



# SIC to NAICS Implementation

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## Background

- No required change to business practice
  - No required change to AFS Input
  - Little, if any change to AFS retrievals
- SIC system is being retired and replaced by NAICS (pronounced "nakes")
- Provides a better way to classify individual businesses
- Will be widely used by the government and business

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## **Background (*continued*)**

- Developed jointly by the United States, Canada & Mexico
- NAICS United States was first published in mid-1998
- NAICS will be updated every 5 years
- 358 new industries

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## **NAICS Numbering System**

- Numeric codes completely different from SIC codes
- Provides for 5 levels of classifications
  - Up from four in SIC
- Maximum of 6 digits
  - up from four in SIC
- 6th digit may be used differently in United States, Canada and Mexico

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## Example of NAICS Numbering System - 513321

- 51.....First 2 digits – Sector
- 513.....Third digit - Sub sector
- 5133.....Fourth digit - Industry group
- 51332.....Fifth digit - NAICS Industry
- 513321.....Sixth digit - US Industry

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## Implementation in AFS Database changes

- New 6-digit alpha field on AFS Plant general
- New reference table called afss-table-naics
  - Assumes a 1 to many relationship for SIC to NAICS
  - Used to validate user specified NAICS codes
  - Contains equivalent SIC codes for each NAICS code used for cross reference retrieval capability

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## **Implementation in AFS On-line Update**

- New NAICS field will be added to Plant general screen 300
  - Close proximity to SIC codes
- Either Primary SIC or NAICS code will be required to add a facility
- Both will be allowed if desired

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## **Implementation in AFS Batch Update**

- New NAICS field will be added to Plant general transaction 10, sequence 4, columns 57-62
- Either Primary SIC or NAICS code will be required to add a facility
- Both will be allowed if desired

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## Implementation in AFS Browse

- New NAICS field will be added to Plant general browse screen 500
  - Close proximity to SIC codes
- Public data with read access granted to all users
- Short description will appear on browse screen

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## Implementation in AFS 3 new Ad-Hoc acronyms

- 1) **NAIC\*** (NAICS code)
  - User specifies a NAICS code
  - Retrieves all plants with specified NAICS code on plant general
  - No cross reference

\* acronym is subject to change

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## **Implementation in AFS**

### **3 new Ad-Hoc acronyms**

#### **2) NSIC \* (NAICS/SIC)**

- User specifies a NAICS code
- Retrieves all plants with specified NAICS code & all plants with equivalent SIC code
- IF both are present, NAICS takes priority for output

\* acronym is subject to change

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## **Implementation in AFS**

### **3 new Ad-Hoc acronyms**

#### **3) SICN\* (SIC/NAICS)**

- User specifies an SIC code
- Retrieves all plants with specified SIC code & all plants with equivalent NAICS codes
- IF both are present, SIC takes priority for output

\* acronym is subject to change

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## **Implementation in AFS Fixed Format 627 report**

- NAICS field will be added to output in close proximity to SIC code
- Enhanced selection criteria screen to include NAICS code as selection
- Will use SIC/NAICS equivalents for retrievals

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## **Implementation in AFS Fixed Format 654 report**

- NAICS field will be added to transaction 10, sequence 4, columns 57-62
- Enhanced selection criteria screen to include NAICS code as selection
- Will use SIC/NAICS equivalents for retrievals

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## **Implementation in AFS New Fixed Format**

- Reports discrepancies between SIC and NAICS codes if both are assigned to a plant

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## **Implementation in AFS Utilities**

- Plant association, archive and de-archive utilities will be modified to include NAICS code

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# Implementation Universal Interface



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## New Data Element Added

An additional field will be added to the Facility data record and will appear on the input format the end of the import record.

This field will be optional, and agencies who choose not to use the new field in the UI will not need to make any adjustments to their extract formats.



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## New Table

A new cross-reference table of NAICS values and corresponding SIC codes will be added to the family of tables maintained in the UI.

This will be browse-accessible, as are the other UI cross-reference tables.



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## Table Maintenance Changes

NAICS codes will be populated from a text file produced by the census bureau.

The text file will be loaded into the UI similarly as is done for tables extracted from AFS.

The Table Maintenance Load *utility* function will be added to allow future updates. (2002 update expected)



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## Validation Changes



- Either a SIC or a NAICS code must be supplied. Submitting both is allowed, but submitting only one or the other is recommended.

- if NAICS is provided:

When the data validation is run, the value is verified to exist against the 6-digit codes in the cross-reference table.

- If the NAICS code is not valid, an error message will be written to the validation report.

- If valid, and a SIC code was also provided but they don't coincide, a warning message will be generated.

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## Browse Changes



The new NAICS field will be added to the Facility Detail Browse screen.

This screen only shows data that was imported into the UI. The description is displayed from the cross-reference table.

So if the NAICS code was not imported, it will remain blank.

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## Export Changes

At the time transactions are exported from the UI, NAICS values will be included on the appropriate plant general (10-4) transaction only if they were imported.



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## FAQ's

- 1) Will there be a cut-off date for input of SIC codes in AFS?  
*No cut-off date has been set. An ICR would be required for a stop date.*
- 2) Will existing AFS plants be initially populated with NAICS codes?  
*No. Rather than EPA updating state owned fields, AFS retrieval software will support cross-walk retrievals.*
- 3) When will the NAICS enhancement be available?  
*Work has begun. We expect to implement this enhancement in AFS this fiscal year.*

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