

## **Business Patterns Indicators**

The number of total employees, first quarter payroll, annual payroll, and the number of total establishments by the number of employees are provided. Additional information is also given for selected industries. The industries are classified according to the 2002 North American Industry Classification System (NAICS). Business patterns indicators are provided for the following industries:

- Agriculture, Forestry, Fishing and Hunting Support Services;
- Mining;
- Utilities;
- Construction;
- Manufacturing;
- Wholesale Trade;
- Retail Trade;
- Transportation and Warehousing;
- Information;
- Finance and Insurance;
- Real Estate and Rental and Leasing;
- Professional, Scientific, and Technical Services;
- Management of Companies and Enterprises;
- Administrative and Support, and Waste Management and Remediation Services;
- Educational Services;
- Health Care and Social Assistance;
- Arts, Entertainment, and Recreation;
- Accommodation and Food Services;
- Other Services (except Public Administration);
- Auxiliaries (except Corporation, Subsidiary and Regional Management);
- Industries Not Classified.

For each type of industry, information is provided on the total number of establishments, as well as for establishments with the following number of employees:

- Establishments with 1 – 4 employees;
- Establishments with 5 – 9 employees;
- Establishments with 10 – 19 employees;
- Establishments with 20 – 49 employees;
- Establishments with 50 – 99 employees;
- Establishments with 100 – 249 employees;
- Establishments with 250 – 499 employees;
- Establishments with 500 – 999 employees;
- Establishments with 1000+ employees.

## **I. Definitions**

The Business Patterns employment data are based on full- and part-time employees on the payroll in the pay period that includes March 12<sup>th</sup>. Employees who happen to be on paid sick leave or vacation during that time are also included in the counts.

All forms of compensation, such as salaries, wages, reported tips, bonuses, vacation allowances, sick-leave pay, etc, are included in total payroll. The payroll information is reported before deductions for Social Security, income tax, insurance, etc. The first-quarter payroll refers to payroll from the January – March quarter.

## Information regarding Business Patterns indicators in NEO CANDO

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For the Business Patterns data, an establishment is defined as the single physical location where business is conducted, or where services or industrial operations are performed. If there is more than one activity occurring at one location with the same owner, all activities are counted as one establishment; in which case, the establishment is classified based on the major activity.

An establishment's size is based on paid employment during the mid-March pay period. If an establishment did not report paid employees in the mid-March pay period but did pay wages to an employee during the year, that establishment is counted in the 1-4 size group.

A company may consist of more than one establishment; therefore, a company and an establishment are not synonymous.

Since 1998, the Business Patterns data have been tabulated according to the North American Industry Classification System (NAICS). The NAICS groups establishments into industries based on each establishment's primary activities. In 2002, the NAICS codes were updated, and the updated codes were first incorporated with the 2003 data. Changes to the 1997 NAICS were primarily in the Construction, Wholesale Trade, Retail Trade, and Information sectors. For more information about the changes to the NAICS between the 1997 and 2002 codes, see <http://www.census.gov/epcd/naics02/>.

Business Patterns data do not include the following NAICS industries: crop and animal production; rail transportation; Postal Service; pension, health, welfare and vacation funds; trusts, estates, and agency accounts; private households; and public administration.

While Business Patterns data exclude most government establishments, the following government establishments are included: government sponsored wholesale liquor establishments; retail liquor stores; book publishers; federally-chartered savings institutions; federally-chartered credit unions; and hospitals.

## II. Precautions and Information regarding use of data

Since Business Patterns data do not cover all industrial sectors or all types of economic activity, as described above, total employment numbers may differ from those obtained from other sources.

Following U.S. Code (Title 13, Section 9), the U.S. Census Bureau does not publish any data that would disclose information about an individual employer. Since the number of establishments by industry type and the number of establishments by number of employees are not regarded as disclosures, that information is released.

Business Patterns data are originally aggregated to the level of the USPS ZIP Code. On occasion, the USPS does modify ZIP Codes, which makes comparisons over time problematic. Caution should be used when comparing these indicators for different years. Because ZIP Codes are postal routes and not official geographic boundaries, data are not reported for ZIP Codes in NEO CANDO.

The Business Patterns data in NEO CANDO are available at the geographic level of the County or the Zip Code Tabulation Area (ZCTA). ZCTAs are a geographic area developed by the U.S. Census Bureau. They are built by aggregating census blocks, and they represent generalized U.S. Postal Service (USPS) Zip Code service areas. Most of the time, the ZCTA boundary and the USPS ZIP Code service area are the same; though this is not always the case. For more information about the ZCTAs, see <http://www.census.gov/geo/ZCTA/zctafaq.html#Q16>.

### III. Data source and suggested citation

**Source of Business Patterns Data:** DataPlace - The Urban Institute, 1998-2003; U.S. Bureau of the Census, 2004-.

**Update Schedule:** Annually

**Years Available:** Earliest year available -- 1998

**Geographic Coverage:** 8 County Cleveland-Akron Consolidated Metropolitan Statistical Area (CMSA), which includes Ashtabula, Cuyahoga, Geauga, Lake, Lorain, Medina, Portage and Summit Counties, and the following counties: Ashland, Columbiana, Erie, Huron, Mahoning, Richland, Stark, Trumbull and Wayne Counties

**Suggested Citation:** NEO CANDO system, Center on Urban Poverty and Community Development, MSASS, Case Western Reserve University (<http://neocando.case.edu>)

### IV. Links to related web sites

[Bureau of Labor Statistics Current Employment Statistics](#)

[Business Patterns Data](#)

[North American Industry Classification System](#)

[Ohio Labor Market Information](#)