

Appendices: MORE DATA ON CONCENTRATION RATIOS

Table A-1: Standard and Trade-Adjusted Four-Firm Concentration-Ratios in Manufacturing

Category	<u>Weighted four-firm, four-digit concentration-ratios</u>							
	<u>Domestic</u>				<u>Trade-adjusted</u>			
20 Food, kindred products	35.0%	36.1%	40.2%	48.0%	33.8%	34.6%	38.6%	45.9%
21 Tobacco products	76.0	80.5	85.0	91.8	75.9	80.0	83.9	91.1
22 Textile mill products	32.0	32.2	35.7	36.0	30.3	30.4	33.2	31.5
23 Apparel, related products	16.0	22.5	23.7	29.6	15.7	21.1	20.7	21.2
24 Lumber, wood products	20.1	21.2	20.7	19.4	18.8	19.4	19.4	17.8
25 Furniture, fixtures	18.8	19.2	22.7	29.3	18.7	18.7	21.5	26.1
26 Paper, allied products	30.7	31.5	31.9	37.9	28.8	30.0	30.3	35.7
27 Printing, publishing	21.6	23.2	23.9	28.0	21.4	22.9	23.7	27.5
28 Chemicals, allied products	44.8	39.9	37.3	37.4	44.1	38.5	35.7	34.5
29 Petroleum, coal products	33.6	31.6	28.4	30.7	32.2	29.4	26.4	28.3
30 Rubber, misc. plastic products	33.1	30.3	20.2	16.3	32.7	28.5	18.4	13.9
31 Leather, leather products	31.5	29.2	31.0	42.5	29.8	23.5	20.4	19.6
32 Stone, glass, clay products	39.6	38.4	38.4	37.9	38.4	36.3	35.7	33.7
33 Primary metal industries	45.5	42.7	38.3	36.9	43.4	39.1	32.9	31.9
34 Fabricated metal products	30.5	29.9	25.8	24.1	30.2	29.2	24.7	22.4
35 Machinery (except electrical)	35.4	36.3	32.6	33.2	34.7	34.4	29.9	26.4
36 Electrical, electronic equipment	49.6	50.2	41.8	42.5	48.9	47.1	37.2	33.9
37 Transportation equipment	64.3	67.9	64.6	66.9	63.4	61.6	56.5	55.6
38 Instruments, related products	48.5	52.8	47.4	38.7	46.8	49.6	42.9	32.3
39 Miscellaneous products	32.6	28.2	30.0	29.3	30.7	25.1	24.5	20.6
<u>Total weighted averages</u>								
Current year value-added weights	40.1	39.7	37.7	39.9	39.1	37.3	34.6	35.0
1972 value-added weights	39.7	39.7	38.2	39.8	38.8	37.3	34.6	34.4

Notes: The weights are value-added and, for the 1972 constant weights, are applied to the weighted three-digit concentration ratios. Data on 8 firm concentration ratios are in Appendix Table A-1. The trade data come from Robert Feenstra, "Imports and Exports by SIC Category, 1958-1994" [www.nber.org/data_index.html]. Domestic concentration ratios are for the U.S. as a whole and are drawn from various editions of the Department of Commerce, Census Bureau, Census of Manufactures, and represent four-firm, four-digit ratios for the various industrial branches. The method of estimating the trade-adjusted concentration ratios is discussed in the text.

Table A-2: Standard and-Trade Adjusted Eight-Firm Concentration Ratios in Manufacturing

SIC Category	<u>Weighted eight-firm, four-digit concentration ratios</u>							
	<u>Domestic</u>				<u>Trade adjusted</u>			
20 Food, kindred products	46.7%	48.8%	53.0%	60.7%	45.2%	46.9%	50.9%	58.1%
21 Tobacco products	96.6	97.5	99.3	98.7	96.5	97.0	98.1	97.9
22 Textile mill products	44.9	45.5	49.9	51.8	42.7	42.9	46.5	45.3
23 Apparel, related products	23.3	31.5	33.2	41.1	22.8	29.5	29.0	29.3
24 Lumber, wood products	27.1	28.6	28.9	27.6	25.4	26.2	27.1	25.4
25 Furniture, fixtures	26.5	28.7	32.2	39.7	26.3	28.0	30.4	35.3
26 Paper, allied products	46.5	46.7	48.1	55.0	43.5	44.3	45.5	51.5
27 Printing, publishing	31.2	33.9	34.8	39.7	31.1	33.6	34.5	39.1
28 Chemicals, allied products	58.7	55.2	52.9	52.1	57.7	53.3	50.6	48.1
29 Petroleum, coal products	54.7	54.8	47.6	48.7	52.3	50.9	44.2	44.9
30 Rubber, misc plastic products	43.5	39.3	27.3	22.5	42.9	37.1	24.8	19.2
31 Leather, leather products	43.8	41.5	43.8	58.7	41.4	33.4	28.9	27.4
32 Stone, class, clay products	51.4	51.2	51.1	49.8	49.9	48.5	47.6	44.4
33 Primary metal industries	62.4	59.5	54.2	53.0	59.6	54.5	46.6	45.9
34 Fabricated metal products	38.7	38.5	34.6	32.0	38.4	37.6	33.2	29.8
35 Machinery (except electrical)	47.6	48.2	43.6	41.7	46.7	45.6	40.1	33.4
36 Electrical, electronic equipment	63.4	63.4	54.8	55.9	62.5	59.3	48.8	44.7
37 Transportation equipment	77.7	79.9	77.0	78.2	76.6	72.8	67.8	65.3
38 Instruments, related products	62.1	65.3	59.5	49.7	60.0	61.3	54.0	41.6
39 Miscellaneous products	42.7	38.6	41.2	39.7	40.2	34.4	33.5	27.8
Current year value-added weights	52.6	52.1	50.1	51.8	51.3	49.0	46.1	45.5
1972 value-added weights	51.9	52.1	50.6	52.0	50.6	49.0	46.0	45.0

Notes: Sources and notes are given in the notes to Table A-1.

Table A-3: National Four-Digit Concentration Ratios in Domestic Trade

SIC Category	<u>Weighted four-digit concentration ratios</u>						
	<u>Four-firm</u>			<u>Eight-firm</u>			
	1972	1982	1992	1972	1982	1992	
<u>All wholesale trade:</u>							
50	Durable goods	25.7%	21.9%	21.5%	31.7%	28.3%	27.9%
51	Non-durable goods	18.1	17.8	20.7	25.9	26.0	29.0
Total weighted averages							
	Current payroll weights	22.5	20.3	21.2	29.3	27.4	28.4
	1972 payroll weights	22.5	20.1	19.4	29.3	27.2	26.4
<u>All retail trade</u>							
52	Building materials, garden supplies	7.3	10.6	20.3	9.4	14.9	26.9
53	Department stores, general merchandise	39.0	42.1	53.8	51.6	56.7	71.5
54	Food stores	16.8	15.8	15.6	23.2	23.1	24.3
55 ex 554	Automotive	3.2	3.8	3.7	3.9	4.8	5.7
554	Gasoline service stations	3.7	6.4	7.2	5.3	10.3	11.7
56	Apparel, accessory stores	13.3	20.1	31.5	18.3	27.5	41.9
57	Furniture, house-furnishing stores	7.4	9.6	17.9	10.3	12.8	23.5
58	Eating, drinking places	3.2	5.1	8.1	4.9	8.4	11.5
59 ex 591	Miscellaneous retail stores	14.4	15.1	18.1	18.4	19.6	23.0
591	Drug and proprietary stores	10.9	18.7	24.7	17.0	30.2	39.6
Total weighted averages							
	Current payroll weights	13.8	14.4	17.9	18.5	20.3	24.9
	1972 payroll weights	13.8	15.8	20.3	18.5	22.0	28.1

Note: Wholesale trade includes merchants, manufacturing sales, and agents. The 1972 retail trade data are sparse and required a number of estimations. Value-added weights are not available, so total payroll is used instead. For the totals for retail trade two-digit, rather than three-digit weights are used because the 1972 data are so uncertain. The data come from various editions of the Department of Commerce, Census Bureau, Census of Wholesale Trade and Census of Retail Trade.

Table A-4: National Concentration Ratios in Selected Services Subject to Federal Tax

SIC Category	<u>Weighted four-digit concentration ratios</u>						
	<u>Four-firm</u>			<u>Eight-firm</u>			
	1972	1982	1992	1972	1982	1992	
<u>Selected services subject to federal tax</u>							
70	Hotels, rooming houses, camps, other	11.7%	13.9%	17.0%	15.9%	20.8%	22.7%
72	Personal services	7.3	11.5	14.5	10.7	17.0	18.4
73	Business services	24.1	19.5	17.0	32.6	29.0	23.2
75	Automobile repair, services, parking	12.1	12.3	13.5	14.2	15.4	17.8
76	Miscellaneous repair services	9.7	11.0	13.7	11.2	13.4	17.2
78, 79	Amusement, recreation services	15.8	17.5	20.9	23.2	26.4	27.8
81	Legal services	0.7	0.9	1.4	1.3	1.7	2.4
87	Com. engineering, accounting, research	6.2	15.2	14.1	9.6	22.6	20.3
Total weighted averages							
Current payroll weights		14.4	14.7	14.2	19.7	21.7	19.5
1972 payroll weights		14.4	15.0	15.3	19.7	22.1	20.6

Notes: Value-added weights were not available, so total payroll weights are used instead. For the totals, two-digit, rather than three-digit weights are used because both 1972 and 1982 data are sparse and many estimates had to be made. The omitted sectors generally have a large governmental or nonprofit sector not subjected to the federal income tax. These sectors include SIC 80 (health services), 82 (education), 83 (social services), 86 (associations), 88 (private household services), and 89 (other services). The data come from various editions of the Department of Commerce, Census Bureau, Census of Service Industries.

Table A-5: National Concentration Ratios in Other Sectors in 1992

		<u>Weighted four-digit ratios</u>	
		SIC	
<u>Transportation, communication, public utilities</u>			
40	Railroad transportation	-	-
41	Other surface passenger transportation	17.8%	23.5%
42	Motor freight transportation, warehousing	19.3	25.6
43	Postal service	-	-
44	Water transportation	34.2	44.8
45	Air transportation	66.4	90.1
46	Pipelines, except natural gas	60.0	79.2
47	Transportation services	16.3	22.1
48	Communications	45.0	66.2
49	Electric, gas, sanitary services	25.5	38.7
Total		47.0	68.4
<u>Finance, insurance, and real estate</u>			
60	Depository institutions	18.4	26.6
61	Non-depository credit institutions	28.6	38.1
62	Credit and commodity brokers, dealers, exchange	28.0	40.3
63	Insurance carriers	25.5	36.2
64	Insurance agents, brokers, services	8.3	12.6
65	Real estate	6.6	9.0
67	Holding and other investment offices	13.6	20.9
Total		19.8	28.2

Notes: In both sectors the weights are total payrolls. For depository institutions difficulties arise in defining four-digit industries because of the interchangeability of services provided by various types of such institutions. The data come from Department of Commerce, Bureau of the Census, Census of Transportation, Communications, and Utilities 1992 and Census of Financial, Insurance, and Real Estate Industries, 1992, supplemented for the air transportation industry by estimates drawn from data in Darnay and Reddy [1995]. Data in other years are not available.