

industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. The hierarchical structure also follows the production concept.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the NAICS 4-digit industry level of the NAICS structure with the exception of Casino Hotels, which will be published only in the United States. All countries agree on the detailed definitions of the industries.

The classification improves comparability with other countries. The grouping of the Accommodations Subsector with the Foodservices and Drinking Places Subsector achieves comparability with the International Standard Industrial Classification of All Economic Activities (ISIC, Revision 3) of the United Nations at the 2-digit level, with the exception of doughnut shops which are included in the Foodservices and Drinking Places Subsector in NAICS and in the Manufacturing Division in ISIC. This means that the NAICS classification is the same as, or part of, a single ISIC 2-digit Division.

Other objectives of the NAICS project have also been met. New industries for different types of restaurants have been designated. These classifications reflect changes in the industry that have occurred in the past but have never been identified in the classification system.

In addition to the above objectives of the NAICS project, the classification meets the objectives of an industry classification. The industries are homogeneous and they are economically significant. Finally, disruptions to time series at the NAICS industry level have been kept to a minimum. In the United States, the major changes to existing classifications at the country level establish additional detail in the industry group, which can readily be linked to construct time series.

### **Foodservices and Drinking Places**

#### *Limitations of the Classification*

There are some limitations to the draft foodservices and drinking places hierarchy. A number of related industries that provide foodservices as a secondary activity are not included. These are such activities as dinner theaters, dinner cruises, and fraternal organizations that provide foodservices to their members. These activities are not included in this industry subsector

but will be classified in other service related industry subsectors based on their primary activity.

#### *Constraints on the NAICS Classification*

A number of industries that can appropriately be defined in terms of production distinctions could not be published in all countries because of considerations of size and confidentiality. In addition, the way activities are combined in establishments differs to some extent in the different countries. It is anticipated that each country will publish additional categories that comprise subdivisions of NAICS industries, to present data for activities that are nationally significant.

#### *A General Outline*

The foodservices and drinking places grouping of industries is defined to include establishments that are primarily engaged in preparing meals, snacks, and beverages to customer order for immediate consumption, primarily on the premises. Within the subsector Food Services and Drinking Places, the industry groups (Full-Service Restaurants; Limited-Service Eating Places; Special Foodservices; and Bars, Taverns, and Other Drinking Places) reflect the level of service provided. The NAICS industries are described below.

Full-Service Restaurants provide a complete menu of full meals and full waiter/waitress service.

Limited-Service Eating Places provide a limited menu, limited waiter/waitress service, or both. This group is separated into limited-service restaurants and cafeterias. Limited-Service includes fast food and take out, plus cafeterias which are distinguished based on the cafeteria-style serving equipment. Refreshment places include doughnut shops, pretzel shops, cookie shops, coffee shops, and other such locations that primarily prepare and provide a single-item menu of food and drink for immediate consumption. Establishments that primarily resell food and drink prepared elsewhere, and that do not provide an eating place, are classified in retail trade.

Special Foodservices provide foodservices under special conditions. The group distinguishes Foodservice Contractors, Caterers, and Mobile Caterers. Foodservice Contractors operate under a long term contract to provide foodservices primarily in institutional, office, or industrial locations. Caterers provide event-based foodservice for both households (weddings, etc.) and industrial accounts (trade shows, etc.). Mobile Caterers are distinguished based on the use of a

specialized vehicle and mobile service. Food carts that prepare foods rather than merely selling food prepared elsewhere are classified in this industry.

Bars, Taverns, and Other Drinking Places (Alcoholic Beverages) are distinguished based on the use of special equipment, training and skills in the preparation and serving of alcoholic beverages.

#### *Some Changes to National Classification*

This section highlights some of the significant changes to existing national industry classifications. For foodservices, all countries have had separate industries based on food versus alcoholic beverages; however, this draft proposes new detail for the U.S. and a redefinition of many of the industries for both Canada and Mexico.

For Canada, this draft regroups the activities included in CSIC 9211, 9212, and 9213. Full-Service includes some of the operations that are currently in CSIC 9211 and 9212. The remaining establishments in these industries, namely those providing limited service are combined with the establishments in CSIC 9213 to form the Limited-Service Eating Places industry of NAICS. New detail for foodservices contractors, caterers, and mobile caterers has been established from within CSIC 9214.

For Mexico, parts of CMAP 931011 (all but cafeterias, dining cars, and vending machines), 931013, and 931015 are combined in the full-service classification. CMAP 931012 (except industrial cafeterias), 931014, and 931015 make up the new Limited-Service Eating Place industry group.

For the United States, USIC 5812 is split into separate detail for full-service, limited-service, and special services restaurants with additional U.S. detail for special services including foodservice contractors, caterers, and mobile caterers, a total of six new industries.

### **Accommodations**

#### *Limitations and Constraints of the NAICS Classification*

There are some limitations to the draft accommodations structure. Accommodation establishments, especially hotels and motels, provide many services other than lodging. For example, many establishments have restaurants. Others have recreational facilities. Small establishments with very limited lodging facilities may offer no amenities at all. Hotels and motels are accordingly not homogeneous with respect to the services they provide. Moreover, this is by far the largest