**North American Industrial Classification System  
Variable Name = NAICS**

In 1997, the Office of Management and Budget (OMB) adopted the North American Industrial Classification System (NAICS), a system for classifying establishments by type of economic activity, to replace the 1987 Standard Industrial Classification (SIC) codes.

It is constructed wihtin a single production-oriented or supply-based conceptual framework and provides comparability in statistics about business activity acros North America. The inital introduction of NAICS for Compustat (North America) will be at the primary company level.

NAICS codes are available on the following Compustat files: Industrial Annual (PST,FC,Research,Canadian); Industry Quarterly (PST,FC, Research, Canadian); Utility Annual; U.S PDE; and Canadian PDE.

NAICS is a hierarchical structure and can consist of up to six digits/levels. The first two digits of the structure designate the NAICS sectors that represent general catagories of economic activity. The third digit designates the subsector, the fourth digit designates the industry group, the fifth digit designates the NAICS indusry, and the sixth digit designates the national industry.

The Reference File contains the NAICS code and the textual descriptions. This field contains up to a six-digit NAICS number. The NAICS code assigned to a particular company may consist of a general category sector (for example, 51); including a subsector (for example, 514), or provide the most detailed information by including the national industry figure (for example, 514191).

NAICS is also a classification for establishments (a statistical unit defined as the smallest operating entity for which records provide information on the cost of resources employed to produce the units of output). For the United States, the establishment is usually a single physical location, where business is conducted or where services or industrial operations are performed.

Exceptions to the single location exist for physically dispersed operations, such as construction, transportation, and commmunications. For these industries, such disperse activities are not normally considered establishments. When an establishment is engaged in more that one activity, its industry code is assigned based on the principal product or group of products or services the establishment renders.

For more information about the North American Industrial Classification System and the industry classifications, please visit the U.S. Government Bureau website at   
<http://www.census.gov/epcd/www/naics.html>

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**Industry Code  
Variable Name = DNUM**

It identifies the line of business best representative of the company as a whole. It consists of a 4-character numeric code (Standard Industrial Classification code).

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<https://www.osha.gov/pls/imis/sicsearch.html>