771	704,742
3255101211	Flat solvent thinned wall paint and tinting bases, including mill white paints.....	2,906	80,322	2,644	73,203
3255101215	Gloss and quick drying enamels and other gloss solvent thinned paints and enamels.....	3,385	50,925	r/ 3,383	r/ 47,224
3255101219	Semigloss, eggshell, satin solvent thinned paints, and tinting bases.....	13,072	196,879	r/ 12,428	175,435
3255101221	Solvent thinned undercoaters and primers.....	24,385	257,523	22,591	231,822
3255101225	Solvent thinned clear finishes and sealers.....	(D)	(D)	(D)	(D)
3255101229	Solvent thinned stains.....	1,099	16,581	r/ 1,130	r/ 16,241
3255101231	Other interior solvent thinned coatings.....	(D)	(D)	(D)	(D)
	Interior water-type.....	440,670	4,937,227	r/ 434,791	r/ 4,631,143
3255101235	Flat water thinned paints and tinting bases.....	167,880	1,591,693	r/ 171,055	r/ 1,491,589
3255101239	Semigloss, eggshell, satin, and other water thinned paints and tinting bases.....	190,554	2,429,588	r/ 191,012	r/ 2,300,497
3255101241	Water thinned undercoaters and primers.....	32,007	290,074	r/ 33,538	r/ 282,560
3255101245	Other interior water thinned coatings, stains, and sealers.....	50,229	625,872	39,186	556,497
3255101249	Architectural lacquers.....	7,416	73,899	r/ 7,636	r/ 81,924
3255101YWV	Architectural coatings, n.s.k. ....	22	395	2,067	25,875
3255104	Product finishes for original equipment manufacturers (OEM), excluding marine coatings.....	384,623	6,051,815	407,277	5,990,098
3255104111	Automobile, light truck, van, and sport utility vehicle finishes.....	55,201	1,163,599	54,468	1,139,477
3255104121	Automobile parts finishes.....	5,853	186,323	5,958	198,512
3255104131	Heavy duty truck, bus, and recreational vehicle finishes.....	8,395	208,024	7,554	205,873
3255104141	Other transportation equipment finishes, including aircraft and railroad.....	9,404	165,750	9,365	153,920
3255104211	Appliance, heating equipment, and air-conditioner finishes.....	7,907	97,446	8,239	93,686
3255104215	Wood furniture, cabinet, and fixture finishes.....	42,661	578,912	49,010	588,331
3255104219	Wood and composition board flat stock finishes.....	10,332	114,302	11,310	132,260
3255104221	Metal building product finishes, including coatings for aluminum extrusions and siding.....	30,982	649,577	32,327	606,818
3255104225	Container and closure finishes.....	33,345	481,602	35,241	465,719
3255104229	Machinery and equipment finishes, including road building equipment and farm implements.....	26,033	535,989	r/ 25,656	536,296
3255104231	Nonwood furniture and fixture finishes, including business equipment finishes.....	30,118	396,116	49,242	526,840
3255104235	Paper, paper board, film, and foil finishes, excluding pigment binders.....	14,219	138,878	14,743	134,700
3255104239	Electrical insulating coatings.....	880	19,400	r/ 821	r/ 18,355
	Powder coatings.....	71,971	871,998	65,654	758,301
3255104241	Appliance powder coatings 2/.....	9,084	189,091	7,905	167,027
3255104245	Automotive powder coatings 2/.....	3,918	75,287	3,199	66,015
3255104249	Architectural powder coatings (such as aluminum extrusions) 2/.....	1,820	21,327	r/ 1,707	18,867
3255104251	Lawn and garden powder coatings 2/.....	1,522	29,306	1,557	29,681
3255104255	General metal finishing powder coatings 2/.....	21,289	363,931	20,089	321,118
3255104259	Thermoset functional powder coatings (for pipe, rebar, electrical insulation, etc.) 2/.....	(D)	(D)	(D)	(D)

Table 2. Quantity and Value of Shipments of Paint and Allied Products: 2006 and 2005  
 [Quantity in thousand of gallons. Value in thousand of dollars]

Product code	Product description	2006		2005	
		Quantity	Value	Quantity	Value
3255104261	Thermoplastic powder coatings (all) 2/.....	(D)	95,207	(D)	89,802
3255104263	Other powder coatings	(D)	(D)	(D)	(D)
3255104265	Other industrial product finishes.....	34,985	433,377	34,931	404,426
3255104YWV	Product finishes for original equipment manufacturers (OEM), excluding marine coatings, n.s.k. ....	2,337	10,522	r/ 2,758	r/ 26,584
3255107	Special-purpose coatings, including all marine coatings.....	206,978	4,323,844	r/ 210,880	r/ 4,016,098
	Industrial new construction and maintenance paints (especially formulated coatings for special conditions of industrial plants and/or facilities requiring protection against extreme tempera- tures, fungi, chemicals, fumes, etc.):				
3255107111	Interior.....	44,094	474,560	r/ 45,316	r/ 432,042
3255107115	Exterior.....	30,704	706,669	29,774	658,740
3255107121	Traffic marking paints (all types; shelf goods and highway department).....	37,212	329,763	30,914	239,095
3255107131	Automotive, other transportation and machinery refinish paints and enamels, including primers.....	63,323	2,311,685	r/ 63,620	r/ 2,133,980
3255107141	Marine paints, ship and off-shore facilities and shelf goods for both new construction and marine refinish and maintenance, excludes spar varnish.....	(D)	242,605	(D)	254,202
3255107151	Marine paints for yacht and pleasure craft, new construction, refinish, and maintenance.....	(D)	9,259	(D) r/	9,673
3255107161	Aerosol-paint concentrates produced for packaging in aerosol containers.....	18,201	227,828	r/ 26,751	r/ 265,753
3255107YWV	Special-purpose coatings, n.s.k. ....	841	21,475	r/ 912	22,613
325510B	Miscellaneous allied paint products.....	185,202	1,448,035	r/ 185,320	r/ 1,374,263
325510B111	Paint and varnish removers.....	6,481	49,864	7,262	52,847
325510B121	Thinners for lacquers and other solvent based paint products.....	37,311	207,792	38,392	191,948
325510B131	Pigment dispersions.....	42,106	612,204	r/ 42,576	r/ 576,831
325510B141	Other miscellaneous allied paint products, including brush cleaners, ink vehicles, putty and glazing compounds, etc. ....	98,869	558,128	96,674	529,883
325510BYWV	Miscellaneous allied paint products, n.s.k. ....	435	20,047	416	22,754

D Withheld to avoid disclosing data for individual companies; data are included in higher level totals. n.s.k. Not specified by kind.  
 r/ Revised by 5 percent or more from previously published data.

1/Represents total shipments for those establishments producing paint and allied products that have 20 or more employees. These establishments represent approximately 95 percent of the total value of shipments for NAICS industry 325510, paint, varnishes, lacquers, enamels, and allied products, based on relationships observed in the 2002 Economic Census, Manufacturing sector's final report.

2/Data for powder coatings are collected in pounds and converted to gallons by using a conversion factor of 5 (5 lbs = 1 gallon). Data collected in pounds amounted to 359,855 thousand pounds in 2006 and 328,270 thousand pounds in 2005.

Table 3. Quantity and Value of Shipments of Paint, Varnish, and Lacquer by Quarter: 2006 and 2005  
 [Quantity in thousands of gallons. Value in thousands of dollars]

Quarter and year	As revised							
	Total		Architectural coatings		Product coatings OEM		Special-purpose coatings	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
<b>2006</b>								
Total.....	1,343,181	19,353,480	748,681	8,931,133	387,316	6,094,178	207,184	4,328,169
Fourth quarter.....	288,484	4,298,358	154,616	1,879,769	91,003	1,428,017	42,865	990,572
Third quarter.....	356,955	5,040,493	195,717	2,349,712	100,003	1,552,193	61,235	1,138,588
Second quarter.....	378,753	5,398,971	210,448	2,473,381	101,014	1,616,868	67,291	1,308,722
First quarter.....	318,989	4,615,658	187,900	2,228,271	95,296	1,497,100	35,793	890,287
<b>2005</b>								
Total.....	1,380,557	18,537,983	759,339	8,485,840	410,127	6,032,028	211,091	4,020,115
Fourth quarter.....	313,519	4,254,876	166,531	1,844,618	100,817	1,495,852	46,171	914,406
Third quarter.....	365,467	4,953,580	203,088	2,277,305	103,936	1,574,581	58,443	1,101,694
Second quarter.....	396,802	5,268,422	223,173	2,530,338	109,405	1,590,486	64,224	1,147,598
First quarter.....	304,769	4,061,105	166,547	1,833,579	95,969	1,371,109	42,253	856,417
Quarter and year	As published							
	Total		Architectural coatings		Product coatings OEM		Special-purpose coatings	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
<b>2006</b>								
Total.....	1,393,376	19,379,601	812,262	9,477,185	433,187	6,163,836	147,927	3,738,580
Fourth quarter.....	300,133	4,294,674	167,747	1,994,699	101,781	1,444,340	30,605	855,635
Third quarter.....	367,906	5,046,797	212,338	2,493,374	111,847	1,569,935	43,721	983,488
Second quarter.....	389,342	5,390,399	228,320	2,624,604	112,977	1,635,349	48,045	1,130,446
First quarter.....	335,995	4,647,731	203,857	2,364,508	106,582	1,514,212	25,556	769,011
<b>2005</b>								
Total.....	1,351,724	18,537,698	794,476	8,915,986	401,463	5,986,339	155,785	3,635,373
Fourth quarter.....	306,998	4,249,537	174,237	1,938,121	98,687	1,484,522	34,074	826,894
Third quarter.....	357,356	4,951,652	212,485	2,392,741	101,740	1,562,654	43,131	996,257
Second quarter.....	387,991	5,274,808	233,500	2,658,601	107,094	1,578,439	47,397	1,037,768
First quarter.....	299,379	4,061,701	174,254	1,926,523	93,942	1,360,724	31,183	774,454

See note at end of Table 1.

Table 4. Shipments, Exports, Imports, and Apparent Consumption of Selected Paints: 2006 and 2005  
 [Quantity in millions of gallons. Value in millions of dollars]

Product code	Product description	Manufacturers' shipments		Exports of domestic merchandise 1/		Percent exports to manufacturers' shipments		Imports for consumption 2/		Apparent consumption 4/		
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value 3/	Quantity	Value	
3255101100, 4100, 7100	Paint, varnish, and lacquer.....	2006....	1,343.2	19,353.5	(NA)	1,473.0	(NA)	7.6	(NA)	628.5	(NA)	18,509.0
		2005....	1,380.6	18,538.0	(NA)	1,338.1	(NA)	7.2	(NA)	547.2	(NA)	17,747.1
325510B111, B121	Paint and varnish removers, including thinners.....	2006....	43.8	257.7	(NA)	109.8	(NA)	42.6	(NA)	44.1	(NA)	192.0
		2005....	45.7	244.8	(NA)	89.3	(NA)	36.5	(NA)	21.2	(NA)	176.7
325510B141	Other miscellaneous allied paint products.....	2006....	98.9	558.1	(NA)	203.6	(NA)	36.5	(NA)	90.9	(NA)	445.4
		2005....	96.7	529.9	(NA)	176.7	(NA)	33.3	(NA)	85.6	(NA)	438.8

NA Not available.

1/Source: Census Bureau report EM 545, U. S. Exports.

2/Source: Census Bureau report IM 145, U. S. Imports for Consumption.

3/Dollar value represents the c.i.f. (cost, insurance, and freight) value at first port of entry in the United States plus U.S. import duties.

4/Apparent consumption is equal to domestic shipments, plus imports, minus exports.

Table 5. Comparison of North American Industry Classification System (NAICS)-Based Product Codes with Schedule B Export Codes and HTSUSA Import Codes: 2006

Product code	Product description	Export code 1/	Import code 2/
3255101100, 4100, 7100	Paint, varnish, and lacquers.....	3208.10.0000	3208.10.0000
		3208.20.0000	3208.20.0000
		3208.90.0000	3208.90.0000
		3209.10.0000	3209.10.0000
		3209.90.0000	3209.90.0000
325510B111, B121	Paint and varnish removers, including thinners.....	3814.00.0000	3814.00.1000
			3814.00.2000
			3814.00.5010
			3814.00.5090
325510B141	Other miscellaneous allied paint products.....	3210.00.0000	3210.00.0000
		3211.00.0000	3211.00.0000
		3214.10.0020	3214.10.0020
		3214.10.0090	3214.10.0090

1/Source: 2006 edition, Harmonized System-based Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States.

2/Source: Harmonized Tariff Schedule of the United States, Annotated (2006).

# Appendix.

## General CIR Survey Information, Explanation of General Terms and Historical Note

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### GENERAL

The CIR program has been providing monthly, quarterly, and annual measures of industrial activity for many years. Since 1904, with its cotton and fats and oils surveys, the CIR program has formed an essential part of an integrated statistical system involving the quinquennial economic census, manufacturing sector, and the annual survey of manufactures. The CIR surveys, however, provide current statistics at a more detailed product level than either of the other two statistical programs.

The primary objective of the CIR program is to produce timely, accurate data on production and shipments of selected products. The data are used to satisfy economic policy needs and for market analysis, forecasting, and decision making in the private sector. The product-level data generated by these surveys are used extensively by individual firms, trade associations, and market analysts in planning or recommending marketing and legislative strategies, particularly if their industry is significantly affected by foreign trade. Although production and shipments information are the two most common data items collected, the CIR program collects other measures also such as inventories, orders, and consumption. These surveys measure manufacturing activity in important commodity areas such as textiles and apparel, chemicals, primary metals, computer and electronic components, industrial equipment, aerospace equipment, and consumer goods.

The CIR program uses a unified data collection, processing, and publication system. The U.S. Census Bureau updates the survey panels for most reports annually and reconciles the estimates to the results of the broader-based annual survey of manufactures and the economic census, manufacturing sector. The manufacturing sector provides a complete list of all producers of the products covered by the CIR program and serves as the primary source for CIR sampling. Where a small number of producers exist, CIR surveys cover all known producers of a product. However, when the number of producers is too large, cutoff and random sampling techniques are used. Surveys are continually reviewed and modified to provide the most up-to-date information on products produced. The CIR program includes a group of mandatory and voluntary surveys. Typically the monthly and quarterly surveys are conducted on a voluntary basis. Those companies that choose not to respond to the voluntary surveys are required to submit a mandatory annual counterpart corresponding to the more frequent survey.

### NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS), 1997

The adoption of the North American Industry Classification System (NAICS) in the 1997 Economic Census has had a major impact on the comparability of current and historic data. Approximately half of the industries in the manufacturing sector of NAICS do not have comparable industries in the Standard Industrial Classification (SIC) system that was used in the past.

While most of the change affecting the manufacturing sector was change within the sector, some industries left manufacturing and others came into manufacturing. Prominent among those that left manufacturing are logging and portions of publishing. Prominent among the industries that came into the manufacturing sector are bakeries, candy stores where candy is made on the premises, custom tailors, makers of custom draperies, and tire retreading. The net effect of the classification changes are such that if the 1997 value of shipments data for all manufacturers were tabulated on an SIC basis, it would be approximately 3 percent higher.

Listed below are the NAICS sectors:

- 21 Mining
- 22 Utilities
- 23 Construction
- 31-33 Manufacturing
- 42 Wholesale Trade
- 44-45 Retail Trade
- 48-49 Transportation and Warehousing
- 51 Information
- 52 Finance and Insurance
- 53 Real Estate and Rental and Leasing
- 54 Professional, Scientific, and Technical Services
- 55 Management of Companies and Enterprises
- 56 Administrative and Support and Waste Management and Remediation Services
- 61 Educational Services
- 62 Health Care and Social Assistance
- 71 Arts, Entertainment, and Recreation
- 72 Accommodation and Foodservices
- 81 Other Services (except Public Administration)

(Not listed above are the Agriculture, Forestry, Fishing, and Hunting sector (NAICS 11), partially covered by the census of agriculture conducted by the U.S. Department of Agriculture, and the Public Administration sector (NAICS 92), covered by the census of governments conducted by the Census Bureau.)



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The 20 NAICS sectors are subdivided into 96 subsectors (three-digit codes), 313 industry groups (four-digit codes), and, as implemented in the United States, 1170 industries (five- and six-digit codes).

## FUNDING

The Census Bureau funds most of the surveys. However, a number of surveys are paid for either fully or partially by other Federal Government agencies or private trade associations. A few surveys are mandated, but all are authorized by Title 13 of the United States Code.

## RELIABILITY OF DATA

Survey error may result from several sources including the inability to obtain information about all cases in the survey, response errors, definitional difficulties, differences in the interpretation of questions, mistakes in recording or coding the reported data, and other errors of collection, response, coverage, and estimation. These nonsampling errors also occur in complete censuses. Although no direct measurement of the biases due to these nonsampling errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data in an effort to minimize their influence.

A major source of bias in the published estimates is the imputing of data for nonrespondents, for late reporters, and for data that fail logic edits. Missing figures are imputed based on period-to-period movements shown by reporting firms. A figure is considered to be an impute if the value was not directly reported on the questionnaire, directly derived from other reported items, directly available from supplemental sources, or obtained from the respondent during the analytical review phase. Imputation generally is limited to a maximum of 10 percent for any one data cell. Figures with imputation rates greater than 10 percent are suppressed or footnoted. The imputation rate is not an explicit indicator of the potential error in published figures due to nonresponse, because the actual yearly movements for nonrespondents may or may not closely agree with the imputed movements. The range of difference between the actual and imputed figures is assumed to be small. The degree of uncertainty regarding the accuracy of the published data increases as the percentage of imputation increases. Figures with imputation rates above 10 percent should be used with caution.

## DATA REVISIONS

Statistics for previous years may be revised as the result of corrected figures from respondents, late reports for which imputations were originally made, or other corrections. Data that have been revised by more than 5 percent from previously published data are indicated by footnotes.

## DISCLOSURE

The Census Bureau collects the CIR data under the authority of Title 13, United States Code, which specifies that the information can only be used for statistical purposes and cannot be published or released in any manner that would identify a person, household, or establishment. "D" indicates that data in the cell have been suppressed to avoid disclosure of information pertaining to individual companies.

## EXPLANATION OF GENERAL TERMS

**Capacity.** The maximum quantity of a product that can be produced in a plant in 1 day if operating for 24 hours. Includes the capacity of idle plants until the plant is reported to be destroyed, dismantled, or abandoned.

**Consumption.** Materials used in producing or processing a product or otherwise removing the product from the inventory.

**Exports.** Includes all types of products shipped to foreign countries, or to agents or exporters for reshipment to foreign countries.

**Gross shipments.** The quantity or value of physical shipments from domestic establishments of all products sold, transferred to other establishments of the same company, or shipped on consignment, whether for domestic or export sale or use. Shipments of products purchased for resale are omitted. Shipments of products made under toll arrangements are included.

**Interplant transfers.** Shipments to other domestic plants within a company for further assembly, fabrication, or manufacture.

**Inventories.** The quantity or value of finished goods, work in progress, and materials on hand.

**Machinery in place.** The number of machines of a particular type in place as of a particular date whether the machinery was used for production, prototype, or sampling, or was idle. Machinery in place includes all machinery set up in operating positions.

**Net receipts.** Derived by subtracting the materials held at the end of the previous month from the sum of materials used during the current month.

**Production.** The total volume of products produced, including: products sold; products transferred or added to inventory after adjustments for breakage, shrinkage, and obsolescence, plus any other inventory adjustment; and products that undergo further manufacture at the same establishment.

**Quantities produced and consumed.** Quantities of each type of product produced by a company for internal consumption within that same company.

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**Quantity and value of new orders.** The sales value of orders received during the current reporting period for products and services to be delivered immediately or at some future date. Also represents the net sales value of contract change documents that increase or decrease the sales value of the orders to which they are related, when the parties concerned are in substantial agreement as to the amount involved. Included as orders are only those that are supported by binding legal documents such as signed contracts or letter contracts.

**Quantity and value of shipments.** The figures on quantity and value of shipments represent physical shipments of all products sold, transferred to other establishments of the same company, or shipped on consignment, whether for domestic or export sale. The value represents the net sales price, f.o.b. plant, to the customer or branch to which the products are shipped, net of discounts, allowances, freight charges, and returns. Shipments to a company's own branches are assigned the same value as comparable appropriate allocation of company overhead and profit. Products bought and resold without further manufacture are excluded.

**Stocks.** Total quantity of ending finished inventory.

**Unfilled orders (backlog).** Calculated by adding net new orders and subtracting net sales from the backlog at the end of the preceding year.

#### **HISTORICAL NOTE**

Data on paint, varnish, and lacquer have been collected by the Census Bureau since 1928. Prior to 1981, a monthly sample survey, benchmarked to the census of manufactures, was used to collect these data. Beginning with data year 1981, an annual survey on paint and related products was added. The monthly survey was still conducted through 1990. Beginning in 1991, due to budget reductions, the monthly series was canceled and replaced with a similar quarterly series.

Historical data may be obtained from Current Industrial Reports (called Facts for Industry before 1959) available at your local Federal Depository Library.